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Fastställelseintyg

Undertecknad verkställande direktör i Bewi Circular Sweden AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkningen fastställts på årsstämma 2023-06-30. Stämman beslutade också att godkänna styrelsens förslag till resultatdisposition.

Jag intygar även att kopian av revisionsberättelsen överensstämmer med originalet.

Solna den 30 juni 2023

Henrik Ekvall
Verkställande direktör

Årsredovisning för

Bewi Circular Sweden AB

556628-9178

Räkenskapsåret

2022-01-01 - 2022-12-31

Innehållsförteckning: **Sida**

Förvaltningsberättelse	1-2
Resultaträkning	3
Balansräkning	4-5
Noter	6-10
Underskrifter	11

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Förvaltningsberättelse

Styrelsen och verkställande direktören för Bewi Circular Sweden AB, 556628-9178, med säte i Solna, får härmed avge årsredovisning för räkenskapsåret 2022-01-01 - 2022-12-31.

Årsredovisningen är upprättad i svenska kronor (SEK).

Information om verksamheten

Den 19 oktober 2018 offentliggjordes bildandet av BEWi Circular. I koncernen finns ett starkt engagemang rörande fördelarna med den cirkulära ekonomin, såväl finansiellt som för branschens hållbarhet, och därmed är bildandet av BEWi Circular av stor strategisk vikt för koncernen. Bolaget har under 2022 fortsatt sin expansion med etablering och funktioner för återvinning av EPS (expanderbar polystyren). Bolaget agerar gruppfunktion för affärsområdet inom koncernen, för vilket det finns ett tydligt och starkt engagemang, såväl finansiellt som för att öka branschens hållbarhet.
Företaget har sitt säte i Solna kommun.

Ägarförhållanden

BEWI Circular Sweden AB är ett helägt dotterbolag till Genevad Holding AB, org nr 556707-1948, med säte i Landskrona som i sin tur ägs av BEWiSynbra Group AB (publ.), org nr 556972-1128, med säte i Solna. BEWiSynbra Group AB (publ.) ägs av Bewi ASA, 925437948, med säte i Norge.

Om BEWI ASA

BEWI ASA, koncernens moderbolag, bildar med dotterbolag BEW Group. BEWI är en av de större tillverkarna i Europa av expanderbar polystyren (EPS). Koncernen är strategiskt integrerad genom värdekjedjan och är marknadsledande inom lösningar för Packaging & Components och Isolering i ett flertal europeiska länder. EPS, också kallat cellplast, används bland annat för förpackningar till livsmedel, läkemedel och tekniska komponenter, liksom till isolering av byggnader och infrastruktur.

Utveckling av företagets verksamhet, resultat och ställning

Belopp i Tkr

	2022	2021	2020	2019	2018
Nettoomsättning	89 626	70 001	6 099	1 462	15 825
Resultat efter finansiella poster	-33 907	-4 702	-6 792	-9 692	-644
Balansomslutning	126 728	33 015	12 047	3 597	7 931
Soliditet %	0,1	7	20	67	81

Definitioner se vidare not. 11

Väsentliga händelser och utveckling av företagets verksamhet

Under början av 2022 etablerade företaget ytterligare en återvinningsstation för EPS-avfall. Återvinningsstationen har etablerats i Stockholm och fungerar både som en avlämningsstation och som en insamlingscentral för EPS-avfall. Avfallet kompakteras på plats och skickas sedan vidare till en av våra extruderingsanläggningar, där det senare konverteras till ny råvara.

Eget kapital

	Aktiekapital	*Reservfond*	*Balanserad vinst*	*Årets resultat*
Belopp vid årets ingång	100	15	2 246	-2
Resultatdisposition			-2	2
Erhållet aktieägarstillskott			15 000	
Årets resultat				-17 207
Vid årets slut	**100**	**15**	**17 244**	**-17 207**

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Förslag till disposition av företagets vinst eller förlust

Styrelsen föreslår att den ansamlade vinsten, kronor 37 359, behandlas enligt följande:

	Belopp i Tkr
Balanseras i ny räkning	37
Summa	**37**

Vad beträffar resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning med tillhörande noter

Resultaträkning

Belopp i Tkr	*Not*	*2022-01-01-2022-12-31*	*2021-01-01-2021-12-31*
Nettoomsättning		89 626	70 001
		89 626	70 001
Rörelsens kostnader			
Handelsvaror		-97 994	-62 441
Övriga externa kostnader	*2*	-23 410	-11 562
Personalkostnader	*3*	131	-470
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-455	-253
Rörelseresultat		-32 102	-4 725
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter	*4*	1	114
Räntekostnader och liknande resultatposter		-1 806	-91
Resultat efter finansiella poster		-33 907	-4 702
Bokslutsdispositioner		16 700	4 700
Resultat före skatt		-17 207	-2
Årets resultat		-17 207	-2

Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Maskiner och andra tekniska anläggningar	*6*	1 739	1 176
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	*7*	611	-
		2 350	1 176
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*8*	572	572
Andra långfristiga fordringar		11	11
		583	583
Summa anläggningstillgångar		2 933	1 759
Omsättningstillgångar			
Varulager mm			
Färdiga varor och handelsvaror		59 338	3 331
		59 338	3 331
Kortfristiga fordringar			
Kundfordringar		11 866	11 061
Fordringar hos koncernföretag		38 830	15 642
Övriga fordringar		13 224	853
Förutbetalda kostnader och upplupna intäkter		537	369
		64 457	27 925
Summa omsättningstillgångar		123 795	31 256
SUMMA TILLGÅNGAR		126 728	33 015

Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital (100 aktier)		100	100
Reservfond		15	15
		115	115
Fritt eget kapital			
Balanserad vinst eller förlust		17 244	2 246
Årets resultat		-17 207	-2
		37	2 244
Summa eget kapital		152	2 359
Kortfristiga skulder			
Leverantörsskulder		6 127	7 339
Skulder till koncernföretag		119 567	22 588
Övriga kortfristiga skulder		339	568
Upplupna kostnader och förutbetalda intäkter	*9*	543	161
		126 576	30 656
SUMMA EGET KAPITAL OCH SKULDER		126 728	33 015

Noter

Not 1 Redovisningsprinciper

Belopp i Tkr om inget annat anges

Allmänna redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). Företaget är moderbolag, men upprättar, med stöd av 7 kap.2§ årsredovisningslagen, inte koncernredovisning. Företaget och dessa dotterföretag ingår i kocernredovisningen upprättad av Bewi ASA, 924 437 948, med säte i Norge.

Värderingsprinciper m m

Tillgångar, avsättningar och skulder har värderats utifrån anskaffningsvärden om inget annat anges nedan.

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Tillkommande utgifter

Tillkommande utgifter som uppfyller tillgångskriteriet räknas in i tillgångens redovisade värde. Utgifter för löpande underhåll och reparationer redovisas som kostnader när de uppkommer.

Avskrivningar

Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod eftersom det återspeglar den förväntade förbrukningen av tillgångens framtida ekonomiska fördelar. Avskrivningen redovisas som kostnad i resultaträkningen.

Materiella anläggningstillgångar	*År*
Maskiner och andra tekniska anläggningar	5-10
Inventarier, verktyg och installationer	5

Nedskrivningar - materiella anläggningstillgångar samt andelar i koncernföretag

Vid varje balansdag bedöms om det finns någon indikation på att en tillgångs värde är lägre än dess redovisade värde. Om en sådan indikation finns, beräknas tillgångens återvinningsvärde.

Återvinningsvärdet är det högsta av verkligt värde med avdrag för försäljningskostnader och nyttjandevärde. Vid beräkning av nyttjandevärdet beräknas nuvärdet av de framtida kassaflöden som tillgången väntas ge upphov till i den löpande verksamheten samt när den avyttras eller utrangeras. Den diskonteringsränta som används är före skatt och återspeglar marknadsmässiga bedömningar av pengars tidsvärde och de risker som avser tillgången. En tidigare nedskrivning återförs endast om de skäl som låg till grund för beräkningen av återvinningsvärdet vid den senaste nedskrivningen har förändrats.

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Leasing

Leasetagare
Alla leasingavtal redovisas som operationella leasingavtal.

Operationella leasingavtal
Leasingavgifterna enligt operationella leasingavtal, inklusive förhöjd förstagångshyra men exklusive utgifter för tjänster som försäkring och underhåll, redovisas som kostnad linjärt över leasingperioden.

Utländsk valuta

Poster i utländsk valuta
Monetära poster i utländsk valuta räknas om till balansdagens kurs. Icke-monetära poster räknas inte om utan redovisas till kursen vid anskaffningstillfället.

Varulager

Varulagret är upptaget till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet. Därvid har inkuransrisk beaktats. Anskaffningsvärdet beräknas enligt först in- först ut- principen.

Finansiella tillgångar och skulder

Finansiella tillgångar och skulder redovisas i enlighet med kapitel 11 (Finansiella instrument värderade utifrån anskaffningsvärdet) i BFNAR 2012:1.

Finansiella instrument som redovisas i balansräkningen inkluderar värdepapper, kundfordringar och övriga fordringar, kortfristiga placeringar, leverantörsskulder och låneskulder. Instrumenten redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten.

Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Kundfordringar och övriga fordringar
Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Andelar i dotterföretag, intresseföretag, gemensamt styrda företag och företag med ägarintresse i

Andelar i dotterföretag, intresseföretag, gemensamt styrda företag och företag det finns ägarintresse i redovisas till anskaffningsvärde minskat med ackumulerade nedskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

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Skatt
Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock inte för temporära skillnader som härrör från första redovisningen av goodwill. Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjligheten att i framtiden använda skattemässiga underskottsavdrag. Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinnas respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade före balansdagen och har inte nuvärdesberäknats.

Intäkter
Det inflöde av ekonomiska fördelar som företaget erhållit eller kommer att erhålla för egen räkning redovisas som intäkt. Intäkter värderas till verkliga värdet av det som erhållits eller kommer att erhållas.

Försäljning av varor
Vid försäljning av varor redovisas intäkten vid leverans.

Koncernbidrag och aktieägartillskott
Koncernbidrag som erhållits/lämnats redovisas som en bokslutsdisposition i resultaträkningen enligt 35 kap. inkomstskattelagen (1999:1229). Det erhållna/lämnade koncernbidraget har påverkat företagets aktuella skatt.

Aktieägartillskott som erhållits utan att emitterade aktier eller andra egetkapitalinstrument lämnats i utbyte redovisas direkt i eget kapital.

Not 2 Arvode och kostnadsersättning till revisorer

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
PricewaterhouseCoopers AB		
Revisionsuppdrag	85	81

Med revisionsuppdrag avses lagstadgad revision av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning samt revision och annan granskning utförd i enlighet med överenskommelse eller avtal.

Detta inkluderar övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

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Not 3 Anställda och personalkostnader

Löner och andra ersättningar samt sociala kostnader, inklusive pensionskostnader

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Personalkostnader*	-131	470

*Ingen anställd personal i bolaget, personal hyrs in från moderbolaget.

