

OKQ8 Scandinavia

Sustainability Report 2020/21



Toward a fossil-free future together

The Swedish Parliament has decided on a long-term climate target that will require Sweden to achieve net zero greenhouse gas emissions by 2045. In Denmark, the target date is 2050. Society can achieve these important goals through concerted efforts. In 2019, the Swedish fuel industry and Fossil Free Sweden presented a roadmap showing our common route forward to achieve the goals in concert with society and the policy. A vital shared task lies ahead of us if we are to achieve our ambitious goals. This report describes OKQ8 Scandinavia's (OKQ8 in Sweden and Q8 in Denmark, hereinafter OKQ8 in this report) strategy for achieving its objective 'toward a fossil-free future'.

OKQ8 has two clear climate targets – our own operations must be climate neutral by 2030 and we must be climate neutral (net zero emissions) throughout our value chain by 2045. The first target includes business travel, energy consumption, and distribution. The second includes all of our products and activities: from fuel, food and drink, shop goods to services.

We have formulated three distinct focus areas for our work, covering our own operations and the impact on the communities in which we do business. To ensure maximum positive impact, each of the focus areas 'Act on climate change and reduce CO_2e emissions', 'Consume and sell sustainable products' and 'Enable people and communities' will be carefully planned and monitored.

We are convinced that by following our established strategy together with members and customers, we will be able to achieve our goal of a more sustainable and fossil-free future.

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A word from the CEO

I look back at a year unlike any other. The pandemic has placed great demands on everyone in society – companies, employees, and individuals alike. Businesses had to adapt quickly to a new normal, and OKQ8 was no exception. As a vital societal function, we've worked hard to ensure access to fuel and allow members, customers, suppliers, and employees to feel safe when visiting our service stations, stores and depots.

And in addition to adapting to new circumstances, we also held on to our convictions and stood by our sustainability strategy – a strategy that makes sure OKQ8 will continue to be the reliable, innovative and entrepreneurial company founded back in 1926. We aim to lead the transition with sustainable alternatives and by investing wisely to meet new needs.

Two major driving forces are leading the way ahead: sustainability and digitalisation. These forces are shaping the whole of society and developments are advancing rapidly, which while pleasing, also presents challenges. We have set clear goals for our business: OKQ8 must be climate neutral in its own operations by 2030, and throughout the value chain by 2045. This places great demands on the entire operation. Resolution, innovation, investments, and a clear focus are essential components if we are to achieve our intended, indeed crucial, goals. You can read more in this report about how far we've come and the initiatives we envision ahead of us.

I'm particularly proud of the partnerships we presented during the year with renewable fuel company Neste and Swedish energy supplier Skellefteå Kraft. They make important contributions to climate neutrality. Together with the world's biggest producer of biofuels, we've so far enabled members and customers to fill up with fossil-free diesel at 170 service stations around Sweden. Our collaboration with Skellefteå Kraft will result in Sweden and Denmark's biggest, fastest charging network, with high availability and outputs of minimum 150 kWh.

Digitalisation of the right parts of the business will benefit society and make it easier for members and customers to get their errands done, be it filling up fuel, banking or buying a cup of coffee. During the year, the company launched the OKQ8 app and contactless payments, and it carried out extensive work on the IT infrastructure. Despite the challenges, these demanding projects were successful, thanks to hard work and good project management.

Helping members and customers convert to fossil independence is our highest priority. Each of us will have to do it in our own way, and OKQ8 wants to be the operator that helps make it possible. We're proud of our long history, but our focus is on the future and getting to grips with the task in hand, which although complex is feasible. We aim to do everything we can to be the preferred enabler for sustainable motion, while going as easy on the environment as possible.

The transition is already here and the goal is clear: together with members and customers, we will make the necessary changes to continue living in a well-functioning society. We will continue the transition to achieve a sustainable business and a strong OKQ8.

I wish you a rewarding, inspiring read!

J. Magnus Kamryd, CEO

Key results of the year

Focus areas	Target areas
Act on climate change and reduce CO_2e emissions	CO_2e reduction
	Clean energy solutions
Consume and sell sustainable products	Sustainable water management
	Sustainable land use and farming
	Support biodiversity and nature
	Sustainable materials and zero waste
Enable people and communities	Good working conditions
	Learning, development and information sharing
	Equal opportunities for all
	Healthy living

Key results of the year

-45 %
CO_2e reduction in own operations, since 2014

-20 %
lowered energy consumption (stations, offices, depots), since 2014

37
service stations with solar panels

177
stations offering HVO100 (100% fossil free diesel)

180
EV charging points

53
MWp delivered by OKQ8 subsidiary Kraftpojkarna

Read more on p. 24

93,458
meals saved via Too Good To Go in Denmark

11,565
kg food saved via Karma in Sweden

37
car washes equipped with biological wastewater treatment

Read more on p. 32

3.3
employee satisfaction (scale of 4)

2,077
safety-walks at stations and depots

8,443
hours of training to support the professional development of our employees

30 / 70 %
women men
on the Board

60 / 40 %
women men
in Executive Management

Read more on p. 40

OKQ8 at a glance

Since the beginning OKQ8 has advanced, often leading the way, as society and the need for mobility services developed. OKQ8 does not have its own fuel production but rather deals with the supplier that best suits our purpose. We are proud of our ability to offer the best fuel on the market and also our ability to switch energy sources quickly if necessary. As an organisation, we are big enough to create good conditions, but we also have local roots thanks to our geographical distribution in Denmark and Sweden.

Focusing on the future since 1926

For almost 100 years, OKQ8 has taken part in and helped shaping the staggering development of motoring and fuel. IC, the Swedish professional motorists' purchasing association, which later became OK, was founded in 1926 to better influence prices and the availability of e.g. oil, petrol and tyres. The association was the first of its kind in the world and in an age when just a few international players controlled the market, IC was on the side of its members. It was also the starting point for the formation of cooperative societies which, through today's six OK associations, still work to boost competitiveness. They take an active part in industry developments covering everything from service stations as venues to today's more sustainable fuels, and always with members and development in focus. In 1999, OK joined forces with Q8 to form OKQ8 in a merger that gave us an even greater ability to provide our customers and members with the opportunity of better mobility, banking and business services.

Over the decades, IC, OK and OKQ8/Q8 were the first to offer a range of new solutions in the industry, seeking to make it easier for members and customers to stay on the move, be it local trips or long distance. We were, for example, the first in Europe to offer unleaded fuels in 1984. We intend to hold innovation and development high for the future, with an increasing focus on sustainable solutions.

OKQ8 – a first choice facilitator for people on the move

We have our roots in a cooperative society, a member-owned alternative that always puts the interest of its members and customers first. This still characterises us today, in the joint venture between OK Ekonomisk Förening and Kuwait Petroleum International, that each hold 50 per cent. The way ahead for us is clearly marked – we will make sustainable mobility possible for our members and customers. We must be a travelling companion on the road to fossil independence. We shall help our stakeholders make wise, sustainable choices.

Digitalisation and sustainability – two external driving forces – are crucial to our success and govern our priorities. They are also embedded in the organisation and it's essential that all our employees understand how we will succeed today and into the future. A generous, unassuming and friendly business culture that has grown strong over the years is an excellent foundation on which to build OKQ8's principles and clarify our approach and the way we work. The principles describe how each employee, department and division work together; staying close to the business, striving for simplicity and informed decisions, pushing through continuous improvement, and being accountable – it all starts with me.

Today, as a matter of course, service stations provide a range of services and products in addition to fuel and accessories for cars and other vehicles – everything from truck rental to over-the-counter medications. Operations extend far beyond fuel, with investments in sustainable energy, charging infrastructure and charging points, a burgeoning car wash offering, a steadily growing number of members, strong customer flow, and an in-house banking business.

Our history shows the way to the future

Innovation and collaborations create the conditions for fossil-free mobility

1901

Gulf Oil is founded in Texas, USA

1913



Gulf launch first drive-in gas station

1926

IC is founded to combat the monopoly of multinational oil companies

1936

Kuwait Oil Company is founded, Gulf being one of the owners

1951



IC introduces the first unmanned station in the world

1969

IC brand name replaced by OK

1975

Kuwait Oil Company fully owned by Kuwait

1980

Kuwait Oil Company introduces the Q8 brand

1984

Q8 are first in Europe with lead-free gasoline

1986

Gulf brand name replaced by Q8

1991

World's first brushless automatic car wash installed at OK in Uddevalla

1999

OKQ8 becomes Sweden's largest gasoline company

2012

Q8 Denmark & OKQ8 merge

2014

OKQ8 signs UN Global Compact

2015/2016

Starbucks on the go launched at Q8 in Denmark

2019

Ambitious sustainability goals – OKQ8 to be climate neutral throughout the value chain by 2045

2019

Starbucks on the go launched at Q8 in Sweden

2020

2020 partnership for fossil-free diesel in Sweden

2020

OKQ8 commits to Science Based Targets initiative (SBTi)

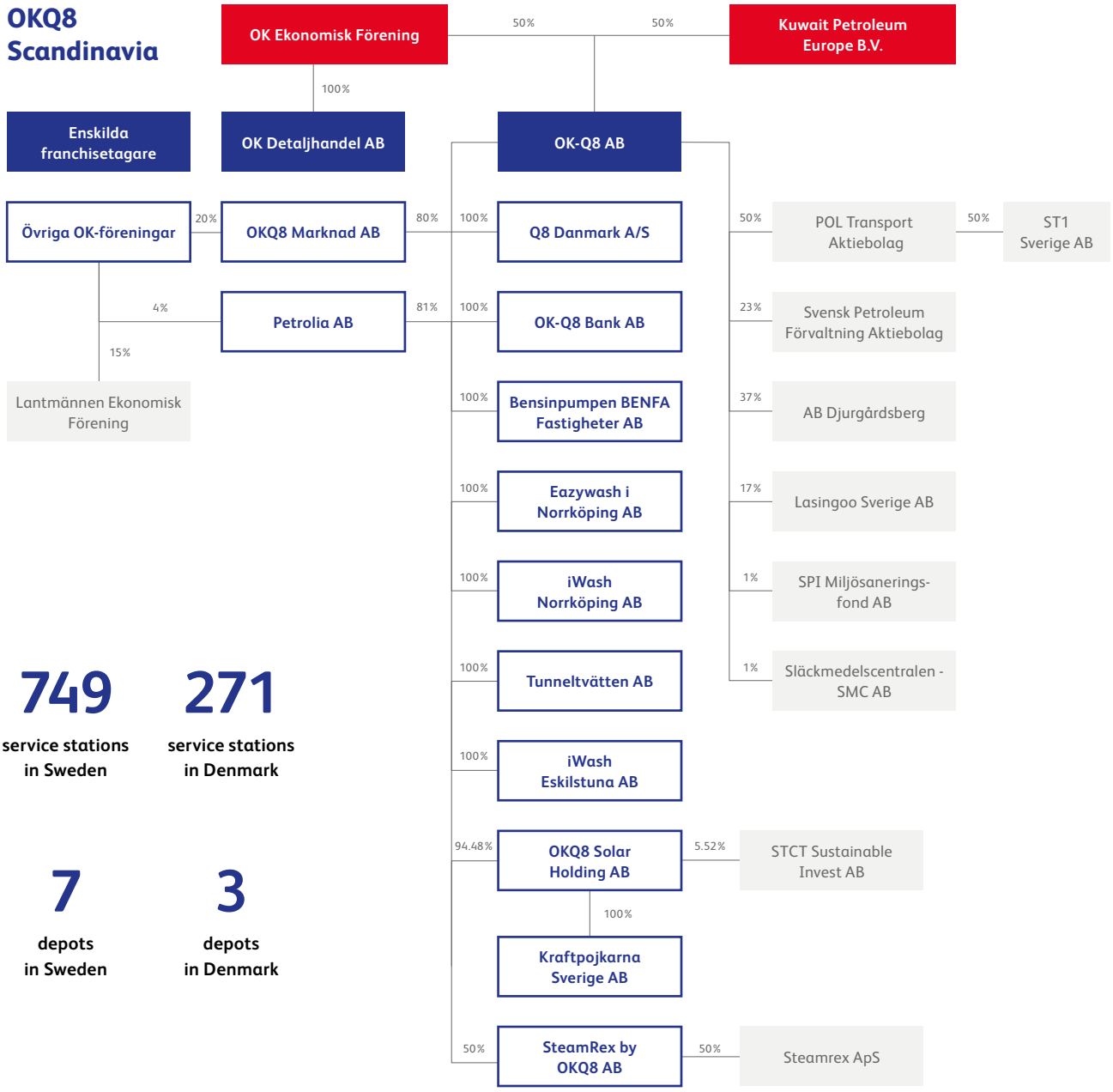
2020

Partnership for High Power Chargers in Sweden & Denmark

OK-Q8 AB – The Group's corporate structure

OKQ8 Scandinavia is controlled by a separate Management Team and Board of Directors in accordance with Danish and Swedish law. The Board of Directors is responsible for the overall administration of OKQ8 Scandinavia, as well as the appointment and termination of management. The appointed Members of the Board of Directors are independent and have professional expertise in areas which support the Company's requirements.

The management team is responsible for the Company's ongoing management, and reports strategic results to the Board of Directors on a quarterly basis.



749 service stations in Sweden

271 service stations in Denmark

7 depots in Sweden

3 depots in Denmark



Financial performance 2020/21

Johan Sandberg, Head of Group Accounting and Tax, sheds more light on our financial performance and comments on the outcome.

So how did we do?
The consolidated operating profit totalled SEK 550 million (528) while the parent company's operating profit totalled SEK 271 million (489).

How has OKQ8 been affected by Covid-19?
The market was affected by the pandemic through a sharp decrease in volumes during the spring and autumn in conjunction with increased restrictions on people's mobility in society as a whole. The first month of the year was also characterised by a global fall in oil and fuel prices, which had a negative impact on earnings.

How did OKQ8 react?
To create conditions for endurance and flexibility moving forward in this period of uncertainty, we successfully introduced a cost-cutting programme and re-prioritised our investments. As a result, earnings and cash flow were strong despite the changes throughout the market.

Why is profit and cash flow so important for OKQ8?
All in all, they are important for making our company well-equipped with the financial resources to continue investing in the ongoing transformation of the transport sector; to help make society less dependent on fossil fuels and also to provide returns to our owners and members.

How are the surpluses used and where is this apparent?
They are reinvested in our own operation, to the benefit of customers and society alike. We're building more car washes and recondition existing ones. Also, some funds are used to develop and adapt our IT systems to provide a modern, secure interface to our customers, and to offer new digital services, such as this year's launch of an OKQ8 app for car wash subscriptions. We're also installing solar panels at our service stations to increase their self-sufficiency in electricity and reduce the climate footprint.

Also, we spend resources on remediation where we close operations. For example, we're currently decommissioning a former fuel depot at Loudden in Stockholm. The entire oil harbour will be transformed into a residential area.

Several initiatives in line with our strategy have shown clear results during the year. We have increased market share in IDS (heavy vehicles), we see growth in car washes thanks to our investments in new premises and subscription solutions, car rentals have increased and there is a sustained flow of customers to our service stations. We also provide an overview in our annual financial report under "Significant events".

Management of sustainability

Fundamental to our sustainability strategy is to ensure that we have guidelines and objectives governing our approach to social, environmental and corporate responsibility and ensuring that our staff are informed of and are familiar with these. OKQ8 Code of Conduct and our governing policies internally act as the foundation of everything we do.

Business structure

To successfully execute the OKQ8 strategy we are dependent on the engagement of all employees in the whole organisation. All divisions and departments each year define how to execute on our sustainability goals with measurable key performance indicators (KPIs). This is followed up in quarterly and annual business reviews.

In the Executive Management Team, sustainability is represented by the Director of Sustainability & Network. Sustainability Officers with responsibility for Denmark and for Sweden act as agents to accelerate our sustainability journey. As part of the implementation of sustainability activities in corporate operations, and to track progress, the Sustainability Officers lead a Sustainability Group in the respective countries with representatives from the organisation.

Responsibility for the wellbeing, health and safety of our employees is organised under HR, which also is under the responsibility of the Director of Sustainability & Network.

