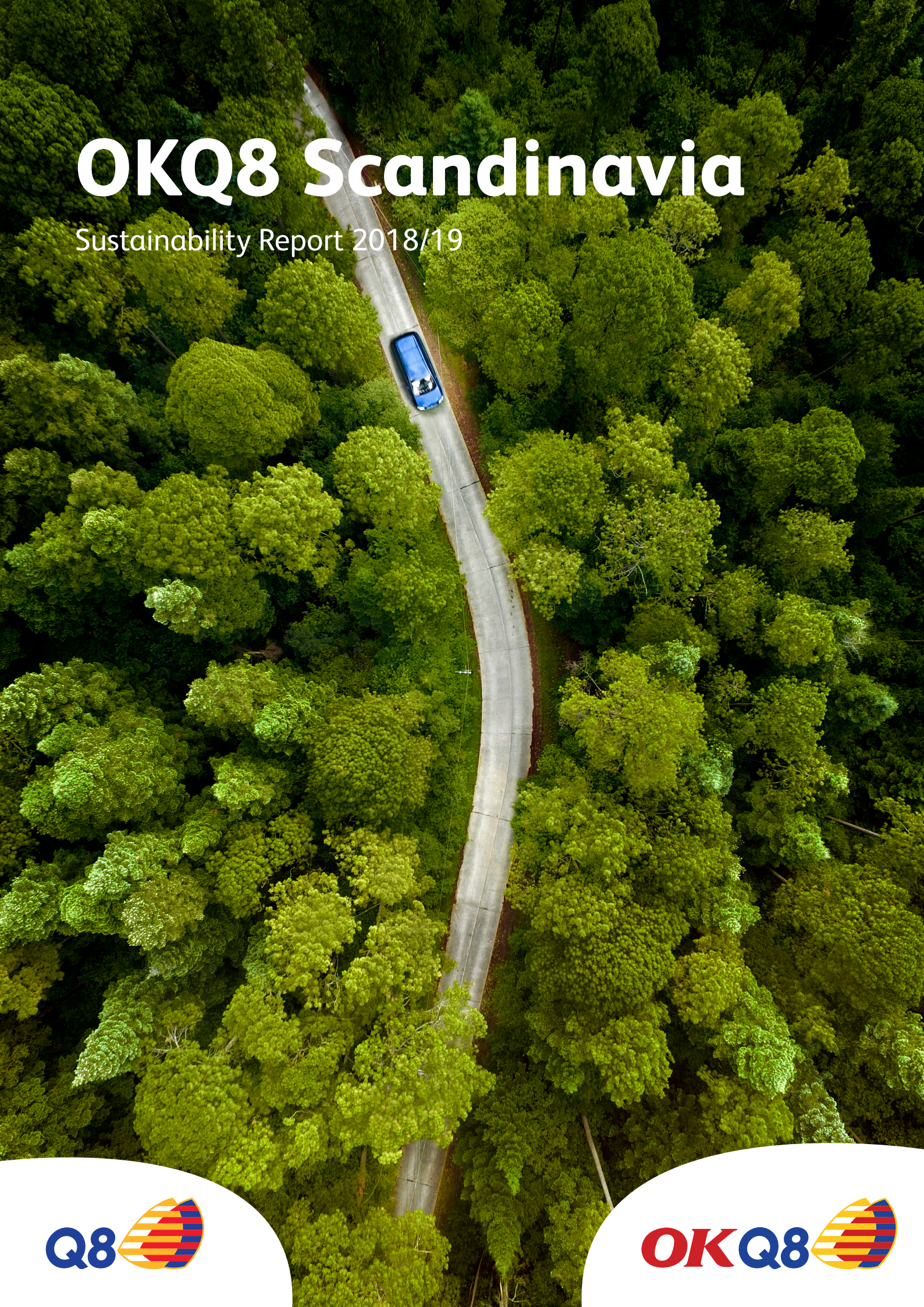
OKQ8 Scandinavia

Sustainability Report 2018/19



Sustainability Report 2018/19

Welcome to OKQ8 Scandinavia's Sustainability Report 2018/19. As one of Scandinavia's leading fuel and energy companies, we have a great focus on and work actively to reduce our environmental impact and in this way create a positive effect on society. This report describes how we carry out this important work.

This is OK-Q8 AB's Sustainability Report, and it is in compliance with both the Danish and the Swedish Annual Accounts Acts. OK-Q8 AB has its own offices and activities through subsidiaries in Sweden and Denmark, which make up the OK-Q8 AB Group . The Group also has a joint venture agreement in OK Detaljhandel AB, owned by OK Ekonomisk Förening. These constitute the name OKQ8 Scandinavia. In cases where OK Detaljhandel AB is not included in the sustainability report, this is described either in text or footnote. Additional information on the Group's structure and its subsidiaries is provided in Chapter 3.

The Sustainability Report has been prepared in accordance with the Global Reporting Initiative´s (GRI) standards for sustainability reporting, GRI Standards application level Core.

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CEO statement

During the year, we have increased our ambition to take OKQ8´s sustainability work to the next level. Our Sustainability Report describes the initiatives and efforts we make to be an enabler for sustainable solutions and contribute to a better society, today and in the future. In addition to a number of examples of activities and projects, the report contains key figures for the goals in which we measure our contribution to a more sustainable future.

Transport still accounts for about one third of total carbon dioxide emissions (CO_2e emissions). As a fuel and energy company, we bear much of the responsibility for the climate impact generated by transport. The transition from fossil to renewable has only begun and, as with the continued digitalization, there are external factors which affect our business. If we are to continue to be a successful fuel and energy company in the future, it is not enough to be good; we have to be the best. Each of our actions for a sustainable society is crucial to our development.

To achieve our sustainability goals and reduce our environmental impact requires increased use of renewable resources and optimised resource utilisation. Our sustainability goals are directly linked to the global efforts for sustainable development. Our three long-term goals are based on three of the UN's sustainable development goals: Reduced inequality, Sustainable cities & communities and Climate action.

Our strategy and goals also support the UN Global Compact, as well as our Code of Conduct, which is based on the UN Global Compact's ten principles for human rights, working conditions, the environment and anti-corruption.

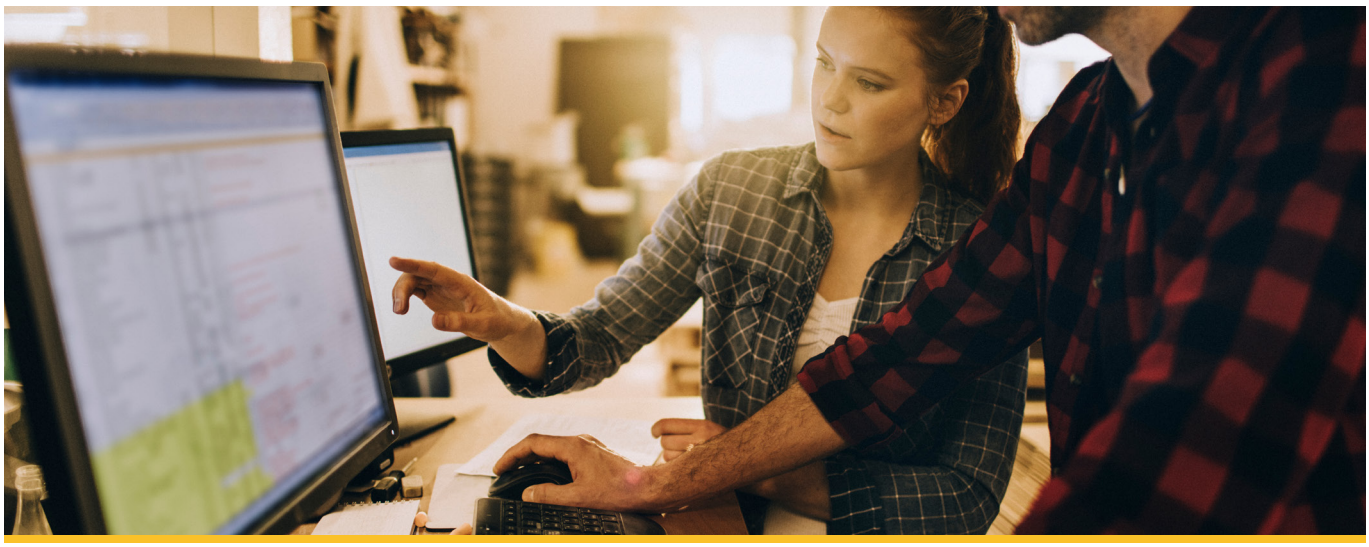
One step in the direction towards climate adaptation is the acquisition of Sweden's leading solar panel company, Kraftpojkarna, which also strengthens our opportunities in charging electric cars. This is a good example of how we invest in renewable fuels and sustainability, which also contributes to our own company when we install solar panels at several of our stations. In Denmark, our collaboration with Too Good To Go has reduced our food waste by 40,849 meals, which corresponds to 98 tons of saved CO_2.

By 2030, the CO_2e emissions from our own operations will be zero. Fortunately, since last year we have reduced our CO_2e emissions by 13 percent and reduced our energy use by 15 percent per m^3 of product sold. This is an important step towards our goal. We are also proud of our sustainable stations which, in addition to offering renewable fuels and chargers for electric cars, are operated with minimal environmental impact. In February 2019, we welcomed the first customers to our two new sustainable stations in Denmark, Kalbygaard Skov North and South. The two stations challenge the image of how service stations look, as they follow the surroundings´ hilly terrain with their unique architecture and have sedum and solar panels on the roof. The stations are built from sustainable materials and also use less than 50 percent energy compared to traditional stations, and are an important part of our zero vision of CO_2e emissions by 2030.

Another area is our investments in social sustainability, where we work to be an equal workplace, with employees who thrive and develop, and where differences are encouraged. We want to be a company that contributes to social development and reflects society, with an inclusive culture that helps to reduce exclusion and contributes to diversity. I am particularly proud of our project "Youth on their way" that we have been affiliated in Avesta since 2014. During the year, 21 young people worked within the programme, which aims to give young people a chance to reduce exclusion. About 40 percent of those have got a job after one year. In Denmark, the collaboration with Save the Children has led to more children in vulnerable families being given the opportunity to participate in leisure activities, something that seems obvious for others, but where reality looks completely different. It feels good and important that we can be a part of making this possible for young people, both for the individual and for our society.

I hope that you have an enjoyable and inspiring read!

J. Magnus Kamryd, CEO



Key results of the year

Energy

↓ 15 %

We have reduced our energy use by 15 percent per m^3 sold product since 2017/18

CO_2e

↓ 13 %

We have reduced our CO_2e emissions by 13 percent per m^3 sold product since 2017/18

Vi-skogen

450 TSEK

We have supported Vi-skogen´s projects on tree planting and poverty reduction with 450 TSEK

Food waste

Too Good To Go

We have saved 40,849 meals, which corresponds to the annual electricity use of 122 families or 98 tons of saved CO_2

Employee satisfaction

↑ 3.25

Employee satisfaction index has increased from 3.14 to 3.25 on a scale from 1 to 4

Revenue

39 BSEK

OK-Q8 Group's revenue was 39 BSEK in 2018/19



The path to a sustainable future

OKQ8 Scandinavia is currently facing massive and historic challenges, which, handled correctly, will generate financial and sustainable values for the environment, our employees, customers and owners. Our mission, on a real-world basis, is to steer the company towards a sustainable future.

We must be able to contribute to a sustainable future, while taking into account external driving forces as well as the internal and external challenges we have identified. Based on our vision of being a sustainable enabler for people in motion, it is natural for us to invest resources moving forward in alternative products, services and business areas.