Not 4 Ränteintäkter- och kostnader och liknande resultatposter

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Ränteintäkter/Räntekostnader övriga	1	
Valutakursvinst/förlust	626	-114
Räntekostnader koncernbolag	1 178	91
Summa	**1 805**	**-23**

Not 5 Skatt på årets resultat

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Aktuell skatt	-	-
Uppskjuten skatt	-	-
	-	-

Avstämning av effektiv skatt

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
	Belopp	Belopp
Resultat före skatt	-17 207	-2
Skatt enligt gällande skattesats (20,6%)	3 545	0
Ej avdragsgilla kostnader	18	4
Skatteeffekt av ej aktiverade underskottsavdrag	-3 563	-4
Redovisad effektiv skatt	**-**	**-**

Not 6 Maskiner och andra tekniska anläggningar

	2022-12-31	*2021-12-31*
Ackumulerade anskaffningsvärden		
-Vid årets början	1 567	1 613
-Nyanskaffningar	1 018	395
-Avyttringar och utrangeringar	-	-441
	2 585	1 567
Ackumulerade avskrivningar		
-Vid årets början	-391	-270
-Återförda avskrivningar på avyttringar och utrangeringar	-	132
-Årets avskrivning	-455	-253
Vid årets slut	-846	-391
Redovisat värde vid årets slut	**1 739**	**1 176**

Not 7 Pågående nyanläggningar och förskott materiella anläggningstillgångar

	2022-12-31	*2021-12-31*
Investeringar	611	68
Redovisat värde vid årets slut	**611**	**68**

Not 8 Andelar i koncernföretag

	2022-12-31	*2021-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	572	572
Redovisat värde vid årets slut	**572**	**572**

Specifikation av moderföretagets innehav av aktier och andelar i koncernföretag
Ägarandelen av kapitalet avses, vilket även överensstämmer med andelen av rösterna för totalt antal aktier.

Dotterföretag / Org nr / Säte	*Antal andelar*	*i %*	*Redovisat värde*
Bewi Synbra Circular AS, 922 724 369 Hammarvik, NO	100	100	33
Bewi Synbra Recycle AS, 922 724 385 Hammarvik, NO	100	100	33
Bewi Synbra Circular Portugal LDA, 515 767 832, Cancelho de Peniche, PT	66	66	506
			572

Not 9 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	*2021-12-31*
Konsultarvode	282	-
Transporttjänster	158	-
Revisionsarvode	95	81
Övrigt	9	80
	544	**161**

Not 10 Väsentliga händelser efter räkenskapsårets slut
Under 2022 har företaget fungerat som ett materialbolag inom divisionen Circular. Företaget har köpt råvara från andra bolag inom divisionen och sålt vidare till de producerande enheterna. Företaget har sedan i viss omfattning köpt färdigvara från de producerande enheterna och sålt till slutkunder. Under 2023 har divisionen Circular införlivat en ny ekonomisk- och operativ modell där Bewi Circular Sweden AB inte ska fungera som ett materialbolag utan råvara säljs direkt från insamlande enheter till de producerande enheterna och färdigvara säljs direkt från producerande enheter till slutkund. Detta innebär att omsättningen i företaget förväntas minska kommande år i jämförelse med 2022.

Not 11 Nyckeltalsdefinitioner
Soliditet
(Totalt eget kapital + (100 % - aktuell bolagsskattesats av obeskattade reserver)) / Totala tillgångar.

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Underskrifter

Solna __ / __- 2023

Christian Bekken
Styrelseordförande

Jonas Siljeskär
Styrelseledamot

Henrik Ekvall
Verkställande direktör

Vår revisionsberättelse har lämnats

PricewaterhouseCoopers AB

Oskar Thorslund
Auktoriserad revisor

Verification

Transaction 09222115557495692531

Document

ÅR_Bewi Circular_2022 ex fastst intyg
Main document
12 pages
Initiated on 2023-06-27 19:23:19 CEST (+0200) by Stephanie Feretti (SF)
Finalised on 2023-06-30 07:55:15 CEST (+0200)

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Verification

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Revisionsberättelse

Till bolagsstämman i BEWI Circular Sweden AB, org.nr 556628-9178

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för BEWI Circular Sweden AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av BEWI Circular Sweden ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för BEWI Circular Sweden AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till BEWI Circular Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.

- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.

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- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.

- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för BEWI Circular Sweden AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till BEWI Circular Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Den verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget

- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

pwc

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Stockholm den 30 juni 2023

PricewaterhouseCoopers AB

Oskar Thorslund
Auktoriserad revisor

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Årsredovisning för

Bewi Circular Sweden AB

556628-9178

Räkenskapsåret

2022-01-01 - 2022-12-31

Innehållsförteckning: **Sida**

Förvaltningsberättelse	1-2
Resultaträkning	3
Balansräkning	4-5
Noter	6-10
Underskrifter	11

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Förvaltningsberättelse

Styrelsen och verkställande direktören för Bewi Circular Sweden AB, 556628-9178, med säte i Solna, får härmed avge årsredovisning för räkenskapsåret 2022-01-01 - 2022-12-31.

Årsredovisningen är upprättad i svenska kronor (SEK).

Information om verksamheten

Den 19 oktober 2018 offentliggjordes bildandet av BEWi Circular. I koncernen finns ett starkt engagemang rörande fördelarna med den cirkulära ekonomin, såväl finansiellt som för branschens hållbarhet, och därmed är bildandet av BEWi Circular av stor strategisk vikt för koncernen. Bolaget har under 2022 fortsatt sin expansion med etablering och funktioner för återvinning av EPS (expanderbar polystyren). Bolaget agerar gruppfunktion för affärsområdet inom koncernen, för vilket det finns ett tydligt och starkt engagemang, såväl finansiellt som för att öka branschens hållbarhet.
Företaget har sitt säte i Solna kommun.

Ägarförhållanden

BEWI Circular Sweden AB är ett helägt dotterbolag till Genevad Holding AB, org nr 556707-1948, med säte i Landskrona som i sin tur ägs av BEWiSynbra Group AB (publ.), org nr 556972-1128, med säte i Solna. BEWiSynbra Group AB (publ.) ägs av Bewi ASA, 925437948, med säte i Norge.

Om BEWI ASA

BEWI ASA, koncernens moderbolag, bildar med dotterbolag BEW Group. BEWI är en av de större tillverkarna i Europa av expanderbar polystyren (EPS). Koncernen är strategiskt integrerad genom värdekjedjan och är marknadsledande inom lösningar för Packaging & Components och Isolering i ett flertal europeiska länder. EPS, också kallat cellplast, används bland annat för förpackningar till livsmedel, läkemedel och tekniska komponenter, liksom till isolering av byggnader och infrastruktur.

Utveckling av företagets verksamhet, resultat och ställning

Belopp i Tkr

	2022	2021	2020	2019	2018
Nettoomsättning	89 626	70 001	6 099	1 462	15 825
Resultat efter finansiella poster	-33 907	-4 702	-6 792	-9 692	-644
Balansomslutning	126 728	33 015	12 047	3 597	7 931
Soliditet %	0,1	7	20	67	81

Definitioner se vidare not. 11

Väsentliga händelser och utveckling av företagets verksamhet

Under början av 2022 etablerade företaget ytterligare en återvinningsstation för EPS-avfall. Återvinningsstationen har etablerats i Stockholm och fungerar både som en avlämningsstation och som en insamlingscentral för EPS-avfall. Avfallet kompakteras på plats och skickas sedan vidare till en av våra extruderingsanläggningar, där det senare konverteras till ny råvara.

Eget kapital

	Aktiekapital	*Reservfond*	*Balanserad vinst*	*Årets resultat*
Belopp vid årets ingång	100	15	2 246	-2
Resultatdisposition			-2	2
Erhållet aktieägarstillskott			15 000	
Årets resultat				-17 207
Vid årets slut	**100**	**15**	**17 244**	**-17 207**

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Förslag till disposition av företagets vinst eller förlust

Styrelsen föreslår att den ansamlade vinsten, kronor 37 359, behandlas enligt följande:

	Belopp i Tkr
Balanseras i ny räkning	37
Summa	**37**

Vad beträffar resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning med tillhörande noter

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Resultaträkning

Belopp i Tkr	*Not*	*2022-01-01-2022-12-31*	*2021-01-01-2021-12-31*
Nettoomsättning		89 626	70 001
		89 626	70 001
Rörelsens kostnader			
Handelsvaror		-97 994	-62 441
Övriga externa kostnader	*2*	-23 410	-11 562
Personalkostnader	*3*	131	-470
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-455	-253
Rörelseresultat		-32 102	-4 725
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter	*4*	1	114
Räntekostnader och liknande resultatposter		-1 806	-91
Resultat efter finansiella poster		-33 907	-4 702
Bokslutsdispositioner		16 700	4 700
Resultat före skatt		-17 207	-2
Årets resultat		-17 207	-2

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Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Maskiner och andra tekniska anläggningar	*6*	1 739	1 176
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	*7*	611	-
		2 350	1 176
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*8*	572	572
Andra långfristiga fordringar		11	11
		583	583
Summa anläggningstillgångar		2 933	1 759
Omsättningstillgångar			
Varulager mm			
Färdiga varor och handelsvaror		59 338	3 331
		59 338	3 331
Kortfristiga fordringar			
Kundfordringar		11 866	11 061
Fordringar hos koncernföretag		38 830	15 642
Övriga fordringar		13 224	853
Förutbetalda kostnader och upplupna intäkter		537	369
		64 457	27 925
Summa omsättningstillgångar		123 795	31 256
SUMMA TILLGÅNGAR		126 728	33 015

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Balansräkning

Belopp i Tkr	*Not*	*2022-12-31*	*2021-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital (100 aktier)		100	100
Reservfond		15	15
		115	115
Fritt eget kapital			
Balanserad vinst eller förlust		17 244	2 246
Årets resultat		-17 207	-2
		37	2 244
Summa eget kapital		152	2 359
Kortfristiga skulder			
Leverantörsskulder		6 127	7 339
Skulder till koncernföretag		119 567	22 588
Övriga kortfristiga skulder		339	568
Upplupna kostnader och förutbetalda intäkter	*9*	543	161
		126 576	30 656
SUMMA EGET KAPITAL OCH SKULDER		126 728	33 015

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Noter

Not 1 Redovisningsprinciper

Belopp i Tkr om inget annat anges

Allmänna redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). Företaget är moderbolag, men upprättar, med stöd av 7 kap.2§ årsredovisningslagen, inte koncernredovisning. Företaget och dessa dotterföretag ingår i kocernredovisningen upprättad av Bewi ASA, 924 437 948, med säte i Norge.

Värderingsprinciper m m

Tillgångar, avsättningar och skulder har värderats utifrån anskaffningsvärden om inget annat anges nedan.

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Tillkommande utgifter

Tillkommande utgifter som uppfyller tillgångskriteriet räknas in i tillgångens redovisade värde. Utgifter för löpande underhåll och reparationer redovisas som kostnader när de uppkommer.

Avskrivningar

Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod eftersom det återspeglar den förväntade förbrukningen av tillgångens framtida ekonomiska fördelar. Avskrivningen redovisas som kostnad i resultaträkningen.