OKQ8's Supply Chain division is responsible for the sourcing, management and distribution of fuels. Therefore, OKQ8 has established an organisation to manage the environmental, quality, health and safety, and social risks specifically for fuels.

OKQ8 also has a Sustainability Advisory Board with external representatives acting as a sounding board for OKQ8 in sustainability matters.

Management systems

OKQ8 has a management system centrally to manage health and safety risks in the organisation with a Fire and Safety Specialist, an appointed Health and Safety Manager and a Health and Safety Specialist in Denmark and Sweden respectively. The management system is built up in 18 elements which include handling the events of crises, audits, SSHE walks, risk assessments, management of suppliers, environment, work environment and safety. In each process, there are also procedures, templates and instructions that are relevant for each area.

OKQ8's Supply Chain division which manages all storing, blending and distribution of fuel is certified to ISO 14001 and ISO 9001.

Code of Conduct

Our Code of Conduct is based on the UN Global Compact's principles on human rights, labour rights, the environment and anti-corruption and bribery. OKQ8 supports and respects international human rights within the sphere which we can influence; enforces regulations on labour rights; takes responsibility for our environmental impact throughout our organisation and does not accept any form of corruption and bribery. All employees - from staff at headquarters to our staff at the service stations and depots - undergo mandatory training of our Code of Conduct.

The Board of Directors is responsible for adopting the Code of Conduct. The CEO is responsible for the establishment and updating of the Code of Conduct and for making the Code of Conduct available to all employees. OKQ8's Corporate Compliance Officer has the overall responsibility for establishing, implementing and securing follow-up on internal rules that enable all employees to act in accordance with the Code of Conduct. The responsibility to act in accordance with the Code of Conduct comprises all levels within OKQ8 from the Board of Directors to operative functions.

Anti-corruption is a central element of OKQ8's Code of Conduct. Corruption poses a challenge to society, and for its part, OKQ8 has a legal and ethical obligation to prevent it. It is also in OKQ8's own interest to take a strong stand against corruption, as it can seriously damage our reputation. OKQ8 endeavours to follow the Swedish Anti-Corruption Institute's Code of Business Conduct. The Code was revised in 2020, and in 2021 OKQ8 will prioritise the necessary amendments to meet the requirements of the Code.

With respect to our fuels, we have a tool for identifying risks in the supply chain related to e.g. the control of corruption in the country of origin. The risks are those of the BSCI/ Amfori framework and its risk classification of countries. OKQ8 has a Code of Conduct that our suppliers and partners must follow, and which is included in our suppliers' contractual obligations. Our Code of Conduct for partners is based on the United Nations Global Compact's ten principles in the areas of human rights, working conditions, the environment and anti-corruption.

OKQ8 Bank has processes both to counteract corruption and to facilitate the exposure of money-laundering in accordance with the current requirements of the authorities.

Internal audit

OKQ8's internal audit serves the Audit Committee of OKQ8 with regards to the obligations towards the Board of Directors in fulfilling its oversight responsibilities regarding the adequacy and effectiveness of systems of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations. The internal audit has access and mandate to review all of the activities of OKQ8 and the



operating units (OU) including all of the activities of Joint Ventures in which OKQ8 or the OUs participate.

Whistle-blowing

It is important for OKQ8 that the business climate be open and honest, and that employees can easily report violations of our Code of Conduct. Everyone at OKQ8 can report suspicions of misconduct without risking any form of reprisal from the company. All misconduct can be reported anonymously through our external whistle-blower service. OKQ8 has an Ethics Council that deals with all reports of breaches of the Code including suspicions of corruption. Information on incidents reported in our whistle-blower system is treated as confidential. We record all reported cases and make sure all cases are dealt with and concluded properly.

Sustainable procurement and supplier dialogue

As part of OKQ8's sustainability ambition, we 'Consume and Sell Sustainable Products'. This entails how we procure all products and services that we offer to customers.

OKQ8 does not own any refineries and therefore comes into the process of fuel procurement at a relatively late stage in the value chain. We purchase finished products from refineries with whom we have long-term relationships, and which have well established environmental and sustainability policies. We buy both fossil and renewable commodities in the form of refined products and additives. OKQ8 has a mature process for buying fossil commodities such as crude oil. Procurement of renewable commodities and fuels which contain vegetable or animal oils are strongly regulated with mandatory sustainability requirements. Most of the oil products are distributed to our depots in Denmark and Sweden. OKQ8 has eleven Nordic fuel suppliers: six of these supplying fossil fuels and five supplying renewable fuels.

OKQ8 also procures and sells food as well as maintenance products for the car and leisure activities. During the year we reviewed our procurement processes with regards to sustainability requirements and had dialogues with suppliers on how to reduce and improve environmental and social impacts with focus on top selling products. It is a step to further enhance sustainability, building on the foundation that all suppliers must as a minimum fulfil our Code of Conduct for Partners.

Suppliers of fossil fuels

Our fossil commodities are procured from several European suppliers. The companies which supply fossil fuels to us undergo particularly stringent inspections, since they constitute a high-risk factor for the environment. Our suppliers purchase their crude oil primarily from Russia and the North Sea. Through our third-party audits, we have identified our greatest risk in the fossil fuel supply chain to be traceability. Our suppliers generally know which countries the oil comes from, but other materials are blended in the end-product, and these come from a number of different sources. For that reason, we require our suppliers to assess and evaluate their own suppliers in accordance with our Code of Conduct for Partners.

Suppliers of renewable fuels

The renewable fuels we offer our customers are made from agricultural products such as vegetable or animal oils and come from several different countries. To assess the sustainability credentials of the renewable fuels, we use various assessment criteria. Fuels must, for example, be produced in a way which does not breach human rights. With third-party certification, including ISCC (International Sustainability & Carbon Certification) as well as full traceability, we can have confidence in the handling of renewable fuels. We follow up compliance with suppliers and partners in accordance with requirements as stated in the Act (2010:598) on Sustainability Criteria for Biofuels and Bioliquids, and our Code of Conducts for Partners. The Act (2010:598) on Sustainability Criteria for Biofuels and Bioliquids includes protecting land of high biological diversity and reducing CO2 emissions compared with fossil products. The certificates from suppliers are audited and validated by third-party auditors, and annually reported to national authorities in Denmark and Sweden.

The Swedish GHG Reduction Regulation and Danish Biofuel Act

The Reduction Directive in Sweden and the Quota Directive in Denmark presumes drop-in blending of renewables into the fuels. To meet regulatory standards, renewable fuels are blended into all of OKQ8's GoEasy Petrol and GoEasy Diesel products. The national directives set the minimum levels for our blends in each country. In 2020, Swedish law required a reduction in Green House Gas emissions from diesel by 21 % and from petrol by 4.2 %. The 2020 requirement in Denmark was for at least 7.6 % of all energy in the form of liquid fuel to be made from renewable sources. In addition to the blending requirements in Denmark, OKQ8 meets the 6 % CO_2 reduction under the EU Fuel Quality Directive (FQD, Article 7a).

OKQ8's commitment to global frameworks



UN Global Compact
In 2014, OKQ8 signed the UN Global Compact. The compact is a voluntary initiative based on CEO commitments to adopt sustainability principles in the areas of human rights, labour law, the environment and anti-corruption. The Ten Principles of the United Nations Global Compact are derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

The UN's Sustainable Development Goals
The 2030 Agenda and the 17 Sustainable Development Goals (SDGs) were adopted by all United Nations Member States in 2015. It forms a common plan and sustainability agenda for nations and companies around the world. OKQ8 has adopted the goals and works actively to achieve them. We have identified certain development goals as being particularly relevant for our business, namely SDG 2 Zero Hunger, 3 Good Health and Well-being, 5 Gender Equality, 6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 10 Reduced Inequalities, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 13 Climate Action, and SDG 17: Partnerships.

Science-based targets
OKQ8 is the first Nordic oil and gas company to commit to the Science-based Targets initiative (SBTi). SBTi is a global standard against which companies set targets in accordance with what science says is necessary to meet the Paris Agreement's goal of keeping global warming well below 2° C and preferably below 1.5° C. By joining SBTi, we make sure our rate of reduction complies with what is required of the oil and gas industry according to SBTi methodology.



Important areas and risk assessment

Sustainability is a cornerstone of our corporate strategy. It demands a major shift in how we see our role in society – from a provider of fossil fuels, to an enabler of sustainable mobility.

OKQ8's role in supporting systemic change

The advancements in global infrastructure, supply chains, digitalisation, and a growing population make up an interdependent finely knit system, that influences the wellbeing of the planet, the atmosphere and society at large. The negative effects are already showing, in numbers as raising temperatures, and for the naked eye as changing landscapes around the world. Even though the problems and challenges are clear, the solutions are often dependent on collaborative efforts.

In order to ensure that we, as a company, most effectively support the global efforts to make a sustainable and just transition, we have conducted an assessment and evaluation of how OKQ8 activities impact the world. This includes our direct activities (own operations), as well as the indirect effects that are caused by our stakeholders producing and using our products and services. The aim is not only to re-assess previously established sustainability goals, key performance indicators, and activities – but to create a holistic and updated framework, from which our company can steer its activities, and make the right investments, that support the necessary sustainable transition.

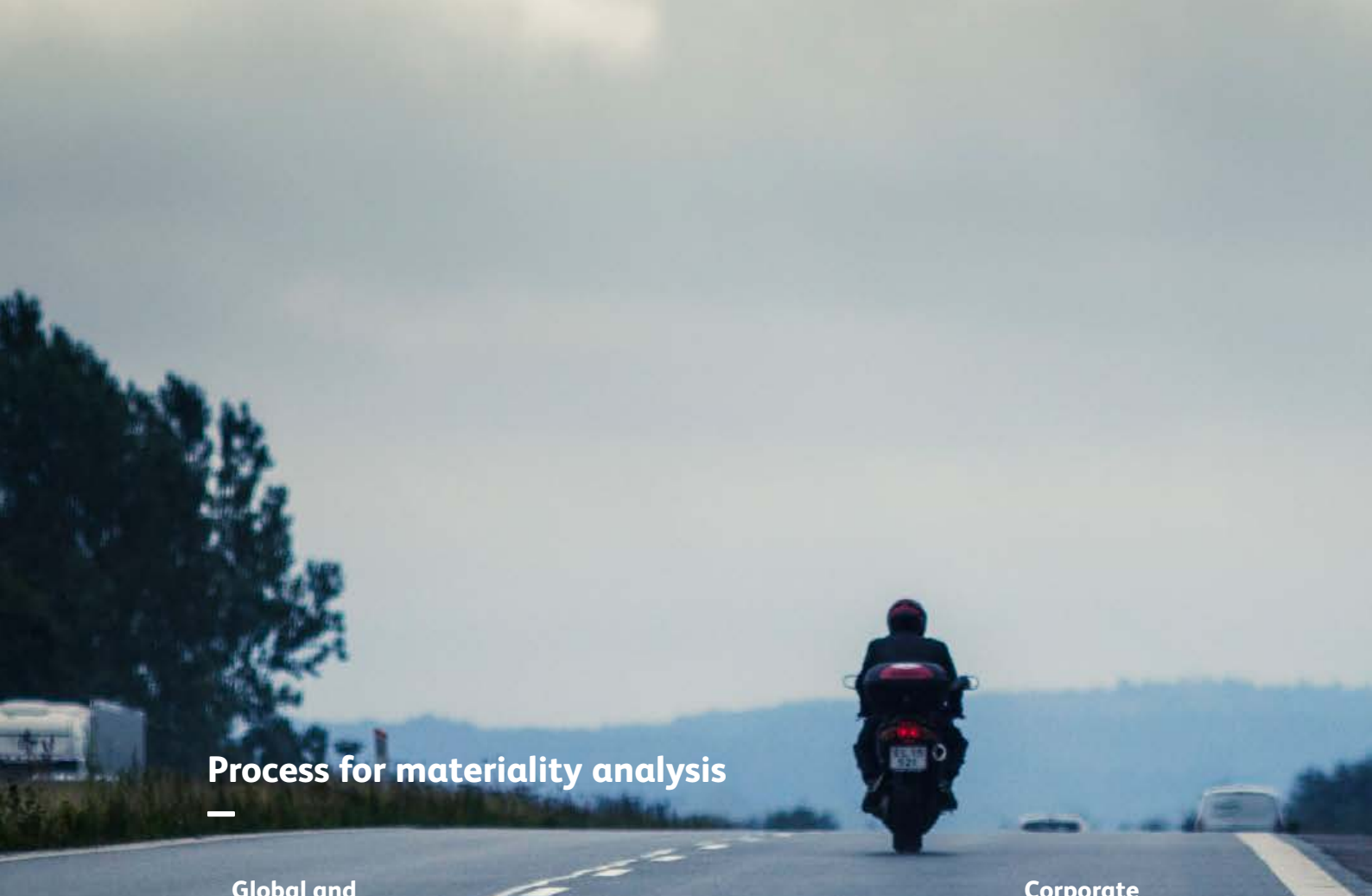
As a company we impact our surroundings in two distinct ways:

- Through our own operations as a corporate consumer
- Through our value chain activities as a retailer of goods and services.

Thus, we have a role to play in what we purchase from our suppliers, to make our business run as effectively as possible – and a responsibility for what types of products we offer to our customers.

How we impact and where we impact is an opportunity for us to leverage and to support a larger systemic change. Thus, we have conducted this year's materiality analysis with the aim of establishing which risks and challenges that we can influence and positively impact today, and in the years to come.





Process for materiality analysis

Global and local level

Political and legal frameworks

- UN Global Compact
- Sustainable Development Goals (SDGs)
- Paris Agreement
- Science Based Target Initiative
- World Economic Forum Global Risk Report 2020
- EU Green Deal: Climate neutral in 2050
- EU Co_2 emission targets for car manufactures
- EU Circular Economy Package
- National Climate laws
- Fossil Free Sweden formulated appeals from 22 sectors
- Danish Biofuel Act and the Swedish GHG Reduction Regulation

Stakeholder dialogue

- B2C and B2B customers
- Suppliers
- Industry organisations
- NGOs
- Political institutions (ministries, agencies, regions and municipalities)
- Universities, researchers, and academia
- OKQ8 employees and Executive Management
- Members

Risk assessment

- Environmental
- Social
- Economic

Corporate level

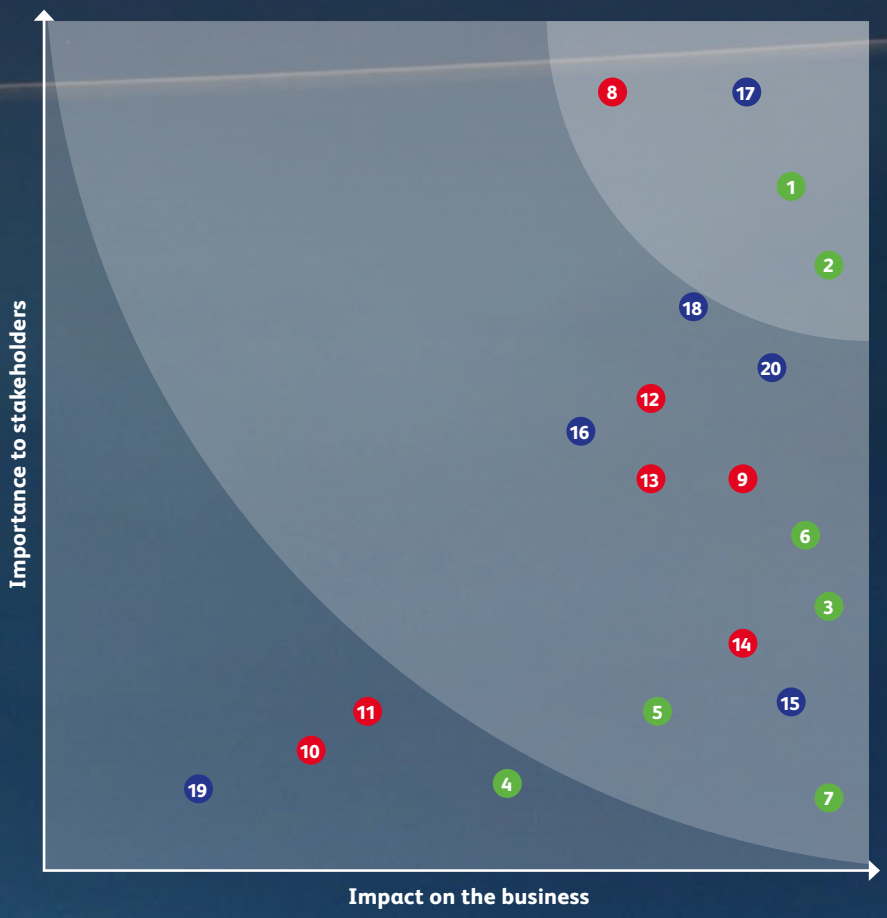
Adapting to OKQ8's corporate framework and assets

- Through our **own operations**, as a corporate consumer
- Through our **value chain activities**, as a retailer of goods and services.

