ONE STOP LOGISTICS SINCE 1948

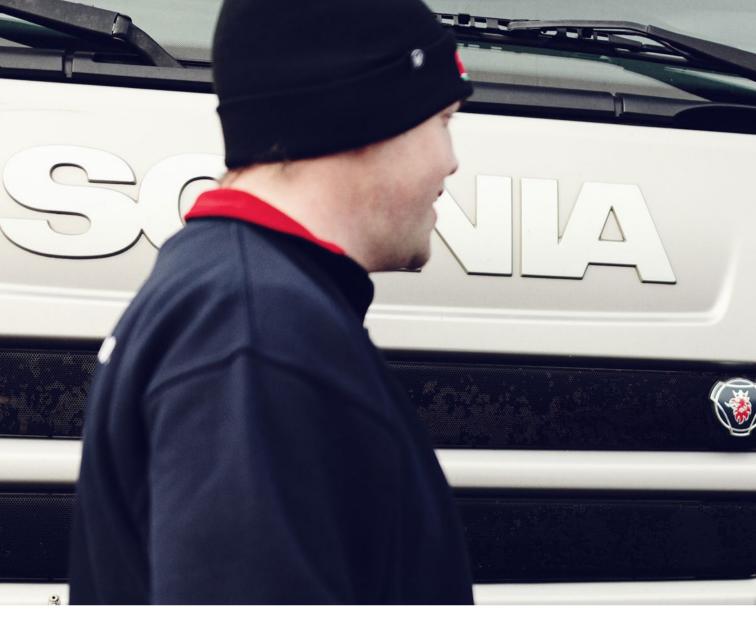






The history of the company goes back to 1948, when Frode Laursen started his haulage business in Vitten, Jutland, with a single truck. Now, 75 years later, the company has grown to become a large international logistics business.





Frode Laursen

A family-owned company with strong values

On 1 December 1948, Frode Laursen started his business in Vitten near Aarhus with a single truck. Today, about 75 years later, Frode Laursen has grown from a local haulage business into an international logistics company with activities throughout the Nordics and much of Europe. Frode Laursen has always been a family-owned company. Frode Laursen owned the company until his death in 1980, when his son, Niels Laursen, took it over and ran the business until 1989, when it was acquired by Thorkil Andersen. The strength and quality that the company has continually demonstrated over the years can be attributed to its origins as a family-owned business. Apart from enabling Frode Laursen to act decisively when necessary, the family ownership has given it a solid ballast and values that go all the way back to when Frode was at the wheel. Values which are basically about being attentive and orderly. At Frode Laursen, we are close to our employees and our customers, and it goes without saying that one behaves properly – not just towards employees and customers, but also towards business partners and the local communities in which we operate.

Even though we are now a large business, it is still important for us to acknowledge the key role played by our employees.

Our business is based on our employees' extensive knowledge and experience, and we expect everyone



who works here – at whatever level – to act responsibly, to work together and to go the extra mile as a matter of course. In return, we offer freedom, responsibility and respect – and we basically look at what you can do rather than your educational background.

Our organisational structure is flat and informal, and our management is close to what is happening on the ground, and acknowledges and listens to those in the know. This fosters a high degree of professional pride among everyone in the organisation.

Another of our key strengths is recognising that we can always be better. Ours is a company for people who enjoy continual optimisation, and who love competition, not only with others but also with themselves.

Insisting on always doing things a little bit better also makes us a good partner for our customers. Both in terms of development, process optimisation and the green transition. In this brochure, you will be able to learn more about who we are and what Frode Laursen stands for.



Enjoy the read! Best wishes, Thomas Corneliussen Group CEO

An enterprising businessman from Vitten







The story of Frode Laursen is the classic tale of a shrewd businessman whose business acumen, hard work and considerable drive created the foundation for the international logistics company we know today.

Frode Laursen established his haulage firm in 1948 with a single vehicle. Slowly but steadily, the business grew, and by the mid-1960s Frode Laursen had 16 employees and 13 trucks.