Materiella anläggningstillgångar	*År*
Maskiner och andra tekniska anläggningar	5-10
Inventarier, verktyg och installationer	5

Nedskrivningar - materiella anläggningstillgångar samt andelar i koncernföretag

Vid varje balansdag bedöms om det finns någon indikation på att en tillgångs värde är lägre än dess redovisade värde. Om en sådan indikation finns, beräknas tillgångens återvinningsvärde.

Återvinningsvärdet är det högsta av verkligt värde med avdrag för försäljningskostnader och nyttjandevärde. Vid beräkning av nyttjandevärdet beräknas nuvärdet av de framtida kassaflöden som tillgången väntas ge upphov till i den löpande verksamheten samt när den avyttras eller utrangeras. Den diskonteringsränta som används är före skatt och återspeglar marknadsmässiga bedömningar av pengars tidsvärde och de risker som avser tillgången. En tidigare nedskrivning återförs endast om de skäl som låg till grund för beräkningen av återvinningsvärdet vid den senaste nedskrivningen har förändrats.

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Leasing

Leasetagare
Alla leasingavtal redovisas som operationella leasingavtal.

Operationella leasingavtal
Leasingavgifterna enligt operationella leasingavtal, inklusive förhöjd förstagångshyra men exklusive utgifter för tjänster som försäkring och underhåll, redovisas som kostnad linjärt över leasingperioden.

Utländsk valuta

Poster i utländsk valuta
Monetära poster i utländsk valuta räknas om till balansdagens kurs. Icke-monetära poster räknas inte om utan redovisas till kursen vid anskaffningstillfället.

Varulager

Varulagret är upptaget till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet. Därvid har inkuransrisk beaktats. Anskaffningsvärdet beräknas enligt först in- först ut- principen.

Finansiella tillgångar och skulder

Finansiella tillgångar och skulder redovisas i enlighet med kapitel 11 (Finansiella instrument värderade utifrån anskaffningsvärdet) i BFNAR 2012:1.

Finansiella instrument som redovisas i balansräkningen inkluderar värdepapper, kundfordringar och övriga fordringar, kortfristiga placeringar, leverantörsskulder och låneskulder. Instrumenten redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten.

Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Kundfordringar och övriga fordringar
Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Andelar i dotterföretag, intresseföretag, gemensamt styrda företag och företag med ägarintresse i

Andelar i dotterföretag, intresseföretag, gemensamt styrda företag och företag det finns ägarintresse i redovisas till anskaffningsvärde minskat med ackumulerade nedskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

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Skatt
Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock inte för temporära skillnader som härrör från första redovisningen av goodwill. Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjligheten att i framtiden använda skattemässiga underskottsavdrag. Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinnas respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade före balansdagen och har inte nuvärdesberäknats.

Intäkter
Det inflöde av ekonomiska fördelar som företaget erhållit eller kommer att erhålla för egen räkning redovisas som intäkt. Intäkter värderas till verkliga värdet av det som erhållits eller kommer att erhållas.

Försäljning av varor
Vid försäljning av varor redovisas intäkten vid leverans.

Koncernbidrag och aktieägartillskott
Koncernbidrag som erhållits/lämnats redovisas som en bokslutsdisposition i resultaträkningen enligt 35 kap. inkomstskattelagen (1999:1229). Det erhållna/lämnade koncernbidraget har påverkat företagets aktuella skatt.

Aktieägartillskott som erhållits utan att emitterade aktier eller andra egetkapitalinstrument lämnats i utbyte redovisas direkt i eget kapital.

Not 2 Arvode och kostnadsersättning till revisorer

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
PricewaterhouseCoopers AB		
Revisionsuppdrag	85	81

Med revisionsuppdrag avses lagstadgad revision av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning samt revision och annan granskning utförd i enlighet med överenskommelse eller avtal.

Detta inkluderar övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

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Not 3 Anställda och personalkostnader

Löner och andra ersättningar samt sociala kostnader, inklusive pensionskostnader

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Personalkostnader*	-131	470

*Ingen anställd personal i bolaget, personal hyrs in från moderbolaget.

Not 4 Ränteintäkter- och kostnader och liknande resultatposter

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Ränteintäkter/Räntekostnader övriga	1	
Valutakursvinst/förlust	626	-114
Räntekostnader koncernbolag	1 178	91
Summa	**1 805**	**-23**

Not 5 Skatt på årets resultat

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
Aktuell skatt	-	-
Uppskjuten skatt	-	-
	-	-

Avstämning av effektiv skatt

	2022-01-01-2022-12-31	*2021-01-01-2021-12-31*
	Belopp	Belopp
Resultat före skatt	-17 207	-2
Skatt enligt gällande skattesats (20,6%)	3 545	0
Ej avdragsgilla kostnader	18	4
Skatteeffekt av ej aktiverade underskottsavdrag	-3 563	-4
Redovisad effektiv skatt	**-**	**-**

Not 6 Maskiner och andra tekniska anläggningar

	2022-12-31	*2021-12-31*
Ackumulerade anskaffningsvärden		
-Vid årets början	1 567	1 613
-Nyanskaffningar	1 018	395
-Avyttringar och utrangeringar	-	-441
	2 585	1 567
Ackumulerade avskrivningar		
-Vid årets början	-391	-270
-Återförda avskrivningar på avyttringar och utrangeringar	-	132
-Årets avskrivning	-455	-253
Vid årets slut	-846	-391
Redovisat värde vid årets slut	**1 739**	**1 176**

20230802120086

Not 7 Pågående nyanläggningar och förskott materiella anläggningstillgångar

	2022-12-31	*2021-12-31*
Investeringar	611	68
Redovisat värde vid årets slut	**611**	**68**

Not 8 Andelar i koncernföretag

	2022-12-31	*2021-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	572	572
Redovisat värde vid årets slut	**572**	**572**

Specifikation av moderföretagets innehav av aktier och andelar i koncernföretag
Ägarandelen av kapitalet avses, vilket även överensstämmer med andelen av rösterna för totalt antal aktier.

Dotterföretag / Org nr / Säte	*Antal andelar*	*i %*	*Redovisat värde*
Bewi Synbra Circular AS, 922 724 369 Hammarvik, NO	100	100	33
Bewi Synbra Recycle AS, 922 724 385 Hammarvik, NO	100	100	33
Bewi Synbra Circular Portugal LDA, 515 767 832, Cancelho de Peniche, PT	66	66	506
			572

Not 9 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	*2021-12-31*
Konsultarvode	282	-
Transporttjänster	158	-
Revisionsarvode	95	81
Övrigt	9	80
	544	**161**

Not 10 Väsentliga händelser efter räkenskapsårets slut
Under 2022 har företaget fungerat som ett materialbolag inom divisionen Circular. Företaget har köpt råvara från andra bolag inom divisionen och sålt vidare till de producerande enheterna. Företaget har sedan i viss omfattning köpt färdigvara från de producerande enheterna och sålt till slutkunder. Under 2023 har divisionen Circular införlivat en ny ekonomisk- och operativ modell där Bewi Circular Sweden AB inte ska fungera som ett materialbolag utan råvara säljs direkt från insamlande enheter till de producerande enheterna och färdigvara säljs direkt från producerande enheter till slutkund. Detta innebär att omsättningen i företaget förväntas minska kommande år i jämförelse med 2022.

Not 11 Nyckeltalsdefinitioner
Soliditet
(Totalt eget kapital + (100 % - aktuell bolagsskattesats av obeskattade reserver)) / Totala tillgångar.

Underskrifter

Solna __ / __ - 2023

Christian Bekken
Styrelseordförande

Jonas Siljeskär
Styrelseledamot

Henrik Ekvall
Verkställande direktör

Vår revisionsberättelse har lämnats

PricewaterhouseCoopers AB

Oskar Thorslund
Auktoriserad revisor

20230802121087

Verification

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Document

ÅR_Bewi Circular_2022 ex fastst intyg
Main document
13 pages
Initiated on 2023-06-27 12:28:39 CEST +0200
Stephanie Feretti (SF)
Finalised on 2023-06-30 07:55:13 CEST +0200

Initiator

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BEWI AS A
stephanie.feretti@bewi.com
+46 761 265 719

Signing parties

Jonas Siljeskär (JS)
ID number 19720724[illegible]
jonas.siljeskar@bewi.com

BankID

The name returned by Swedish BankID was "JONAS SILJESKÄR"
Signed 2023-06-27 19:45:28 CEST +0200

Christian Bekken (CB)
BEWI
christian.bekken@bewi.com

bankID

The name returned by Norwegian BankID was "Christian Bekken"
BankID issuer: DNB Bank ASA
2023-07-02 12:51:38 CEST +0200
Signed 2023-06-27 13:15:18 CEST +0200

Henrik Ekvall (HE)
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henrik.ekvall@bewi.com

BankID

The name returned by Swedish BankID was "HENRIK EKVALL"
Signed 2023-06-27 19:52:44 CEST +0200

Oskar Thorslund (OT)
BMC
ID number 19820311[illegible]
oskar.thorslund@bmc.com

BankID

The name returned by Swedish BankID was "Per Oskar Thorslund"
Signed 2023-06-30 07:55:13 CEST +0200

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2022

Annual report

BEW



Contents

Highlights 3

Who we are 3
More than 40 years of history 5
The year in review 6
Strategic priorities 7
Strategic highlights 8
Innovation 9
Profitable growth 10
Comments from the CEO 11

Our business 14

Integrated business model 14
Megatrends that drive us 17
End markets 18
Our presence 20
RAW 21
Insulation & Construction 23
Packaging & Components 25
Circular 27
Key partnerships 29

ESG performance report 30

Material ESG topics 32
Environmental impacts and opportunities 37
Social impacts and opportunities 49
Governance 60

Corporate governance 63

Risks and risk management 64
Board of directors 69
Executive management 71
Corporate governance 72
Statement on remuneration 80

Board of directors' report 92

Financial statements 96

The Group 97
Parent Company 148
Auditor's report 160
Alternative Performance Measures 165

Appendix 169

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Go Back



Who we are

A leading provider of packaging, components, and insulation solutions

BEWI is integrated throughout its value chain, from production of raw materials and end goods to recycling – with an ambition to lead the change towards a circular economy for its industry. Offering a wide range of products and solutions from different materials, BEWI aspires to always offer its customers the most sustainable products and solutions.

Net sales	Adjusted EBITDA	Facilities	Employees	EPS collection capacity	Taxonomy eligible
1050 EURm	134 EURm	67	~3 300	~38 000	49%
748 EURm in 2021	109 EURm in 2021		~2 100 end of 2021		

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Go Back

Our vision

Protecting people and goods for a better everyday

Our mission

To create value by offering sustainable solutions for packaging components and innovative ways.

Strategic priorities

Our three strategic priorities define our everyday work to fulfil our mission and strive for our vision.