We also need to get the full potential of our key assets, which includes all our employees. All in all, this is the basis for our sustainability work. Sustainability is an established and integral part of the goals and activities of every division in the company. This approach underpins our updated sustainability strategy and goals.

Sustainability strategy and goals

Sustainability is a crucial parameter in everything we do, affecting all the activities we implement and creating the future we face. For that reason, it is essential that our activities are in line with OKQ8 Scandinavia's business strategy – to remain a successful player and an attractive brand in the future. Our approach to sustainability is also firmly rooted in the UN's Sustainable Development Goals.



The UN's Sustainable Development Goals
The UN's 17 sustainable development goals, SDGs, and 169 subgoals, form a common plan for how the world should be 2030. All countries commit to completely eliminating poverty and hunger in the world, protecting the planet, ensuring prosperity for all, reducing inequality and promoting more sustainable economic growth.

All countries play a critical role in delivering proposals which can help meet these challenges while creating new business opportunities. There will be high pressure on companies to deliver on these goals by 2030, and to prioritise the goals which they have the greatest impact on. We have therefore examined the 17 SDGs which we have the greatest impact on and which can create opportunities linked to our strategy.

Our new sustainability strategy takes into account the transport sector's transition to fossil-free energy and CO_2 reduction towards 2030. In addition, we must contribute to social development and ensure economic sustainability. We do this by focusing on three overall goals.

A number of the UN goals are relevant for us, however we have decided to prioritise the following three goals:



Reduce inequality
Create opportunities for social inclusion through partnerships



Sustainable cities and communities
Sustainable stations and contributing to a vibrant society



Climate action
Responsible resource usage

Our three overall goals



Climate neutral
By 2030, CO_2e emissions from our own activities will be zero. Initiatives to achieve this include:

- Use energy from renewable sources at our stations, IDS, depots and offices
- Ensure that our distributors use renewable fuel to transport our products to service stations and business customers
- Offset the climate impact of the CO_2e emissions for our business travel by air
- Review both our car rental offering and our company car fleet from a sustainable perspective
- Replace plastic with more sustainable alternatives
- Increase knowledge about food, food waste, organic and locally produced products



Sustainable mobility and development
We want to create sustainable mobility so we can contribute to the development of local communities. Initiatives to achieve this include:

- Work closely with our partners to meet future environmental and social challenges
- Collaborate with thinktanks or universities on future mobility and alternative fuels
- Joint activities for our employees and our customers
- Support the "Ung på väg" (Youths on their way) and " Korta vägen" (Short way) programmes in Sweden to support young people and new immigrants in their working lives



Economic growth
For us to remain relevant for people in motion, sustainable economic growth is vital.

All our sustainability work must ensure economic growth and contribute to strengthening our brand.

Our strategy for achieving the goals:

- Reduce our environmental impact through increased use of renewable resources and optimised resource utilisation
- Dialogue and partnership with external stakeholders
- Sustainability requirements in the supply chain
- Competent and engaged employees



Mobility of the future

OKQ8 Scandinavia's role in society is to be a sustainable enabler for people in motion and at the same time contribute to the society and transport sector's transition to a fossil free future. New technology, changed customer behaviour, conditions in the market and political decisions mean that our travel patterns, vehicles and preferences will change. We therefore work extensively to identify and develop new products and businesses.

Sustainable fuels

Petrol and diesel still dominate new car sales, but cars with, among other things, different types of electricity are taking market shares now and in the future. During 2018, the proportion of cars using alternative fuels was 15 percent, which is five percent more than the year before. We constantly strive to increase the percentage of renewable fuels in our existing products, and to offer completely renewable alternatives such as electricity and biogas. The more sustainable fuels are demanded and used by our customers, the more CO_2e emissions are reduced, and the environmental impact on society is reduced. Clear rules are in place on what can be regarded as a renewable fuel[1].

OKQ8 Scandinavia offers four types of biofuels that are mixed in our fuels in different amounts; ethanol, RME[2], HVO[3] and biogas. Ethanol is made from plants such as wheat, maize or sugar cane, while RME is a biofuel produced from rapeseed oil. HVO is produced primarily from vegetable oils and animal fats, and biogas from waste products such as food waste, although it can also be derived from crops.

Since 2016, our HVO has contained PFAD, but with a limit of up to 60 percent PFAD. In 2017/18, there was no crude palm oil in our HVO. Our supplier of renewable diesel, which contains PFAD, deals exclusively with palm oil suppliers who are certified under the RSPO (Round Table on Sustainable Palm Oil) sustainability standard. This means, for example, that our suppliers' supply chain must comply with agreed codes of conduct, have or begin the process of certification and distance themselves from deforestation.

[1] Directive 2009/28/EC, Renewable energy directive
[2] RME - Rapeseed oil methyl ester
[3] HVO - Hydrogenated vegetable oil

Facts PFAD

- Palm Fatty Acid Distillate is produced as a by-product from the production of palm oil, and is classified as residual product by the Swedish Energy Agency.
- From 1 July 2019, PFAD will be reclassified from a residual product to a by-product. This means that the raw material must have full traceability all the way back to the farm. We believe the reclassification will result in a reduction of available volumes. We will ensure that our products meet the requirements for greenhouse gas performance in current sustainability criteria.
- The primary purpose of palm oil production, is to extract palm oil for the food industry.
- The PFAD content of crude palm oil is up to five percent, and it is not possible to use this in food products.

Reduction obligation in Sweden to reduce CO_2e emissions

During 2018, Sweden introduced a new law which means that we have to reduce CO_2e emissions by more than 40 percent from the fuels we sell. The Reduction Obligation Act originates in the common long-term goal that Sweden must be fossil-independent by 2030. If the obligation is not fulfilled, the actor is punished by having to pay a penalty fee.

In 2018, the proportion of renewable fuels in our products was 19 percent on the energy base in the Swedish market, compared with 14.7 percent in 2017.

Quota obligation in Denmark
In Denmark, we have a quota obligation for fuels, and 5.75 percent of all energy sold in the form of liquid fuels for road transport must be renewable. The quota will increase to ten percent in 2020. We are of course complying with the legislation, and are currently having ongoing discussions with suppliers, car manufacturers, partners, industry organisations and the authorities on how the CO_2e emissions can be reduced in a sustainable and long-term way.

GoEasy - care for your engine

During 2017 and 2018 we launched a new Scandinavian fuel concept, GoEasy, with new additives in all our liquid fuels, which care for and clean the car´s engine. GoEasy makes the car more reliable, increases the engine performance and service life, and thereby reduces fuel use and CO_2e emissions.

Expanded cooperation with E.ON for a more sustainable society

During 2018, E.ON and OKQ8 Scandinavia have strengthened the collaboration on biogas and quick chargers with the goal to contribute to climate adaptation.

Biogas
Since 2008, it has been possible to refuel biogas from E.ON at selected stations. Through this partnership, we have managed to combine what both companies are good at. E.ON has helped us introduce another green fuel at stations, and we have helped E.ON providing excellent locations where customers can come and refuel. Currently, there are around 55,000 biogas cars in Sweden. Thanks to the collaboration, both our customers and E.ON's now have access to Sweden's largest network of stations with biogas.

Charging infrastructure
As the demand for electric vehicles increases, and more and more electric cars come on the market, prices will move closer to the levels of fossil-fuelled vehicles. Even the range of batteries is increasing constantly – and this is an important argument from a consumer perspective. In response, we have installed quick chargers at an ever-increasing number of stations, and, at present, we have a total of around 40 quick chargers spread geographically across Sweden.

Our strategy going forward is to continue to expand quick chargers at our stations in selected places. In addition, we are currently implementing the next generation of chargers (so-called ultra-fast charger) where the power is 150-350 kW - instead as today 50 kW.

In 2018, we have had 4,000 private cars that have charged electricity at our stations. This is equivalent to 56 megawatt hours and about 280,000 green kilometers.



Petra Edlund, Head of New Business & Innovation

The overall focus for OKQ8 Scandinavia's development department is to create attractive and sustainable services for people in motion, and thereby new profitable business beyond fossil fuels.

How do you visualise the service station of the future?
"OKQ8 Scandinavia is committed to contribute to a sustainable society, and within this framework, we look at new services which can improve people's daily lives, both in urban and rural areas. This may, for example, involve developing stores and offers in response to people's changing travel needs. We participate, among other things, in a research project with RISE, the publicly-owned, independent research Institute that promotes and supports all types of innovation processes. In the project, we are looking at various mobility solutions together with, among others, Nacka Municipality and Linköping Municipality.

"We are also involved in the LIMA Project (Lindholmen Science Park), which is led by Drive Sweden. Here we collaborate with municipalities, parking companies, property developers and architects to develop combined mobility in the city – locations where people switch between transport modes and have access to a range of mobility and everyday services, both in city centres and in the suburbs".

What is happening within new mobility services?
"The trend is that people in cities do not own their cars to the same extent as today. Instead, people will prefer to share vehicles and buy mobility as a service. Today cars stand still on average 96 percent of the time and it is expensive and difficult to have a car in the city.

We see that demand is increasing for various vehicle sharing solutions and mobility services. In Sweden we already lease out trailers and cars, and in the future we will have more vehicle types, new locations and we will offer other solutions to facilitate mobility in urban areas. OKQ8 Scandinavia will be a natural player in future mobility services".





Risks and material areas

Four integrated dimensions constitute the strategy and goals for our sustainability work

Sustainability areas → Buisiness strategy and UN goals → Risks and material areas → Strategy and goals

Sustainability areas
Our sustainability work focuses on four areas:

- Environment and climate
- Social responsibility and employees
- Human rights
- Anti-corruption

The policies we use to manage the above four areas are our SSHE Policy, Safe, Sound & Sustainable, and our Code of Conduct for all employees and our business partners. These policies govern our work and ensure that we have internal processes in place within the four sustainability areas.

Environment and climate
At OKQ8 Scandinavia, we work proactively to reduce our environmental and climate impact, and to use resources in a responsible way. We ensure that our employees have the knowledge required to take responsibility for the environment and climate in their daily work, and we comply with applicable laws and regulations in the countries where we do business.

Social responsibility and employees
At OKQ8 Scandinavia, we respect that all people are equally worthy. No one should be discriminated because of skin colour, gender, sexual orientation, civil status, pregnancy, parenting, religion, political views, nationality, ethnic background, social origin, social status, disabilities, age or union membership. We work preventively with the work environment at all our locations and with our partners.

Human rights
OKQ8 Scandinavia respect international human rights, which are, among other things, written in the UN declaration and related conventions. We ensure that human rights and diversity are a part of our business. No employee may in any way cause or contribute to human rights violations.

Anti-corruption
At OKQ8 Scandinavia, we oppose all forms of corruption, including extortion and bribery, and we comply with the applicable laws and regulations on gifts, rewards and other benefits in the countries where we operate.