Materiality analysis

Our materiality analysis takes its point of departure in the most recent international research on climate change and other environmental, social, and economic factors impacting the living standards and prosperity of the world's population and our planet.

Based on academic review and the legal and political frameworks that influence sustainable development today, we have identified the following materiality topics as being especially relevant for OKQ8.



Environmental factors:

1. CO_2e emissions
2. Fossil and renewable fuels
3. Renewable energy
4. Sustainable food production
5. Clean water
6. Chemicals and pollution
7. Biodiversity, preservation of nature and eco-systems

Social factors:

8. Social justice locally and globally
9. Worker's rights and conditions
10. Healthy lifestyle
11. Access to affordable transportation
12. Diversity and inclusion
13. Equality
14. Mental wellbeing

Economic Factors:

15. Anti-corruption
16. Ethical trading
17. Sustainable production systems
18. Investments in research and development
19. Sustainable asset management
20. Partnerships

Each material topic has been evaluated and ranked by a broad range of stakeholders, to establish which areas are most critical for OKQ8 to focus on.

Engaging stakeholders as part of our sustainability journey

OKQ8 works closely with our stakeholders on a regular basis, to get feedback and insights to guide our decisions. During the year, OKQ8 has hosted and participated in multiple customer meetings, sustainability seminars, development projects, focus groups, and conducted member surveys. The aim is to constantly evaluate and be in sync with what our key stakeholders see as important, so that we can develop and provide the right services and solutions to our customers and society at large.

In addition to our day-to-day dialogue with key stakeholders, we have in 2020 conducted a larger sustainability survey across Denmark and Sweden, engaging a range of stakeholders who represent various sectors, competencies, and nationalities. The participants in the survey gave us feedback on vital sustainability areas for OKQ8. Each stakeholder received a personal link to an online questionnaire. Follow-up meetings and interviews have been made with selected stakeholders (e.g. suppliers, NGOs, and experts were consulted to assess developments and risks within specific materiality domains).

In total we received input from approximately 5,500 representatives across Sweden and Denmark.

The results from the survey, together with the review of the legal and political frameworks, were summed up in three focus areas. The three focus areas will act as a key component for how OKQ8 will invest and work over the years to come:

- Act on climate change and reduce CO_2e emissions
- Consume and sell sustainable products
- Enable people and communities

Risks and global challenges linked to OKQ8's affairs

As part of the materiality analysis and stakeholder dialogue, we have identified risks that are linked to OKQ8's affairs and business model. The risk assessment includes three levels: global-, local-, and corporate risks. The segmentation aims to secure that local and corporate needs are being met, while keeping the overview of the aggregate impact that our corporate activities have globally. Using these three levels as our point of departure, we have identified and prioritised the significant risks and potential negative consequences that are linked to our company's operations, associations, products, and services.

In order to successfully mitigate the environmental-, social- and economic risks, associated with our business conduct, each focus area works as a guideline for a sustainable modus operandi. In this report we elaborate on how the three focus areas not only reflect the identified risks, but act as a framework to; set targets, commit resources, act, and track progress.



OKQ8's focus areas

OKQ8's focus areas were formulated as strategic visions for 2030 to show how we aim to contribute to sustainable transition globally and locally.

From insights to action

OKQ8 has formulated the following three strategic visions:

- Act on climate change and reduce CO_2 emissions
- Consume and sell sustainable products
- Enable people and communities

However, strategic visions are not enough. We also assign specific targets that lead to a set of actions that drive the essential sustainable transition forward. Accordingly, we initiated the following steps in 2020 as the basis for continued work:

- **Step 1: Concretise goals** and targets within selected areas in close internal collaboration, build on appropriate data sets, and ensure employees engagement.
- **Step 2: Establish the baseline** for actions already initiated and align with other initiatives and operational considerations (maturity of technologies, policies and market conditions).
- **Step 3: Execution plan;** implementation and upscaling of projects that help us achieve our sustainability goals; ongoing identification of new technologies and partners to continue expanding OKQ8's sustainable portfolio.

As the maturity level of the three focus areas varies, we operate with different timelines and development stages within each area. We strive to set ambitious deadlines for each area, and enable sustainable adaptation in the markets we operate in. Thus, the focus areas provide OKQ8 with a roadmap, and a common language with clear goals and key performance indicators across the organisation. The framework helps us to prioritise efforts, make actions measurable and communicable to our stakeholders.

Interdependent targets and actions

The actions described under each of the three focus areas are in many ways interdependent. For example, to reduce CO_2e emissions from fuel products we must consider the impact new fuel types (e.g. biofuels) may have on other sustainability aspects, such as biodiversity, land-use change and sustainable food systems. Thus, actions described in one section can be cross referenced to other focus areas. However, for the sake of simplicity and transparency, we have tried to categorise the actions in a way that supports targets, relating to specific focus areas.

Target area maturity

The pace at which we achieve different targets will vary depending on the scope and the level of involvement by external stakeholders. In general, we will be more agile, able to act faster and be able to see results more quickly in areas that are closely related to our own operations than in those where we are dependent on suppliers and customers to change. Furthermore, some target areas are new to OKQ8, whereas others since long have been strategic priorities and thus are supported by established systems and infrastructure. In the following pages, we delve deeper into each focus area to describe targets, actions and developments.



Act on climate change and reduce CO_2e emissions

Consume and sell sustainable products

Enable people and communities

Focus areas	Target areas
Act on climate change and reduce CO_2e emissions	CO_2e reduction Clean energy solutions
Consume and sell sustainable products	Sustainable water management Sustainable land use and farming Support biodiversity and nature Sustainable materials and zero waste
Enable people and communities	Good working conditions Learning, development and information sharing Equal opportunities for all Healthy living

Link to global frameworks



- Science Based Targets
- SDG 7 Affordable and Clean Energy
- SDG 12 Sustainable Production and Consumption
- SDG 13 Climate Action
- SDG 17 Partnership

OKQ8 targets

- Climate-neutral in our own operation by 2030
- Climate-neutral throughout our value chain by 2045
- 100 % renewable energy consumption in own operations by 2030



- SDG2 Zero Hunger
- SDG 6 Clean Water and Sanitation
- SDG 12 Responsible Consumption and Production
- SDG 17 Partnerships

- Water recycling in all automatic car washes by 2030
- 20 % of food and beverage sales shall have a sustainability label (or similar) by 2025
- To halve food waste by 2030
- 50 % of all waste from our own operations at service stations shall be recycled by 2025
- All plastic waste from our own operations at service stations shall be recycled as a material by 2030

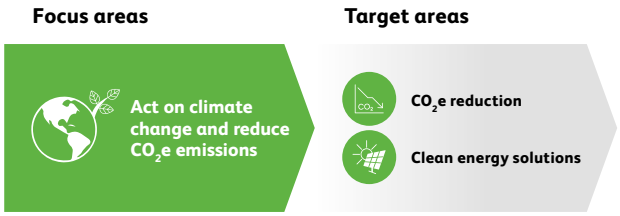


- SDG 3 Good Health and Well-being
- SDG 5 Gender Equality
- SDG 10 Reduce Inequality
- SDG 11 Sustainable Cities and Communities

- Enable employee satisfaction
- Ensuring a safe work environment, by doing safety-walks at our stations and depots
- Reduce the number of incidents to a minimum (crime, personal injuries, near misses, fatalities, customer related incidents)
- Support healthy employees
- Support the professional development of our employees via training and courses
- Create equal access to management positions

Act on climate change and reduce CO_2e emissions

The challenge and how it relates to OKQ8



Two of the most urgent threats today are climate change and the rise in global temperatures. In the IPCC's assessment and long-term projections for climate change, "global mean temperatures will continue to rise over the 21st century if greenhouse gas (GHG) emissions continue unabated"[1]. And "as greenhouse gas (GHG) concentrations continue to rise, we expect to see future changes to the climate system that are greater than those already observed and attributed to human activities".[1]

The transport sector is one of the few sectors that has not succeeded in lowering CO_2e-emissions since 1990[2]. Instead, transport "accounts for a quarter of the EU's greenhouse gas emissions, and [is] still growing."[3]. A transition to renewable energy sources and a decarbonisation of the transport sector are two main drivers in curbing global CO_2e-emissions.

Thus, clean energy and electrification play vital roles. In Denmark, 2020 was a record year in terms of the proportion of renewable energy[4]. However, there is still a gap nationally and internationally between the renewable energy levels produced, and the energy needed in the near future as e.g. the number of electric vehicles is increasing in Denmark and Sweden. Also, storage solutions for surplus power generation are still at an early stage. Both public and private operators work to accelerate solutions in renewable energy production, smart energy storage, grid capacity, and Power-to-X (PtX) to meet short and long-term energy demand.

OKQ8's biggest impact on the climate and greenhouse gas levels is through the products we offer. For decades, OKQ8's core business evolved around fossil fuels. However, we are moving faster towards fossil-free alternatives and clean energy that enable us and our customers to transition. We expect future demand for fossil products and access to fossil raw materials to decline, as new alternative fuels and energy solutions become increasingly available. Besides our fuel-related activities, we are also focusing on reducing CO_2e emissions from our other products and services (including food and beverages, merchandise, car washes and other related services).

Because OKQ8's impact on climate change and global GHG emissions not only relates to our products but also to our own operations, we have set climate targets that involve all three scopes (1, 2, and 3) under the Greenhouse Gas Protocol.

OKQ8 has identified the following UN Sustainable Development Goals (SDGs) to be particularly relevant for the focus area "Act on climate change and reduce CO_2 emissions": SDG Goal 7: Affordable and Clean Energy; 12: Sustainable Production and Consumption; 13: Climate action, and Goal 17: Partnership.



1) IPCC: WG1AR5_Chapter12_FINAL.pdf (ipcc.ch)
2) EEA, Greenhouse gas emissions from transport in Europe — European Environment Agency (europa.eu)
3) EU Green Deal, resource.html (europa.eu)
4) Dansk Energi, Rekordår: Strømmen har aldrig været grønnere | Dansk Energi

OKQ8's goals and targets

Focus areas	Target areas	OKQ8 targets
Act on climate change and reduce CO_2e emissions	CO_2e reduction Clean energy solutions	• Climate-neutral in our own operation by 2030 • Climate-neutral throughout our value chain by 2045 • 100 % renewable energy consumption in own operations by 2030

An increasing number of companies worldwide are formulating and setting climate targets. To make sure OKQ8's climate targets and rate of reduction are in line with what the latest climate science findings deem necessary to meet the Paris Agreement's goals, we have committed to the Science-Based Targets initiative (SBTi). SBTi is a global standard that evaluates whether a company's climate goals and efforts are sufficient to keep the global temperature rise below 1.5° C to 2° C. SBTi is a partnership between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

SBTi is currently developing a new methodology for companies in the oil and gas sector to set science-based targets. It is planned for launch in 2021. When the new methodology is ready, the SBTi team of experts will review and validate OKQ8 climate targets against the established science-based criteria.

To support global and national efforts to mitigate GHG-emissions and combat climate change, OKQ8 has set two climate targets, which will be aligned with SBTi:

- Climate-neutral in our own operation by 2030
- Climate-neutral throughout our value chain by 2045

Our 2030-target includes:

- Scopes 1 and 2:
  - Energy use at service stations, depots, and offices.
  - Travel conducted in company-owned vehicles.
- Scope 3:
  - Business travel conducted by employees by air, rail or in private car.
  - Distribution of OKQ8 products.
  - Waste generated at our facilities.*

*In 2020, we began mapping CO_2e emissions from waste management at our stations and depots in Sweden and Denmark. We expect to include CO_2e emissions in our reporting from 2021/22.

Our 2045-target includes:

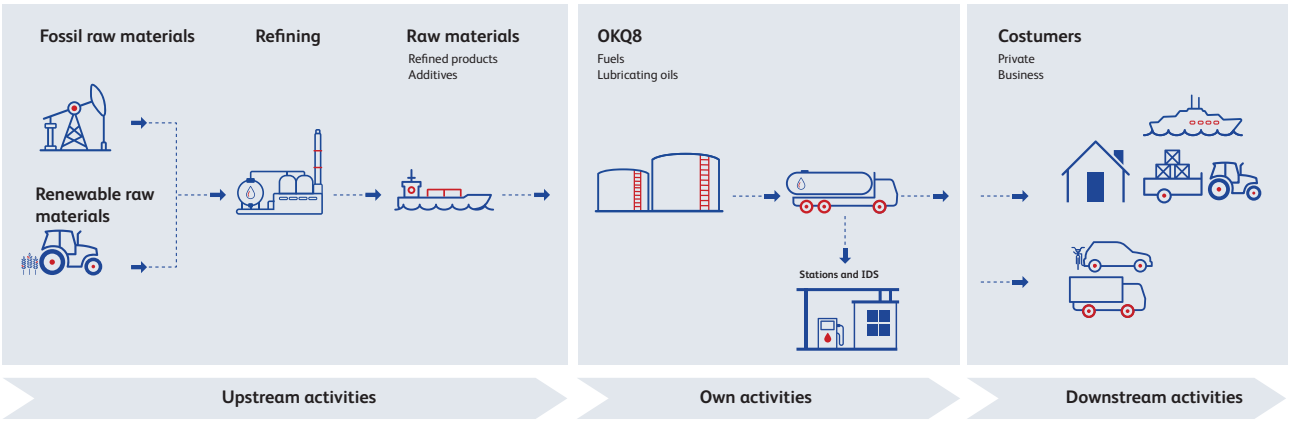
- Scope 3:
  - CO_2e emissions from our value chain activities and which stem from the products and services we offer. This includes our full product range from fuel, food and beverage products to various other services. OKQ8's Scope 3 boundaries will be further concretised in 2021/22 in collaboration with experts and in alignment with SBTi and the GHG-protocol.

In 2020, we initiated CO_2e-mapping of our food and beverage range and will continue to add more products in the coming years.

OKQ8's approach to climate neutrality (net zero emissions) is the abatement of GHG emissions, i.e. the permanent removal of CO_2e emissions. Our mitigation strategy is to reduce and remove CO2e emissions by moving away from fossil-based products to clean energy and renewables. As a supplement to investing in technologies, services, and products that will permanently reduce and remove CO_2e, we will consult experts and international standards on how best to handle the remaining emissions.

In terms of upstream activities, OKQ8 neither extracts oil nor owns refineries, but acts as a retailer in the market. We source both fossil and renewable fuel commodities in the form of refined products and additives. Most of our oil products are distributed via our depots in Denmark and Sweden.