1. Innovation
2. Accelerate efficiency
3. Profitable growth

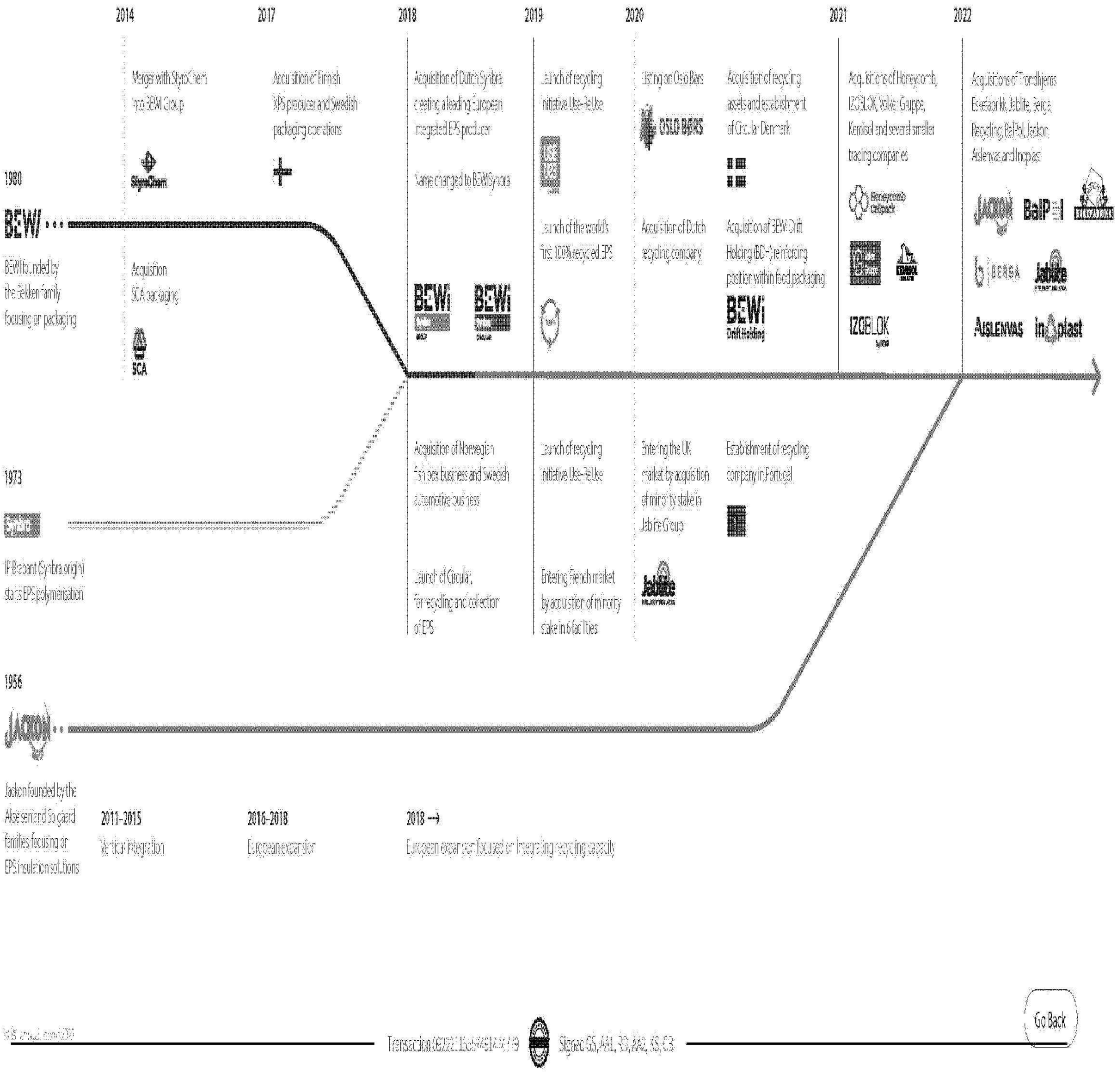
Sustainability

Sustainability is at the core of everything we do. Our approach is based on three pillars:

1. Becoming circular
2. Actively engage in our business
3. Contribute to an inclusive society

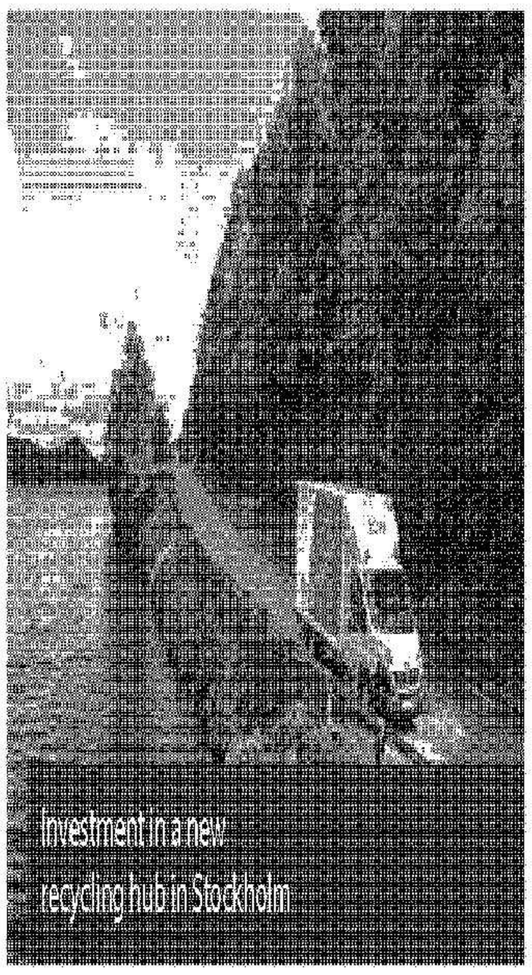


More than 40 years of history and a proven track record of successful M&A integration