External collaboration

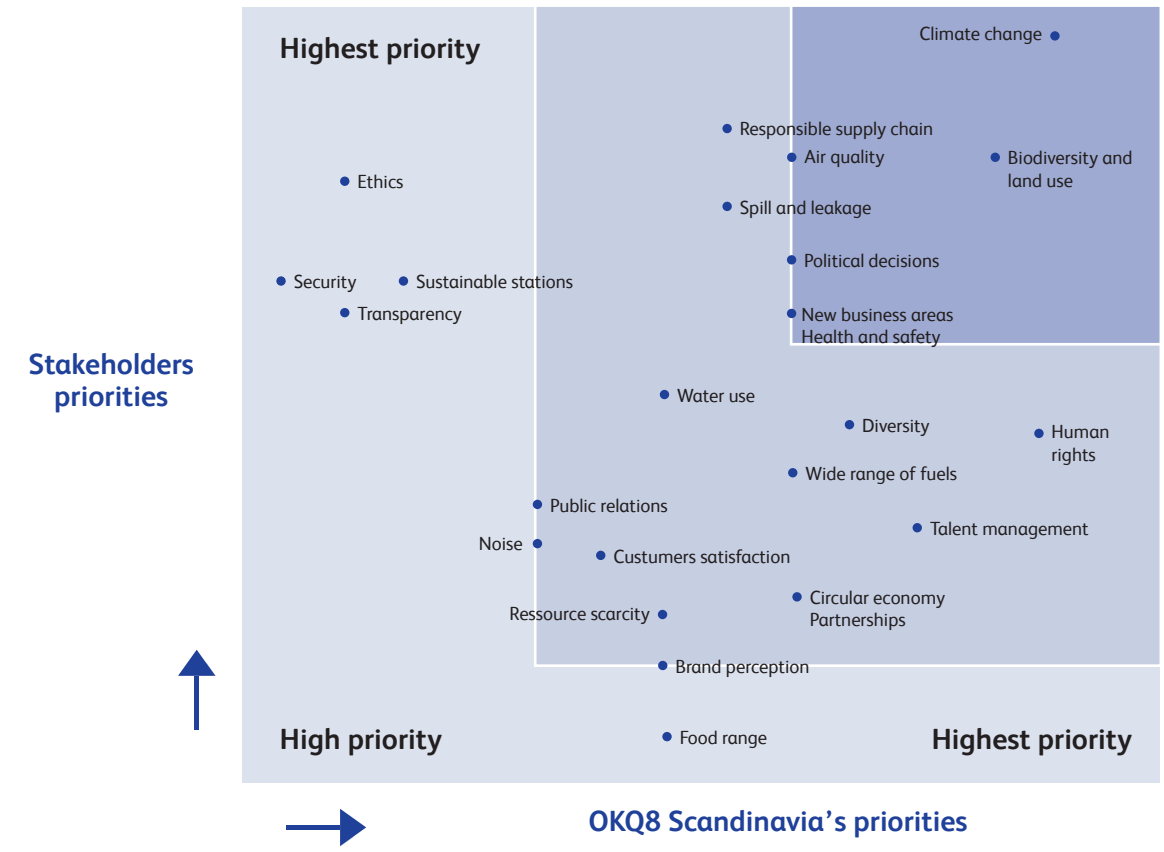
We take our responsibility and support:

- Global Reporting Initiativ (GRI)
- UN Global Compact
- Agenda 2030
- UN's 17 global sustainable development goals

UN initiatives
OKQ8 Scandinavia supports the UN Global Compact's 10 principles on human rights, labour rights, the environment and anti-corruption, which were signed in 2014. It is important that we are part of the great influential group which supports this global standard. The principles correspond to our own Code of Conduct, our approach to sustainability and our policies. Similarly, we support the UN's 17 global sustainable development goals in the development of our three sustainability goals.

Materiality assessment

Our materiality assessment provides us with guidelines for developing our strategy and goals for sustainability.



Risks and material areas

Through our risk assessment, we have identified the most significant risks in relation to our business activities and which have a negative impact on the four sustainability areas. In order to identify the most important areas, we have taken into account our stakeholders' views. Business risks, opportunities and challenges, as well as external driving forces throughout the supply chain, have also been taken into account. External driving forces include climate change, the switch from fossil to renewable fuel, urbanisation and mobility, resource constraints, as well as digitalisation and electrification.

Material areas

The materiality assessment gives us guidelines for the development of strategy and goals within our sustainability work. With the help of external stakeholders and our internal Sustainability Council, which consists of representatives from every division within OKQ8 Scandinavia, we have identified a number of areas within sustainability, where we intend to prioritise our efforts and set goals.

In the dialogue with our stakeholders, we have addressed important issues that have also been taken into account in the development of our strategy and goals. The stakeholders are particularly interested in where we see ourselves in the future when there will no longer be fossil fuels.

We have an ongoing constructive dialogue on challenges and opportunities within sustainability with our key stakeholders and we constantly develop new areas to reach further.

Our most important stakeholders

Customers
Owners
Politicians Authorities
Suppliers
Industry organisations
Employees
Partners
State and municipalities
NGOs
Media





Sustainability area	Current and potential risks	Mitigation
Environment	**Spills and leakage** We handle large amounts of fuel and despite safety measures spills can occur that are difficult to limit.	Policies and procedures are in place and are clearly communicated to employees and contractors.
Environment and employees	**Fire and explosion** We handle flammable products and despite all precautions, a fire can occur which can have major consequences for the environment and people.	Policies and procedures are in place and are clearly communicated to employees and contractors.
Employees	**Work related incidents** Despite clear guidelines for the health & safety, work related accidents arise which can have serious consequences.	Policies and procedures are in place and are clearly communicated to employees and contractors.
Employees	**Violence and threats** At our stations, our employees can be confronted with violence and threats from outsiders which can have physical and mental consequences.	Policies and procedures are in place and are clearly communicated to employees. Quick help is available in the form of an alarm for police and crisis assistance.
Human rights	**Violation of human rights by suppliers** Suppliers can use, for example, child labor and other illegal or offensive behavior.	All suppliers must comply with our Code of Conduct.
Anti-corruption	**Corruption** Employees ask for, directly or indirectly, benefits or similar to or from third parties, for example, receive, promise, offer or hand over gifts, services or remuneration.	All employees must comply with our Code of Conduct.
Environment and social responsibility	**NGO activities at our locations** Political groups or NGOs protest against our company.	We always try to avoid situations that attract negative attention from some groups.



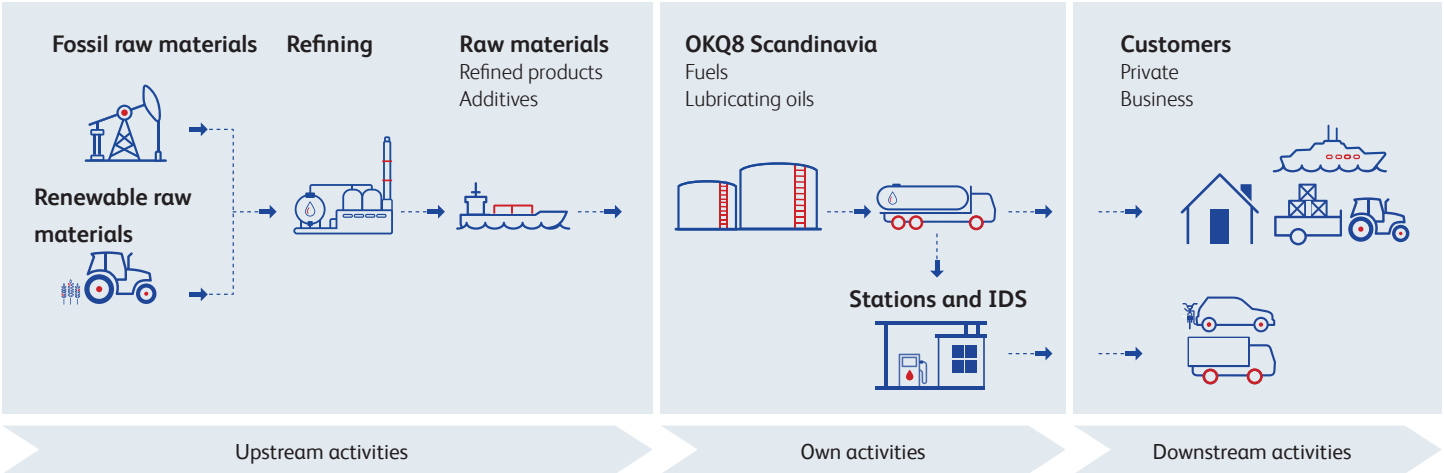
Our supply chain

Climate change poses major risks and challenges for all countries and industries. At OKQ8 Scandinavia, we work actively to reduce our environmental and climate impact throughout the supply chain. It is primarily within our fuel business that we can make the greatest improvements.

The fuel supply chain

Since we neither extract oil nor own refineries, we are relative latecomers in the process. We purchase both renewable and fossil raw materials in the form of refined products and additives. Our renewable raw materials are agricultural products in the form of vegetable or animal-based oils from many different countries. Our fossil raw materials comes from various Nordic suppliers. The crude oil we use comes primarily from Russia and the North Sea. The majority of the oil products are distributed to our depots in Denmark and Sweden.

We storage fuels at our depots, and blend in additives before they are distributed to our stations or to private and business customers. Lubricating oils are blended and packed at our depots before they are distributed to customers. A large proportion of the used lubricating oil, for example from car workshops, are collected by us and returned to refineries for reuse, which generates both an economic and environmental benefit.





Suppliers of fuels

The fact that we neither extract oil nor own refineries ourselves, is something we regard as a strength. We are not bound to sell any specific product, but can sell the products, which are demanded by the market and that contributes to climate adaptation. OKQ8 Scandinavia has eleven Nordic fuel suppliers, six of whom supply fossil fuels and five supply renewable fuels. We purchase finished products from refineries, who we have long-term relationships with and who have a highly-developed approach to the environment and sustainability.

Dialogue and checks

Our Code of Conduct for suppliers is based on the ten principles of the UN Global Compact. During our annual procurement negotiations we require our suppliers to comply with this Code.

Each year, we set goals for which of our fuel suppliers are to be audited by a third party. The audit is based on established sustainability criteria and whether they comply with our Code of Conduct. In 2018/19 none of our suppliers were audited. We plan to audit one of our suppliers in 2019/20.

Suppliers of renewable fuels

When assessing renewable fuels, we take into account a number of our own criteria and the UN Global Compact's 10 principles. For example, fuels must be produced in a way which does not violate human rights. With third-party certifications such as the ISCC (International Sustainability & Carbon Certification) and the RSPO (Round Table on Sustainable Palm Oil), as well as full traceability, we can trust the handling of renewable fuels.

Follow-up is carried out through our control system, which follows the guidelines of the law on sustainability criteria for biofuels. The law aims, among other things, to protect land with high biodiversity. We have received a sustainability letter from the Swedish Energy Agency, which guarantees that all biofuels handled are sustainable in accordance with the law.

Suppliers of fossil fuels

Our suppliers mainly purchase their crude oil from Russia and the North Sea. In the final product, the raw materials that come from several different places are mixed. We therefore require our suppliers to assess and evaluate their suppliers in accordance with our Code of Conduct for suppliers, or their own equivalent Code of Conduct.

Products and services

Other environmental and climate impacts from our supply chain come from the products and services we offer at our stations. In our stores, a large range of food and drink products and accessories are sold for vehicles. At most of our stations we have car wash facilities and space to care for the car. At a small number of stations in Sweden, we also provide a vehicle workshop.