> "Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2° C above pre-industrial levels and pursuing efforts to limit warming to 1.5° C.
>
> – Science Based Targets Initiative



Actions and initiatives to combat challenges

CO_2e reduction

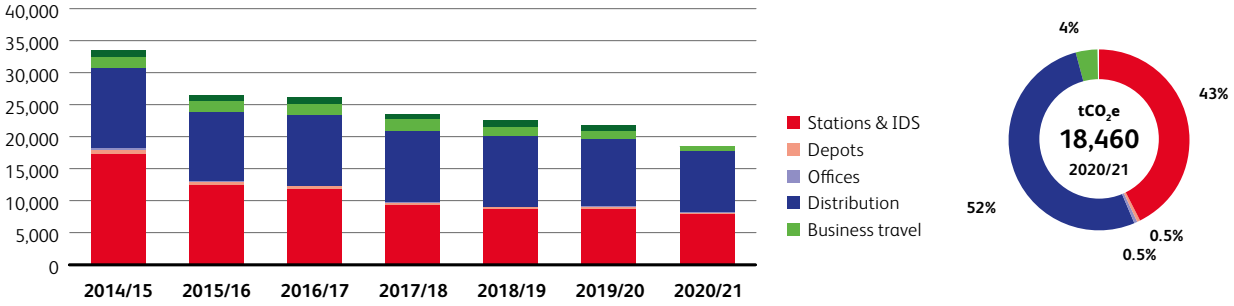
Own operations

Challenges relating to our own operations:
The two main sources of GHG emissions from our own operations are the energy used at our 1,000+ service stations (43%) and the distribution of products (52%). As the pie chart shows, emissions from business travel (scopes 1 and 3) total 4%. However, emissions from our depots and offices are correspondingly small, also as a contribution to achieving the 2030 goal.

Solutions at hand:
Since 2014, OKQ8 has been tracking and reporting our CO_2e emissions and we continue to refine and expand the areas included in our CO_2e reporting. We adhere to the Greenhouse Gas Protocol standards to make sure we comply with internationally accredited reporting systems. For further information, see page 25. We have invested in a number of initiatives to actively reduce CO_2e emissions from our own operations, and this has resulted in a total CO_2e reduction of 3,282 tonnes since last year (a 15% decrease compared to last year, and a 45% reduction since 2014).

- ***Energy use:*** In 2020/21 we reduced our energy consumption by 6,810,000 kWh compared to last year, which led to a reduction in CO_2 emissions from our stations, depots, and offices of 6% compared to last year. Examples of actions include switching to LED lighting in buildings and replacing oil-fired heating with heat pumps.
- ***Distribution of products:*** In 2020/21, 28 % of our distribution was made fossil free. We are working closely with our suppliers and carriers at the operational level to convert and scale up the number of fossil-free transports.
- ***Employee travel:*** In 2020/21, we achieved a CO_2e reduction of 532 tonnes from business travel, equivalent to a decrease of 43 % compared to last year. To lower CO_2e-emissions from company-owned vehicles, our corporate policy requires employees with diesel vehicles to use HVO100 instead of conventional diesel. Due to national corona restrictions, we noted a significant fall in CO_2e emissions from business travel in 2020/21- the amount of air travel in particular decreased. As societies start to reopen, we expect travel to increase again. However, we will focus especially on helping our employees to travel in the most sustainable way such as via public transport and other sustainable mobility solutions. We encourage all employees to hold a high proportion of virtual meetings to replace long-distance travel.
- ***Petrolia:*** Since the Petrolia factory (the production of lubricating oils) was closed at the end of 2019, it is not included in this year's report (nor in future reporting).

Development in tCO_2e



CO_2e from own operations*)	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Scope 1	4,048	2,891	2,841	2,459	2,382	1,841	1,130
Scope 2	17,692	12,454	11,882	9,591	8,878	9,185	7,727
Scope 3	11,831	11,146	11,389	11,510	11,343	10,715	9,603
Total tCO_2e	**33,761**	**26,491**	**25,974**	**23,666**	**22,601**	**21,742**	**18,460**

Category	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Stations & IDS	17,329	12,473	11,822	9,326	8,685	8,718	7,847
Depots	616	448	363	294	266	272	246
Offices	209	120	117	111	90	107	60
Distribution	12,596	10,813	11,006	11,187	10,950	10,572	9,593
Business travel	1,633	1,633	1,850	1,754	1,538	1,246	713
Petrolia	1,187	1,006	954	887	1,074	827	0

GHG emissions intensity ratio**)	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
CO_2e kg/m^3	10.70	8.26	8.16	7.3	6.37	6.50	8.37

*) Own operations include: Scopes 1 and 2: Energy use at service stations, depots, and offices. Transport in company-owned vehicles and bunker boats. Scope 3: Business travel conducted by employees by air, rail or in private car. Distribution of OKQ8 fuel products.

**) GHG emissions intensity ratio: According the GRI disclosure 305-4, the GHG emissions intensity expresses the amount of GHG emissions per unit of activity (organization-specific metric). OKQ8 uses volumes of fuel products sold (m3) as the organization-specific metric. Despite an absolute decrease of GHG emissions in own operations compared to last year, we see a rise in GHG emissions intensity ratio (kg CO2e per m3 product sold) from 6.50 to 8.37. The spike can be explained by the decrease in volumes sold in 2020/21, due to the COVID19-pandemic.

Challenges relating to value chain activities:
Most of the fuel products we offer customers today are fossil-based fuels. Our customers include private vehicle owners who use our service stations to large corporate fleets (including HGVs), ships, and industrial machinery (e.g. farming equipment). A transition to fossil-free fuel types and energy sources is essential if we are to guide all of these different segments in a sustainable direction.

Solutions at hand:
We are constantly expanding our range of renewable fuels and alternatives such as electricity, biofuels, and gas to reduce CO_2e emissions throughout our value chain. OKQ8 conducts extensive development work with partners and suppliers so we can offer our customers more sustainable mobility services*. Our work has resulted in new, more sustainable products. One example is HVO100 fossil-free diesel which we offer in collaboration with Neste at 170 stations throughout Sweden (together with Tanka) and at seven service and IDS stations in Denmark. The aim is to continue extending availability of HVO100 in both countries at service and IDS stations, as well as to off-road segments.

- ***Biofuels*** are used in multiple ways – as blends in fossil fuel products under the Danish Biofuel Act and the Swedish GHG Reduction Regulation (see page 13 for details). During 2020 (Jan-Dec), OKQ8 sold 303 million litres of biofuel.
- ***HVO100:*** In 2020, we introduced Neste My Renewable Diesel (HVO100), a 100% fossil-free synthetic diesel that significantly lowers CO_2e emissions compared to conventional fossil-based diesel. Available today, HVO100 can be used in conventional diesel engines and is thus a means of lowering CO_2e-emissions today while other technologies are maturing. Most diesel cars and trucks can use Neste My Renewable Diesel (HVO100), and the number of vehicles approved by their manufacturers is constantly increasing. Among others Volvo, Peugeot, Citroën, BMW, and Mercedes have approved HVO100 for most of their diesel car models.
- ***Electrification:*** A key element in lowering CO_2e emissions from road traffic is the electrification of cars. (See section "Clean energy solutions" to learn more about OKQ8's efforts and investments in extending the availability of charging points across Scandinavia.)
- ***Gas:*** in 2021, OKQ8 will open Denmark's first service station for trucks running on liquefied gas. Initially, customers will be able to refuel with liquefied natural gas (LNG), but the aim is to offer 100% fossil-free liquefied biogas (LBG). OKQ8's LNG network will form part of the European international diesel service (IDS). LNG consists of natural gas that is cooled to -162° C, which liquefies it. This process reduces the volume of natural gas to 1/600, allowing it to be used as fuel for trucks and ships. Compared to regular diesel, LNG emits up to 22% less CO_2, eliminates sulphur emissions and significantly reduces the amount of harmful soot particulates. Liquefied biogas (LBG) is chemically identical to LNG. A significant advantage of LBG is that it can be made from residual products and waste products from e.g. agriculture. In this way, parts of heavy trans-shipments can be performed using fossil-free alternatives, while reducing CO_2 emissions in the transport industry and the industries that supply biogas producers. Because this is yet another step towards sustainable truck transport and better air quality, OKQ8 has chosen to be the first mover in Denmark with this project and aims to make it easier for northern European haulage companies to invest in vehicles that run on cleaner technologies.

  In Sweden, we offer vehicle gas in two variants: Biogas Bas and Biogas100. Biogas Bas contains at least 70% biogas with the remainder being natural gas. Biogas 100 consists of 100% renewable biogas on a mass balance principle, which means we add biogas to our vehicle gas for every kg of Biogas 100 that our customers refuel. Today, our customers can refuel vehicle gas using OKQ8 cards at 71 stations, of which 20 are located on E.ON sites. The biogas is made from renewable materials, with the majority originating from sewage sludge, food industry waste and food waste.
- ***Power-to-X:*** Together with other leading operators, OKQ8 has signed a Memorandum of Understanding (MoU), declaring our support for an ambition to accelerate the development of Power-to-X technologies and products in Denmark such as liquid fuels and other high-value products able to phase out the consumption of fossil fuels. The MoU calls on the Danish government to support an ambitious phasing-in of Power-to-X technologies in Denmark.
- ***Non-fuel products:*** To reduce CO_2e emissions from our non-fuel products, we also invested resources in 2020/21 in surveying and categorising, from a CO_2e perspective, the food, beverage, and retail store products we offer at our service stations. The aim is to determine which products have the biggest climate impact so that we can actively invest in better alternatives. As part of this segmentation, we held meetings with key suppliers and continued to identify those who use science-based targets and encouraged others to commit to climate targets in alignment with the Paris Agreement. Over the coming year we will replace more and more food categories and products with high CO_2e footprints with better alternatives and continue working with suppliers to reduce CO_2e emissions in the value chain.

*For more information, please visit: https://www.okq8.se/~/media/dokument-pa-stationen/okq8-hallbara-drivmedel-2019_2020.pdf?la=sv-s

Clean energy solutions

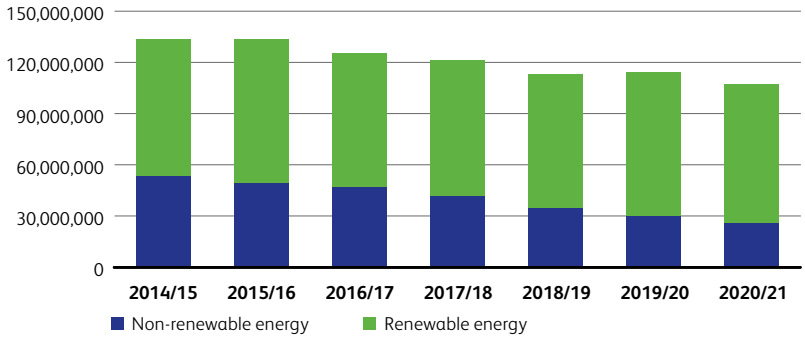
Own operations

Challenges relating to our own operations:
There are two main aspects to consider when it comes to supporting clean energy systems; the type of energy used (renewable sources) and the amount of energy used. The greatest energy usage, in relation to OKQ8 operations, happens at our manned and unmanned service stations. We expect energy demand to rise over the coming decade, as more and more digital services are created and the electrification of buildings and transport proceeds. Thus, energy usage must be lowered in parallel with increasing energy demand. This further underlines the importance of making sure our facilities run on clean energy.

Solutions at hand:
Since 2014, OKQ8 has lowered energy usage by 20% in our operations. To improve and make judicious use of the power available, we monitor energy levels at our stations. This enables us to act quickly and make constant improvements to components that lead to unwanted energy use. Based on this energy monitoring, we identify ways to optimise energy usage (electricity, heating and cooling) each year.

- Regarding ***in-store equipment*** such as coolers, freezers and ovens, we have initiated a detailed mapping to identify and replace low-performing hardware. Energy-consuming product displays from suppliers at our service stations such as branded coolers and refrigerators, vary in terms of energy efficiency. We intend to optimise current energy use over the coming years through talks with suppliers, commercial zone planning and stricter energy performance requirements for product-displays.
- Also, we ***train our staff*** to adopt practices that help save energy. For example, station managers are required to carry out SSHE walks (Security, Safety, Health, and Environment) several times a year at their stations, to make sure they meet standards.
- ***Solar panels:*** To increase the proportion of renewable energy, we have installed solar panels at 37 stations, 20 of them were installed at the end of the financial year and will start producing electricity during 2021/22.
- ***Digitalisation*** is not only a strategic focus area for OKQ8, but also an area that impacts our energy consumption and CO_2e emissions. With regard to OKQ8's back-end operations, we aim to minimise energy consumption arising from data flows and data storage. As more and more digital services enter our portfolio of services, we will consider the impact this has on energy demand, as well as CO_2e emissions. A big step for OKQ8 in 2020 was to move our data centre to Norway to a facility that runs entirely on renewable energy (local hydropower plants).

Energy consumption*) at service stations, depots, and offices



Energy consumption*	Unit	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Non-renewable energy	kWh	53,199,443	49,196,258	46,669,804	41,502,502	34,537,481	29,583,712	25,796,660
Renewable energy	kWh	80,291,357	84,481,042	78,987,296	79,933,598	78,548,519	84,609,788	81,586,840
Total energy	**kWh**	**133,490,800**	**133,677,300**	**125,657,100**	**121,436,100**	**113,086,000**	**114,193,500**	**107,383,500**
Renewable proportion of energy								
Renewable energy	%	60%	63%	63%	66%	69%	74%	76%
Energy intensity**								
Total energy consumption***	kWh	142,700,400	138,432,700	131,478,300	127,126,000	117,668,300	118,586,900	110,299,700
Energy intensity ratio	kWh/m³	42.31	41.71	39.52	37.65	31.89	34.18	48.72

*) Energy Consumption at service stations, depots, and offices (own operations). Energy type: 78.8 % electricity, 19.1 % district heating, 1.8 % heating oil and 0.3 % natural gas.
**) Energy intensity (own operations): According the GRI disclosure 302-3, the energy intensity ratio define the energy consumption in the context of a standardised organization-specific metric. In the context of OKQ8 we use volumes of product sold (m^3) as organization-specific metric. Despite an absolute decrease in total energy consumption in own operations compared to last year, we see a rise in intensity ratio (kWh per m^3 product sold) from 34.18 to 48.72. The spike can be explained by the decrease in volumes sold in 2020/21, due to the COVID19-pandemic.
***) Total Energy Consumption (own operations): According to the GRI disclosure 302-1 (including fuel consumed in scope 1, electricity, heating/cooling (scope 1+2)).

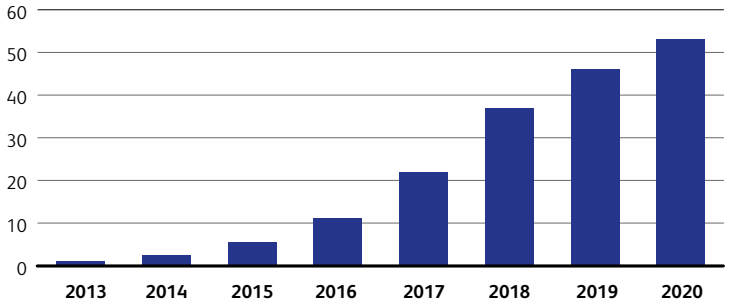
Value chain

Challenges relating to value chain activities:
One of the biggest challenges in energy systems today is the periodical imbalance between supply and demand. As the proportion of renewable energy generation increases, so does the need for energy storage in different forms. The increasing number of EVs in Denmark and Sweden plays a part, as does battery storage and new PtX-technologies. OKQ8 is working with multiple initiatives to support the shift to 100% renewable energy systems and to help balance energy supply and demand.