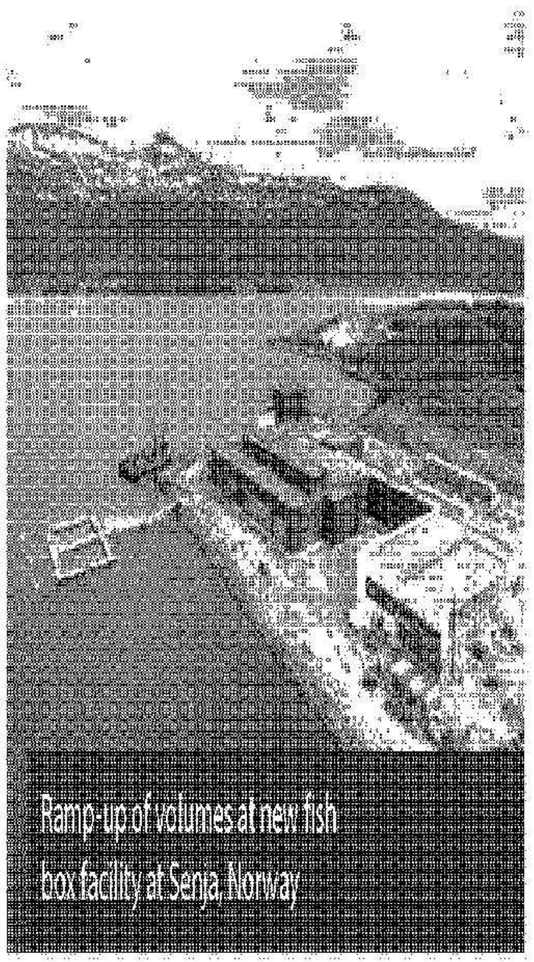


The year in review

First quarter

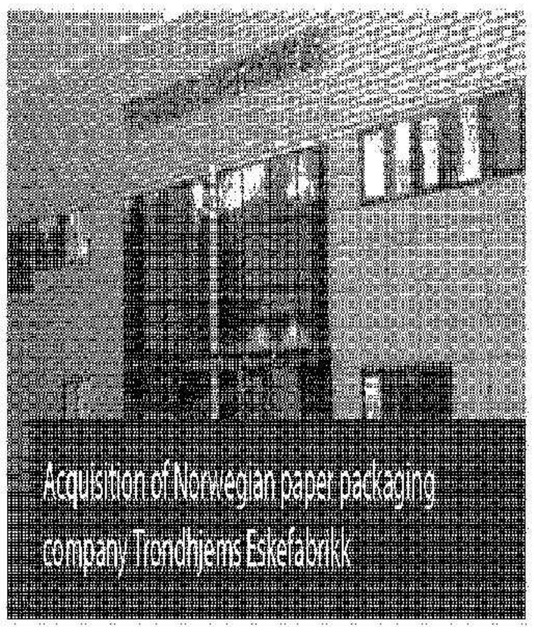


Investment in a new recycling hub in Stockholm

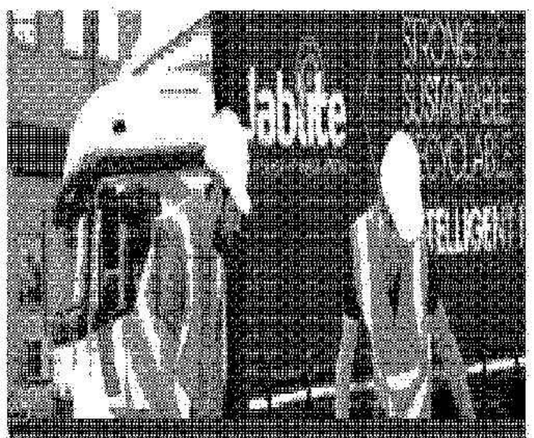


Ramp-up of volumes at new fish box facility at Senja, Norway

Second quarter



Acquisition of Norwegian paper packaging company Trondhjems Eskefabrikk

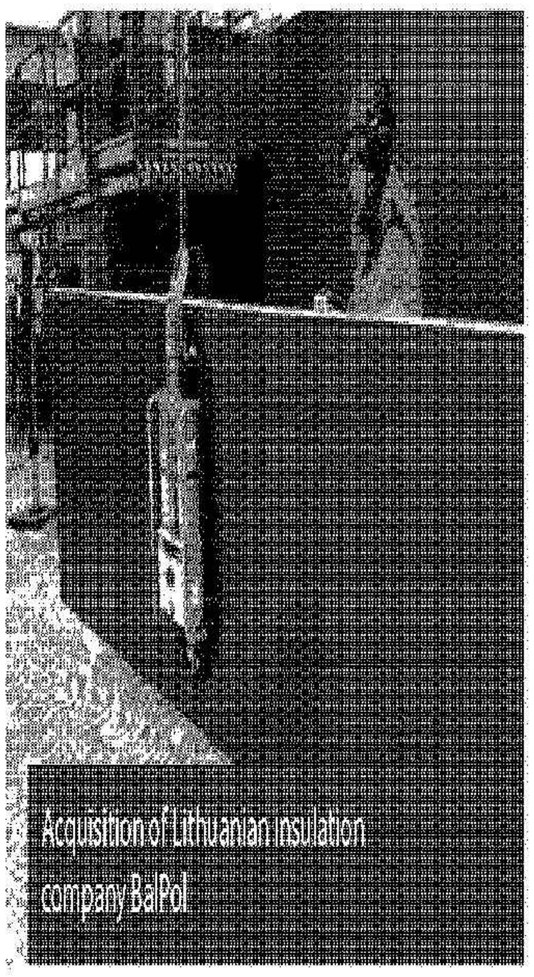


100% owner of UK-based insulation and packaging company Jablite

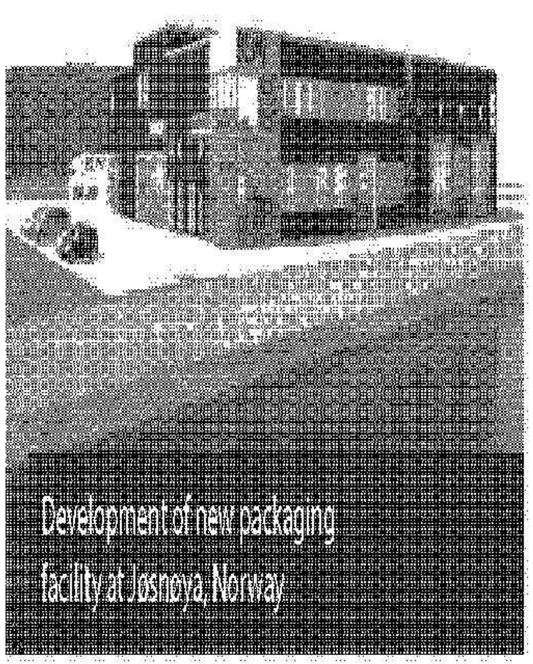


Acquisition the recycling platform company Berga Recycling

Third quarter

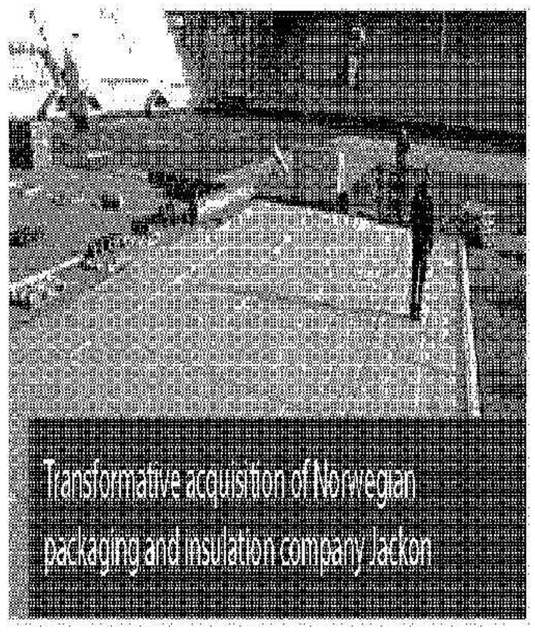


Acquisition of Lithuanian insulation company BalPol

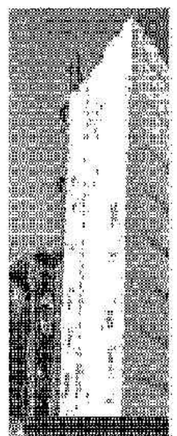


Development of new packaging facility at Joshnova, Norway

Fourth quarter



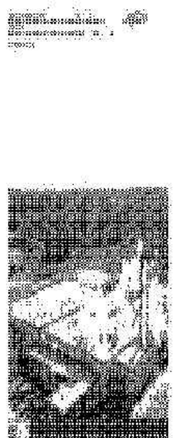
Transformative acquisition of Norwegian packaging and insulation company Jackon



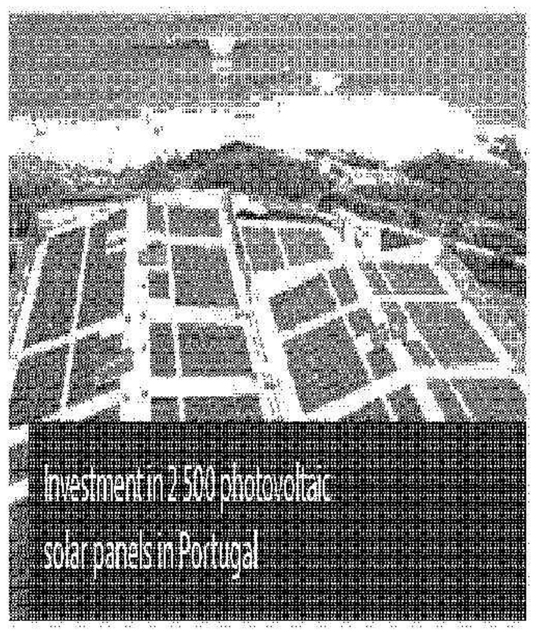
100% owner of Inoplast



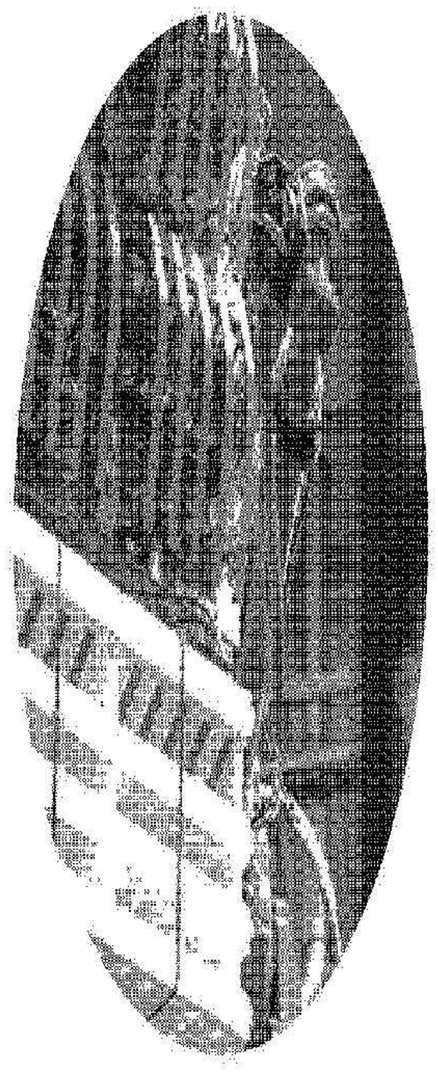
Acquisition of Aislenvas

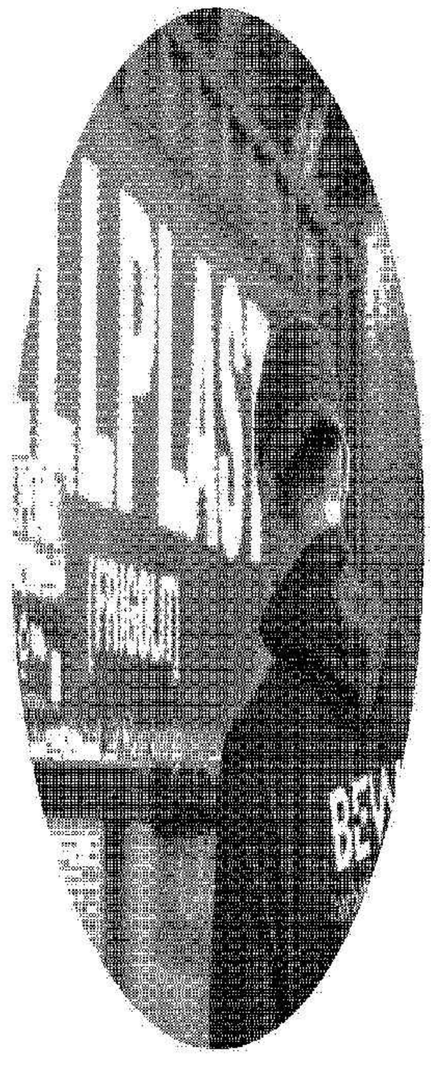


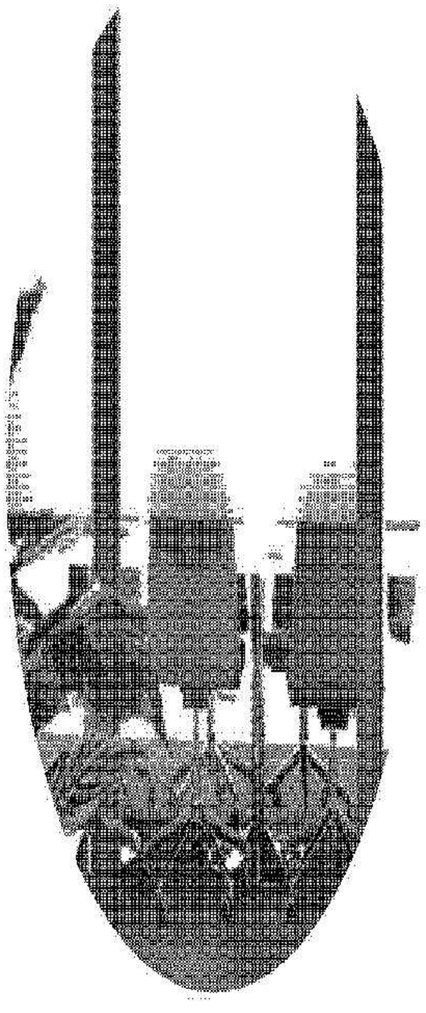
Real estate divestments



Investment in 2 500 photovoltaic solar panels in Portugal







Strategic priorities

Innovation

BEWI shall innovate in search for more sustainable materials, products, solutions, and production processes, aiming at improving resource efficiency through the entire value chain and increase the use of recycled and non-fossil raw materials.

A circular economy

BEWI aims at being the most resource efficient provider of packaging, components, and insulation solutions. By managing the entire value chain, BEWI is committed to lead the industry's change towards a circular economy by closing the loop.

Profitable growth

BEWI shall continue its profitable growth through organic initiatives and M&A opportunities focusing on strengthening its recycling capacity and broadening its product offering.

Go Back

Strategic highlights

	Innovation	Circular economy	Profitable growth
Key achievements 2022	• Expanded portfolio of EPS raw material grades from recycled materials and increased production capacity • Start of autoclave process for expanded polypropylene (EPP) raw material production • Further development of new energy efficient molding technology for EPS and EPP for packaging and components • Further development of the ground-breaking product EPS XIRE®, a close to non-burnable material	• 73% increase in EPS collected for recycling • Investment in new recycling hub in Stockholm • Acquisition of Berga Recycling and Inoplast • RecyClass certification of recyclability and REDcert certification of locations	• Completed acquisition of seven companies adding close to EUR 600 million in sales and more than EUR 40 million in EBITDA • Ramp-up of volumes at new fish box facility at Senje and progressed development of new packaging facility at Jøsneya/ Hitra • Investment in several organic growth initiatives
Key priorities going forward →	• Further development of recycled grades and products • Improve molding energy efficiency in EPS and EPP molding • Create new sustainable insulation solutions and products • Further development of extrusion foamed and autoclave EPP	• Increase collection of materials for recycling • Increase use of recycled content in BEEVAT • Continued focus on improved resource efficiency throughout the value chain, including supply chain • Certification of ISO 14001 and Operation Clean Sweep for all production facilities	• Continue consolidation within selected industries • Integrate acquired companies and extract synergies • Adjust capacity to current market conditions • Commence production at new packaging facility at Jøsneya, Norway, and at new production line for construction boards in Olen, Belgium

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Go Back

Innovating to improve resource efficiency and recyclability

Innovation is one of BEWI's three strategic priorities. The group is constantly searching for more sustainable solutions by focusing on the company's key principles of the circular economy; improve resource efficiency, ensure recyclability and reuse, and increase circularity.