The foundation for one of Frode Laursen's biggest business areas today – fast-moving consumer goods (FMCG) – was laid in the early 1970s, when Frode Laursen started transporting goods for the supermarket group Dansk Supermarked and the ice cream producer Frisko. At the same time, Frode established the first warehouses where customers share the storage space. By the end of the 1970s, Frode Laursen had grown into a large haulage business with annual revenues of approx. DKK 100 million, but it was also on the verge of entering a challenging period with falling haulage rates and a somewhat more difficult transport market. Matters were not made easier by the sudden death of Frode Laursen in 1980, which was followed by his son Niels taking over the ownership and management. In the course of the 1980s, the problems with falling prices, losses and increased competition escalate, and in 1988 Niels Laursen brought Thorkil Andersen on board as a co-owner of Frode Laursen. The following year, Thorkil Andersen acquired all the shares in the company.

It all started with transporting horses and cattle (1) from the little yellow house in Vitten (2) in 1948. The fleet grew steadily (3), and during the 1960s Frode Laursen also started operating outside Denmark (4).







6 History of Frode Laursen

During the 1980s and 1990s, warehouses were established in both Vitten in Jutland and in Tølløse on Zealand (1, 4), and Frode Laursen also established the first of its main logistics centres in Hørning and Jyderup. When Thorkil Andersen became co-director in 1988, he immediately started to streamline the company, and closed, for example, the Renault truck dealership (2). Later, he also discontinued the furniture removals business and reduced the size of the fleet. However, Thorkil Andersen upheld Frode Laursen's value of having a strong focus on the company's employees, and Frode Laursen has always been on good terms with the trade unions (3). In 1997, Frode Laursen was nominated Workplace of the Year by the Danish General Workers' Union (SID).





From local to international

Thorkil Andersen is the son of a haulier, has driven Danish exports, and was employed as a holiday relief driver at Frode Laursen while studying at Aarhus School of Business. After completing his studies, he was employed in the company from 1984 to 1986, working with operations and finance. After that, he worked as a business consultant for a couple of years, but returned to Frode Laursen when he was offered a stake in the company. At the time of becoming sole owner in 1989, Thorkil acquired a company that had been brought to its knees, and he immediately started to pull the business back into shape. The rescue plan was called 'focusing and streamlining, and Thorkil started by reducing the truck fleet from 270 to 60 vehicles and the number of employees from 185 to 168. After that, the company shifted all its focus to the distribution of consumer goods, warehouses and international transport. The strategy paid off. In just a year, a loss was transformed into a profit – and Frode Laursen has returned a profit each year ever since. With Thorkil at the wheel, the company set a forward-looking course, and in the 1990s developed from being a local haulage company into one offering its customers international 3PL solutions: from factory to warehouse to shop.









Responsible logistics in northern Europe

In 2005, Frode Laursen opened its first new logistics centre outside Denmark, in Angered near Gothenburg in Sweden. A few years later, another logistics centre was built in Åstorp near Helsingborg in Sweden, and the subsidiary FL Polska was established to handle international transport assignments. But, the establishment of the Polish company caused some upset because the Danish drivers were concerned about losing their jobs. However, Frode Laursen felt that this was a necessary step in order to be able to compete with foreign companies for the international jobs, and it subsequently proved to be the right course of action as there was enough work for both the Danish and Polish drivers in the company.

In 2010, Frode Laursen established operations south of the Danish border in Germany. Nielsen & Sørensen in Flensburg was acquired, and with it not only a warehouse and 200 jobs, but also a leading position within recycling. Frode Laursen's latest expansion took place in 2018 with the opening of a 30,000-square-metre warehouse just outside Helsinki in Finland.



Strengthening the core business

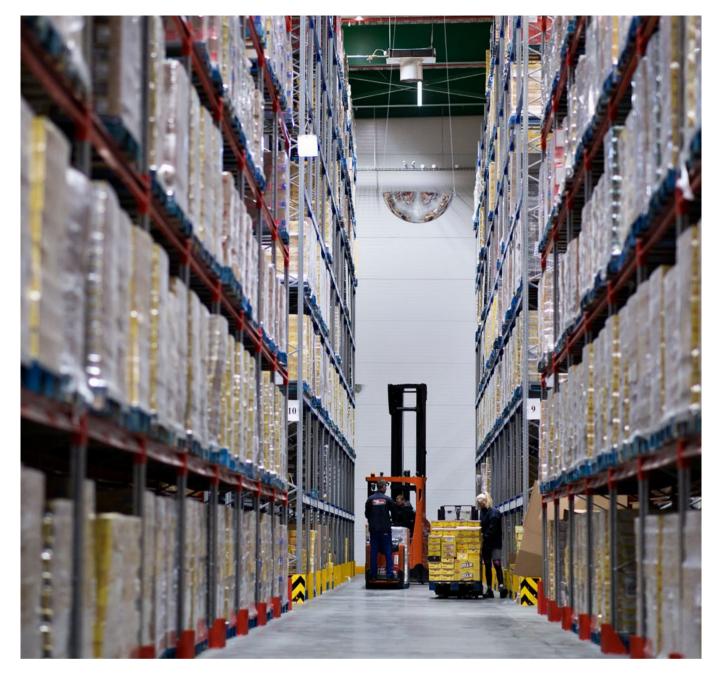
While expanding its business geographically, Frode Laursen was also bolstering its core business through the acquisition or co-ownership of other companies. In 2000, it acquired the field insights and marketing company IN-STORE, and the following year acquired a 50% stake in Skanol, which specialises in the transportation of hazardous goods. Finally, Frode Laursen became a co-owner of Agri-Norcold cold stores in 2012.

