

# INDEPENDENT ASSURANCE STATEMENT

## BEWI SUSTAINABILITY LINKED BOND

### KPI VERIFICATION 2023

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Statement no: 2024-10492015	Valid from: April 19 <sup>th</sup> 2024	Valid to: 2024 KPI revision
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#### Introduction

DNV Business Assurance Norway ('DNV') has been commissioned by the management of BEWI ASA ("BEWI") to carry out an independent review of their sustainability performance targets (SPTs) related to their key performance indicator (KPI). The SPTs are specified in the 'Calibration of Sustainability Performance Targets' section of the BEWI Sustainable Finance Framework (the "Framework") dated August 2021. The KPI is quantified by two SPTs:

- **KPI 1:** Annually collected expanded polystyrene (EPS) for recycling, measured in tonnes
- **SPT 1:** Collected EPS for recycling to be 45 000 tonnes by end of 2024
- **SPT 2:** Collected EPS for recycling to be 60 000 tonnes by end of 2026

BEWI has sole responsibility for the preparation of data and external reports provided to DNV. DNV, in performing our assurance work, is responsible to the management of BEWI. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including BEWI.

#### Scope of Assurance

The scope of work agreed with BEWI includes the following:

- Discussions with BEWI management
- Q&A-sessions with BEWI management in Hedensted and Remondis for the KPI including clarification and closing out of questions in the Questions log
- Review of BEWI's methodology to calculate collected EPS for recycling measured in tonnes until year end of 2026
- Review of BEWI's Quarterly reports for 2023, with KPI performance calculation.
- Spot checks on underlying documentation for determining the performance for the KPI, including reporting sheets

#### Level of Assurance

DNV has performed a limited assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised)*, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029-1:2019 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. DNV planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being an error is reduced, but not reduced completely.

### **Assurance Methodology**

DNV uses a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both BEWI and its stakeholders. The following approach was applied during the assurance of BEWI's SPTs.

- Reviewed documentation, data records and sources relating to the Sustainability-Linked Bond KPI and SPT performance assertions
- Performed sample-based audits of the processes for generating, gathering, and managing the data

### **Data Verified**

As part of the verification and assessment activities, DNV reviewed the following independent reports related to the performance of the SPTs:

- General:
  - BEWI Materiality assessment 2023
  - BEWI Sustainable Finance Framework 2021
  - BEWI Annual report 2022
  - BEWI ASA Prospectus Sustainability Linked bond December 2021
  - BEWI Q3 2023 report
  - Methodology BEWI collection of EPS
  - Overview of consolidated data 'Collection of EPS 2023'
- KPI 1:

Spotchecks of the collected and traded waste data 2023, in BEWI entities Remondis (Poland) and Hedensted (Denmark).

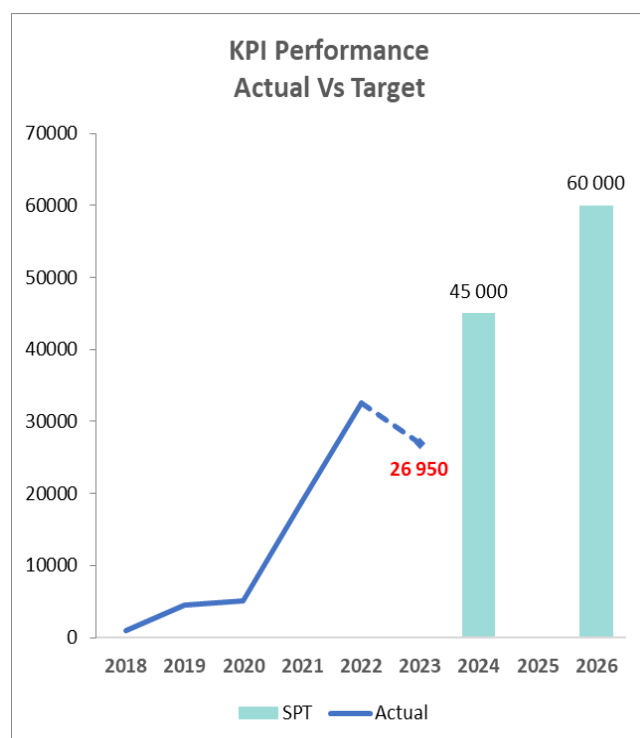
  - Copy of EPS Production in Duninowo 2023\_english v
  - EPS Purchases 2023 remondis
  - A. Modtagerliste
  - Diverse rapportering 2023
  - Indsamling til eget lager 2023
  - Produktionsliste ugentlig opgørelse 2023
  - Copy of 2023-12-22\_RE\_TECH\_GPPS\_production\_daily

## DNV Findings

DNV's findings of BEWI's SLB performance are as follows:

**KPI 1:** Annually collected expanded polystyrene (EPS) for recycling, measured in tonnes.

SPTs and past performance	2018 (baseline)	2019	2020	2021	2022	2023	SPT 1: 2024	SPT 2: 2026
Collected EPS for recycling (in tonnes)	959	4,477	5,049	18,868	32,629	<b>26,950</b>	45,000	60,000



<b>Reporting Year ('RY')</b>	RY 3 (ending December 2023)
<b>Sustainability Performance Targets</b>	<p><i>SPT 1:</i> Collected EPS for recycling to be 45 000 tonnes by end of 2024</p> <p><i>SPT 2:</i> Collected EPS for recycling to be 60 000 tonnes by end of 2026</p>
<b>Reported Performance</b>	<p>2023: 26,950 tonnes of collected EPS for recycling.</p> <p>This amounts to 59. 9% of SPT 1 and 44.9% of SPT 2. To achieve the SPT in 2024, BEWI will need to recycle 67% more during 2024 compared to 2023.</p>

## **Assurance Opinion**

- Based on the procedures we have performed with limited assurance of BEWI's KPI, nothing has come to DNV's attention that causes us to believe that BEWI's actual KPI performance for 2023 is not fairly stated and has not been prepared in accordance with the Criteria. This conclusion relates only to the KPI performance and is to be read in the context of this Assurance Report, in particular the inherent limitations explained under Data Verified.

**DNV Business Assurance Norway**  
**Oslo, Norway**  
April 19<sup>th</sup> 2024

**Ingebjørg Nueva Finnebråten**  
Lead Reviewer

**Amy Stinchcombe**  
Reviewer

**Tone Rice**  
Quality Assessor

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## Appendix

This appendix summarises the observations identified during our work and provides further detail of our comments to allow BEWI to plan improvements for their next report.

Area	Observations	Comment
<b>General observation</b>	Challenges on processes and procedures: Data was inconsistent and changing during the audit.	<p>In DNV's opinion, the spot checks revealed a disproportionate number of inconsistencies and errors.</p> <p>DNV understands that BEWI introduced a new management system during late 2023. According to BEWI, this new system is expected to improve the accuracy of the information reported, with more accurate reporting results expected to materialize for the 2024 reporting period and onwards.</p>
<b>KPI 1</b>	A change in reporting system during the year lead to misunderstandings surrounding adjustments made to local excel files, which meant that small variations were found in the reported amounts of EPS collected at the Hedensted site.	See comment above regarding management system.
<b>KPI 1</b>	Incorrect assumptions that used EPS = collected EPS at the Remondis site lead to small variations in the amounts of collected EPS reported e.i when using the EPS waste to produce rGPPS there will be a loss on the raw material (up to 18%) in the production process. If the output of the machine is 1 000 kg of rGPPS, the input is 1 180 kg of EPS waste.	BEWI will change the method from now on and ask for the file of EPS Purchases from Remondis and use that as a basis for the reporting on group level.