Each of BEWI's business segments has its own R&D department, overseen by a group function, focusing on continuous improvements.

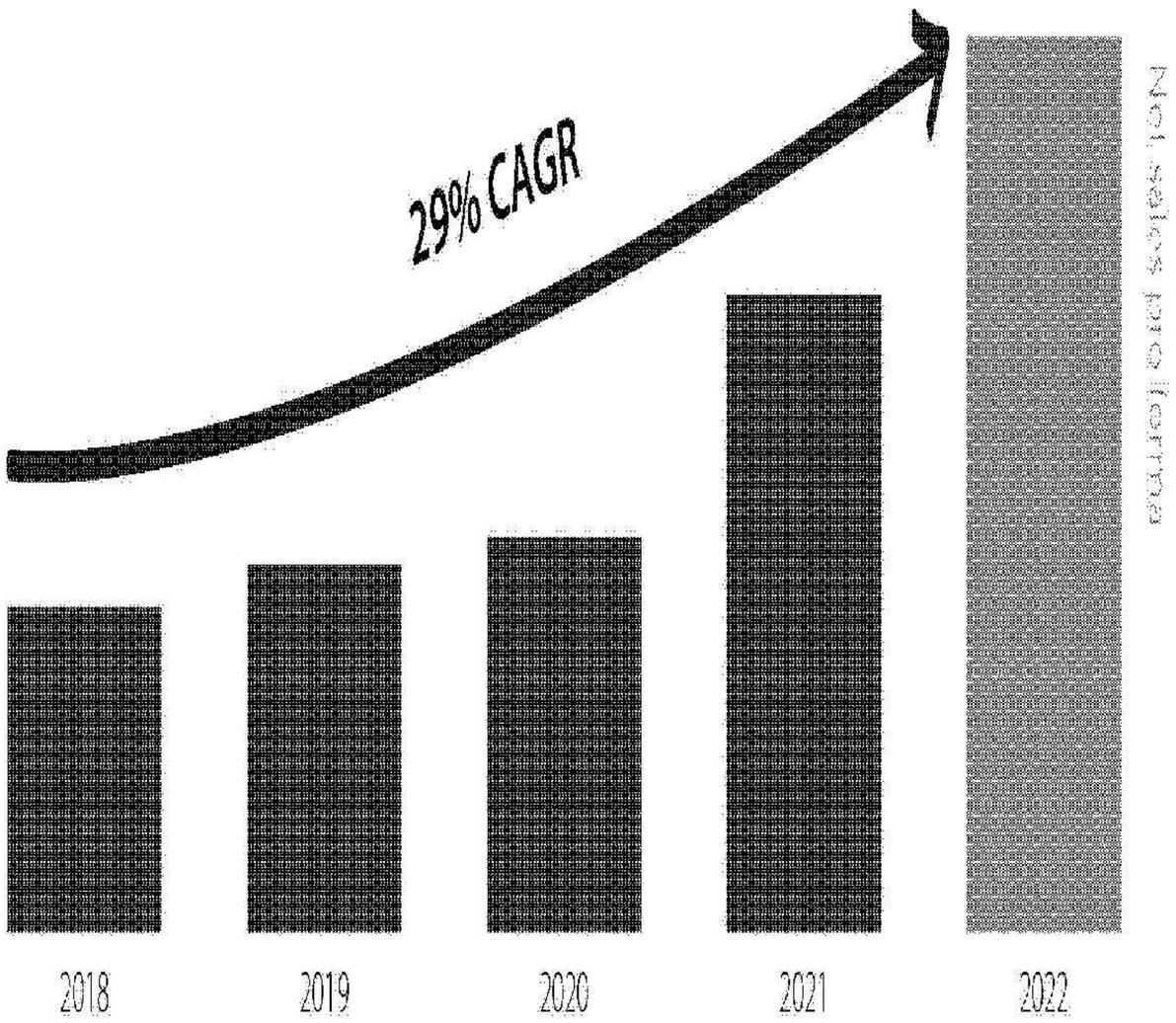
R&D in BEWI benefits from the diversified knowledge across segments. Innovation is integrated in the entire value chain, including searching for, and increasing the use of complementary and renewable raw materials and production processes, enhancing commodity products, developing customised solutions, innovating new products designed for use/reuse and recycling, as well as improving recycling processes.

Through the integration with Jackon in October 2022, further R&D resources, and capabilities, especially in the field of extruded polystyrene (XPS), and energy saving solutions for the insulation and construction sector, were added to the group.

During 2022, R&W further developed new recycled grades and started an autoclave process for expanded polypropylene (EPP) raw material production. New molding technology for polyethylene (PE) and EPP has been developed in close collaboration with customers in the Packaging & Components segment. For segment Insulation & Construction, the first 100 per cent recycled product series for foundation solutions, an enrichment of the GreenLine series, have been launched. Fire resistant insulating products of EPS, and flooring and roofing systems in the Netherlands have also been developed further.



Consistently delivering profitable growth



	2018	2019	2020	2021	2022
Net sales	381	430	463	748	1050
ROCE (%)[1]	11.3%[2]	19.2%	12.6%	10.5%	15.3%
Adj. EBITDA (EURm)	31	52	65	109	134
No. of M&A transactions	5	3	6	8	7
Net debt /Adj. EBITDA excl. IFRS 16	3.5x	2.3x	1.6x	1.2x	2.7x

BEWI has demonstrated a strong and profitable growth. The company has had an average annual sales growth of 29 per cent since 2018, coming from both organic growth and the completion of more than 30 acquisitions since 2014.

In 2022, BEWI completed seven acquisitions, adding close to EUR 600 million in sales. From annual reported sales of EUR 748 million in 2021, the company more than doubled this when closing off 2022 with annual pro forma sales of more than EUR 1 500 million, including full effect of the acquired companies. In addition, the company's new fish box facility at Senja contributed positively to the growth.

[1] ROCE = Return on average capital employed [2] Without IFRS 16 effects

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Go Back

Comments from the CEO

Delivering continued growth and solid results in challenging markets

In 2022, BEWI continued to deliver solid results and strong growth from organic and strategic initiatives. We focused steadily on our three strategic priorities: innovation, circular economy, and profitable growth – all with a vision to protect people and goods for a better everyday. Our ambition to lead our industry towards a circular economy is about our dedication to sustainability throughout our value chain, from innovation to production, and closing the loop through the collection and reuse of materials.

Volatile raw materials and cost inflation characterised our key markets during 2022 and, consequently, uncertainty relating to further market developments. We will also remember 2022 as the year when Russia invaded Ukraine and the brutal and meaningless humanitarian consequences.



Sustainability is at the core of everything we do

Sustainability resides at the core of what we do, this report provides an extensive account of our progress across our material ESG topics.

Working to achieve a circular value chain and provide our customers with sustainable solutions have long been a top priority. Since 2014, one of our tenets has been "Less is more", committing us to continuously strive for resource efficiency. We create more for less through innovations and smart and reusable products.

While we are pleased with the progress in 2022, we also admit that there are yet challenges ahead. In the past years, we have put a lot of resources into improved reporting systems for the sustainability work, enabling an even more targeted approach for our efforts as we advance. For example, we are very pleased with the efforts to increase the collection of waste for recycling, resulting in an improvement of 73 per cent since 2021. On the other hand, we are not pleased with the volumes of recycled material used by our downstream units. Therefore, measures have been implemented, and we foresee a considerable improvement throughout 2023.

Growth for all segments

For 2022, BEWI reported net sales of 1 050 million euro, an increase of 40 per cent from 2021, of which 17 per cent was organic growth. We posted an adjusted EBITDA of 134 million euro, representing 23 per cent growth, of which approximately half was organic. All our four operating segments reported considerable growth in sales over the previous year.

However, as we completed a high number of acquisitions in 2022, the reported financials only tell one part of the story. From annual reported sales of 748 million euro in 2021, we closed 2022 with annual pro forma sales of more than 1 500 million euro, including full effect of seven acquired companies. Needless to say, we are currently focusing on seamless integration of these entities.

Profitable growth is a key strategic priority in BEWI. We continuously invest in organic growth initiatives, either in close collaboration with our customers or because we see specific market opportunities.

Examples include:

- A new extruder at the raw material facility in Etten-Leur, the Netherlands, to increase the uptake of recycled raw materials
- A new fish box facility at Senja, Norway, under a long-term supply agreement with our customer Salmar
- Development of a new packaging facility at Jøsnøya, Norway, under a long-term supply agreement with our customer Mowi
- Investment in a new fish box facility at Iceland through a joint venture
- Investment in a new production line for construction boards in Olen, Belgium
- Investment in a new production line for foundation systems in Skövde, Sweden

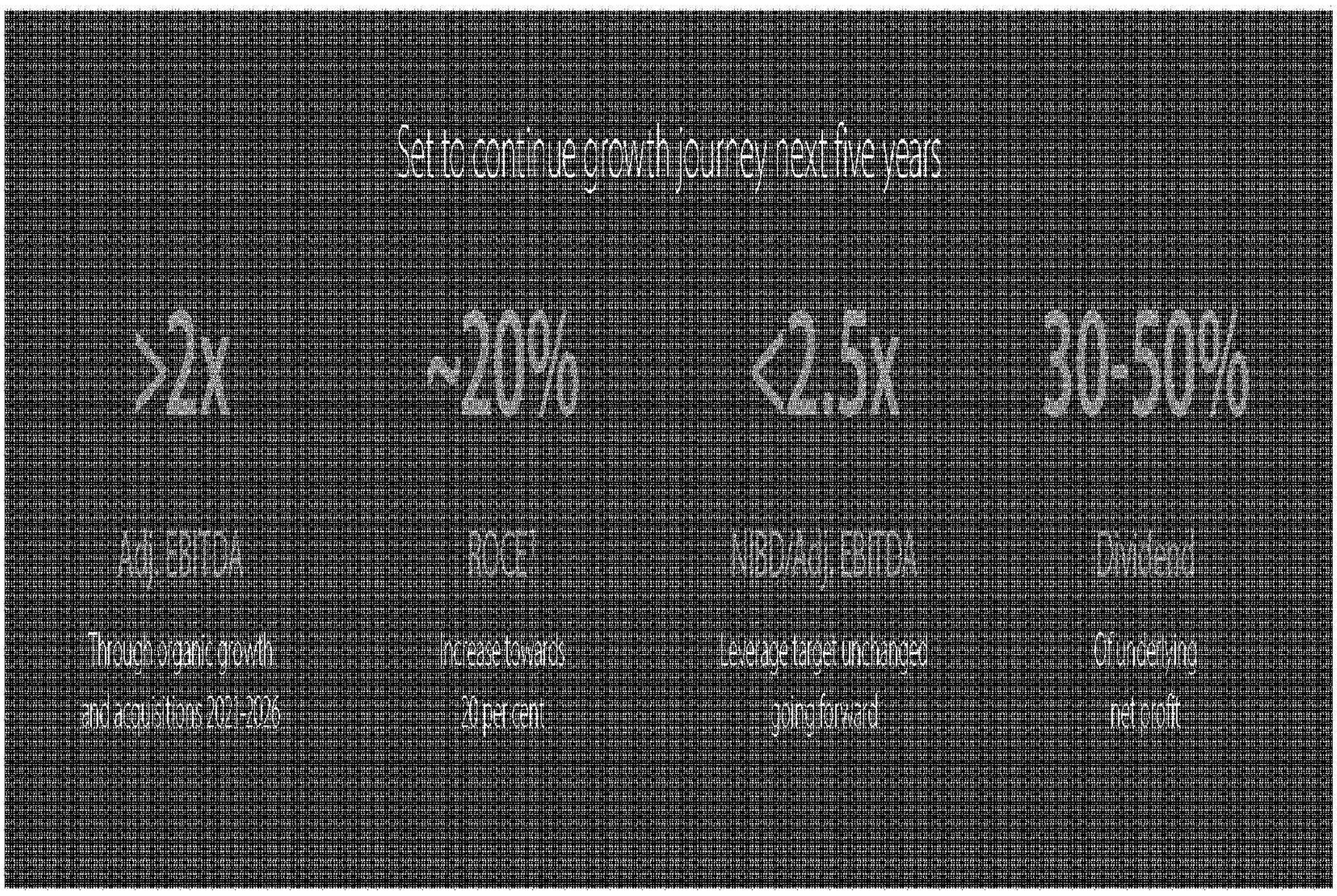
In addition to the organic initiatives, we believe in consolidation within selected industries. The seven acquisitions completed contributed to strengthening business segments. We expanded into the UK, the Baltics, Germany, and Spain. We broadened our product offering, and significantly strengthened our market positions. And we further developed our recycling platform. All in line with our communicated M&A priorities.