On 1 April 2021, Thorkil stepped down as CEO to become chairman of the Board of Directors of Frode Laursen. The new CEO was Thomas Corneliussen, who by then had been director of Frode Laursen for four years, and before that CEO of Skanol for 12 years. The choice of Thomas therefore ensures a CEO with an in-depth understanding of Frode Laursen's strategy, culture and business, which today involves more than 640,000 square metres of logistics centres, more than 700 vehicles and approx. 1,800 employees in Denmark, Sweden, Finland, Germany and Poland.





SER.



FMCG logistics

With customers counting some of the largest multinational manufacturers and Nordic retail chains, Frode Laursen is one of the leading Nordic suppliers of logistics solutions for the fast-moving consumer goods (FMCG) market. We possess extensive experience within this field, and with our 3PL solution we guarantee the smooth delivery of goods from factory to warehouse and from there to the shops.

The goods are transported to the FMCG markets in Denmark, Sweden, Norway and Finland from factories throughout Europe. It all takes place via our logistics centres, which are strategically located throughout the Nordic region. And thanks to modern technology, we are able to monitor the entire value chain. By having a large number of customers under the same roof, we are able to make the best possible use of resources in connection with tasks such as optimum storage and handling, picking and repacking.

Our distribution system enables us to make overnight deliveries to the majority of consumers in the Nordics. We call at our FMCG wholesalers, catering wholesalers and supermarkets on a daily basis.

Our services cover the entire Nordic region, and our offices are manned around the clock, enabling us to offer the best possible service at all times. And we can track the goods until they arrive at the agreed destination by the agreed time.

Warehousing

Our logistics centres are located close to the main logistics hubs in the Nordics, and with more than 640,000 square metres of warehouse facilities at our disposal, we are one of the leading suppliers of temperature-controlled FMCG storage solutions.

Our inventory management takes place using advanced warehouse management systems (WMS). The systems guarantee full traceability of both whole pallets and repacked displays, and provide real-time images of current warehouse stock. Moreover, our logistics centres have a comprehensive control programme to ensure compliance with the quality and safety standards required by both the authorities and consumers.

Co-pack

Factory specialisation and a growing focus on large-scale operations is incompatible with shops needing products to be available frequently and in small quantities. Therefore, all Frode Laursen's logistics centres offer product repacking and display assembly, making life easier for shop staff and enhancing product presentation for consumers. Our co-packing departments produce 4,000–6,000 quarter and half pallets and other displays a day.

In addition, we offer a wide range of services to help prepare products for sale in the shops, including:

- Assortment packing
- Co-packing
- Banding
- Shrink wrapping
- Application of product information, labelling etc.





Building materials

Frode Laursen delivers building materials from leading manufacturers directly to construction sites, wholesalers and DIY centres. We maintain close dialogue with end-users as well as our customers, for whom we often handle inventory control. We are responsible for maintaining agreed inventory levels, so that both customers and end-users enjoy rapid delivery times. Our Warehouse Management System (WMS) is at the heart of our inventory control. It enables us to use FMCG technology to create new, unique and often customised logistics solutions for the construction sector. This provides us with a real-time overview of inventories, and we maintain close contact with the factories to enable them to coordinate their production with inventory levels and the number of orders. We continually collec goods from the manufacturers and take them to our warehouses, while large orders are shipped as complete loads directly from manufacturers to end-users.

