

## GENERAL INDUSTRY

**Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges:**

BEWI identifies its key sustainability challenges through a Double Materiality Assessment (DMA) in line with CSRD and ESRS. This process evaluates the most significant Impacts, Risks, and Opportunities (IROs) by assessing both the company's effects on people and the environment (impact materiality) and how sustainability matters may influence its financial performance (financial materiality).

BEWI have identified both impacts, risks and opportunities where the three biggest sustainability (ESG)-related challenges are:

### Climate change mitigation

- Risk: EPS production requires fossil-based raw materials and energy, generating GHG emissions. With carbon pricing expected to increase, this creates potential cost and competitiveness risks.
- Opportunity: EPS insulation contributes significantly to EU climate targets by improving building energy efficiency. BEWI can strengthen its market position by offering low-carbon and high-performance insulation solutions.

### Transition to a circular economy

- Risk: Limited waste collection and recycling infrastructure, and insufficient regulatory support in some markets, may restrict BEWI's ability to close material loops and meet circularity targets.
- Opportunity: Advancing circular strategies, such as mechanical recycling and use of recycled feedstock, reduces emissions, improves resource efficiency, and creates growth opportunities in both packaging and construction markets.

### Health & Safety

- Risk: Manufacturing processes involve chemical handling, energy-intensive operations, and heavy equipment, which may pose safety hazards and lead to injuries or health impacts if not properly managed.

**Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?**

BEWI has assessed its activities in relation to the EU Taxonomy for the years 2021 to 2024, i.e., results from these assessments have been included in the group's annual reports for the past five years. For 2024, 52 per cent of the group's revenues, 37 per cent of CAPEX, and 84 per cent of OPEX were Taxonomy-aligned. Alignment is primarily linked to CCM 3.5 (manufacture of insulation materials), CCM 3.17 (plastics in primary form), CCM 3.18 (automotive and mobility components), CCM 5.5 (collection and transport of non-hazardous waste), CCM 5.9 (material recovery from non-hazardous waste), and CE 1.1 (manufacture of plastic packaging goods).

## ENVIRONMENT

List the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities:

BEWI has assessed its activities under TCFD and identified the following material climate-related risks and opportunities:

### Climate-related risks

- I. potential disruption and cost increases from reduced availability of fossil-based feedstocks such as styrene; and
- II. insufficient regulatory support for waste collection and recycling, which may hinder BEWI's ability to meet its circular commitments.

### Climate-related opportunities:

- I. Rising demand for energy-efficient solutions, translated into an increased market potential for the group's insulation or HVAC solutions that support the EU's climate targets
- II. Growth in circular business models, meaning opportunities arising from scaling recycling, closed-loop systems, and the use of low-carbon materials.

### Does the firm anticipate any climate-related investments, and if so, to what extent?

BEWI anticipates continued climate-related investments to reduce emissions, including improved energy efficiency in operations, increased use of renewable energy sources, and increased circularity (higher share of recycled feedstock). These include expanding recycling capacity, developing low-carbon materials, and installing solutions for renewable energy sources.

**Circular economy: How are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?**

BEWI integrates circular economy principles into procurement and waste handling by prioritising recycled and responsibly sourced materials, optimising production to minimise scrap, and implementing collection and recycling systems for end-of-life products. Waste generated in production is segregated and, where possible, recycled back into the manufacturing process or supplied to external recyclers.

BEWI's main raw material, styrene (derived from fossil resources), is considered a scarce and carbon-intensive feedstock in the long term. To mitigate supply and price risks, BEWI is expanding its use of recycled and bio-based raw materials, investing in mechanical recycling, and improving material efficiency in production. These measures aim to reduce dependency on virgin fossil-based resources, lower emissions, and secure long-term resource availability.

**Transition-related risks (for example changed customer preferences or legislation): Do you 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, how has the firm positioned itself to handle that risk?**

BEWI is well positioned to benefit from the global transition toward the 1.5°C target, supported by growing demand for energy-efficient, circular, and low-carbon products across insulation, technical components, and packaging. Capturing these opportunities will depend on effective regulatory enforcement and customer willingness to invest in sustainable alternatives.

Insufficient regulation of waste collection and recycling could slow progress toward circular commitments, while stricter rules and higher carbon taxes may increase the cost of virgin materials. Maintaining a competitive edge will require continuous improvements in energy efficiency and secure, competitively priced access to renewable energy—both critical to meeting emissions reduction targets.