In October last year, we could finally complete the acquisition of Jackon, a transaction we consider transformative. We strongly believe in the benefits from the combination of Jackon and BEWI, including

> Working to achieve a circular value chain and providing our customers with sustainable solutions have long been our top priority. Since 2014, one of our tenets has been "Less is more", committing us to continuously strive for resource efficiency.

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Go Back



> BEWI's business model, including the diversified exposure, makes us well positioned in the current markets.

knowledge-sharing and introduction of strong brands in new markets, in addition to the significant synergies we have communicated.

Well positioned for further growth

Our integrated and diversified business model exposes us to many end markets and geographies. With mixed market developments and volatile raw material prices, profitability will naturally shift between segments and regions, enabling stable earnings on group level.

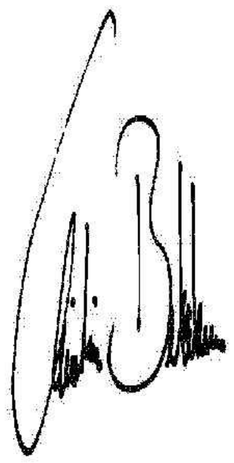
Following recent acquisitions, approximately 60 per cent of BEWI's business is exposed to the building and construction industry. This industry has shown reduced activity since last summer, especially in the Nordics, impacting volumes for segment RAW and Insulation. However, our acquisitions prove our confidence in the long-term potential for insulation solutions, supported by strong underlying fundamentals, including the need to improve energy efficiency in buildings and related regulations.

The demand for food packaging, accounting for approximately 20 per cent of our business, remains stable, and we notice strong demand for HVAC solutions. For sales to the automotive industry, we experience clear signs of improvement.

Our key priorities going forward are, as previously communicated, to integrate acquired companies and extract synergies, as well as adjusting capacity and cost levels to the current market conditions. We also remain committed to our strategic priorities.

BEWI's business model, including the diversified exposure, makes us well positioned in the current markets. Backed by a strong organisation and a solid financial platform, we expect robust results, enabling us to continue to pursue attractive growth opportunities.

Finally, I am once again proud to see the results delivered by the organisation through 2022, and I would like to express my gratitude to each of our employees for their dedicated efforts. I would also take the opportunity to thank all partners, customers, and shareholders for their trust and support during 2022.



Christian Bekken, CEO

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Go Back

Our business

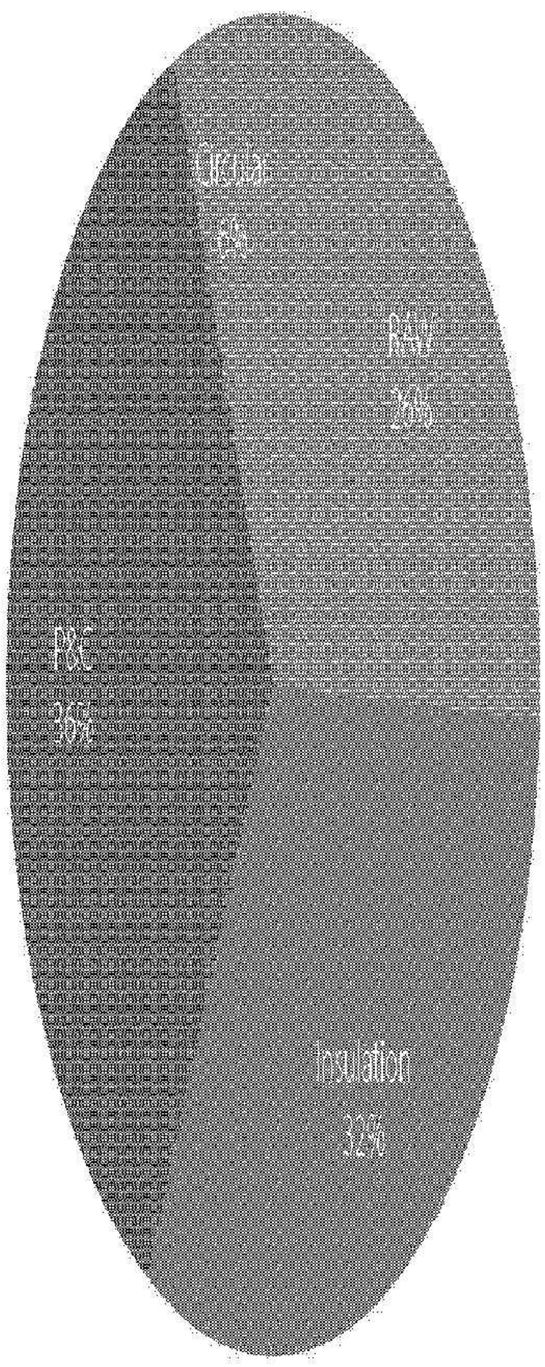
Integrated and diversified business model enables robust earnings

BEWI has an integrated business model, meaning that the group manages the entire value chain, from production of raw materials and end products to collection and recycling of used products.



The integrated model has for many years provided the group with stable earnings, as volatility in raw material prices affects the group's upstream and downstream business units the opposite way. Increasing raw material prices benefit segment RAW, while putting pressure on margins in the downstream units, and consequently the opposite impacts from decreasing raw material prices. In addition to being diversified across segments, the group is diversified across regions and end markets.

Diversified across segments



Operating segments

RAW

Production of raw materials, including white and grey expanded polystyrene (EPS), general purpose polystyrene (GPPS), and BioFoam, made from organic materials.

Insulation & Construction (I&C)

Manufacturing of an extensive range of solutions for insulation and infrastructure, as well as systems for the building and construction industry.

Packaging & Components (P&C)

Manufacturing of standard and customised solutions for many industrial sectors, including boxes for transportation of fish and other foods, protective packaging for fine goods, as well as technical and automotive components.

Circular

Collection and recycling of used material, including initiatives to raise knowledge and awareness about recycling, and waste management.

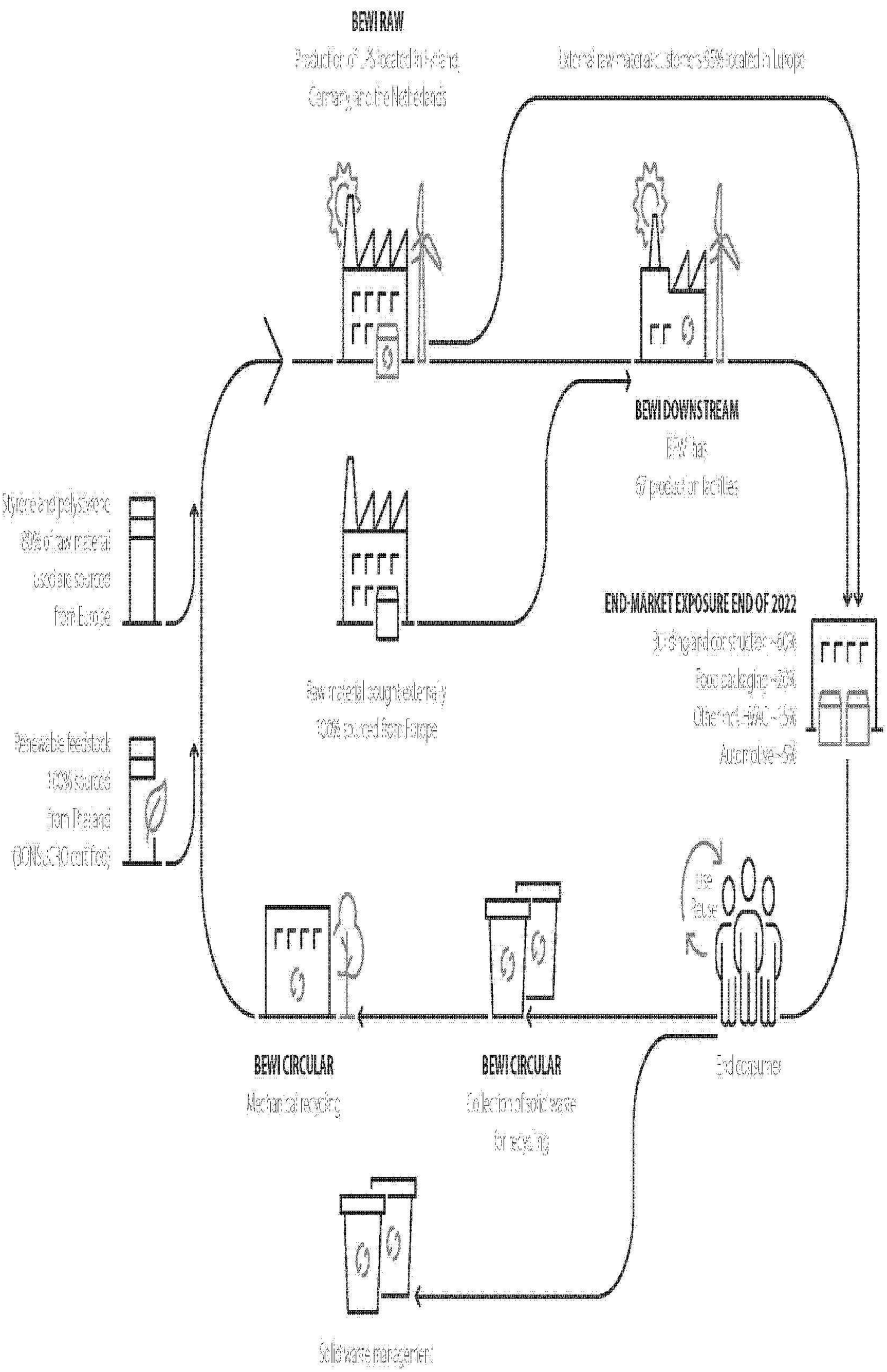
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Go Back

Extensive industry knowledge in the search of increased resource efficiency throughout the value chain

Operating throughout the value chain provides BEWI with several benefits, in addition to the stable earnings.