Tasks performed under building materials:

- Truck-mounted crane jobs
- Logistics set-up with logistics centre
- Transport of precast elements
- Dedicated distribution system

Recycling

With our specialist equipment and know-how, we complete the value chains for both FMCG and building materials by transporting special waste such as packaging material and plasterboard from recycling facilities in the Nordic region to large raw material producers throughout Europe. Most items are transported in modern walking floor trailers which are specially designed for handling recycling materials. We possess extensive experience in an area which in many countries requires specialist knowledge with regard to both transport and documentation. We also handle domestic transports as well as a rapidly growing number of biomass transports. In this way, we are helping to start the supply of new raw materials for the FMCG and building materials sectors, and in so doing we come full circle.



Denmark

Head office, workshop and terminal, Vitten. 27,000 m² Logistics centre, Hørning. 86,000 m² Warehouse, Vejle. 34,000 m² Terminal, Tølløse. 5,000 m² Logistics centre, Odense. 10,000 m² Workshop, Hedehusene. 300 m² Logistics centre, Jyderup. 120,000 m²

Poland

Office FL Polska, Stettin

Germany

Logistics centre, Wittenberger Weg, Flensburg. 25,000 m² **Logistics centre**, Husumer Strasse, Flensburg. 64,000 m² **Lager**, Handewitt, Flensburg. 34,000 m²

HQ

Sweden

Logistics centre, Åstorp. 166,000 m² **Logistics centre**, Angered. 27,000 m² **Logistics centre**, Stenkullen. 17,000 m²

Finland

Logistics centre, Kerava. 30,000 m²





Orderliness and responsibility

Sustainability is an integral part of Frode Laursen's business, and we want to make a difference in the world in which we operate. Based on the UN's 17 Sustainable Development Goals (SDGs), we have therefore defined the areas which are most relevant for our activities, and thus the areas where we are able to make the biggest difference.





SDG 8: Decent work and economic growth

We believe that everyone should be able to have a job. We want to offer secure and decent jobs to all our employees. At the same time, we want to make a positive difference in our local communities by recruiting, integrating and retaining employees, including those who would otherwise risk falling out of the labour market due to reduced work capacity or other reasons.

SDG 13: Climate action

We want to be part of the solution when it comes to addressing the global climate challenge. We are actively exploring new possibilities for reducing our carbon footprint. This applies to alternative fuels and our vehicles, and to new technologies which can contribute to reducing our CO₂ emissions. At the same time, employee behaviour is a key focus area, and we want our transport divisions and our logistics centres to be as efficient as possible in our efforts to reduce our climate impact.

More sustainable transport

Frode Laursen's biggest source of CO_2 emissions is our transport operations, and therefore we have been devoting considerable focus to how we can reduce our CO_2 emissions per tonne-km. As Frode Laursen owns much of the fleet it uses for transport and distribution, we have a unique opportunity to ensure that both the equipment and our drivers are able to perform 100%.

Our fleet complies with the latest Euro standards, and all our trucks can run on alternative fuels. Our diesel trucks can run on HVO biodiesel which, among other things, is produced from waste and reduces CO₂ emissions by up to 88%. In addition, we have a fleet of gas-powered trucks which can run on biogas.

If our customers want 'greener' transport, we can therefore deliver the right solutions. No matter where or what needs to be transported.

However, alternative fuels are not the only way of reducing our carbon footprint. The expertise of our drivers and freight forwarders also plays a big part when having to transport as efficiently as possible. We focus a lot on keeping idling to an absolute minimum and increasing the vehicle fill rates (VFR). At the same time, we have been coaching our drivers for several years in how to drive as energy-efficiently as possible. By doing so, it is possible to reduce fuel consumption by up to 10%.







Green Warehouse Vision

Even though transport is undoubtedly Frode Laursen's primary source of CO₂ emissions, we believe it is important to look at sustainability from every angle. Therefore, we have developed our 'Green Warehouse Vision', which sets high green standards for building work at Frode Laursen.

Our logistics centre in Eskilstuna west of Stockholm, which was completed in 2022, is the first building to have been constructed according to this standard. During the construction phase, there was therefore considerable focus on building materials, and we chose, among other things, to use recycled steel and to insulate the office building with ROCK-ZERO, which is twice as effective as ordinary insulation. In addition to focusing on sustainability during construction, we are also going to great lengths to reduce the energy consumption for running our logistics centres as much as possible. LED lighting, for example, has been installed in all the logistics centres, as well as heat pumps, which have proven to be more efficient than any other heating source.

