

ESG QUESTIONNAIRE

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

1. Acceleration of the usage from fossil methane to green biomethane (biogas) in order to reduce the additional CO₂ emissions in the atmosphere.
2. To fund the high investment for a new biogas plant with sustainable capital, and to give a reasonable return on investment within an acceptable time frame – considering the political challenges with assuring long-term regulation with sufficient predictability. Assuring industrial credibility to long-term key customer segments (heavy transportation and maritime) on material increase in availability of liquid biogas in mid-term.

How does SBFI compare to industry peers regarding sustainability initiatives?

SBFI is definitively in the front line with the sustainability initiatives reflected in:

1. SBFI's all growth investments aiming to increase availability of biogas / bio LNG.
2. SBFI being awarded a *Dark green* rating by CICERO for all of its investments and revenues, and a governance score of *Good*.

Besides the growth related sustainability initiatives SBFI is actively working with sustainability related performance improvements in both Sweden and Norway.

The re-usage of heat and process water in Södertörn plant reduces electricity and freshwater usage. The usage of process water from Norske Skog at Skogn plant, both reduces the need for freshwater and also reduces power consumption since Norske Skog do not need to process their wastewater.

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

Our Code of Conduct is based on the UN Global Compact.

Of the UN 2030 goals, eight out of the 17 sustainable development goals are particularly applicable to biogas, that SBFI actively supports.

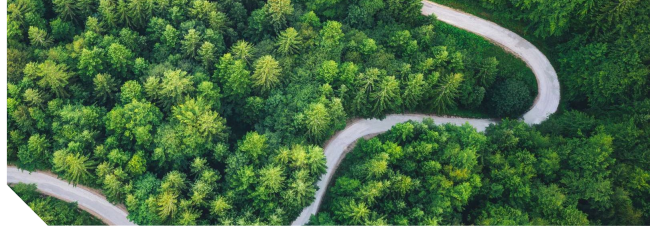
The sustainability report complies with selected disclosure metrics in the GRI Standards, and is part of SBFI's Annual report, being confirmed by PwC.

Our bio-fertilizer is certified under the *Swedish Waste Management and Recycling Association's SPCR 120* regulations.

The upgraded biogas meets *Swedish Vehicle Gas Quality Standards*.

The Swedish facilities hold Swedish Energy Agency sustainability determinations, certifying that the produced biogas is sustainable in accordance with the *Act on Sustainability Criteria for Biofuels and Bioliquids*.

Through memberships in European Biogas Association, *Energigas Sverige, Avfall Sverige, Biogas Öst in Sweden and in Norway Green Shipping Programme, Green Road Transportation Programme, Biogas Norway and the Norwegian Energy Gas Association*.



SBFI is engaged in advocacy work towards politicians, media and authorities in order to promote biogas' long-term game rules. SBFI contributed to proposal for National Biogas Strategy and contributed to the publishing of several articles.

Environment

SBFI's climate-related opportunities are:

1. Increased demand for and supply of biogas as fossil fuels will meet stricter reduction requirements by national and global climate agendas.
2. Availability of well-functioning technologies for bio LNG production opens new markets and customer segments.
3. Sustainable transportation, especially heavy transportation and maritime, are not only to comply with higher EU standards for low emissions, but can benefit from being sustainable as a competitive advantage. There is an increased desire from both manufacturers and customers to be sustainable.
4. Increased demand from the general public to travel more sustainable with cars and busses, and with biogas adding zero net emissions to the atmosphere.
5. Increased awareness of climate change contributes to an increased number of companies and persons aspiring to become truly sustainable and hence seek fuel with none or a low climate footprint.

6. The organic waste used for biogas production has few other uses, hence biogas extraction increases circularity and reduces carbon dioxide CO₂ emissions.

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

1. Potential delay/lack of political commitment and long-term regulation.
2. In the future, increased competition due to an attractive sustainable market may lead to less supply of feedstock such as waste, sewage, fish silage etc. which would potentially lead to a decrease in SBFI's biogas production.
3. More efficient and sustainable fuels are invented by competitors to meet higher and rapidly growing demand for alternatives to fossil fuels.

SBFI's climate-related investments are:

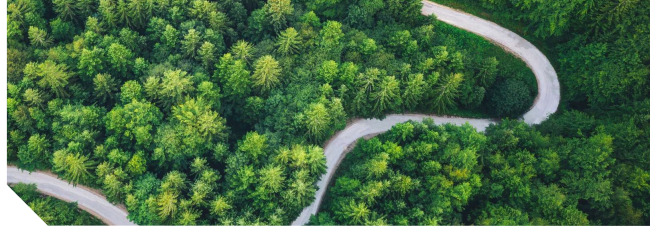
Investments to increase biogas production capacity in biogas plants operated according to HOLD Technology™.