Product	Parameter
Food and drinks	Organic, vegetarian, locally produced,
Disposable articles	Nordic Ecolabelled, renewable material
Coffee and tea	Fairtrade, Rainforest Alliance



Sustainable stations

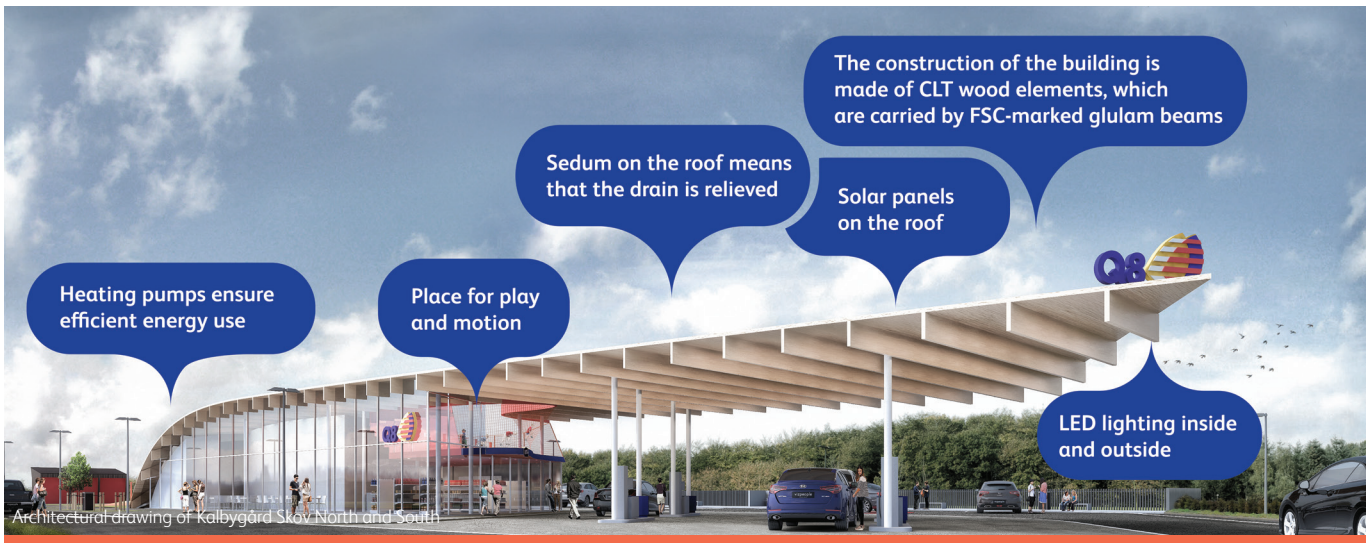
Sustainable stations use as a minimum 50 percent less energy than a traditional station.

Since 2012, we have built eight completely new sustainable stations in Sweden. In February 2019, we opened two new sustainable stations in Denmark, which also architecturally stand out from how service stations normally look. Kalbygård Skov North and South are the names of the two new stations along the new highway between Århus and Silkeborg.

Building sustainable stations requires construction style and sustainable choices tailored to the individual station and its local environment. The two stations are adapted to the hilly terrain and are constructed on sustainable principles.

We also work on how we can make our existing stations more sustainable in terms of energy use, the use of solar energy and new technology.





Architectural drawing of Kalbygård Skov North and South

Electricity trading supplier
OKQ8 Scandinavia and E.ON have signed an agreement on electricity, where E.ON sells renewable energy to our stations. The collaboration also includes analysis of all locations to identify areas where the environmental impact can be reduced. The agreement covers all the stations and offices we own, as well as Petrolia.

This will provide us with an overview and analysis of the exact electricity use at each station. It paves the way for future optimisations of the energy at the stations in question. The information enables us to invest in the right locations, such as where we should install solar panels.

New solar panel installations
As part of the analysis of the energy use, we have installed more solar panels at our stations in Sweden during this year.

Currently, OKQ8 Scandinavia has installed solar panels at 12 stations in Sweden, and at two of our newly-opened stations in Denmark. The solar panels mean that the electric power during much of the year can be driven entirely by solar energy. The solar panels work best during the spring, when they are at peak efficiency. Once the temperature exceeds 15 degrees, it is a bit too warm for optimal function.

Solar panels on station roofs
As part of our participation in a local district initiative, we have installed solar panels on the roof of our station in Västberga, Stockholm. The goal is to make the district a model for other districts and cities that want to reduce their energy use and CO_2 emissions.

Sustainable carwash
Carwash is an important part of our business, and we are constantly working to develop our services to suit our customers' different needs. An example is the opening of the self-service concept in Denmark and with more large carwash centers in Sweden.

The water from a car wash contains oil, heavy metals, asphalt, tire debris, and chemicals from car care products. These pollutants can damage people, animals and plant life for a long time if they end up in the sewage. In addition, the discharge of untreated wastewater into the daily wells in connection with car wash is against environmental regulations.

By washing the car in a car wash facility or self-service wash hall, the water treated in the treatment plant and through oil separators, which is a sustainable alternative for the environment. All car products that we use in our car wash are Nordic Ecolabelled.

Kalbygård Skov North and South
In February 2019, we opened two new stations in Jutland in Denmark. The stations are categorised as sustainable, which means that after one year, they must achieve an energy use, which is minimum 50 percent lower compared to a station of the same size and with the same service selection.

Sustainable stations
From our perspective, it is the station's energy use that defines the station's status as sustainable.

When more stations become sustainable, the requirement for the other stations increases. At the end, the sustainable stations will help us achieve the goal of becoming climate neutral from our own operations by 2030.

Examples of sustainability criteria can be: solar panels, LED lighting, heating pumps and geothermal heating.





Environment and climate

In 2016, we established goals for reducing our CO_2e emissions and energy use to 20 percent for both areas. We have already achieved this, and have therefore challenged ourselves with a new and even more ambitious climate goal.

Since 2014/15, we have had a positive development in terms of our CO_2e emissions and energy use. This has led to a reduction of CO_2e emissions by 40 percent and 26 percent, respectively, when it comes to energy use.

We have carried out energy surveys at stations and depots, because of new EU legislation, but also to increase our own understanding. As a result of the surveys, continuous improvements can be made in the daily operations.

Focus on the most important areas

We know that climate impact in terms of energy use and CO_2e emissions are the biggest environmental impact in our own operations. Our updated climate goal will contribute to the society´s and transport sector's transition to a fossil free future and reduced CO_2e load in the coming period until 2030.

Spills and leakage, water use, waste, noise and air quality are other areas which we also are focusing on improving. Our environmental work also supports our ISO 14001 certified environmental management system in identifying and planning environmental improvements.

New goal – Climate neutral 2030

We have set our own goal that we want to have zero CO_2e emissions from our own operations in 2030. In order to achieve this long-term goal, we must already now set ambitious goals within our business.

Investing in solar energy for the environment

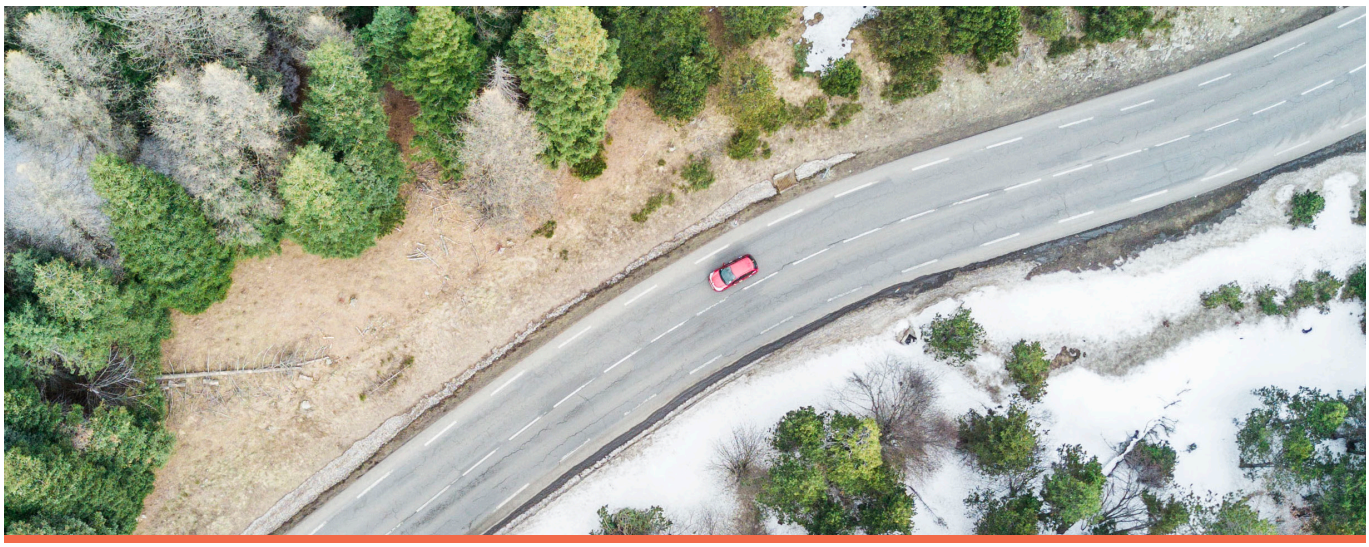
The sun will be one of our most important energy sources in the future, and OKQ8 Scandinavia wants to be part of this development. We believe that there will be increased demand for products and services to generate electricity from the sun.

As a part of this approach, during this year, we have acquired the company, Kraftpojkarna, and thus take the step into the future energy type in the form of energy from sun. The newly-acquired company is a supplier of everything needed for a turnkey solar energy installation.

Solar energy generated by solar panels on the roofs of our stations, depots and offices, will be able to be used for everything from quick charging of cars to lighting and comfort in stores and car wash halls. In the future, we will be able to utilise more opportunities in charging, energy storage and energy optimisation.

About Kraftpojkarna

Kraftpojkarna is Sweden's largest consulting solar wholesalers. The company is a systems distributor which contributes to the sustainable society by offering turnkey systems, products and services for solar energy, energy storage and charging infrastructure. Kraftpojkarna started in 2012 and owns the Nordic Region's first 1MW park with solar trackers, located between Västerås and Enköping in Sweden.



Waste and recycling
To minimize waste and optimise resource use, we use a variety of approaches:

- In Denmark, rum truffles are made from leftover Danish pastries
- We reduce the price of products which are approaching their best before date
- Too Good To Go in Denmark is reducing food waste by helping our stores sell their left overs through an app
- We have increased our efforts in sorting waste at the source, both at stations and at collection locations.
- The majority of all windscreen washer fluid comes in plastic bags rather than (as previously) in bulky plastic containers.

Too Good To Go

Every day at our stations, we throw ou food, which could have been sold. In Denmark, all Q8 stations are part of the Too Good To Go programme, through which our customers can purchase products which would otherwise be thrown out. Through this programme we contribute to solving the major challenge of food waste, and contribute to the responsible use of resources, reducing CO_2 emissions and our costs. Every month, we save around 4,000 meals.

Too Good To Go is available in 10 countries, but not yet in Sweden. In Sweden there is a similar initiative, Karma, which we are now testing on selected stations.

Spills and leakage

We are handling large amounts of fuel and other potentially environmentally harmful products. Therefore it is crucial for us to work systematically to prevent spills and leakage. With procedures, safety regulations, tests and training of our employees and distributors, we prevent spills and leakage as much as possible. Spill zones are in place in the ground under all our stations. There, all spillage from refueling can drain into oil separators, to protect the soil and the environment around a station. Oil separators have also been installed in the ground at our depots, which receive and load fuels.

We comply with the strict regulations set by the authorities to protect both the environment and the people who work and live in the area.

Spill incidents
Despite safety measures, there may be spillages that are difficult to limit. During 2018/19, we had two significant spills, one in Sweden totaling 500 litres of diesel and one in Denmark totaling 888 litres of heating oil. Both spills were remedied with no damage to the environment. A number of minor spills amounted to a total of 3,200 litres, of which approximately 40 litres reached the environment. These were remedied and did not damage the environment.

DripStop for diesel
To solve the problems of spills with diesel when fuelling, there is now DripStop on all diesel pumps. Using a stop function on the nozzle prevents the last drops of diesel from dripping onto the ground. As petrol does not drip in the same way as diesel from the nozzle, the need is not as big on the petrol pumps. If the last couple of drops go into the customer's tank rather than onto the ground, this will prevent at least 3,000 litres of diesel to be wasted

Better environmental choise

Our own environmental symbol, OKQ8/Q8 Better environmental choice, has been designed to promote those of our own products and services which have a lower impact on the environment and climate. In this way, we help our customers make a better environmental choice where possible.

