

BEWI

for a better everyday



ESG QUESTIONNAIRE

BEWI ASA

August 2021

INTRODUCTION

The industry's three biggest sustainability-related challenges according to BEWI are:

1. Increase the share of recycled and non-fossil raw materials
2. Transition to non-fossil energy sources
3. Transition to non-fossil transportation

How does BEWI compare to industry peers regarding sustainability initiatives?

BEWI is leading the change when it comes to becoming circular in the European EPS market.

Is BEWI a signatory of the UN Global Compact or Science Based Targets, reports to the CDP or engages in any other relevant sustainability initiatives?

- BEWI will apply to become a signatory of the UN Global Compact in the third quarter of 2021
- BEWI is a signatory of the European Plastic Pact, hence committed to reach targets set by the pact
- BEWI is a partner in Operation Clean Sweep, hence committed to prevent marine litter
- BEWI will report its sustainability commitments and progress in line with the GRI Standard starting from the full financial year of 2021
- BEWI will conduct and report on climate risks according to the TCFD framework

ENVIRONMENT

BEWI's climate-related opportunities are:

1. Increase the use of recycled raw materials
2. Transition to non-fossil energy sources
3. Introduction of products for reuse

BEWI's three primary risks related to climate change are:

1. Introduction of carbon or plastic taxes
2. Ban of plastic packaging
3. Market demand for non-plastic materials

BEWI's climate-related investments are:

- Investments to increase recycling capacity through collection, extrusion and use of recycled raw materials.
- Investments in non-fossil energy sources and non-fossil transportation.

Does BEWI rely on any scarce resources for its operations?

The primary raw material for EPS, which is Styrene. In addition, certain chemical raw materials used to produce the EPS raw material.

What efforts are made to mitigate the risk of those resources becoming even more scarce in the future?

- Investments in increased recycling capacity through collection, extrusion and use of recycled raw materials
- Investment in biobased raw materials
- Certification of the company's circular value chain (collection, extrusion and use of recycled raw materials)

Transition-related risks: Does BEWI anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, is BEWI well positioned to handle that risk?

Opportunities: BEWI has and will increase its recycling capacity to become a circular business.

Risks: Increased taxes on carbon and/or plastic.

Currently there is no system in place to certify BEWI's recycling activities (proof of concept). Although the company is using recycled raw materials in its products, it might risk a tax on the products due to lack of an approved/certified circular loop of recycled plastic raw materials.

Please list BEWI's primary means of making a positive environmental impact or minimising negative environmental impact. How are they tracked and communicated?

1. Becoming circular, including reduce BEWI's use of resources through design and resource efficiency, explore models of reuse and increase its recycling capacity through collection, extrusion and use of recycled raw materials
2. Transition to non-fossil energy
3. Transition to non-fossil transportation

SOCIAL

Does BEWI have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

BEWI does not have a history of accidents.

BEWI has a zero vision when it comes to accidents. All the company's sites are ISO 9001 certified and have systems in place to prevent, report and follow-up on accidents if they occur.

Does BEWI conduct any community engagement activities aside from those directly connected to the business?

As part of its sustainability strategy, BEWI is committed to conducting and engaging in all local communities where the company operates. This will be fully implemented in 2021 (38 local communities).

BEWI has established a project in Shashamene in Ethiopia, called Value for Waste (V4W), aiming at collecting and recycling waste and at the same time supporting the local community in creating jobs, generating income, exchange knowledge and improving circularity.

Circular economy: How are purchases and waste managed?

All solid waste produced at BEWI's production sites are sorted and delivered to a solid waste company. BEWI has a goal to sort 80 per cent of its waste to material recycling. The degree of material recycling depends on the various countries' downstream infrastructure.

Are there any goals, policies, or codes of conduct applicable to BEWI's suppliers? How often does BEWI conduct audits of its suppliers?

Yes, BEWI has a Code of Conduct that applies to all its suppliers.

In addition, BEWI has an ESG questionnaire (BEWI Partner) that all suppliers need to fill out to map the supplier's performance related to ethics, labour and human rights and sustainability.

On an annual basis BEWI:

- Identify critical suppliers
- Work with its suppliers to improve sustainability
- Carry out follow-up audits

GOVERNANCE

Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels, or any other unethical business conduct? Have any preventive measures been taken?

- BEWI has had seminars under the lead of an external lawyer about anti-corruption and is currently in the process to roll out an e-learning training covering the company's key policies (including anti-corruption). The training will be mandatory and will be run continuously.
- Yes, BEWI has an external whistle-blower function in place
- Besides training in key policies, BEWI has a software it uses for integrity checks and to clear new stakeholders the company works with vs. sanction lists
- In 2018, the European Commission initiated an investigation of possible anti-competitive behaviour in relation to styrene monomer purchasing. As part of the investigation, the European Commission has sent Synbra Technology B.V. (a company acquired by BEWISynbra in 2018 as part of the acquisition of the Synbra Group) a request for information in relation to 2013 and 2014. No formal charges or allegations have been brought against BEWISynbra or any of its subsidiaries.

BEWI's business tax residence:

Ultimately Norway as BEWI ASA, the owner of the BEWI Group, is a Norwegian registered company.

Are there independent members of the Board of Directors?

All members of the Board are independent of the Executive Management, while three out of five are also independent of the company's majority shareholder.

Please state if and to what extent, BEWI has transactions with related parties:

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family the majority shareholder of the company with an ownership of 58 per cent through Frøya Invest AS and EBE Eiendom AS AS. Other related parties are the three 34 per cent owned associated companies Hirsch France SAS, Hirsch Porozell GmbH and Inoplast S.R.O., as well as the 49 per cent owned associated company Jablite Group Ltd.

Main transactions are sales of goods to associated companies (in 2020, EUR 41.8 million) and rental expenses to Bekken owned companies (in 2020, EUR 3.4 million).

Is the remuneration of the CEO and other members of the management team in line with the industry peers? Which KPIs dictate the remuneration?

Yes. Management receives a base salary in combination with variable incentive pay programme. The variable pay programme is based on defined and measurable criteria, including financial targets, targets linked to strategic priorities and targets linked to health and safety. In addition, there is a share option plan for key employees. The structure of the share option plan is described in BEWI's annual report.

Relative split of men/women in BEWI:

Board of directors: 2 women and 3 men

Executive Management Committee: 1 woman and 2 men

Group Management: 4 women and 6 men

All employees: 326 women and 1 045 men

Is the Head of Sustainability a member of the management team? If not, who does that person report to?

Head of Sustainability is part of the group management team and reports to the CFO.

Please state whether BEWI has the following policies or agreements in place:

- Union agreement: Yes
- Code of Conduct: Yes
- Diversity policy: Diversity is regulated in the HR-policy and Code of Conduct
- Anti-corruption policy: Yes