Shifting production towards LBG, liquid biogas, increasing transport efficiency.

Exploring new sustainable substrates for biogas production.

The EU project, Effisludge aiming to leverage residues from pulp- and papermills.

Transport vehicles that can use sustainable fuels.



Does SBFI rely on any scarce resources for its operations? What efforts are made to mitigate the risk of those resources becoming even more scarce in the future?

Mid and long-term, the scarce resources are the waste of different categories that each biogas plant require to produce biogas.

To mitigate this, SBFI aims to assure long-term feedstock agreements with municipalities, organizations and other companies for the supply of feedstock and waste – and to build strong relationships with those suppliers.

Continue to explore and test new potential sustainable substrates for biogas production to have future alternatives to current household waste, sewage, fish silage etc.

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

Opportunities: The transition to a carbon-neutral society is a huge opportunity for SBFI since this is our core business.

Risks: Potential political decisions negatively affecting biogas as energy carrier in Europe or Scandinavia, however this risk is assessed to be very low.

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

1. By producing biogas and biofertilizer from organic waste with zero net emissions to the atmosphere.

2. We contribute to the circularity and sustainability by collecting waste and sewage that has no or limited other usage in the society.

Both areas are carefully tracked by our biogas facilities. They are also communicated through our quarterly and annual financial reports. In the annual report our sustainability report is included.

Social

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

There have not been any severe staff accidents or incidents since 2018.

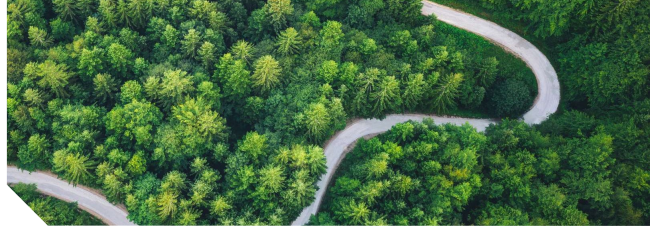
Safety is of highest priority for SBFI and our *Arbetsmiljöpolicy* (Working environment policy) is the base for this important focus area. Safety measures are considered and implemented during the investment phase of new facilities, in relation to all external suppliers as well as when facilities are in operation.

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

Not currently.

Circular economy: How are purchases and waste managed?

Our *Miljö- och Hållbarhetspolicy* (Environmental and Sustainability policy) states how we shall handle purchases of waste from our facilities and offices. In general, we have a



high focus on this area since this is our core business.

SBFI aims to have as low waste flows as possible by supplying biofertilizer, reusing process water.

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

Yes, there is a Code of Conduct for our suppliers.

Every second year, suppliers that are considered to be a key supplier, shall be audited.

Governance

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

Yes, anti-corruption and Code of Conduct are part of the introduction programme for all new employees.

SBFI has not experienced any historical or current situations or incidents with corruption, cartels or any other unethical business conduct.

SBFI's business tax residence:

Sweden, with subsidiaries in Norway and South Korea.

Are there independent members of the Board of Directors?

Yes, four out of seven currently (March 2021).

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

Currently there is a senior credit facility of SEK 200 million from a related party. There is no other related party transactions for the time being.

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

A Remuneration Policy has been proposed to the AGM 2021 and the remuneration of the CEO management team is aligned with the proposed Policy.

Currently there are no long-term incentive programs, however the CEO and management team have short term incentives aligned with a remuneration policy mainly linked to 2021 financial performance with specified KPI's to be evaluated towards.

Relative split of men/women in SBFI:

Board of directors:

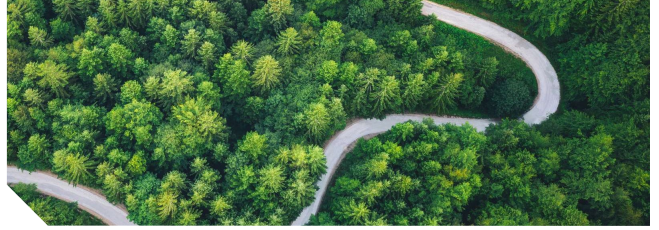
Three women and three men (Nomination committee proposal to AGM 2021.)

Management:

One woman and five men.

All employees:

17 women and 61 men.



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

No, the Head of Sustainability has mainly reported to the Operational Director in Business Area Sweden, however a new role, Head of Sustainability on a Group level, has been established and the reporting will be done directly to the CFO.

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

- Union agreement: Yes
- Code of Conduct: Yes
- Diversity policy: Yes
- Anti-corruption policy: Yes