During 2018, we launched the labelling on several of our lubricating oils, which contain at least 25 percent or 45 percent respectively of renewable raw materials, and are partially biodegradable.

The label is also used on our biogas and electric rental vehicles. The biogas vehicles reduce CO_2e emissions by at least 90 percent in comparison to fossil-fuelled cars, while the electric vehicles release no emissions at all.

CO_2e emissions					
Category	**Unit**	**2018/19**	2017/18	2016/17	2014/15
Direct CO_2e – Scope 1[1)]	ton	**2,382**	2,459	2,841[4)]	4,047
Indirect CO_2e – Scope 2[2)]	ton	**8,876**	9,591	11,881	17,692
Other indirect CO_2 – Scope 3[3)]	ton	**11,343**	11,616	11,252	12,021
Total CO_2e	ton	**22,601**	23,666	25,974	33,761
Total CO_2e per sold m^3	kg/m^3[3)]	**6.37**	7.34	8.17	10.70

1) Scope 1: Direct CO_2e-emissions from company controlled buildnings and vehicles.
2) Scope 2: Indirect CO_2e-emissions from electricity and heat produced by other company.
3) Scope 3: Other indirect CO_2e emissions which are not Scope 1 and 2, are from distribution, air travel and customer sales.
4) The large reduction of scope 1 emissions is due to the fact that we no longer distribute fuel with own trucks in Sweden.

CO_2e emissions from activities					
Category	**Unit**	**2018/19**	2017/18	2016/17	2014/15
Stations and IDS	ton	**8,683**	9,327	11,822	17,329
Distribution	ton	**10,950**	11,293	10,868	12,786
Production of lubricating oils	ton	**1,074**	887	953	1,188
Depots	ton	**266**	294	363	616
Business travels[1)]	ton	**1,538**	1,754	1,850	1,633
Offices	ton	**90**	111	117	209

1) From 2018/19, train travel is included in business travels

Energy use					
Category	**Unit**	**2018/19**	2017/18	2016/17	2014/15
Non-renewable energy	kWh	**31,846,562**	47,195,302	52,491,566	62,408,990
Renewable energy[1)]	kWh	**85,821,738**	79,933,598	78,986,734	80,291,410
Total energy use[2)]	kWh	**117,668,300**	127,128,900	131,478,300	142,700,200
Renewable proportion of energy	%	**73**[3)]	63	60	56
Total energy use per m^3 sold product	kWh / m^3	**33.18**	39.42	41.35	45.23

1) Includes renewable from electricity and drstrict heating
2) Energy type - 80.5 % electricity, 15 % district heating, 15 % burning oil and 0.2 % natural gas

Development of the environment

Since 2017/18, the CO_2e emissions from our own operations have been reduced by 13 percent and energy use was reduced by 15 percent. This significant reduction is mainly due to our efforts to reduce energy at our stations. At our depots, replacing heating oil with electricity and district heating has led to around 60 percent reduction of CO_2e emissions since 2014/15. Another reason for the reduction of CO_2e emissions is an increase in renewable energy in Denmark and Sweden, which has meant a decrease in the emission factors.

From 2018/19 we will report on the development of our new climate goal to be climate neutral in our own activities in 2030.

OKQ8 Better environmental choice
Our own label for products and services that have lower impact on the environment and climate, so that as a customer you can make a better environmental choice where it is possible.
Read more about the label and our sustainability work on OKQ8.se.



Employees and customers

Employees today and in the future
At OKQ8 Scandinavia, we believe that our most important resource is our employees, both those who currently work for us and those we will need to recruit in the future to achieve our goals. Our HR strategy has four focus areas, and these are the foundation of our initiative: Life with OKQ8 Scandinavia.

Courageous leaders – we encourage our leaders to be courageous in taking decisions and driving our business forward.

Family and leisure time – we value a sound work/life balance, and we encourage rest and recuperation during free time.

Development & talent – we foster talent and offer training to employees who intend to develop themselves or increase their expertise.

Flexible workplace – We are mobile, and we believe that a flexible workplace makes us more effective and more receptive.

Employee Satisfaction Index
Since 2014, we have carried out an internal employee survey. The result has improved from 3.01 in 2014 to 3.25 in 2019 on a scale of four. Last year the index was 3.14. The response rate is 94 percent this year, in 2018 it was 93 percent. We are, of course, very satisfied with the result and see that what we do to increase employee satisfaction is reflected in the results.

Employee appraisal conversations – taking the temperature of the organisation
Employee appraisal conversations are held with all employees once a year, and can be regarded as a type of annual report, which is documented in the internal system, PiM. The conversation provides an opportunity to look back over the past year and help each other develop further to achieve even greater success. The conversation follows a template which is completed by both the manager and employee. The employee appraisal conversation is part of the development process throughout the year in terms of ongoing discussions and catch-ups between managers and employees.

Management training
During the year, we have implemented a new type of individually-tailored training for 60 of our managers, to help them achieve the goals that have been set. This training process also enables us to clearly identify the competences we have and those which we need to supplement. The work is carried out throughout the company so that we can adapt our future training plans to our actual needs, on the basis of the strategy adopted.

New trainee programme
During 2018, we launched a new trainee programme. In January, four people began the 1-year training, where they get the chance to develop within the organisation and take a key position within the company. The programme began with an introductory week at OKQ8 Scandinavia's head office in Stockholm. This is followed by four internship periods in different areas within the company.







Trainee programme – Felix Simones

Hi Felix, how old are you and what background do you have?
I'm 24 years old, and I was born and raised in Belgium. I have a bachelor's degree in International Business Studies from the University of Antwerp in Belgium, as well as a Masters in International Strategic Management from Lund.

How did it come about that you applied to OKQ8 Scandinavia?
At first I saw the ad on Linkedin. I was looking for a trainee programme because I think it fits well when you come directly from school. I wanted to gain a holistic view and create a network within a company. I think the fuel industry is interesting because so much is happening right now. I thought that a trainee programme at OKQ8 Scandinavia would be fun, and give me valuable experience for the future. The positive thing about this type of employment is that you get the chance to try a wide range of different things – I look forward to that.

How does the setup look to you?
The programme started in January 2019, but some of the others on the programme started in December. We all have our own mentor, and work in different departments within the company. The good thing is that we get to see and experience so many different parts of the company. Everything from visiting our depots, to sitting in customer service and working at our stations, it feels very exciting.

Congratulations! What advise do you have for others who are in the same situation?
Really take the chance, even though it might be tough financially. I really wanted to get a job and preferably in Stockholm, which means tough competition. If you want something enough, you get it to work!

Where will you be working?
I work in a division called Direct B2B. We work with everything related to our business customers.

How do you see the future?
I don't know exactly where I will end up within the company. It appeals to me that I can be involved in deciding which particular role I am best suited for, based on experience, interests and competence.





Health & safety

We work strategically and operationally with the physical and psychosocial work environment at our stations and depots, as well as at our offices.

A fundamental part of our approach to health & safety is our management system: How we do things, which largely follows the standards: OHSAS 18001 (health and safety) and ISO 14001 (environment). This includes processes such as handling incidents and crises, audits, safety rounds, risk assessment, supplier mangament, environment, health & safety and security. How we do things also provides a framework for our systematic health & safety work. We work proactively, investigating, assessing risk, taking action and checking not only the physical work environment, but also the organisational and social work environment, on a continuous basis. Health & safety shall be a natural part of the daily work and collaboration between employer and employee shall create a good work environment for all employees within OKQ8 Scandinavia.

We have a tool for reporting undesired incidents. Around 1,000 undesired incidents are reported in the system each year. The purpose of reporting incidents is to enable us to constantly improve and create a safer and more secure working environment and to reduce our environmental impact.

Although we have a zero vision for accidents at work, incidents do occur where people and the environment are injured.

We follow up on all accidents, and offer consultations with the occupational health service in the event of serious incidents. We do this to minimise the negative impact of the incident and to enable employees to return to work quickly.

Safety rounds

Several times a year at each station and depot, safety rounds are carried out. The purpose of safety rounds is to identify and eliminate possible causes of incidents. During 2018/19, 2,481 safety rounds were carried out, which exceeds our target of 2,000.

Every year, we carry out audits according to our audit plan. Audits can be carried out by us or by an external company, such as a certification audit. The purpose of these audits is to assess whether the management system is followed and whether it generates value and efficiency.

Training

On our training portal, we offer a range of online courses and training modules on security, health & safety and environment. Certain courses are mandatory, while others are voluntary. The training is registered and forms the basis of our training index which is calculated as the number of training hours per employee. This year, we achieved a training index of 3.63, compared to our target of 3.7.

As part of our preventive work, we have an excellent benefits programme for all employees, such as a health contribution which can be used by every employee.
We have a health & safety committee in both Denmark and Sweden, which are composed so that all employees are represented. The health & safety committees meet twice a year to follow up and discuss work-related issues and incidents, as well as to decide which work-related activities should be carried out during the year.

The development of health & safety

Based on our management system: How we do things, we work with continuous improvements in the health & safety area. Focus on improvement lies in psychosocial work environment, where perhaps the biggest challenges are in relation to a tough social environment.

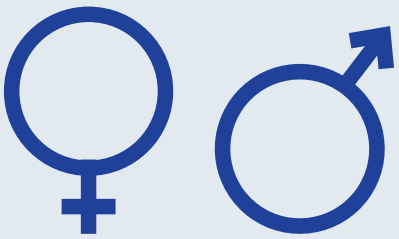
We have had an increasing number of reported incidents between 2017/18 (943 pcs.) and 2018/19 (1,113 pcs). The number of reported near misses has increased with 12 percent during the same period. Compared to last year, the number of personal injuries and the number of days absence has increased by 22 percent and 34 percent, respectively.

We monitor absence due to illness, and we also look specifically at how we can reduce work-related absence due to illness. During 2018/19, our health-related absence was 3.6 percent. We use an external service in Sweden for our employees to report sick and to notify us when they are ready to return to work. As part of the service, our employees are given the opportunity to ask for an advisory conversation through the company's nurses.

Employees					
	Number of employees	Employment contract		Employment type	
Total	**3,620**[1]	Permanent Women/ Men	Temporary Women/ Men	Full time Women/ Men	Part time Women/ Men
Denmark		49 % / 49 %	1 % / 1 %	13 % / 13 %	37 % / 37 %
Sweden		36 % / 32 %	19 % / 13 %	21 % / 21 %	34 % / 24 %

1) Includes full time, part time and hourly paid employees

Employee categories		
	Women	Men
Board, Q8 Danmark A/S	33 % (2)	67 % (4)
Board, OK-Q8 AB	29 % (2)	71 % (5)
Management	60 % (6)	40 % (4)
Total employees at OKQ8 Scandinvia	1,912	1,708



53 % **47 %**

The company's distribution of women and men

Sick leave			
	2018/19	2017/18	2016/17
Denmark	**1.2**	1.9	2.11[1]
Sweden	**5.1**	5.4	5.9

1) Due to a new payroll system, an average of 9 months is reported.