By embedding climate-related risks and opportunities into business planning, BEWI is enhancing its capacity to mitigate risks, capitalise on opportunities, and remain resilient in a rapidly evolving market.

**Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?**

BEWI has not set a target to become carbon neutral. Instead, the company is committed to aligning its climate reduction plan with the Science Based Targets initiative (SBTi) 1.5°C pathway.

**Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainability Development Goals. What proportion of sales can be directly linked to selected UN SDGs?**

Improving energy efficiency in buildings through the production of insulation materials, reducing energy consumption and associated greenhouse gas emissions. (SDG 7 – Affordable and Clean Energy, SDG 13 – Climate Action).

Advancing circular economy solutions by collecting, recycling, and reusing materials, thereby reducing waste and reliance on virgin fossil-based resources. (SDG 12 – Responsible Consumption and Production, SDG 13 – Climate Action).

Approximately 52 per cent of sales are directly linked to these SDGs, primarily through insulation, technical components, and circular packaging solutions.

## **SOCIAL**

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

BEWI experiences workplace accidents in line with industry norms, mainly within manufacturing operations. All incidents are documented, investigated, and addressed in accordance with established health and safety procedures, with corrective actions taken to prevent recurrence.

The company's health and safety management system are built on due diligence and supported by ISO 9001, ISO 14001, and ISO 45001 certifications. It emphasises systematic risk reduction, personnel training, and continuous performance monitoring. Root cause analyses are conducted for all injuries and incidents, and lessons learned are shared across sites to prevent similar events. Preventive measures include regular risk assessments, mandatory safety training, and ongoing improvement initiatives.

**If applicable, please state your targets for gender and cultural equality and indicate the relevant split of men/women at every level of the firm:**

BEWI is committed to strengthening diversity, equality, and inclusion at all levels of the organisation. The company has set a target of 30 per cent female representation in leadership positions, up from the current 19 per cent, and regularly monitors gender distribution to ensure equal opportunities in recruitment, promotion, and leadership development.

To close the gender gap, BEWI is implementing inclusive hiring practices, targeted leadership training for women, and succession planning that supports diversity. Cultural diversity is fostered through international recruitment, cross-border collaboration, and inclusive workplace policies.

**Does the company conduct any other community engagement activities aside from those directly connected to the business?**

In addition to activities directly linked to its business, BEWI supports community initiatives such as local sports, cultural events, environmental clean-ups, and school programmes on recycling. Internationally, BEWI initiated the Waste for Value project with Norwegian Church Aid in Ethiopia, promoting waste collection and recycling as a source of income while reducing environmental impact.

**How often does the firm conduct audits of its suppliers and how often do you discover incidents not compliant with your code of conduct?**

BEWI conducts ongoing supplier due diligence, with audits scheduled based on risk assessments, supplier location, and the nature of goods or services provided. High-risk suppliers are prioritised for more frequent reviews, while others are assessed periodically through questionnaires, documentation checks, and site visits. Non-compliance with BEWI's Supplier Code of Conduct is rare, but when identified, it is addressed through corrective action plans and follow-up monitoring to ensure remediation.

**Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact. Please list the corresponding most relevant UN SDGs. What proportion of sales can be directly linked to selected UN SDGs?**

Primary means of making a positive social impact:

1. Ensuring safe and fair working conditions across all operations and the supply chain through strong health, safety, and labour practices, supported by ISO-certified management systems. (SDG 8 – Decent Work and Economic Growth)
2. Supporting communities and local livelihoods through initiatives such as the Waste for Value project in Ethiopia, local sponsorships, and educational programmes on recycling and sustainability. (SDG 11 – Sustainable Cities and Communities, SDG 12 – Responsible Consumption and Production)

Proportion of sales linked to selected UN SDGs: Although these initiatives are embedded in BEWI's overall operations, the company does not specifically quantify sales linked to each SDG.