We use 100% green electricity at all our locations, and we have also invested in pilot projects in connection with producing our own electricity. In both Sweden and Denmark, a total of 800 square metres of solar panels had been established at the end of 2022, and we are planning to install even more in the coming years.

Green building in Eskilstuna

- Steel panels with carbon-neutral insulation on the outer walls have been used instead of concrete elements.
- The building features a NOXOUT roof, which minimises air pollution by breaking down the so-called NO_x particles that are emitted from cars and trucks. The sun's UV radiation then converts the NO_x particles into nitrate, which is washed out when it rains.
- The roof is white rather than the usual black. Consequently, the roof does not heat up as much when the sun shines, reducing the warehouse's total energy consumption during the sunny, hot summer months.
- The building is insulated with carbon-neutral insulation.
- Moreover, the insulation is twice as effective as standard insulation.
- All beams and panels are made of recycled steel.
- A truck wash using rainwater has been established.
- Rainwater is recycled for toilets and cleaning.



Focus on resources

With a core value that states: "We use our resources wisely", everyone at Frode Laursen is well aware that we must recycle and save on resources whenever we can. Therefore, for several years we have focused on recycling and recovering waste and water, respectively.

Waste sorting

Of Frode Laursen's total waste, 95% is reused. We systematically sort our waste at all our logistics centres, and are constantly working to improve our waste sorting and recycling. Whereas most of the waste was previously reused via incineration, during the past few years we have managed to halve the proportion of waste being sent for incineration, while the amount of organic waste being sent to biogas plants has more than doubled. Today, most of our waste is thus used to produce biogas and recycled cardboard.

Water recycling

The majority of Frode Laursen's truck washes use rainwater which has been collected from the roof and recycled again and again because we use biological treatment to clean the dirty wastewater. In this way, we completely avoid having to use fresh drinking water to wash our trucks. In 2022, we had eco-friendly truck washes in Odense and Vitten in Denmark and in Stenkullen, Åstorp and Eskilstuna in Sweden, and more are being added all the time. In connection with the development of our Green Warehouse Vision, we started to look at where else we can recycle water. As a result, in Eskilstuna we are now using rainwater in our toilets and for cleaning.

Transparency and 100% traceability

Traceability is paramount for our customers. As one of the leading logistics companies within FMCG in the Nordic region, traceability is an important task for us. With the help of barcodes and our internal warehouse management and transport management systems, we are able to do more than just trace our customer's goods down to the individual pallet – we constantly monitor approx. 700,000 pallets and ensure that goods do not go out of date.

In addition, our own online customer portal – FL Analytics – gives all our customers the possibility of accessing a wide range of relevant data easily, ensuring transparency in the value chain.

"We've always supplied documentation, but in recent years we've seen a strong demand from our customers to make the processes more transparent and accessible. FL Analytics was launched in response to this demand," says Birgitte Enevoldsen, head of Business Controlling at Frode Laursen.

FL Analytics displays, among other things, delivery status and proof of delivery (POD) reports, i.e. data covering deliveries and shipments. Track & Trace has been implemented, as well as the possibility of viewing signed consignment notes. Moreover, customers also have direct access to online service reports and various other quality data, just as they can continually monitor and follow the carbon impact of their transports.



Automation to optimise processes

Process optimisation is part and parcel of our DNA at Frode Laursen, and here digitalisation and automation play a key role. We are regularly launching pilot projects aimed at testing the latest technology, and continually investing in automation and robotics that can improve flow at the logistics centres.

In terms of investments in automation, it is an irrevocable requirement that any such investment has to create value for our customers. Therefore, we are constantly analysing our processes to identify the potential in automation projects.

All automation projects at Frode Laursen thus have to meet three requirements:

- They must be reliable: We do not compromise on quality or robustness.
- They must make financial sense: It has to be a good business case.

• They must be flexible and able to handle peak situations: The solution must be designed and have the capacity for handling significant fluctuations in volume.

In recent years, we have invested in various robots and automation solutions at our logistics centres. In addition, we are continually testing new and existing technologies in different user scenarios to find out where and how we can benefit most from automation.

One of the most recent examples is at our logistics centre in Åstorp, where we are testing a system which, by means of cameras and artificial intelligence (AI), is ensuring a more efficient and precise stocktaking process. Here, we are expecting the new system to enable us to go from 100 scanned pallets an hour to about 3,000.