Incidents								
	Own employees				Contractors			
	Number of incidents		Incident index[1]		Number of incidents		Incident index[1]	
Type of incident	**2018/19**	2017/18	**2018/19**	2017/18	**2018/19**	2017/18	**2018/19**	2017/18
Crime[2]	**260**	245	**13.3**	12,6	**20**	27	**1.97**	2.75
Personal injuries	**152**	117	**7.80**	6,00	**56**	51	**5.52**	5.19
Near misses	**308**	259	**15.8**	13,3	**129**	128	**12.7**	13.0
Fatalities	**0**	0	**0**	0	**0**	0	**0**	0
Customer related incidents	**61**	27	**3.13**	1,39	**13**	12	**1.28**	1.22

1) Incident index: Number of accidents x 200,000 per number of hours worked.
2) Contains only external incidents such as robbery, fraud, burglary and violence.

Employee accidents with lost working days						
	LWC[1]		LWC Severity[2]		LWC Severity rate[3]	
	2018/19	2017/18	**2018/19**	2017/18	**2018/19**	2017/18
Own employees	**24**	14	**6.5**	7.07	**8.01**	5.08
Contractors	**3**	5	**7.33**	6.60	**2.17**	3.36

1) LWC (Lost workday cases) – Number of accidents with lost working days.
2) LWC Severity – Number of lost workings days per LWC.
3) LWC Severity rate – Number of lost working days at employee accidents x 200 000 per number of hours worked.



Our customers

Our customers include consumers and companies that buy services at our more than 600 service stations in Denmark and Sweden and through our bank and direct sales. In 2018, we signed a new agreement with DCC Energi, who operates the Shell network in Denmark, to provide business customers access to Denmarks largest network of over 400 staffed service stations.

A large proportion of our customers consist of different businesses, for example, agriculture, forestry, transport and the automotive industry. We have an ongoing discussion with our customers, to ensure that we are constantly adapting our products and services to meet our customers' needs to ensure sustainable growth.



Interview PostNord – Søren Rathmann Category Manager Fleet & Transport Equipment

About PostNord
PostNord offers communications and logistics solutions to, from and within the Nordic countries. We unite companies, authorities and private individuals, which makes us a vital part of Nordic business and society. We are proud of the fact that we have been confident in ensuring the postal service for private individuals and companies in Sweden and Denmark.

What does the agreement between you and OKQ8 Scandinavia involve?
Since we are publicly owned in both Denmark and Sweden, a procurement process was carried out in the supply sectors covering the Nordic region. This applies primarily to two product areas; fuel (petrol, diesel, Adblue and vehicle wash) and vehicle products (such as screen wash, oil and windscreen wiper). It is a three-year agreement with the possibility of extension.

Why did you choose on OKQ8 Scandinavia?
They scored highest in both price and geographical coverage in Sweden and Denmark. For Sweden, it was also important that they offer renewable fuel which actually exceeds the statutory reduction requirements.

Was sustainability a parameter in your choice of fuel supplier?
Yes, absolutely. This is very important for us. What stands out is access to renewable fuel, which is something we see increasing over the next few years. It was also important that OKQ8 Scandinavia accepts PostNord's Code of Conduct for suppliers.

Were there any other aspects of sustainability which swayed the decision?
It felt like we have a common view of sustainable transport and how the future development should look.

How do you work with social sustainability?
One example relating to our collaboration is parking and safety for our drivers. Our drivers can already use toilets and showers at the OKQ8 Scandinavia service stations which have this. We are jointly looking at expanding this to more stations as well as improving safety in parking places where our drivers, for example, park overnight.

How do you see your fuel needs in the future?
We see increased demand for renewable fuels, particularly for HVO, which is easiest to use, and in the near future, we will increase the number of electric vehicles in our fleet. This trend is driven by players in the industry as well as by legislators and even consumers. We have, for example a test in Denmark where local residents wanted their mail cars to run on electricity.



Our social engagement

Our overall goal for social sustainability is to create sustainable mobility and development in society.

Our social initiatives and partnerships are dedicated to achieving our social goals starting from our vision of being a sustainable enabler for people in motion. Our social approach should also ensure the possibility of local anchoring and that the initiative is relevant to both employees and customers.

We help young people and new arrivals to get a job

Despite a relatively low unemployment rate in our countries, there are two groups of people who find it more difficult than others to get a job: young people and new arrivals. OKQ8 Scandinavia work with two programmes to help people into working life. The programmes are called Ung på väg (Youths on their way), which is aimed at unemployed young people and Korta vägen (Short way), which is aimed at new arrivals.

Ung på väg helps young people

In 2014, we started the programme Ung på väg in Sweden, an internship programme to reduce the exclusion of people within the framework of the Employment Service's job guarantee for young people. This means that we receive interns for three months to give them experience in working life. At our customer service in Avesta, we receive about 50 young people a year. The most important thing for us is that our internship should lead to work and so far, 40 percent of our interns have secured a job after about a year.



Ung på väg - Alexander Samuelson

How long have you worked in this trainee programme at OKQ8?
4-5 weeks. The programme lasts for 3 months in total.

Which department are you working at?
I am working at Customer Service with administration.

How do you like it?
I enjoy it very much.

Have you worked with something like this before?
No, this is my first time. I had been unemployed since I left school in June 2018, and I saw the traineeship as a chance and an opportunity for a job.

How did you get in touch with Ung på väg?
The Swedish Public Employment Service recommended applying. They told me that it was an excellent programme. I was really interested, since it involved getting a real job. I feel that administration suits me very well.

Was it what you expected?
No, it was better than I expected. I was given more work than I thought, and considerable responsibility for my own work. I enjoy that.

Would you like to continue working here?
I think it would be really fun to continue working with administration. This is a very nice workplace and I really like working here.



Korta vägen helps new arrivals
During the refugee wave of 2015, OKQ8 Scandinavia saw an opportunity to offer work to newly-arrived academics. It is important for us that we are a part of society and provide help where it is needed. That is why we developed a mentoring programme, which is aimed at academics who have recently been granted residence permits. The goal is to introduce them to Swedish working life, and, so far, 15 people have joined the programme, which involves working at any of our offices in Sweden.


Photo: Sofie Tejre

Korta vägen – Clara Dieb started her internship at OKQ8's Finance Department in December 2018.

Clara, from Syria, is 25 years old. She came to Sweden 16 months ago, and speaks exceptionally good Swedish.

In Syria, she studied economics for four years, specialising in banking and finance. Before she left the country, she worked with an insurance company and with a charity helping children affected by the war. She also worked as a trainee in a bank. In Sweden, through the University of Stockholm, she had her qualifications recognised as a bachelor's degree in economics.

Clara is carrying out her internship at two departments within the company, Cash Accounting & Billing and Accounts Payable.

What is it like to work at OKQ8 Scandinavia?
It's a great workplace! Everyone has been very nice and given me a lot of help. The internship programme is fantastic – I really want to learn everything, so I ask loads of questions and I have already learned a great deal. I am very grateful to OKQ8 for giving me this chance in Sweden. I see it as a major opportunity for me.



Other social partnerships

We work with several charities that help us make a difference and be a good citizen, and who also help to solve a social challenge. These include the environmental forestry charity, Vi-skogen, and Save the Children.

Vi-skogen

OKQ8 Scandinavia supports Vi-skogen's work in tree planting and combating poverty in Africa. We do this by collaborating with the recycling company, Returpack, to increase the recycling of metal cans and plastic bottles at our stations and offices. During 2018, 375,000 cans and bottles were collected.

We also support Vi-skogen through the OKQ8 Bank´s campaign, which encourages customers to switch to e-invoicing. For every customer who signs up for e-invoicing, one tree is planted.

Vi-skogen is a Swedish aid organisation that plants trees in West Africa, an area that is severely affected by climate change and deforestation, and which for many years has lived with the devastating effects for both people and nature. A tree creates opportunities to use the soil, it provides wood, shade and animal feed. In addition, the trees bind CO_2, fix nitrogen in the soil and prevent soil erosion. By planting trees and educating local groups of farmers in sustainable agriculture, equality and economy, Vi-skogen combats both climate change and poverty.



Save the Children – Merete Gotsæd Falkenstrøm Director of Fundraising & Marketing

How does the collaboration with OKQ8 Scandinavia work?

We began collaborating with Q8 in Denmark in 2017, when they decided to donate their Christmas gift to Save the Children. The same thing happened in 2018, but this time it also involved customers. Before Christmas, we started a barcode campaign, which enabled customers at Q8's service stations to donate an extra 25 DKK for vulnerable children.

Where does the money go?

In the agreement with Q8, we have the opportunity to send the money where it is needed most. This year, a large part of the money went to vulnerable children in Denmark. In this case, to children who have difficulty and end up outside social leisure activities. Vulnerable children often find it difficult to feel involved in the social life that their friends are a natural part of. Then we can help the children to pick them up at home and take them to activities like football training, wait in the meatime and then follow them home again. This means an awful lot to these children.

How does this type of collaboration with companies affect your daily work?

The financial aspects of this type of collaboration are obviously fantastic, and this is essential for us to be able to help as many vulnerable children as possible. At least as important, is the commitment which Q8's employees show by actively choosing to help us. For us, this is a recognition that what we are doing is important, and that, together, we can fight for the human rights of all children. With this type of long-term cooperation, we can also, through the company's channels such as at the stations, get the opportunity to communicate what we do and how we affect the lives of vulnerable children.

How do you see the potential going forward?

First and foremost, I would like to express my sincere thanks to all employees and customers at Q8 for their strong commitment and the generous donations! Together, we have raised over 200,000 DKK. This type of collaboration is absolutely crucial for our work. I am sure that we can continue to find new ways and new information channels to get across our message that so many children need support.





Organisation

Organisation

OKQ8 Scandinavia consists of OK-Q8 AB and its subsidiaries in Denmark and Sweden. OK-Q8 AB is jointly owned by OK ekonomisk förening and Kuwait Petroleum International, with each having a 50 percent ownership of the company. The group has a joint venture agreement in OK Detaljhandel AB, owned by OK Ekonomisk Förening. Together, constitutes the term OKQ8 Scandinavia, one of Scandinavia's largest fuel and energy companies.

OKQ8 Scandinavia has around 1,000 stations designed for both cars and heavy traffic. Many of the manned stations have car wash, self-service facilities, car rental and car workshops. We also market products such as fuel and lubricating oils for customers in agriculture, transport industry, shipping and workshops.

OK-Q8 Bank AB is the bank for customers on the move. Since the start in 2009, we have been providing a wide and attractive range of cards, loans and insurance through our 40 employees. OK-Q8 Bank is owned by OK-Q8 AB and is thus part of OK Ekonomisk förening through which we have about one million members. OKQ8 Bank is under the supervision and control of the Swedish Financial Supervisory Authority.

OKQ8 Scandinavia's vision to be a sustainable enabler for people in motion affects everything we do from the our daily operational work to the more strategic one.