## GOVERNANCE

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

BEWI embeds strong anti-corruption and ethical business practices across its operations. All employees in relevant roles—such as executive management, local management teams, general managers, sales and marketing staff, and group functions—are required to complete mandatory online training on the company's Code of Conduct, anti-corruption, competition law, and GDPR as part of their onboarding. This training must be renewed annually or bi-annually, depending on the role. The programme explains the scope and intent of each policy, outlines relevant restrictions, and uses practical case examples to help participants apply the rules in real situations. All staff also

receive general Code of Conduct training, ensuring a shared baseline of ethical awareness. BEWI has had no confirmed cases of corruption, cartel activity, or other unethical conduct. Preventive measures include the ongoing training programme, a whistleblowing channel for anonymous reporting, regular risk assessments, and management oversight to ensure compliance across the organisation.

**Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen:**

The group is registered for and pays tax in each jurisdiction in which the group has a legal presence. The parent company BEWI ASA is registered in Norway.

**How many independent members sits on the Board of Directors?**

Half of the members are independent of the owners, 67 per cent are independent of executive management, and all are considered independent of material business relationships.

**Please state if and to what extent, the company has transactions with related parties:**

The related party transactions are presented in notes to the group's annual reports and quarterly reports, which are both available on BEWI's corporate website.

**Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?**

The variable incentive pay programme is capped at 50 per cent of annual base salary for the Chief Executive Officer, Chief Operating Officer Upstream, and Chief Financial Officer, and at 40 per cent for other managers.

Key performance indicators (KPIs) include both financial and non-financial targets. Sustainability-related metrics account for a significant share, such as:

- Collection of 45,000 tonnes of used EPS for recycling – 20% of the maximum incentive.
- Health & Safety – 10% of the maximum incentive, based on the number of accidents and absence due to accidents.

While diversity goals are not currently included as specific KPIs, sustainability and safety performance form an integral part of management remuneration.

**Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response, please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken.**

BEWI monitors and reports ESG issues and performance through a structured governance process led by the Group Sustainability Team in collaboration with operational and functional units. ESG data is collected monthly and annually via the group's reporting systems, covering areas such as raw material and energy consumption, waste generation and collection, recycling, health and safety, supplier assessments, and compliance.

Key performance indicators (KPIs) include:

- Environment: energy efficiency, share of recycled raw materials, collection of used EPS for recycling, and production of recycled raw materials.
- Health & Safety: reduction in accident frequency rate and severity.

ESG performance on key KPIs is reviewed monthly by business management, quarterly by executive management, and reported to the Board at least twice per year, with additional updates provided when significant developments occur. Annual ESG reporting is carried out in accordance with CSRD and ESRS requirements and forms part of BEWI's annual review and audit process. This ensures ESG issues are embedded in strategic decision-making and performance management at the highest levels of the company.

**Have you signed a Union agreement:**

BEWI has collective bargaining and union agreements in the majority of its countries of operation, in accordance with local laws and practices. These agreements cover matters such as wages, working hours, health and safety, and other employment conditions.

**Principle Adverse Impacts (numeric answers):**

- Revenue (EUR): 1 015 EURm
- Greenhouse gas emissions: <sup>1</sup>
  - Scope 1: 89 444 tCO<sub>2</sub>-eq
  - Scope 2: 74 790 tCO<sub>2</sub>-eq (location-based) 45 274 tCO<sub>2</sub>-eq (market-based)
  - Scope 3: 998 159 tCO<sub>2</sub>-eq
  - Total scope 1-3: 1 132 877 tCO<sub>2</sub>-eq (market-based)
- Share of non-renewable energy consumption: 16%
- Share of non-renewable energy production: 84%
- Energy consumption in GWh: 704.298 GWh
- Tonnes of emissions to water: 0
- Tonnes of hazardous waste and radioactive waste generated: 1 061 tonnes hazardous waste
- Unadjusted gender pay gap: 15%
- Board gender diversity: 50% male/ 50% female

**Principle Adverse Impacts (yes/no answers):**

- Fossil fuel operations: No
- Sites/operations located in or near to biodiversity sensitive areas where activities negatively affect those areas: No
- Science based target: Yes
- Report to CDP: Yes
- UN Global Compact Signatory: Yes
- Involved in the manufacture or selling of controversial weapons: No
- Whistle blower policy: Yes
- Supplier code of conduct: Yes

---

<sup>1</sup> Data for 2024: Discontinued operations included. Total scope 1-3 market based:  
Continued operations 610 130 tCO<sub>2</sub>eq  
Discontinued operations: 902 599 tCO<sub>2</sub>eq