Employees and society

At Frode Laursen, we consider our employees and their knowledge and experience to be our most important resource, and it is important for us that all our employees are taken seriously and treated with respect. Training, diversity and the working environment are therefore key focus areas. A natural extension of Frode Laursen's employee focus is our commitment to the local communities in which we operate as well as to society at large.

In many cases, our logistics centres are one of the largest workplaces in the local area, and consequently we

have a duty to contribute to the local community. We work closely with the local authorities and politicians, and at most of our locations we have people in job testing, or we are involved in programmes that are designed to open a door to people on the edge of the job market. One example is our long-standing cooperation with the state-owned Samhall organisation in Sweden, while another is our collaboration with the job centres in the areas in which we have operations.

Martin was ready for early retirement – now he's a permanent employee

At our logistics centre in Jyderup, Denmark, we have been collaborating with the local municipalities for several years to help give vulnerable citizens a leg-up into the labour market. This is how Martin Jensen, 27, from Jyderup in north-west Zealand started at Frode Laursen:

"I suffer from PTSD and social anxiety, so I was due for early retirement, but through the municipality I came out here," says Martin, who now finds himself under the wings of team leader Karina Öztürk.

"Karina has been wonderful at talking to me and praising me. And then she spurred me into talking to other people," says Martin.

For the past eight years, Karina has looked after everyone who has done work aptitude training in Jyderup:

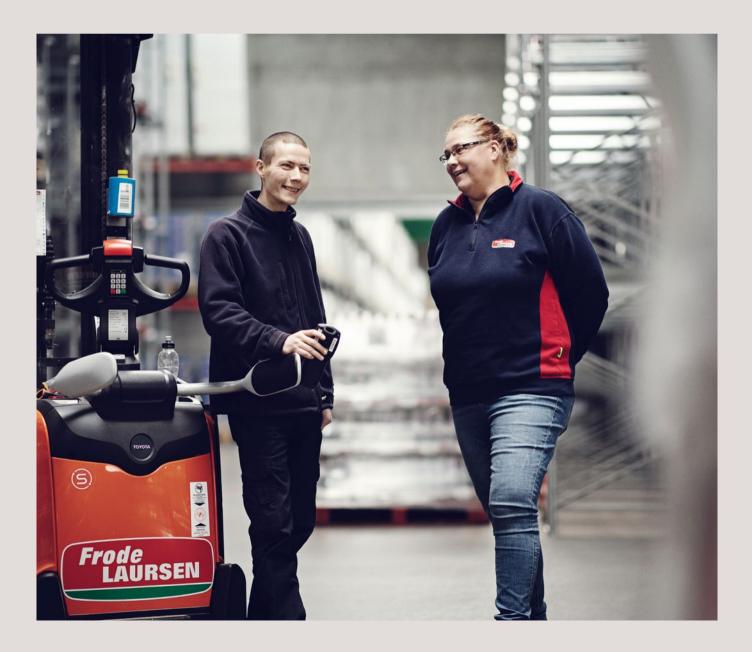
"I'm probably a mother, schoolteacher and psychologist all rolled into one. I'm matter-of-fact, but I'm also good at praising people, and I also think that I can take on quite a lot at any one time," says Karina, who knows exactly what she likes best about her job:

"The best thing is when a citizen is taken on permanently. It's probably happened about 10-12 times, and it feels fantastic on each occasion," she says.

One of those who has been able to swap work aptitude training with a permanent job is Martin, who after several months was offered permanent employment.

"It was great. It's made me feel much more self-confident, and I'm working hard, and it's largely down to Karina," says Martin, who is now also planning for the future:

"I enjoy what I'm doing, but I'm dreaming of becoming a truck driver."



People at Frode Laursen

Expertise and the individual person are important at Frode Laursen. All our employees play an important role in bringing our customers' goods to the consumers. And we are delighted and proud to have so many dedicated employees at all our locations.



I work with some great people. We have fun and help each other out, and I really enjoy being here. I've been able to take responsibility and develop my skills, which is very satisfying.

Shafi Hassan Osman, warehouse employee, Flensburg. Born and raised in Somalia, but has lived in Germany for five years and has worked at Frode Laursen since 2019.