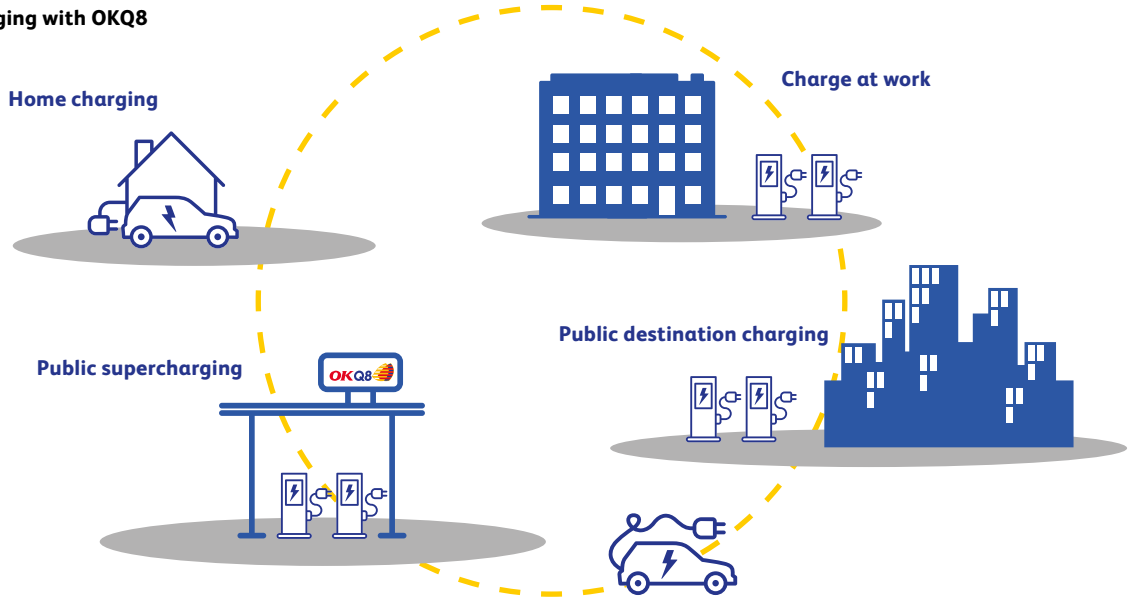
Solutions at hand:

- ***Electricity supplier:*** As an electricity supplier, OKQ8 is able to provide electricity from renewable sources. We purchase guarantees of origin from energy sources that are classified as 100% renewable, which means the electricity is produced from wind, hydro or solar power. We have developed the OKQ8 Hemma app to help customers learn more about their energy usage and thereby reduce energy consumption, costs and environmental impact.
- ***Solar power*** is a growing global source of energy, and OKQ8 is committed to encouraging and accelerating this trend. To help our customers transition to renewable energy, OKQ8 acquired Kraftpojkarna (in 2019), Sweden's leading distributor in solar energy, EV charging infrastructure and energy storage. Kraftpojkarna supports distributors with project planning, deliveries, installation and service. Customers are both commercial and private and range from major property companies, agriculture and industry to homeowners. The company was founded in 2012 and owns the Nordic Region's first 1MW solar tracker park, located between Västerås and Enköping in Sweden. The park also functions as a test facility for new products and solutions before they are launched.
- ***Storage:*** By facilitating storage solutions, OKQ8 provides grid support where batteries are used as a service and a supplement to the existing energy grid. This can take place at the industrial and household levels. Paired with solar cells (or other renewable sources), it increases the level of renewable energy for self-consumption by charging batteries with solar energy for use when needed. What's more, peak shaving can provide savings, and thereby cut costs. Finally, investing in the installation of energy storage can act as an alternative or complement to increasing the main fuse and also work as a backup power source during power outages.
- ***EV charging at service stations:*** OKQ8 provides fast chargers at around forty of our service stations. To further expand our service, we have joined forces with the Swedish energy supplier Skellefteå Kraft to install High Power Charging (HPC) across Sweden and Denmark. Today, most fast chargers have an output of 50 kilowatts. OKQ8's new chargers will have an output of at least 150 kilowatts. This means that customers can charge their batteries up to a range of around 250 km in 20 minutes. Skellefteå Kraft will be responsible for supplying 100% renewable energy to the charging network. The plan is to install 1,100 chargers at around 400 sites over a five-year period spanning 2021-26. "Our goal is to make fueling just as easy for EV (electric vehicle) drivers as they are for petrol or diesel car drivers," says Helle Dahlgren Skov, Director of Retail and Associations. For technological reasons, today's hybrid cars are unable to make use of the 150 kWh fast chargers, and so OKQ8 will continue to provide 22-50k kW chargers. We provide more than 180 charging points today, the majority are 22 kWh chargers. During the financial year, nearly 60,000 kWh were charged at our OKQ8-owned public charging stations. OKQ8-owned charging posts include the 22kW charging posts installed at our OKQ8 stations. The majority of our 50kW charging stations are owned by EON.
- ***Charging at home or publicly:*** OKQ8 also offers charging solutions at home and the workplace. Our charging service allows our customers to charge EVs wherever they are – at home, at work, or at our service stations. Our offer includes charging equipment, charging boxes, installation and operation as well as access to our charging network, on and off station. The OKQ8 Electric Car Charging app provides users with access to more than 1,000 public charging points in Sweden and more than 30,000 in Europe.

Solar power: Kraftpojkarna delivered MWp



EV charging with OKQ8





Case study: Q8 HVO100 Biodiesel

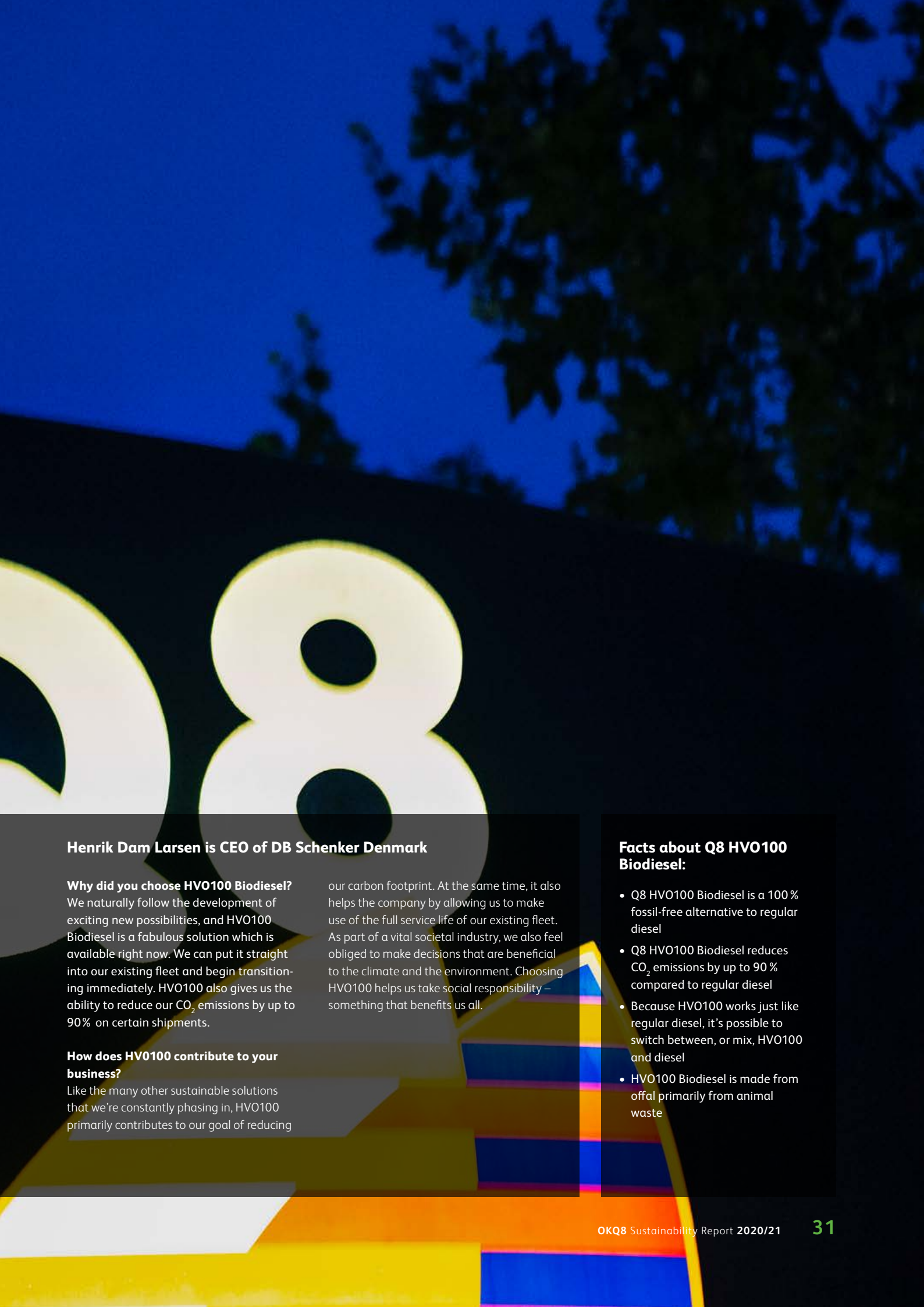
Under our goal of helping our customers become climate neutral, biofuels play a big, important role. Especially in heavy traffic and transport, the availability of renewable liquid fuels able to replace fossil diesel will be crucial in reaching net-zero emissions by 2045. The collaboration with Neste in Sweden, which makes Neste My Renewable Diesel (HVO100) available nationwide, enables both companies and private motorists to reduce their emissions.

In Denmark, the product is sold under the name Q8 HVO100 Biodiesel and is available for delivery to customers with their own domestic tank and to consumers via F24 automatic stations and Q8 stations. Also, Q8 entered into a framework agreement during the year with the Danish National and local Authorities Procurement Service (SKI) to deliver 100% biodiesel to the Danish state and 98 municipalities. Several commercial customers also decided to switch to fossil-free diesel, one of which is DB Schenker.

DB Schenker reduces its carbon footprint by 50%

With operations in more than 130 countries, DB Schenker is one of the world's leading suppliers of global logistics services. The company provides transport by road, air and sea and is the leader in European land transport. Part of the DB Schenker Group's overall strategy is to reduce the company's carbon footprint by 50% by 2030. It regards testing various solutions to make its transports more sustainable as an investment in the future.





Henrik Dam Larsen is CEO of DB Schenker Denmark

Why did you choose HVO100 Biodiesel?
We naturally follow the development of exciting new possibilities, and HVO100 Biodiesel is a fabulous solution which is available right now. We can put it straight into our existing fleet and begin transitioning immediately. HVO100 also gives us the ability to reduce our CO_2 emissions by up to 90% on certain shipments.

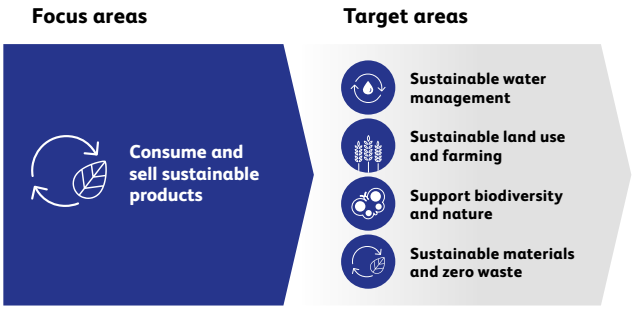
How does HV0100 contribute to your business?
Like the many other sustainable solutions that we're constantly phasing in, HVO100 primarily contributes to our goal of reducing our carbon footprint. At the same time, it also helps the company by allowing us to make use of the full service life of our existing fleet. As part of a vital societal industry, we also feel obliged to make decisions that are beneficial to the climate and the environment. Choosing HVO100 helps us take social responsibility – something that benefits us all.

Facts about Q8 HVO100 Biodiesel:

- Q8 HVO100 Biodiesel is a 100 % fossil-free alternative to regular diesel
- Q8 HVO100 Biodiesel reduces CO_2 emissions by up to 90 % compared to regular diesel
- Because HVO100 works just like regular diesel, it's possible to switch between, or mix, HVO100 and diesel
- HVO100 Biodiesel is made from offal primarily from animal waste

Consume and sell sustainable products

The challenge and how it relates to OKQ8



According to the UN, the global population could grow to around 8.5 billion by 2030 and 9.7 billion by 2050. To sustain high living standards for that many people would require the natural resources of almost three planets.[1)]

The World Economic Forum's 2020 Global Risk Report ranks the loss of biodiversity as the second most impactful and third most likely risk for the next decade. The World Economic Forum further states that human activity has endangered biodiversity through agricultural and industrial expansion, exploitation of plants and animals through harvesting, logging, hunting and fishing, pollution, the introduction of non-indigenous species and climate change, thus exacerbating the loss of natural environment which in turn reduces nature's resilience to climate change. The Living Planet Report 2020, published by the WWF, showed an average drop of 68% in the monitored populations of mammals, birds, amphibians, reptiles and fish between 1970 and 2016.

Less than 3% of the world's water is fresh water i.e. drinkable, and 2.5% of this is frozen in Antarctica, the Arctic and glaciers. Yet societies are polluting and using water faster than nature is able to circulate.

Resources are put into producing food, and the food sector accounts for around 30% of the world's total energy consumption. Still, every year about one third of all food produced for human consumption in the world is lost or wasted.[1)]

Sustainable development requires us to reduce the global ecological footprint by changing our methods of production and the consumption of resources. We must eliminate waste and support circular systems to re-use, share, repair and recycle goods and create closed loop systems. Because we are facing real global risks of climate change, the loss of biodiversity and reduced water availability, we have an obligation to act today.

OKQ8 has an opportunity to make a positive impact by enabling our customers to make sustainable choices through the products and services we offer. We must take into consideration both social and environmental aspects as well as how we sell, market and make products available to our customers across Scandinavia. In creating a sustainable product range, OKQ8 strives to incorporate multiple sustainability factors to make the overall footprint of individual products as low as possible. Accordingly, our efforts seek to create a holistic sustainability approach that not only includes CO_2e, but a range of sustainability factors including water management, land-use and farming, biodiversity and nature, materials and zero waste.

OKQ8 has identified the following UN Sustainable Development Goals (SDGs) to be particularly relevant for the focus area "Consume and sell sustainable products": SDG 2: Zero Hunger; SDG 6: Clean Water and Sanitation; SDG 12: Responsible Consumption and Production, and SDG 17: Partnerships.



1) UN, Sustainable consumption and production – United Nations Sustainable Development

OKQ8's goals and targets

Focus areas	Target areas	OKQ8 targets
Consume and sell sustainable products	Sustainable water management Sustainable land use and farming Support biodiversity and nature Sustainable materials and zero waste	• Water recycling in all automatic car washes by 2030 • 20 % of food and beverage sales shall have a sustainability label (or similar) by 2025 • To halve food waste by 2030 • 50 % of all waste from our own operations at service stations shall be recycled by 2025 • All plastic waste from our own operations at service stations shall be recycled as a material by 2030

In 2020, OKQ8 adopted a number of strategic targets to contribute to sustainable development and the SDGs:

- To halve food waste by 2030
- 50% of all waste from our own operations at service stations shall be recycled by 2025
- All plastic waste from our own operations at service stations shall be recycled as a material by 2030
- 20% of food and beverage sales shall have a sustainability label (or similar) by 2025
- Water recycling in all automatic car washes by 2030

We will continue to add and refine targets and actions in 2021 to support relevant SDGs and our focus area. We will also work on methods for setting key performance indicators (KPIs) and targets for biodiversity and land-use. We will continue to develop systematic methods for analysing the environmental and social aspects of our products, and ways to improve performance and reduce impact.



Actions and initiatives to combat challenges

Sustainable water management

Own operations

Challenges relating to our own operations:
The majority of our water consumption takes place at our service stations across Sweden and Denmark. Our car wash facilities use water, which generate wastewater. The wastewater contains oil, heavy metals, asphalt, tyre residue and chemicals from car care products. If they reach watercourses, these substances can harm people, animals and vegetation for a long time to come.

Solutions at hand:

- ***Car washes:*** By investing in technologies that enable more efficient use, treatment and re-use of water at our facilities, we help to protect and secure clean water as a resource for humans and as a natural habitat for species. Wastewater from our car washes goes through treatment units and oil separators, making car washes a better alternative for the environment than washing cars at home. We have twelve car wash facilities with biological wastewater treatment plants in Sweden, ten at our automatic car washes and two of them are located at facilities where our customers can wash the car themselves. Installing biological treatment plants is an advantage if we want to re-use the water and minimise use of chemicals. We cannot by law re-use the water at facilities where our customers can wash their car themselves in Sweden. All automatic car washes and most of our car wash products at our wash yourself facilities in Sweden have the Nordic Swan Ecolabel. In Denmark, we have twenty-five car wash facilities with biological treatment plants and 64 stations with Nordic Ecolabelled chemicals. The goal is to have Nordic Ecolabelled chemicals incorporated at all 200 stations in Denmark in 2021. Our target for both Denmark and Sweden is to recycle the water in all automatic car washes by 2030.
- ***Steamrex:*** Steamrex by OKQ8 offers a new kind of car wash service, where qualified operators steam clean cars at a time and place that suits the customer. Steam cleaning technology involves the minimum use of chemicals and only 5 litres of water for each wash. There is no water run-off, since dirt and particles are captured in the washcloths, which are subsequently washed and reused.
- ***Water efficient taps:*** To reduce our water usage, we have installed new water efficient taps at our service stations in Sweden. This can help us save up to 60,000 litres per tap per year, depending on the degree of utilisation.