OKQ8 Scandinavia's station network consists of approximately 1,000 stations - manned, unmanned and IDS in Denmark and Sweden

743

stations in Sweden – OKQ8, Minipris, Tanka and IDS

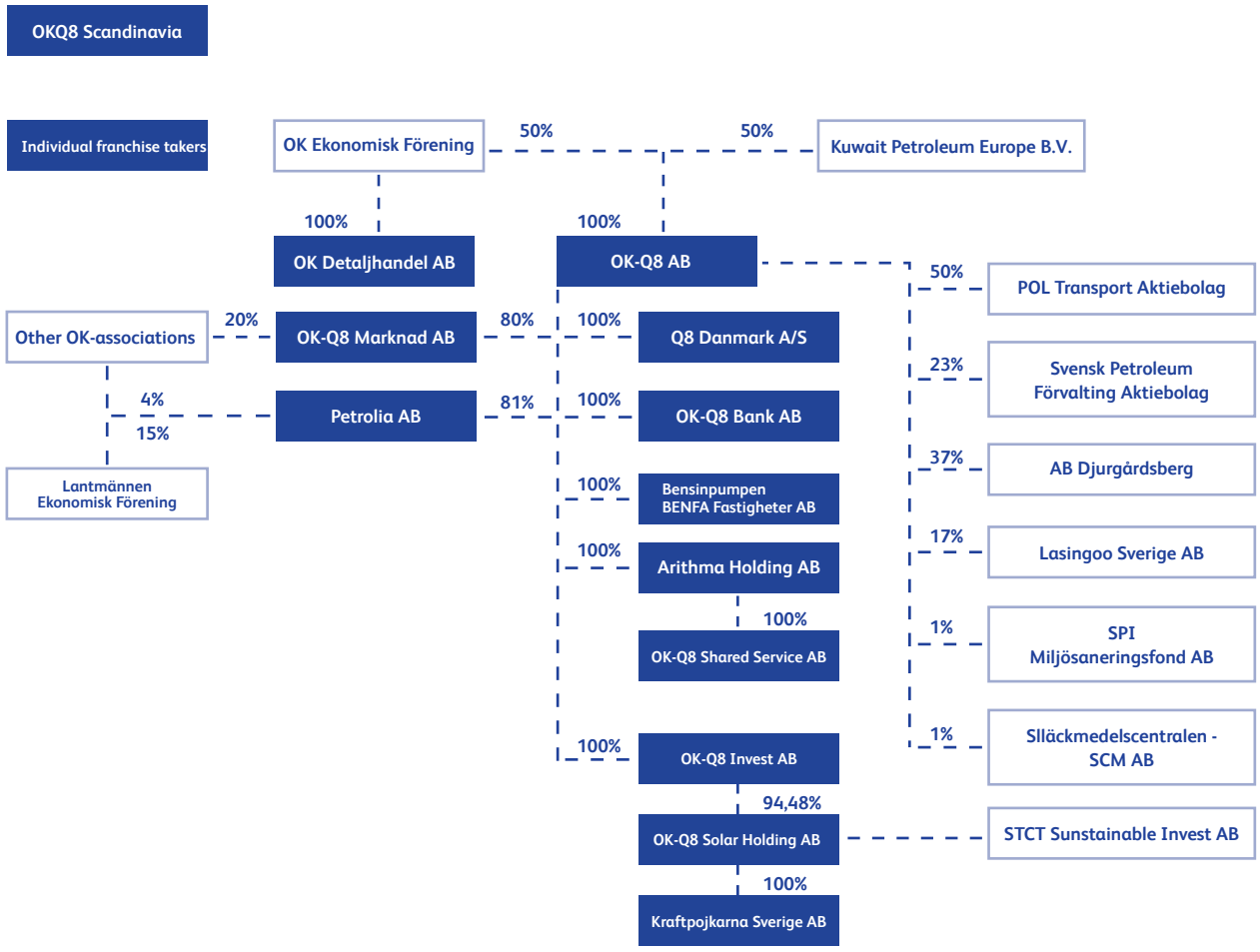
274

stations in Denmark – Q8, F24 and IDS

11 depots

3 in Denmark and 8 in Sweden

OK-Q8 Group legal structure (1 March 2019)



Governance structure

OKQ8 Scandinavia is governed by a separate Management team and a Board of Directors in accordance with Danish and Swedish law. The Board of Directors is responsible for the overall management of OKQ8 Scandinavia as well as the appointment and dismissal of the Management team. The elected members of the Board of Directors are independent while additional members are elected by OKQ8 Scandinavia employees in Denmark and Sweden. The Board of Directors choose members who have professional expertise in areas that support the company's needs, and provides a balanced age and gender distribution on the Board. Management is responsible for the company's ongoing leadership and reports quarterly on strategic results to the Board.

Our business model

OKQ8 Scandinavia is one of Scandinavia's largest fuel and energy companies. We operate in Denmark and in Sweden and our products are primarily intended for private and business customers in the two countries. On an annual basis, we sell around 3 million m^3 of fuel.

Our sustainability work aims to reduce our own and our products' environmental impact, and to create a positive effect on society. Our business development work aims to find new business beyond fuels.

Sustainability is the responsibility of Management team. The Management team is responsible for the company's sustainability strategy and goals and to allocate resources and make decisions in economic, environmental and social areas.





Economy

The OKQ8 Group's revenue for 2018/2019 amounted to SEK 39 billion.

Our assessment is that we have an underlying stability in the economy which gives us the prerequisites to continue working long-term with our social and environmental responsibility. Profit for the year was affected by non-recurring items in the form of write-offs of fixed assets and provisions for future closure of operations at Loudden in Sweden.

From a volume perspective, the market has been stable during the year. On the other hand, large variations in Platt's price index, driven by the crude oil price, and a significantly weaker Swedish krona against the US dollar, have led to large price fluctuations on the fuel price to the end customer. The prices of the raw materials for our fuels are influenced by several external factors that we do not have control over, such as economic activity and supply. These in turn are affected by global politics, natural phenomena and political uncertainties. The fuel prices in our sales markets are also affected by the rules governing renewable fuels and how fuels are taxed. OKQ8 Scandinavia is engaged in a number of projects to contribute positively to the environment and in the contexts in which we operate, including Vi-skogen and Save the Children. For financial results, we refer to the OK-Q8 Group's annual report on www.okq8.se.





Compliance and reporting

Policies

An important part of our sustainability strategy is to ensure that we have guidelines and objectives for how we work with social responsibility and that our employees are informed about and are familiar with these. This means that we have policies for the environment, social and employment conditions, human rights, anti-corruption and bribery.

Safe, Sound & Sustainable

Our SSHE policy for people and for the environment applies to our entire company. It includes aspects that affect the environment, employees and society. Through our Safe, Sound & Sustainable policy, we continuously assess the company's risks and reduce all negative impacts on society, including reducing climate impact.

Code of Conduct

We support, and base our internal Code of Conduct, on the UN Global Compact's principles on human rights, labour rights, the environment and anti-corruption and bribery. It follows, among other things, that we support and respect the protection of international human rights in our business within the sphere we can influence; enforce regulations on labour rights; take environmental responsibility throughout our organisation and that we do not accept any form of corruption and bribery.

OKQ8 Bank has processes to combat corruption, but also to facilitate the detection of money laundering according to the regulatory requirements.

Similarly, we have a Code of Conduct that our suppliers must follow and which is part of the suppliers' contractural obligations.

Compliance

In the beginning of 2018/19, we implemented a whistleblower system, which will apply to all our activities in both Denmark and Sweden. More specifically, this means that all employees are anonymously given the opportunity to report serious events within the company about, for example, violations of human rights and also in other areas described in our Code of Conduct. This whistleblower system will ensure that OKQ8 Scandinavia's ethics, business culture and brand are maintained. Information on reported events in our whistleblower system is treated confidentially.

Internal fraud is not reported in our internal incident system, Oops & Ouch, and is therefore not included in our incident statistics.





Reporting

This report covers the financial year 1 March 2018 – 28 February 2019, and is the OK-Q8 AB Group's fifth joint sustainability report. It has been prepared in accordance with the Global Reporting Initiative's standards (GRI) on Core` level. The report has been reviewed by an external auditor who has stated that the report complies with identified GRI areas. In order to determine the scope of the report, the starting point was in our value chain, and included the areas which we consider relevant to us. Accordingly, we have made an evaluation of which GRI topics we want to highlight in the report. A thorough materiality assessment has also been carried out where both internal experts and selected stakeholders were given the opportunity to express their views with the aim of ensuring that our sustainability work is relevant and effective. All reported data comes from various internal and external systems.

Health & Safety

Reported data relating to health and safety covers all OKQ8 Scandinavia's own activities and employees. Reported data also include employees at stations operating on a franchise basis under our brand. Our distributors, who transport our products to customers and stations are also included in this report. The lubricant business, Petrolia is not included in our reporting as they report incidents in their own system.

Social and financial data

Reported data on social aspects and finances include all OKQ8 Scandinavia's own activities and employees. OKQ8 Detaljhandel AB is not included in the financial data.

Environmental data

Reported data on the environment covers all OKQ8 Scandinavia's own activities. Environmental data also includes our distributors, who transport our products to customers and stations. However, our reporting does not include franchise-based stations. The environmental data includes our energy use and greenhouse gas emissions (CO_2e), which have a great environmental impact. Energy use is primarily based on data from our energy suppliers.

For CO_2e reporting, we use a web-based system, CEMAsys, which is based on the Greenhouse Gas Protocol standard. The system uses conversion factors, that are recognised in both Denmark and Sweden. This means that we can ensure a high standard of credibility in our data, as the conversion factors are automatically updated by the system owner. All data from the financial year 2014/15 is included in the system.



Assurance

Auditor's Limited Assurance Report on OKQ8 Scandinavia Sustainability Report
To OKQ8 Scandinavia

Introduction
We have been engaged by the Board of Directors and the Chief Executive Officer of OK-Q8 AB to undertake a limited assurance engagement of OKQ8 Scandinavia's (as the organization is defined of page 28) Sustainability Report for the year 2018/2019.

Responsibilities of the Board of Directors and the Chief Executive Officer for OKQ8 Scandinavia's Sustainability Report
The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Sustainability Report in accordance with applicable criteria, as explained on page 31 in the Sustainability Report, that are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. A limited assurance engagement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies ISQC 1 (International Standard on Quality Control) 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. We are independent of OKQ8 Scandinavia in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Chief Executive Officer as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusions
Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Executive Management and Chief Executive Officer.

Stockholm, 7 May 2019
KPMG AB

Tomas Gerhardsson
Authorized Public Accountant

KPMG Statsautoriseret Revisionspartnerselskab

Jon Beck
Authorized Public Accountant



Auditor's opinion regarding the statutory sustainability report

To the general meeting of the shareholders in OK-Q8 AB, corporate identity number 556027-3244

Engagement and responsibility

It is the Board of Directors who is responsible for the sustainability report (OKQ8 Scandinavia Sustainability Report) for the financial year 2018/2019 and that it is prepared in accordance with the Annual Accounts Act.

The scope of the examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm 7 May 2019
KPMG AB

Tomas Gerhardsson
Authorized Public Accountant



Goals and results

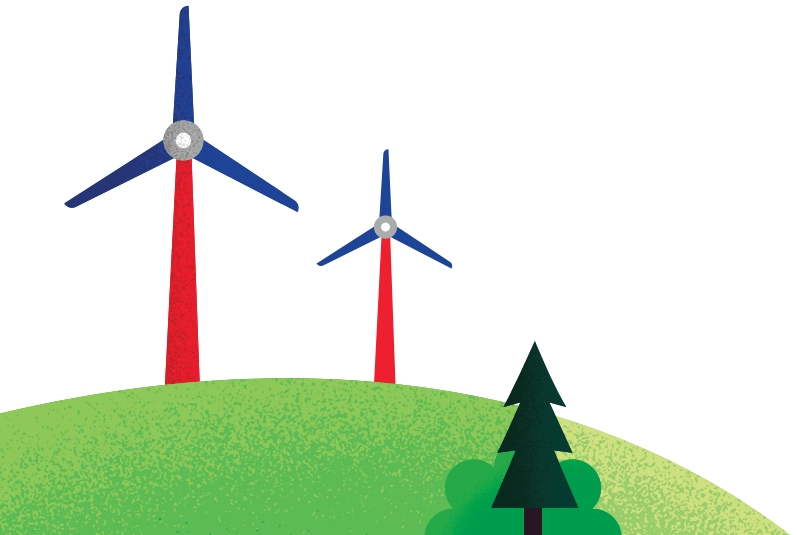
We review our goals and our progress at least once a year. When necessary, the goals are adjusted and renewed. All goals are linked to the highest priority aspects identified in the materiality assessment, and comply with our sustainability strategy. The table below shows our current goals and goal fulfillment.