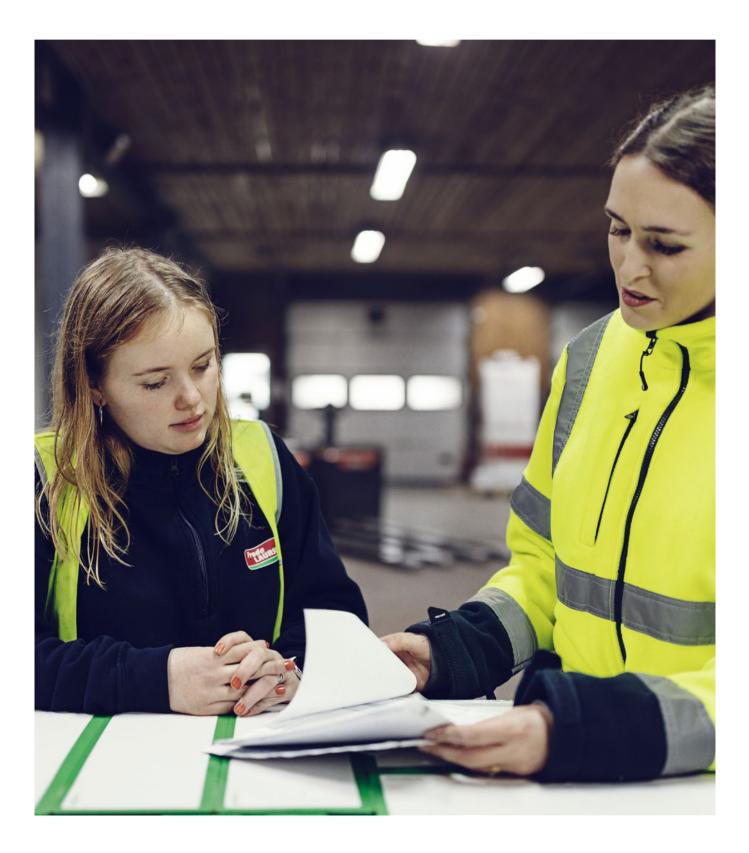
I was trained at Frode Laursen, and as the company grew, I was also able to develop my skills. Consequently, it doesn't feel as though I've been with the same company for 40 years. I've done so many different things.

Skjold Mathiesen, controller, Vitten. Started working as a finance trainee at Frode Laursen in 1981, and was able to celebrate his 40th anniversary in the finance department in 2021.



As a trainee at Frode Laursen you are given a lot of responsibility, while also being part of a company that looks after you and allows you to be yourself.

Nickolaj Schjerlund Rasmussen, administrative trainee, Frode Laursen.





There is a very special culture at Frode, one which sets it apart from other companies. For example, the leadership style is very unique, attentive and supportive. At Frode, I really feel that I have my manager's support.

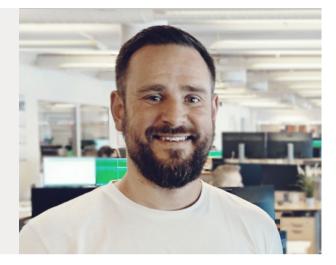
Daniel Cheleski, freight forwarder, employed at Frode for five years. After returning home to Poland for a brief period, he returned in 2022 to Frode Laursen.

Frode Laursen is a great place to do your training. There are so many good colleagues, and so many possibilities. I love driving – and the sense of freedom it brings. That's what I'm going to be doing here.

Lina Hansen, trainee HGV driver from 2020-2022. Now employed full-time as a driver.

Frode is like one big family. I've never worked for a company where everyone communicates with each other in such a pleasant way as here.

Susanne Brummelte, team leader, Flensburg. Started as a temp in 2007, but was offered full-time employment shortly afterwards.









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Frode Laursen is a family-owned north European company that was founded in 1948, and which is now a leading player in the Nordic region, supplying logistics solutions for FMCG, building materials and recycling.

Our key focus is our unique 3PL solution: From factory to logistics centre to shop. Our foremost task is ensuring a responsible route for our customers' goods from the factory to the consumer. This takes place through efficient processes, possessing the right know-how and a passion for logistics.

Frode Laursen is a value-driven company that adheres at all times to the principles of orderliness, respect and development. We don't have heavy tomes of rules and restrictions. However, we expect everything that we do and all our decisions to comply with our eight values:

WE ARE HERE FOR THE CUSTOMER WE TAKE RESPONSIBILITY WE HONOUR OUR AGREEMENTS WE ALWAYS BASE DECISIONS ON FACTS WE STRIVE TO IMPROVE WE TREAT EVERYBODY WITH RESPECT WE USE RESOURCES WISELY WE COOPERATE AND PULL TOGETHER AS TEAMS