Value chain

Challenges relating to value chain activities:
The products we sell impact the water resources in the country of origin and in the production country. Depending on the water conditions at source, the impact of two similar products can differ greatly, also depending on how the supplier manages its water impact. Agriculture is a major water consumer and we are aware that the food and beverages we offer come with the risk of affecting water resources in regions with scarce water resources.

Solutions at hand:
As a retail business, we seek to source products and work with suppliers who manage their water footprint, thereby helping to protect water as a resource. This is a factor we will include in our sourcing processes. Several of OKQ8's suppliers already have measures in place to manage its water use, and in the years ahead we endeavour to systemise data and create the appropriate framework to manage the water footprint of our Scope 3 activities.

Sustainable land use and farming

Own operations

Challenges relating to our own operations:
As a retail company, we are not directly involved in upstream activities. Thus, we have little direct impact on the land use and farming activities that are often associated with a large ecological footprint. The indirect impact that arises from the products we source and sell, is described in the section below, regarding our value chain activities. OKQ8's direct impact on land use, soil contamination or degradation is something we take very seriously when we acquire, manage, or sell property and land. The property assets we manage and rent include different types of service stations, offices, and depots in Sweden and Denmark. We note how building and population density is rising in urban areas. Because unoccupied land is scarce, many industrial areas are converted for housing to accommodate the influx of people and urbanisation. Furthermore, city planners and municipalities place great emphasis on the liveability of cities, and factors such as access to transport, green space and shopping play a key role.

Solutions at hand:
Our locations and infrastructure allow us to act as a facilitator of sustainable mobility in cities and rural areas, thereby supporting a greater network of options such as access to public transport, car sharing services, bike and car rentals, EV charging, etc. As we develop our property and asset portfolio moving forward, we will consider how our locations can leverage and support local developments, liveability and connected infrastructure in cities and rural areas. For example, we look at how to include green space, the multifunctional use of spaces (such as playgrounds at service stations or solar cells on rooftops) as part of service station maintenance and upgrades. Two of our service stations in Denmark – Kalbygaard Skov North and South – have been designed to be interactive for both children and adults and have rooftop solar panels.

At the end of 2019, the operations in OKQ8's lubricants factory Petrolia and the depot at Loudden in Stockholm ceased, following a political resolution made by the City of Stockholm, in order to convert the area into a residential area. OKQ8 is in the process of dismantling the facility and remediating the contaminated land to enable new homes to be built.

Value chain

Challenges relating to our value chain activities:
As a retailer, we can support sustainable land use and farming methods by sourcing products that meet high standards within parameters such as ecology, local production, fair trade, animal welfare, residual waste use, plant-based products and aspects that cause indirect land-use changes (ILUC). ILUC is a particular issue when replacing fossil-based fuels with bioenergy and biofuels (liquid or gaseous transport fuels made from biomass). Biofuels can be made from food crops such as sugar, starch, rapeseed, soy, beets or cereals (e.g., corn, wheat) – crops that potentially could be used for food and feed, depending on the source and classification. The methodology used to determine high and low-risk ILUC factors and the classification of biofuel feedstock are under constant debate at the EU and national levels due to the risk of negating the greenhouse gas saved from using biofuels. In the case of OKQ8's non-fuel products such as the food and beverage assortment, we also consider the ratio of animal-based to plant-based products, as well as where and how raw materials are produced. The monoculture farming of certain crops has proven harmful to the resilience of local land areas, while putting pressure on local water resources and causing harm to biodiversity.

Solutions at hand:
The Renewable Energy Directive (EU) governs which feedstocks may be used for biofuels and sets a limit on high ILUC-risk fuels. OKQ8 complies with the directive's legal provisions. (See page 13 for further information).

Regarding our food and beverage we have initiated a review of our product range to categorise the products that can be replaced and/or complemented by a plant-based alternative, and target products where we can, together with our suppliers, work towards a lower ecological and climate footprint.

We also look at how best to support and source animal-based products that meet animal welfare standards and other requirements such as taste and origin. Since 2019, Q8 in Denmark has offered Happy Chicken products e.g., nuggets made from chickens raised in good conditions without antibiotics; they enjoy a longer, better life with more space per bird. We also engaged in talks with chicken suppliers in Sweden on animal welfare.

OKQ8 continues to expand the variety of organic and local products to our customers. We work closely with innovative companies able to present new takes on well-known commodities. One example is our collaboration with Il Fornaio, a Danish slow-food and organic craft bakery that has created a new sourdough bun made from IPA brewing residues. By introducing new concepts and products that build on circular economy principles, we can support the transition to a more sustainable food system.

Support biodiversity and nature

Own operations

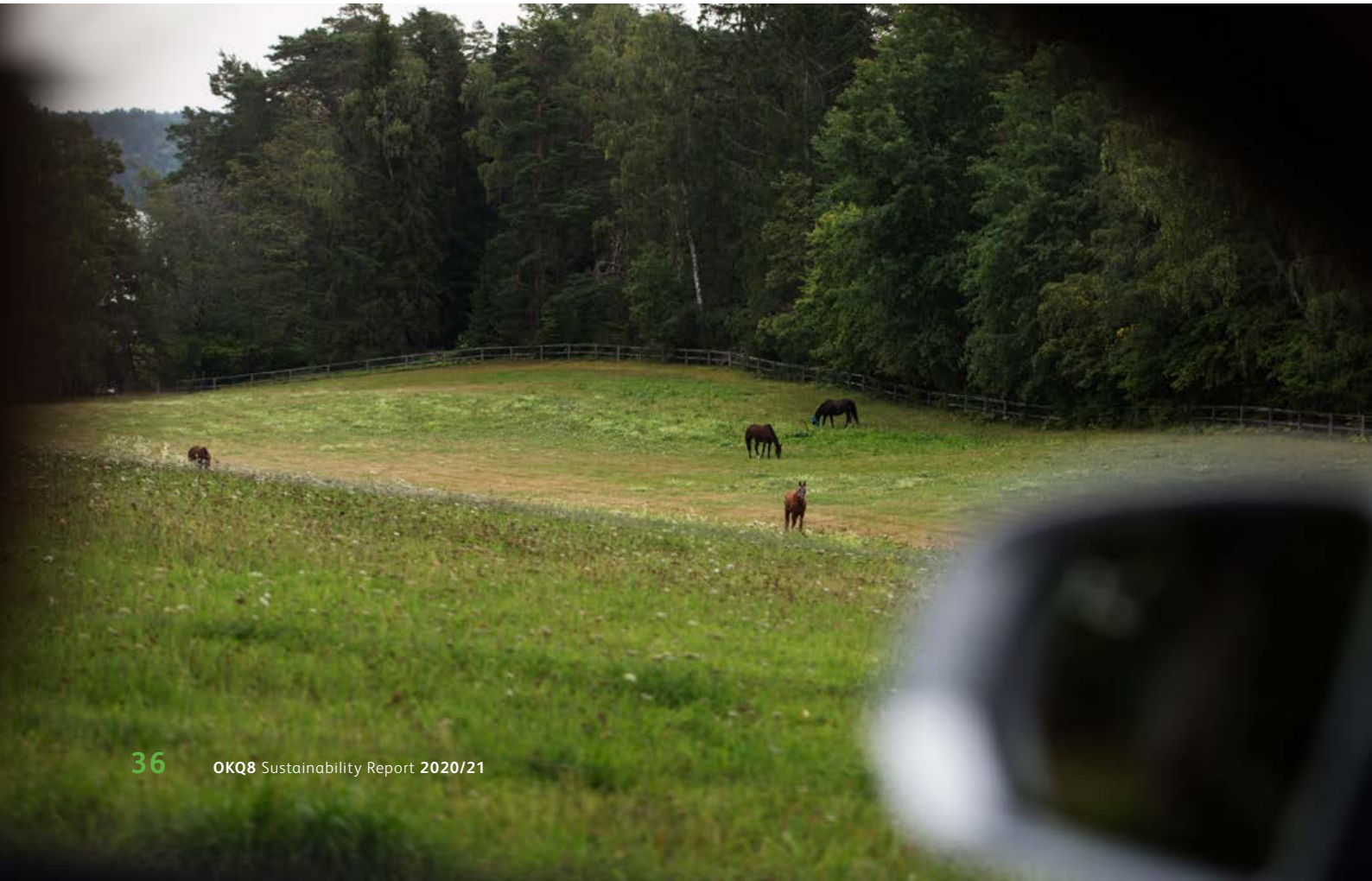
Challenges relating to our own operations:
Locally, we see how an increasing urbanisation, increased paved areas and monocultures in parks and gardens, result in the loss of natural habitat and sources of food to various species.

Solutions at hand:
OKQ8 want to help alleviate this issue by engaging in biodiversity projects that protect the local flora, fauna and ecosystems on the properties we manage and the surrounding areas. In 2021, we are identifying places that can be converted into more biodiverse areas. In the year ahead, we plan to initiate pilot projects at selected stations to explore how we can support local biodiversity and species. We are teaming up with biologists, who can help make sure the right plants and solutions are used.

Value chain

Challenges relating to our value chain activities:
The biggest challenges and potential impact on biodiversity, nature and habitats occur in the upstream part of our supply chain. For example, palm oil and its use in food and biofuels is linked to deforestation, an issue that affects valuable natural environments and areas of high conservation value.

Solutions at hand:
OKQ8 seeks to ensure that all the raw materials we use are produced responsibly with regard to biodiversity. OKQ8 uses products with PFAD, which is a residual product and classified as a co-product in Sweden from the processing of palm oil for the food and other industries. About 5% of palm oil processed is removed for PFAD production. We comply with the strict legal requirements for biofuels. Under the EU Renewable Energy Directive (RED) renewable raw materials in biofuels in Europe must be traceable back to the point of origin. OKQ8's sustainability requirements for renewable fuels include ILO core conventions, greenhouse gas savings, chain of custody, and no sourcing from areas with high carbon stocks or high biodiversity values as defined by the RED. In 2020, we entered into a partnership with Neste in Sweden to offer Neste My Renewable Diesel (HVO100). Neste is committed to no deforestation with full traceability back to the plantation by 2020 for all PFAD. All PFAD used in Sweden from Neste is certified in accordance with ISCC criteria and Neste's own sustainability criteria on biodiversity and human rights. Neste has published its supply chain for PFAD with data on RSPO, ISCC, and ISPO certifications on its website. Neste My Renewable Diesel (HVO100) contained no PFAD in 2020; instead, we used residual products such as animal fat waste from the food industry and recycled cooking oil, etc.



Sustainable materials and zero waste

Own operations

Challenges relating to our own operations:
The increasing volume and complexity of waste has an impact on society, ecosystems and human health. The challenge of material recycling, for example related to plastic, is contaminated waste streams, use of unwanted chemicals, the lack of technological solutions to recycle all types of plastic, and lack of a market that demands recycled plastic material.

Solutions at hand:
OKQ8 can help make a difference, by segregating waste at stations thus aiding material recycling, and by demanding recycled material in the products we procure, use and sell at our service stations. By avoiding harmful materials, supporting recycling and a circular loop of materials in our own operations, we can help save natural resources and minimise the use of virgin materials. An example is our uniforms, where we together with our supplier, look at how to minimise textile waste, increase the use of sustainable textiles, and take back used garments. Facilitating a closed loop system in our own waste management process can also help our customers at our service stations to recycle waste, and as such we can also avoid littering along the roads. At the end of the year OKQ8 adopted a number of waste targets we will focus on implementing in the coming year. Fulfilling the targets will require everything from evaluating what type of material goes into the products we sell and whether it can be recycled, to optimising containers and packaging, and implementing better recycling facilities at our stations.

- ***Waste segregation:*** During the year we planned for standardising the waste segregation at our service stations in Sweden and continue to increase the segregation of waste fractions in Denmark. During 2020/21, we have run test trials at certain stations in Denmark to sort plastics, in order to send certain plastic-waste fractions to handlers that can upcycle the material to new plastic use.
- ***Food waste programmes:*** In both Sweden and Denmark we launched a food waste reduction programme at our stations divided into three parts: 1) preparing the right amount of food 2) recording food waste, and 3) making better use of the consumer-apps Karma and Too Good To Go to sell left over food.

Value chain

Challenges relating to our value chain activities:
A circular economy is based on the principles of moving from a linear model, where finite resources are wasted at end of use, to designing out waste and keeping materials and products in loop and in use.

Solutions at hand:
During 2021/22, we will start reviewing the requirements on suppliers regarding the products we use at the stations and the service our suppliers provide.

- ***Biofuels and biogas:*** During the year, we initiated a partnership with Neste to be able to offer Neste My Renewable Diesel (HVO100). Neste My Renewable Diesel (HVO100) is based on raw materials from waste and residue raw materials such as animal fat waste, used cooking oil and various wastes and residues from vegetable oils processing. The biogas we offer originates predominantly from sewage sludge, waste from the food industry, and food waste.
- ***Biowaste:*** In Denmark, we cooperate with Daka ReFood to recycle organic waste into biogas. The nutrients from the biowaste are used as fertilizer for agriculture. During the year, 20 stations were connected to the initiative saving 57,850 kg CO_2, producing enough nutrients to grow 132,415 kg of carrots.
- ***Karma and Too Good To Go:*** OKQ8 has been using the consumer-apps Karma in Sweden since 2019 and Too Good To Go (TGTG) in Denmark since 2018 to reduce food waste. In 2020/21, 11,565 kg of food was saved, equivalent to 41,101 kg of carbon dioxide, via Karma and 93,458 meals (233,645 kg of carbon dioxide) was saved via TGTG. In 2020/21 we passed a great milestone; since we started our collaboration with Too Good To Go, we have managed to save more than 200,000 meals in Denmark (203,977 meals, which is 509,942 kg of CO_2 saved). 303 stations are connected to Karma in Sweden.

Case study: Saving meals to reduce food waste

Manned stations in Sweden and Denmark offer much more than just fuel, products and services for vehicles belonging to our members and customers. Food and drink play a major, increasingly important role, as we develop a more varied offering. Today we offer freshly prepared sandwiches and pastries, breakfast and coffee, and a variety of hot food served at different times of the day. We prioritise the constant pursuit of more sustainable alternatives while ensuring the highest possible quality and range of food products. This year, Swedish chicken bacon with a significantly lower climate impact, replaced the pork version. This saves 27 tonnes of CO_2 emissions per year. Close collaboration between OKQ8 and the supplier resulted in a tasty product that also reduces emissions in line with the OKQ8 target of climate neutral operations by 2030.

More and more people are discovering the high quality at our service stations and decide to take a break and get a bite to eat. This also means increased responsibilities at each station and store. The counter must look clean and fresh and offer a wide selection of freshly prepared sandwiches, sausages, and pastries. At the same time, the amount of food prepared and presented needs to match the demand, to keep the amount of waste as small as possible. One of the largest climate problems is the fact that no less than one third of the world's food is thrown away. Thanks to our size and many service stations, OKQ8 can play a role in the fight against food waste. Part of the solution is the collaboration with the apps Too Good To Go in Denmark and Karma in Sweden.

How service stations in Sweden and Denmark reduce food waste to a minimum

OKQ8 in Gävle has, alongside OKQ8's over 300 manned service stations in Sweden, connected to Karma, an app that sells food that would otherwise be thrown out. During 2020/21, the service station has, with the help of its members and customers, saved 273 kilos of food from the bin. This is equivalent to almost 3,000 kg in reduced CO_2 emissions.





karma

Bo Westerberg is the Sales Manager at OKQ8 in Gävle.

Bo, you are one of the service stations in Sweden that has saved the most food through the Karma app. Why do you think that is?
We actively work to quickly put Karma goods on the app, and ensure that we set good, attractive prices.