	Goal	Year	Progress
Overall goal	**We will be in Top 50 on the Universum "Most Attractive Employer ranking"**	**2025**	**A survey shows that we are placed between 110-150**
LinkedIn	We will have 14,000 followers at LinkedIn	2018/19	Late February, we had 12,690 followers
Social initiatives	Korta vägen – We will employ interns	2018/19	During 2018/19, we employed 3 interns
	Ung på väg – We will employ interns	2018/19	During 2018/19, we employed 21 interns
Employee satisfaction (NMI)	We will increase NMI-index to 3,2	2020	In February 2019, we achieved an index of 3.25
Health & Safety	We have a vision of zero job related incidents with sick leave	Ongoing	During 2018/19, we had 27 incidents with sick leave

	Goal	Year	Progress
Overall goal	**We will be in Top 50 on the "Sustainable Brand Index"**	**2025**	**A detailed report shows where we can improve**
Sustainable stations	In Sweden we will build one new station each year according to our criteria for sustainability	Ongoing	In 2018/19, we did not build any new stations
	In Denmark our reconstructed stations must live up to our criteria for sustainability	Ongoing	In 2018/19, we have built two sustainable stations
Fuel	High risk suppliers must be audited by third party	2018/19	None of our high-risk suppliers were reviewed in 2018/19
Electric chargers	We will install 30 quick chargers; 25 in Sweden and 5 in Denmark	2018/19	During 2018/19, we have installed 5 quick chargers
Partnership	We will support Vi-skogen´s tree planting and poverty reduction	2018/19	In 2018/19, we donated 450 TSEK to Vi-skogen

	Goal	Year	Base line	Progress
Overall goal	**We will reduce our CO_2e by 20% per m^3 sold product**	**2030**	**2014/15**	**CO_2e emission was reduced by 40 %**
Total energy use	We will reduce energy use from own operation with 20 % per m^3 sold product	2030	2014/15	Energy use was reduced with 26 %
Logistic	We will reduce CO_2e from distribution with 20 % per driven km	2030	2014/15	CO_2e emission was reduced by 12 %
	We will reduce CO_2e from depots with 20 % per m^3 driven product	2030	2014/15	CO_2e emission was reduced by 61 %
	We will reduce energy use from depots with 20 % per m^3 dispatched product	2030	2014/15	Energy use was reduced with 21 %
Lubricating oil	We will reduce CO_2e from Petrolia with 30 % per m^3 product produced	2030	2014/15	CO_2e emission was increased with 25 %

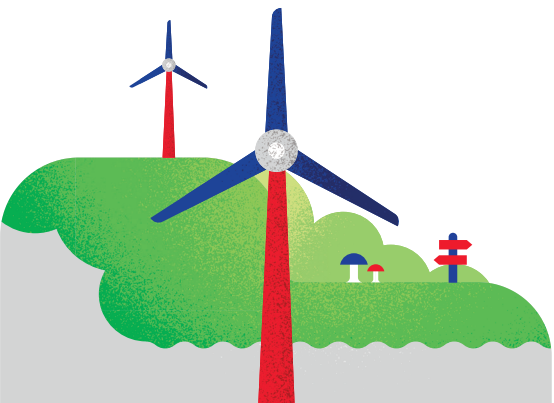
	Nya miljömål	År	Basår	Resultat
Overall goal	**We will be climate neutral from our own operations**	**2030**	**2018/19**	**New goal**
Total energy use	We will use 100 % energy from renewable sources in our own operations	2030	2018/19	New goal
Subgoal	Our distributors shall use 100 % renewable fuels to transport our products to stations and business customers	2030	2018/19	New goal
	We will climate-compensate CO_2 emissions for our business travels by air	2030	2018/19	New goal
	Business cars and rental cars must be with zero CO_2 emissions	2030	2018/19	New goal



GRI content index

GRI Standard	Disclosure	Comment / omission	Page
GRI 101: Foundation 2016			
GRI 102: General disclosures 2016			
102-1	Name of the organization	OK-Q8 AB and Q8 Danmark A/S and subsidiaries.	
102-2	Activities, brands, products, and services		27, 28
102-3	Location of headquarters	OK-Q8 AB and Q8 Danmark A/S and subsidiaries.	
102-4	Location of operations	Arne Jacobsens Allé, 2300 Copenhagen S and Sveavägen 155, 104 35 Stockholm.	
102-5	Ownership and legal form		27, 28
102-6	Markets served		27
102-7	Scale of the organization		22, 27-29
102-8	Information on employees and other workers	The majority of our activities are performed by our own employees.	22, 31
102-9	Supply chain		12-13
102-10	Significant changes to the organisation and its supply chain	There have been no significant changes in the organisation, in ownership or in the supply chain.	
102-11	Precautionary Principle or approach	The precautionary principle is incorporated into Swedish legislation in Miljöbalken, the Swedish Environmental Code. In Denmark there are similar requirements in the Danish Environmental Protection Act. We consider the precautionary principle when purchasing goods and materials.	
102-12	External initiatives		9
102-13	Membership of associations	Swedish Petroleum and Biofuels Institute (SPBI), On the Road to Climate Neutral Freight Transportation (KNEG), Danish Oil Industry Association (EOF), Danish Central Stockholding Entity, Danish Industry (DI), Employer Association KFO.	
102-14	Statement from senior decision-maker		3
102-15	Key impacts, risks, and opportunities		9-11
102-16	Values, principles, standards, and norms of behaviour		9, 27, 30
102-17	Mechanisms for advice and concerns about ethics		9, 13, 30
102-18	Governance structure		28

GRI Standard	Disclosure	Comment / omission	Page
102-40	List of stakeholder groups	https://www.yumpu.com/sv/document/view/58322902/var-gemensamma-framtid	10
102-41	Collective bargaining agreements	All Swedish employees and Danish hourly paid employees are covered by a collective bargaining agreement, which corresponds to 92 % of all employees in the organisation.	
102-42	Identifying and selecting stakeholders	https://www.yumpu.com/sv/document/view/58322902/var-gemensamma-framtid	10
102-43	Approach to stakeholder engagement	https://www.yumpu.com/sv/document/view/58322902/var-gemensamma-framtid	10
102-44	Key topics and concerns raised	https://www.yumpu.com/sv/document/view/58322902/var-gemensamma-framtid	10
102-45	Entities included in the consolidated financial statements	OK-Q8 AB, Q8 Danmark A/S and subsidiaries.	2, 28
102-46	Defining report content and topic boundaries		9-11
102-47	List of material topics		9-11
102-48	Restatements of information	No significant changes compared to last year.	
102-49	Changes in reporting	No significant changes compared to last year.	
102-50	Reporting period	Financial year March 2018 - February 2019.	
102-51	Date of most recent report	May 2018.	
102-52	Reporting cycle	Yearly.	
102-53	Contact point for questions regarding the report	Karin Hellgren, Head of Communication karin.hellgren@okq8.se eller Annette Hansen, Head of SSHE & Sustainability annette.hansen@q8.dk.	
102-54	Claims of reporting in accordance with the GRI Standards		2
102-55	GRI content index		36-40
102-56	External assurance		32-33



Material topics

Economic performance			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016		For financial results see OK-Q8 Group Annual Report.	
103-1	Explanation of the material topic and its boundary		2, 28, 29, 31
103-2	Management of economi		28, 29
103-3	Evaluation of management		29

Energy			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		9-11, 16, 18, 31
103-2	Management of energy		3, 6, 7-8, 14-15,16-17, 35
103-3	Evaluation of management		16-17, 35
GRI 302: Energy 2016			
302-1	Energy use		16, 18, 31
302-3	Energy intensity		16, 18
302-4	Reduction of energy use		16, 18, 35

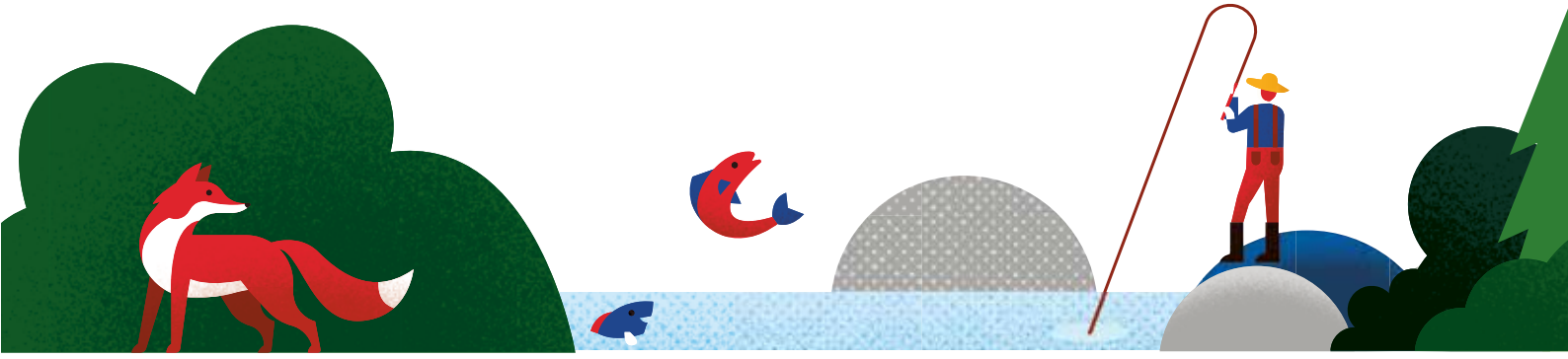
Biodiversity			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary	Goals and metrics in this area will be published during the year.	7, 10, 13
103-2	Management of biodiversity		7, 13, 38
103-3	Evaluation of management		7, 38
GRI 304: Biodiversity 2016			
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity and land use is one of our most important areas. Potentially, many of our renewable fuels can come from agricultural products, such as palm oil, where there is a risk of biodiversity degradation. However, we have a policy that we do not use these types of products.	7, 13

Emissions			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		9-11, 16, 17, 31
103-2	Management of emissions		3, 6, 7-8, 9-11, 12, 14-15,16-17, 35
103-3	Evaluation of management		16-17, 35
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions		18, 31
305-2	Indirect (Scope 2) GHG emissions		18, 31
305-3	Other indirect (Scope 3) GHG emissions		18, 31
305-4	GHG emissions intensity		16, 18, 35
305-5	Reduction of GHG emissions		16, 18, 35

Supplier environmental and social assessment			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		9-11, 12
103-2	Management of suppliers		12-13
103-3	Evaluation of management		13
GRI 308: Supplier environmental assessment 2016			
308-2	Negative environmental impacts in the supply chain and actions taken		12-13, 34
GRI 414: Supplier social assessment 2016			
414-2	Negative social impacts in the supply chain and actions taken		12-13

Occupational health and safety			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		9-11, 19-21
103-2	Management of health and safety		21
103-3	Evaluation of management		21-22
GRI 403: Health and safety 2016			
403-1	Workers representation in formal joint management–worker health and safety committees	We do not report by gender, as the information is not available.	21
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	We do not report by gender, as the information is not available.	21-22, 31

Training and Education			
	Disclosure	**Comment / omission**	**Page**
GRI 103: Management approach 2016			
103-1	Explanation of the material topic and its boundary		9-11, 19-21
103-2	Management of training and education		19-21
103-3	Evaluation of management		19-21
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	We do not report by gender and employee category, as the information is not available.	21
404-2	Programs for upgrading employee skills and transition assistance programs	We have individual career development programmes as well as programmes for pre-retirement planning.	19-21



Q8

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