What do the customers who use the app say? What is their reaction?
Our customers are satisfied with how simple it is to shop and the environmental aspect of the approach.

Is there anything that sells especially well?
Sandwiches sell well, but so do various bars, chocolate and certain drinks.

Too Good To Go

In Denmark, the stations have passed the 200,000 milestone of rescued meals since the start, and saved over 2,000 kg of food from the bin with Too Good To Go. That's equivalent to 5,000 kg of CO_2. Christian Mads Winther is responsible for one of the most successful stations, Q8 Varde, and is happy to be part of the initiative and help reduce food waste.

Christian, why do you think you've been so successful?
We put together really good bags for customers with varied content. They are ready to be picked up when customers come in and are now also delivered by nice employees who are happy to pass on food instead of throwing it away.

What do the customers who use the app say? What is their reaction?
Something they appreciate a lot is that there's almost always something for every member of the family in one bag, whether you're craving a sandwich or something sweet. We offer a wide variety of food, coffee and bread at Q8, and we really try to put together a good mix when we pack the bags.

What's the best part about Too Good To Go?
Without a doubt it's being able to help reduce food waste. The fact that the food gets eaten instead of being thrown away. That's absolutely the most important aspect for myself and my colleagues. It would probably have been doable in some other way, but this works really well.

Facts about Karma and Too Good To Go:

- Apps that help customers save food that would otherwise end up as waste
- Karma was founded in Sweden in 2016, Too Good To Go was founded in Denmark in 2016
- In 2020/21, OKQ8 saved 11,565 kg (41,101 kg of CO_2) of food in Sweden through Karma and 93,458 meals (233,645 kg of CO_2) through To Good To Go in Denmark
- Together they have 51.4 million users, with 1,000,000 in Sweden and 2,100,000 in Denmark

Enable people and communities

The challenge and how it relates to OKQ8



Nordic countries have a history of being considered proactive and leaders in terms of high living standards, the protection of consumer rights and high levels of equality. Over the years, Nordic countries have ranked among the happiest nations in the world[1]. Nevertheless, there is always room for improvement. Lifestyle diseases, mental health problems and working conditions all have a major impact on people's lives and society at large, even in the world's happiest countries.

We see how mental workload can cause a decrease in average life expectancy of 6-7 months. And every year in Denmark alone, this results in half a million consultations with general practitioners, one million days off from work due to illness, and almost 3,000 health-related early retirement pensions[2].

In the case of noncommunicable diseases, the European Region is the most affected by noncommunicable diseases in WHO regions. Conditions such as diabetes, cardiovascular diseases, cancer, chronic respiratory diseases and mental disorders account for an estimated 86% of the deaths and 77% of the disease burden in the Region[3]. Many of these conditions can be improved by appropriate interventions in areas such as tobacco use, the harmful use of alcohol, high blood cholesterol, obesity, unhealthy diet and physical inactivity[3].

As a company with 3,800 employees, we can provide good, safe working environments, help alleviate the levels of work-related stress, ensure equality in the workplace and help our people grow and prosper in their roles. And as one of Scandinavia's largest fuel companies, we interact with numerous people from suppliers to customers and we are able to market a range of products and services that can prevent lifestyle diseases and improve air quality levels over the long term.

We endeavour to empower sustainable communities and people. We do so by supporting social and economic development in local and global communities wherever our value chain has a presence.

OKQ8 has identified the following UN Sustainable Development Goals (SDGs) to be particularly relevant for the focus area "Enable people and communities": SDG 3: Good Health and Well-being; SDG 5: Gender Equality; SDG 10: Reduce Inequality, and SDG 11: Sustainable Cities and Communities.



1) World Happiness Report 2020
2) Danish Health Authority
3) WHO

OKQ8's goals and targets

Focus areas	Target areas	OKQ8 targets
Enable people and communities	Good working conditions Learning, development and information sharing Equal opportunities for all Healthy living	• Enable employee satisfaction. • Ensuring a safe work environment, by doing safety-walks at our stations and depots. • Reduce the number of incidents to a minimum (crime, personal injuries, near misses, fatalities, customer related incidents). • Support healthy employees. • Support the professional development of our employees via training and courses. • Create equal access to management positions.

During 2021/22 OKQ8 will review, update and formulate targets relating to the focus area 'Enable People and Communities', and further link initiatives to the most relevant UN Sustainable Development Goals.

OKQ8 has a long tradition of focusing on employees' wellbeing, both physical and psychological, and works with the following targets:

- Employee satisfaction (employee survey > 3.0).
- Ensuring a safe work environment, by doing safety-walks at our stations and depots (target 2020/21 >1,500 walks).
- Reduce the number of incidents to a minimum (crime, personal injuries, near misses, fatalities, customer related incidents).
- Support healthy employees (bring down sick leave, health insurance for employees).
- Support the professional development of our employees via training and courses.
- Create equal access to management positions.



Actions and initiatives to combat challenges

Good working conditions

Own operations

Challenges relating to our own operations:
Good working conditions entail many aspects of working life; from safety and conditions of the physical environment to how workers feel about their work and working environment. It includes aspects such as work-life balance, workload, prevention of occupational injuries, freedom of association and collective bargaining, remuneration, and employee benefits. During the year, the prevailing Covid-19 pandemic meant a major change, both in terms of the psychosocial- and physical work environment, and had an impact on our employee's wellbeing, for example through stress, anxiety and sickness.

Solutions at hand:
Because 2020/21 was a year highly influenced by Covid-19, several additional employee surveys were conducted, in order to follow the mental- and physical wellbeing among our employees going through a time with changed working conditions. For our office-based employees the change mainly meant working from home with distance leadership and lack of colleagues. For our employees at the service stations, the new situation meant many new restrictions and a change in behaviour from customers. Working from home required focus on several new issues. In Sweden we secured a supplementary insurance to cover employees who work from home. Our employees were able to borrow office equipment from the office, and we had recurring digital meetings, of various sizes, to inform employees about developments in the company. Managers were encouraged to pay extra attention to the wellbeing of their employees through more frequent 1:1s and other meeting forums. With these initiatives, we hope to create a safe and good work environment also in 2021.

- ***Employee surveys:*** For many years, an internal employee survey has been conducted annually at our offices, depots and stations. The result at the offices and depots has risen from 3.21 in 2019/20 to 3.30 in 2020/21, on a scale of four, with a response frequency as high as 95 per cent. At our stations in Sweden the result has risen from 81.4 to 82.5 on a scale to 100 and in Denmark it has risen from last year's result of 79.4 to this year's result of 82.8, with a response frequency of 84% in Sweden and 93% in Denmark.
- ***Incidents and Near Misses.*** OKQ8 has a management system to manage health and safety risks in the organisation which include handling of incidents and crises, audits, SSHE Walks, risk assessment, management of suppliers, environment, work environment and safety. In 2020/21, there was a fall in the number of reported incidents compared with 2019/20 (from 1,047 to 855). Furthermore, the number of 'near misses' decreased from 530 in 2019/20 to 329 during 2020/21. The number of reported incidents involving personal injury raised by 7.6 per cent on the preceding year's figure (from 158 to 170). The number of days of absence connected to personal injury decreased by 21 per cent compared to last year (from 365 to 290 days), which explains the decrease in LWC Severity Rate (see summary on page 43). The reduced number of reported incidents is not in itself a positive, since we want all such incidents to be reported. On the other hand, the decrease in the number of near misses is a focus area in the coming years in order for us to be able to take preventive action before a serious incident occurs which might involve personal injury. We monitor absence due to illness and look specifically at how we can reduce work-related absence due to illness. During 2020/21, absence due to illness was 4.7 per cent.
- ***SSHE Walks (safety walks):*** SSHE Walks are carried out at every service station several times a year. The purpose is to identify and eliminate possible causes of unsafe situations. During 2020/21, 2,077 walks were carried out (own staff and contractors). We carry out audits every year in accordance with our audit plan. Audits can be carried out in-house by us or by an external expert such as a certified auditor. The purpose of these audits is to evaluate whether the management system is being complied with and whether it provides us with value and effectiveness.

Total number of employees	
Denmark	1,534
Sweden	2,238
Total*	**3,772**

* Covers full-time and part-time employees as well as hourly paid employees

Type of employment	Contract				Employment			
	Permanent		Temporary		Full-time		Part-time	
	Women	Men	Women	Men	Women	Men	Women	Men
Denmark	48%	52%	0%	0%	13%	13%	35%	39%
Sweden	38%	31%	18%	13%	23%	21%	34%	22%

Incidents	Incidents: Own employees				Incidents: Contractors			
	Number of incidents		Incident index*		Number of incidents		Incident index*	
Type of incident	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Criminality**	222	212	11.3	10.4	12	16	1.21	1.60
Personal injury	118	132	5.99	6.4	40	38	4.03	3.79
Near misses	396	262	20.1	12.8	134	67	13.5	6.7
Death	0	0	0	0	0	0	0	0
Customer-related incidents	38	38	1.9	1.9	5	22	0.5	2.2

* Incident index: Number of accidents x 200,000 per number of working hours
** Contains only external incidents such as robbery, fraud, burglary and threat

Injury	Personal injury with absence					
	LWC*		LWC Severity**		LWC severity rate***	
	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Own employees	17	28	16.1	7.4	13.9	10.2
Contractors	7	4	13.0	20.5	9.17	8.2

*) LWC (Lost workday cases) –number of occupational injuries with absence
**) LWC Severity – Number of days of absence per LWC
***) LWC Severity rate – Number of days of absence in the vent of occupational injuries x 200.000 per number of working hours

Value chain

Challenges relating to our value chain activities:
OKQ8 sources goods and services from suppliers that may have complex supply chains spanning over multiple countries with different legal, regulatory and human rights practices. While this can offer opportunities for economic development in regions, it can also present human rights risks. We have identified risks linked to human rights according to the BSCI / Amphoria categorisation in the supply chain of fuels. Although we source finished products from low-risk countries, our fuels suppliers buy raw materials from risk countries.

Solutions at hand:
We can have a positive effect in the communities we source our products from by supporting the human rights and wellbeing of the people in our value chain. OKQ8 does not accept child or forced labour, corruption or bribery. All of our suppliers must comply with our Code of Conduct. During the year we evaluated various tools to be incorporated in our procurement process to further strengthen transparency and traceability in our value chains.

Learning, development and information sharing

Own operations

Challenges relating to our own operations:
For OKQ8 to succeed and stay relevant in the future, it is crucial we invest in our employees. We seek to attract employees and retain existing staff by offering leadership and professional training, skill upgrades and professional development. Other aspects are sharing information with our employees to keep them informed about strategic changes and to follow corporate progress. Thus, we create transparency and openness in the organisation and give our employees an opportunity to engage. Covid-19 made it difficult to meet in person in larger groups e.g. at weekly office meetings or corporate conferences. Digital information sharing became a cornerstone in the dissemination of vital information during rapidly changing societal conditions.

Solutions at hand:
During the year, we regularly updated our employees on how we, as a company, must adhere to restrictions and new regulations arising from Covid-19. Many activities moved from personal meetings to virtual. For example, our mandatory Health & Safety course (SAM) that all our managers must attend, was made digital. This resulted in more attendees, saved time for our managers and reduced CO_2e emissions from travelling. To further leverage our collective sustainability efforts, we invested in raising internal knowledge about our sustainability goals and targets, progress and the renewable products we offer. In some cases, we did this in collaboration with external partners, e.g. when launching the new Neste My Renewable Diesel (HVO100) in partnership with Neste.

- ***Training:*** To equip people with the skills to succeed and grow in their roles, OKQ8 uses individual development plans, training sessions, e-learning and leadership training. In 2020, we launched a new training portal, providing online courses and training modules on Health & Safety, Security and the Environment (SSHE), GDPR, the Code of Conduct, Sustainable Fuels, and more. Certain courses are mandatory, while others are optional. Training sessions are registered and form the basis for our Training Index, which is calculated on the number of training hours per employee. This year, we achieved a training index specifically for SSHE courses of 2.24, which is below our target of 3.7. We did not achieve the target because many courses were cancelled due to the ongoing pandemic.
- ***Individual development programmes:*** OKQ8 managers and supervisors undergo a tailored development programme with a focus on leadership. In 20/21, special attention was given to distance-leadership and motivating employees and teams.
- ***Trainee and talents programmes:*** OKQ8 also offer trainee and talent programmes. These were paused during 2020/21 but will resume sometime in 2021/22.

Value chain

Challenges relating to our value chain activities:
To help our customers and members make more sustainable choices, we must make sure there is clear, easily accessible information about the alternatives we offer, and the difference they make.

Solutions at hand:
We want to share information and knowledge to make it easier for our target groups to make judicious choices for their health, the environment and the planet. Because communication plays such an important role, we use a variety of channels to share information. In 2020, the focus was on building awareness to make more sustainable choices. Accordingly, we arranged seminars during the year targeting a broad audience to reach as many people as possible. On 26 November 2020, we held a webinar entitled 'Towards a fossil-free society', which attracted around 170 participants. In addition to B2B Sales Director Helen Axelson and Sustainability and Network Director Andréa Haag, speakers included Charlotta Szczepanowski, Head of Sustainability and Quality Coop, Per Emanuelson, Head of Branded Sales Neste and Maria Grahn, Senior researcher at Chalmers University. More than 400 signed up, and those who were unable to attend the event could see the recorded version later. OKQ8 donated SEK 100 to Vi-Skogen for each participant, resulting in 930 planted trees in Uganda. Another webinar was arranged on 23 February together with Skellefteå Kraft on the topic of the electrification of the Swedish vehicle fleet. The response was immense, with approximately 300 attending the one-hour event. Guest speakers included representatives from Trafikverket, Bil Sweden, Charge Amps and Elbil Sverige. It was also possible for people to watch the one-hour webinar afterwards. Information about both webinars were sent out to customers and members, as well as posted in social media.

Equal opportunities for all

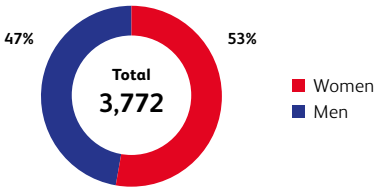
Own operations

Challenges relating to our own operations:
When people are excluded from the labour market, it is not only a problem for the individual, but also a potential loss for companies, as they might well be missing out on valuable future employees. To fully embrace a potentially diverse workforce, an organisation must create the conditions necessary for a diversity-oriented culture and system that is open to differences and which focuses on skills. In the recruitment, people may harbour an unconscious bias that influences our decisions or actions negatively. A dynamic workforce fosters conditions for creativity, sees situations and problems from different perspectives and assimilates the knowledge necessary to best meet our customers' different needs and wishes. A diverse workforce can help bring different ideas to the table in a broad spectrum of viewpoints, and in doing so better equip OKQ8 with the skills it needs for the future.

Solutions at hand:
OKQ8 strives to be an organisation with a dynamic workforce and to offer equal opportunities for all, be they employees, future employees, customers, or partners. OKQ8 wants every employee to feel welcome, included, respected, and valued no matter who they are or where they come from. To help our employees act in ways that promote equal opportunities for all, OKQ8 has established policies such as our Code of Conduct and our Diversity Policy. Our ambition is for such policies to make work easier and clarify OKQ8's view and way to promote a workplace with equal opportunities. Our Diversity Policy states that through information, open debate and the training of managers and employees, we create a diversity-oriented organisation that is open to differences and which focuses on skills. We want diversity to be a natural, integral part of the organisation's internal systems and processes, such as recruitment, career development, skills development and reward systems.

- ***Gender equality:*** Gender equality is another aspect of assuring equal opportunities for all. Of the total number of employees, 53 % are women and 47 % are men. Looking at the OKQ8 Executive Management Team, 60 % are women and 40% men. Thus, in many ways, OKQ8 has a balanced gender ratio.
- ***Internship programmes:*** We have an internship programme, that welcomes people with a history of unemployment (e.g. due to physical injuries or mental illness). The programme mainly runs at our Customer Service Office in Avesta. During 20/21 we had 17 people at this internship. We will continue the programme in 21/22.

Distribution men and women



Management	Women	Men
OKQ8 Scandinavia Board	29 % (2)	71 % (5)
Executive Management	60 % (6)	40 % (4)

Value chain

Challenges relating to our value chain activities:
As accounted for in the section 'Good working Conditions', we source goods and services from suppliers that can have complex supply chains, spanning multiple countries with different legal, regulatory, and human rights practices.

Solutions at hand:
All suppliers and partners must comply with our Code of Conduct. No people may be treated differently or discriminated against due to their race, colour, language, religion, political or other opinion, national or social origin, etc.

Healthy living

Own operations

Challenges relating to our own operations:
We believe that having a healthy balance between work and leisure is crucial for people's well-being and makes us more efficient at work. During the year, we experienced many restrictions due to Covid-19 which reduced our ability to do the things we believe contribute to healthy living.

Solutions at hand:
We want to provide a good and safe working environment, and we aim to enable and encourage life in which we can combine and balance family, and an active leisure time with work and career. We have work environment committees in Denmark and Sweden, in which employees are represented. The committees meet twice per year to follow up and discuss work-related issues and events, as well as to decide on measures to be carried out during the year. During 2020/21, we encouraged walk-and-talk sessions and reminded our employees to take breaks when working in front of the computer. A new initiative was launched in the beginning of 2021 to help office staff to take active breaks from work. Short workout sessions and dance classes were offered three times a week. We also have a benefit programme for all staff, which includes an allowance for keep-fit activities that all employees are entitled to take advantage of. A new health strategy is being drawn up for launch in 2021/22. Average employment time in 2020/21 at OKQ8 was 5.6 years based on 3,772 employees.

- ***Sick leave:*** Sick leave went up slightly in Sweden and Denmark from the previous year. This was mainly due to people having to stay off work with any cold symptoms as a result of the ongoing pandemic.

Sick leave

	2020/21	2019/20
DK	2.9	2.3
SE	5.8	4.8

Value chain

Challenges relating to our value chain activities:
At OKQ8, we are aware that part of our product range can cause harm to the environment and health. The combustion of fossil fuels generates particulates and emissions that can be harmful to health. We also sell sugary drinks and sweets, alcohol and lottery tickets that can have a negative impact on health.

Solutions at hand:
We can reduce the environmental impact of the fuels we sell by making sure the fuel is of a higher quality, leading to better air quality and fewer emissions. We add caring and cleaning additives in all diesel to ensure that the efficiency is good during the lifespan of the vehicle, which thus is better for the engine and reduces the fuel consumption and emissions. We can also make a difference by providing more sustainable transport, mobility and clean energy solutions by supporting a resilient mobility infrastructure in the communities in which we operate. What's more, we help our customers and members make more sustainable choices by offering products and services that promote physical health and reduce lifestyle diseases such as diabetes, obesity, smoking, alcoholism or gambling addiction.

- ***Rental fleet with electric vehicles:*** We are in the process of introducing more options in our rental fleet to meet our long-term ambition of becoming fossil free. For example, we aim to introduce more electric vehicles. Of the 1,330 vehicles ordered for 2021, 35 are electric cars and 250 are hybrids. All new diesel cars can be fuelled with HVO100. These zero or low emission vehicles will help decrease particle emissions, especially in city areas with lots of traffic.



Case study: Joined forces to fight Covid-19

As a major industry operator in Sweden and Denmark, the company has an important part to play in society. OKQ8 conducts vital societal operations by ensuring access to fuel around the clock all year-round. Our service stations also act as meeting places and package delivery centres and provide the opportunity for a much-needed break, something to eat and drink and the chance to make important purchases when all the other stores are closed. In the event of a short or long-term crisis, the importance of continuing operations becomes especially evident. With a tried-and-tested infrastructure of just over 1,020 (749 in Sweden, 271 in Denmark) service stations and around ten depots, OKQ8 is well equipped for the transition to fossil independence currently taking place, or for a crisis such as the pandemic hitting the world in 2020.

Covid-19 quickly changed prerequisites for the whole of society, resulting in entirely new challenges and demands. A great proportion of the population, the most vulnerable groups, were no longer able to move freely or make everyday purchases as before.

Because especially exposed health care workers needed protection from infection on the way to and from work, OKQ8, Hertz and Volvo Car Mobility among others, decided to aid the We Fight Covid initiative. These companies contributed with 200 cars to health care professionals who lacked access to a car, to enable them to travel to and from their workplaces without risking exposure to Covid-19 on public transport.

The Church of Sweden was also heavily involved in fighting Covid-19 and OKQ8 contributed with a number of cars to make sure elderly people and people in risk groups could receive visits and deliveries of supplies, food and medicines.

As the disease spread and more and more people required hospital care, the lack of medical supplies became widespread, and the need for hand sanitizer grew dramatically. Infrastructure and the ability to adapt quickly became crucial when the OKQ8 depot in Århus made one of its tanks available for ethanol to safeguard the supply of hand sanitizer to the healthcare.





Ethanol consignment becomes hand sanitizer instead of fuel

Every year, 8,000 vessels deliver 10 million tonnes of cargo to the port of Århus, Denmark's biggest container port. Some of this cargo is pure ethanol, which is used as a renewable additive in the petrol sold as E10 in Denmark. Because the extraordinary situation created by Covid-19 led to a significant lack of hand sanitizer, OKQ8 and the industry joined forces to see if we could do something together.

Higher purity standards apply when ethanol is used as hand sanitizer instead of a petrol additive. Accordingly, every one of the fuel companies investigated which of their ethanol shipments were on their way to Denmark and what quality each respective delivery could guarantee, so that it also met the requirements for use as hand sanitizer.

The solution was a collaboration between Circle K, which had a ship on its way to Århus with ethanol that met the requirements, and Q8, which could convert and adapt the depot in the port of Århus to receive ethanol. The result was 300,000 litres of pure ethanol that could be handed over to the healthcare system to produce hand sanitizer.

The collaboration between the industry operators and their ability to quickly adapt was a solution to a critical problem that could have had major consequences for Danish healthcare.

Compliance and reporting

Quality assurance of sustainability reporting
This Sustainability Report covers the financial year 1 March 2020 to 28 February 2021, and is the OKQ8 AB Group's eight joint Sustainability Report.

The report has been drawn up in accordance with the standards of the Global Reporting Initiative (GRI) at 'Core' level. The report has been audited by an external auditor who expressed the view that the Report complied with the identified GRI areas. To determine the scope of the Report, we started with our value chain and included the areas which we consider to be relevant for us. Accordingly, we evaluated which GRI indicators we intended to highlight in the Report. A fundamental materiality analysis has also been carried out, in which the views of both internal experts and selected stakeholders have been included with the aim of ensuring that our sustainability efforts are relevant and effective. All the data included in the Report comes from various internal and external computer systems.

The Sustainability Report has been written in compliance with the Danish and Swedish Annual Accounts Acts. The OKQ8 Group trades on its own account as well as through subsidiaries in Denmark and Sweden. The Group also, through a partnership agreement, has retail operations in OK Detaljhandel AB, which is, in turn, owned by OK Ekonomisk Förening. These jointly constitute, and are referred to as, OKQ8 Scandinavia. Where OK Detaljhandel AB is not included in the Sustainability Report, this is explained either in the text or in a footnote.

Environmental data
Reported data in respect of the environment covers all of OKQ8 Scandinavia's own activities. Environmental data also includes our distributors, who transport our products to our customers and service stations. On the other hand, our reporting does not include stations which are operated on a franchise basis. The environmental data includes our energy consumption and our emissions of greenhouse gases (CO2e), which have a substantial impact on the environment. Our energy consumption is based primarily on data from our energy suppliers. Our environmental work also supports our ISO 14001 certified environmental management system in identifying and planning environmental improvements.

System support for environmental reporting
For reporting CO_2e, a web-based system, CEMAsys, was used, which is based on the Greenhouse Gas Protocol standard. The system is based on conversion factors which are recognised in both Denmark and Sweden. This means that we can ensure a high level of confidence in our data, since the conversion factors are automatically updated by the system owner.

Reporting on the work environment
The data reported in respect of the work environment covers all of OKQ8 Scandinavia's own activities and staff. The data reported also includes staff at service stations operated on a franchise basis under our brand. Our distributors, who transport our products to customers and service stations are also included in this report.

Social and financial data
The data reported in respect of social and financial aspects cover all of OKQ8 Scandinavia's own activities and staff.

GRI index

GRI Standard	Disclosure	Comment / Omission	Page number
GRI 101: Foundation 2016			
GRI 102: General Disclosures 2016			
Organizational profile			
102-1	Name of the organization	OK-Q8 AB and Q8 Danmark A/S and subsidiaries	
102-2	Activities, brands, products, and services		p. 8-11
102-3	Location of headquarters	OK-Q8 AB: Sveavägen 155, 10435 Stockholm, Sweden. Q8 Danmark A/S: Arne Jacobsens Allé, 2300 Copenhagen S., Denmark.	
102-4	Location of operations	Denmark and Sweden	
102-5	Ownership and legal form		p. 8-10
102-6	Markets served	OKQ8 Scandinavia is one of Scandinavia's largest fuel and energy companies. We operate in Denmark and Sweden, and our products are primarily intended for private and corporate customers in these two countries.	p. 8-11
102-7	Scale of the organization	For more info and financial results see OK-Q8 Group's annual report.	p. 8-11, 43, 45
102-8	Information on employees and other workers	The majority of our activities are performed by our own employees.	p. 42-43, 45
102-9	Supply chain		p. 12-13, 24-29, 35-37, 43-45
102-10	Significant changes to the organization and its supply chain	Petrolia AB has closed its operations at Loudden, Stockholm, the 31st of December 2019. OK-Q8 has moved its lubricant production to Q8 Belgium's lubricant oil plant in Antwerp from January 2020.	p. 26-29
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		p. 14-15, 22-23
102-13	Membership of associations	The Swedish Industry Organisation for Sustainable and Innovative Mobility (formerly called The Swedish Petroleum and Biofuels Institute, SPBI), on the Road to Climate Neutral Freight Transportation (KNEG), Danish Fuels Industry Association, Confederation of Danish Industry (DI), Employer Association Fremia, Fossil Free Sweden (SE).	
Strategy			
102-14	Statement from senior decision-maker		p. 5
102-15	Key impacts, risks, and opportunities		p. 16-20
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior		p. 2, 8-9, 12-13, 15-19, 42-47
Governance			
102-18	Governance structure		p. 10-11
Stakeholder engagement			
102-40	List of stakeholder groups		p. 17, 19
102-41	Collective bargaining agreements	95% of total employees covered by collective bargaining agreements	p. 43 ok?
102-42	Identifying and selecting stakeholders		p. 16-19
102-43	Approach to stakeholder engagement	In addition to the description on page 13-15, OKQ8 has established a Sustainability Advisory Board. The Board consists of representatives external to OKQ8 Scandinavia and represents academia, industries, NGOs and civil society. The Board members are working with sustainability issues and solutions within their fields.	p. 12-13, 16-19
102-44	Key topics and concerns raised		p. 16-20
Reporting practice			
102-45	Entities included in the consolidated financial statements		p. 10-11, 50
102-46	Defining report content and topic Boundaries		p. 16-20, 50
102-47	List of material topics		p. 16-19
102-48	Restatements of information	No significant changes compared to last year.	
102-49	Changes in reporting	Report has been structured to answer how we manage challenges and provide solutions in own operations and in the value chain for aspects identified in materiality analysis.	p. 16-19
102-50	Reporting period	Financial year, 1 March 2020 - 28 February 2021.	
102-51	Date of most recent report	April 2020	

GRI Standard	Disclosure	Comment / Omission	Page number
102-52	Reporting cycle	Yearly	
102-53	Contact point for questions regarding the report	Name: Karin Hellgren. Position: Head of Communication. Name: Sasha Beckmann Position: Sustainability Officer DK. Name: Mariana Edge Position: Sustainability Officer SE.	
102-54	Claims of reporting in accordance with the GRI Standards	The report has been drawn up in accordance with the standards of the Global Reporting Initiative (GRI) at 'Core' level.	p. 50
102-55	GRI content index		
102-56	External assurance		p. 50, 54-55

MATERIAL TOPICS

200 series (Economic topics)

Economic Performance

GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	For financial results see OK-Q8 Group's annual report.	p. 10-11
103-2	The management approach and its components	For financial results see OK-Q8 Group's annual report.	p. 10-15
103-3	Evaluation of the management approach	For financial results see OK-Q8 Group's annual report.	p. 10-13

300 series (Environmental topics)

Energy

GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 16-19
103-2	The management approach and its components		p. 12-15, 19-20
103-3	Evaluation of the management approach		p. 24-29
GRI 302: Energy 2016			
302-1	Energy consumption within the organization		p. 28
302-3	Energy intensity		p. 28, 50
302-4	Reduction of energy consumption		p. 28

Biodiversity

GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 12-13, 16-19
103-2	The management approach and its components		p.12-15, 32-33
103-3	Evaluation of the management approach		p. 12-15, 36
GRI 304: Biodiversity 2016			
304-2	Significant impacts of activities, products, and services on biodiversity	Three spills were recorded during the year 2020/21: A spill of 1000-1500 L RME to the depot oil drainage system and hard surface on September 2020 in Västerås. A second in Västerås, December 2020, VSI class B (less than 500 L diesel to environment), the harbor has taken full responsibility for the incident. A thrid in Piteå (3rd party depot) February 2021, VSI class B (1880 L petrol to hard surface/oil drainage system).	p. 32-36

Emissions

GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 18-19, 24-25
103-2	The management approach and its components		p. 12-15, 24-27
103-3	Evaluation of the management approach		p. 12-15, 50
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions		p. 25-27
305-2	Energy indirect (Scope 2) GHG emissions		p. 25-28
305-3	Other indirect (Scope 3) GHG emissions		p. 24-29
305-4	GHG emissions intensity		p. 25-26, 50
305-5	Reduction of GHG emissions		p. 24-29

Supplier Environmental Assessment

GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 12-15, 16-19, 32
103-2	The management approach and its components		p. 12-15
103-3	Evaluation of the management approach		p. 12-15
GRI 308: Supplier Environmental Assessment 2016			
308-2	Negative environmental impacts in the supply chain and actions taken	We did not conduct scheduled on site audits during the pandemic. We have a good dialogue with our suppliers, and we have agreement points with them where we demand to be notified as soon as the supplier itself becomes aware of violations of our Code of Conduct and Sustainability requirements.	p. 12-15, 26-27, 34-37, 43, 46

GRI Standard	Disclosure	Comment / Omission	Page number
400 series (Social topics)			
Occupational Health and Safety			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 12-15, 16-19
103-2	The management approach and its components		p. 12-15, 40-47
103-3	Evaluation of the management approach		p. 12-15, 40-47
GRI 403: Occupational Health and Safety 2016			
403-1	Workers representation in formal joint management–worker health and safety committees		p. 46
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.	p. 42-43
Training and Education			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 12-15, 16-19
103-2	The management approach and its components		p. 12-15, 40-47
103-3	Evaluation of the management approach		p. 12-15, 40-47
GRI 404: Training and Education 2016			
401-1	Average hours of training per year per employee	We do not report by gender.	p. 42-44
404-2	Programs for upgrading employee skills and transition assistance programs		p. 42-44
Supplier Social Assessment			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary		p. 12-15, 16-19, 40
103-2	The management approach and its components		p. 12-15
103-3	Evaluation of the management approach		p. 12-15
GRI 414: Supplier Social Assessment 2016			
414-2	Negative social impacts in the supply chain and actions taken	We did not conduct scheduled on site audits during the pandemic. We have a good dialogue with our suppliers, and we have agreement points with them where we demand to be notified as soon as the supplier itself becomes aware of violations of our Code of Conduct and Sustainability requirements.	p. 12-15, 40-46

Auditor's Limited Assurance Report on OKQ8 Scandina-via 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 10) Sustainability Report for the year 2020/2021.

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 50 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 historical 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, April 30, 2021
KPMG AB
KPMG Statsautoriseret Revisionspartnerselskab

Tomas Gerhardsson
Authorized Public Accountant

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 2020/2021 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, April 30, 2021
KPMG AB

Tomas Gerhardsson
Authorized Public Accountant

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