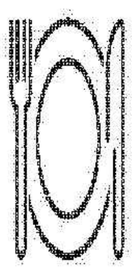
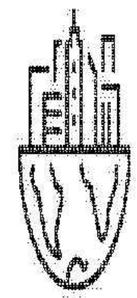
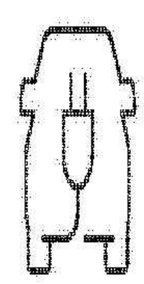
The company's R&D work is integrated in all parts of the value chain. However, innovation often starts in the upstream segment RAW, based on knowledge sharing across segments, originating from close and long-withstanding customer relations in the downstream units. This includes utilising industry experience to developing specialised products and innovating new, resource efficient and circular solutions. The integrated model is also crucial, and a competitive advantage to BEWI, in becoming a circular company.

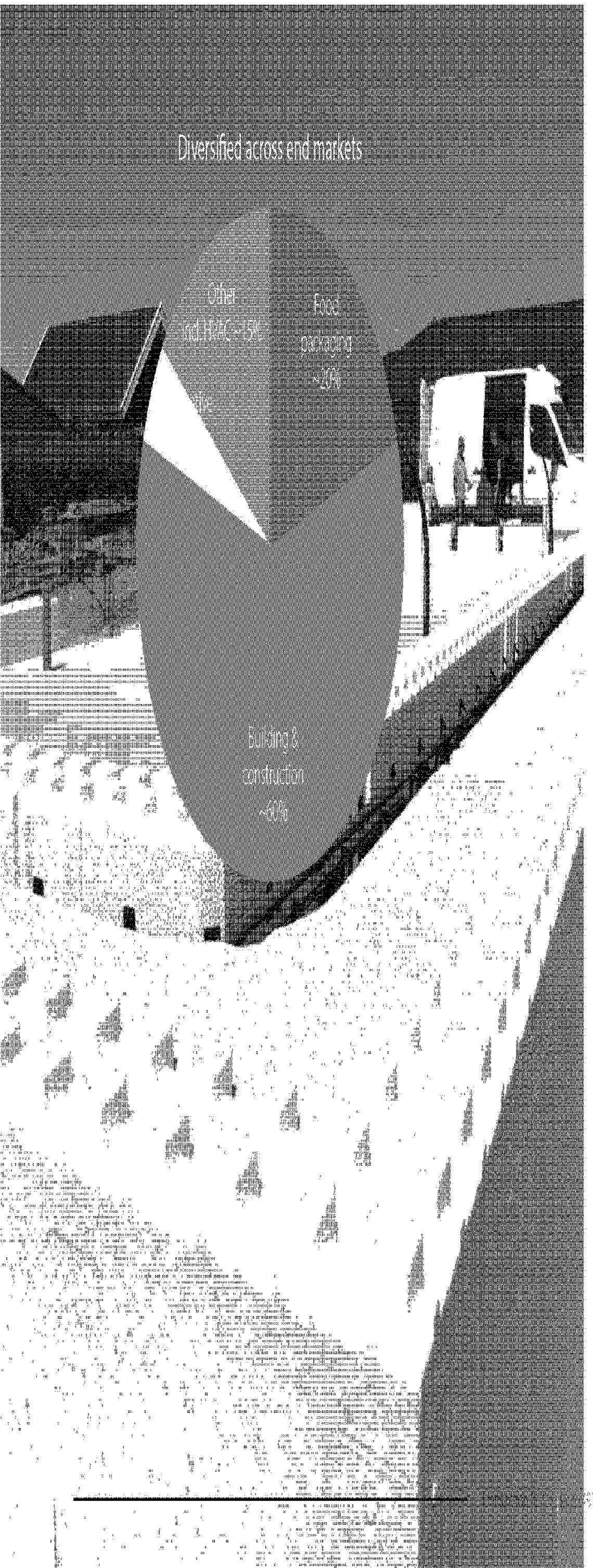


Megatrends that drive us

Politics and regulations accelerate sustainability

1.5°C

MEGATREND	Climate change	Eating habits	Globalization - localisation	Shortage of labour	Digitalization	Urbanization	Electric vehicles
							
ASPECT	• Energy supply • Transportation	• Seafood • Waste awareness	• Supply chain control • Reduce transportation	• Automatization • Production process • Solution provider	• ERP platform • Infrastructure • E-commerce	• Shortage of residentials and logistic facilities	• Reduce weight • Increase insulation
BEWI EXPOSURE	• HVAC • Insulation • Circular/Raw	• Food packaging • Seafood packaging	• Logistics • Production footprint	• Prefabrication to construction sites • Automatization	• Packaging for e-commerce • Prefabrication • Paper packaging	• New buildings and renovation	• EPP content in EV's • Li-ion packaging solutions



BEWI serves a wide range of end markets

Materials used by BEWI in its downstream production have unique properties, such as being light and moisture resistant, and have thermal and shock absorbing properties, making them suitable for a range of different applications across end markets.

Building and construction

Insulation of buildings is a cost-efficient way of improving energy efficiency, and thus reduce greenhouse gas emissions. BEWI's insulation solutions are mainly manufactured from EPS, XPS or PIR. In addition, the group offers a range of traded, complementary products. The product portfolio covers insulating boards and building systems for foundations, walls, and roofs.

Food

The fish farming industry uses boxes made from expanded polystyrene (EPS) for transporting fresh fish in unbroken refrigeration chains. The boxes are light, watertight, and hygienic. EPS boxes are also used by the dairy and meat industries for packing and transportation. Because of the excellent thermal insulation and shock-absorbing properties, EPS boxes reduce food waste. BEWI also offers a wide range of other packaging products to the food industry, including reusable plastic boxes, cartons, bags from different materials, film, tray, bowls, pallets, packing machines and so on.

Pharmaceutical

EPS and expanded polypropylene (EPP) are highly functional packaging materials for pharmaceuticals. They keep temperatures stable and are shock-absorbent.

Renovation

BEWI's solutions for renovation are manufactured mainly from EPS and XPS. The products are used both outside and inside buildings, at walls, facades, roofs, floors/ foundations, bathrooms, and basements.

Infrastructure

EPS and XPS play an important role as filling material for road banks and thermal insulation for concrete foundations, tunnels, and railroads. Its wide use is due partly to the stability it provides, and the fact that it makes building more efficient, thanks to its insulating properties.

Automotive

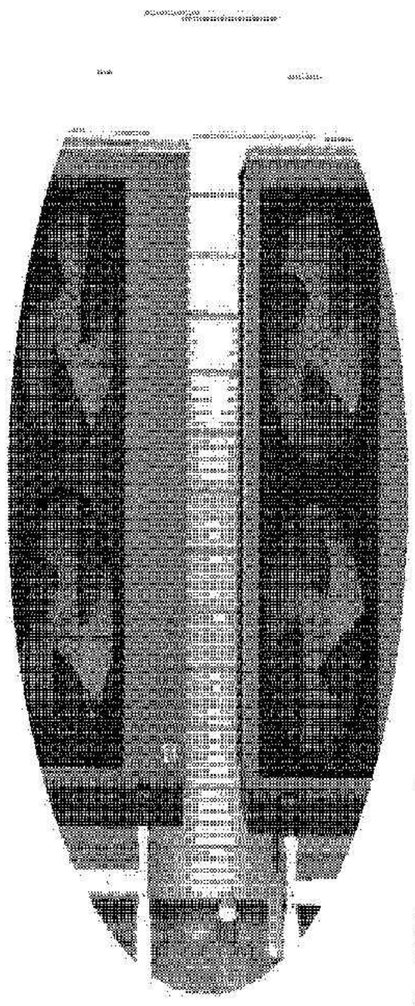
Vehicles carry a large amount of integrated technical components, many consisting of EPS and EPP. Components of these materials are capturing market share from other types of material because of their thermal insulating and noise reducing properties, in addition of being light and therefore entail less weight in the final products.

E-commerce

E-commerce puts high demands on safe and sustainable flows. By controlling the production chain, BEWI provides a wide and diversified range of packing solutions customized for individual needs.

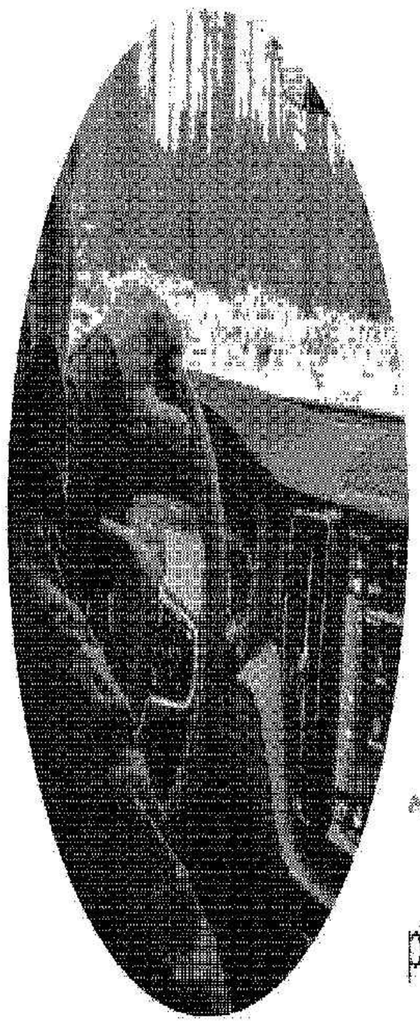
Residential housing

Technical components made of EPS and EPP are integrated parts of products for heating, ventilation, and air conditioning (HVAC).



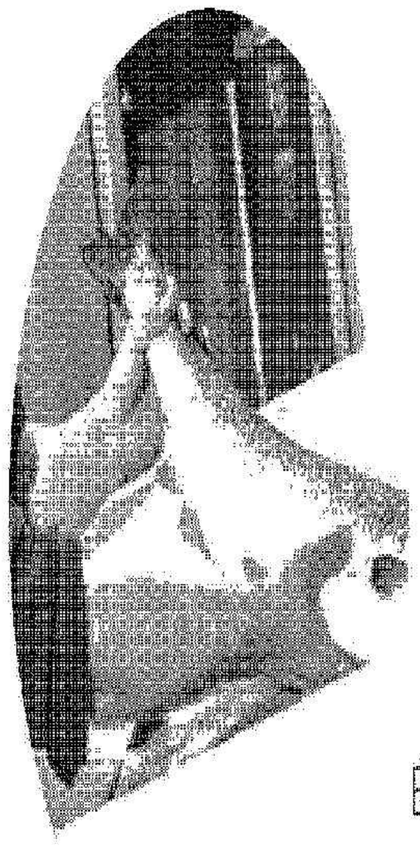
~50 000 tanks

produced annually contain BEWI's insulating components



~3 million vehicles

produced in 2022 include automotive EPP components from BEWI, for excellent protection and safer journeys



BEWI produced 25 million fish boxes in 2022, securing safe transportation of

~2 billion meals

and reduced food waste

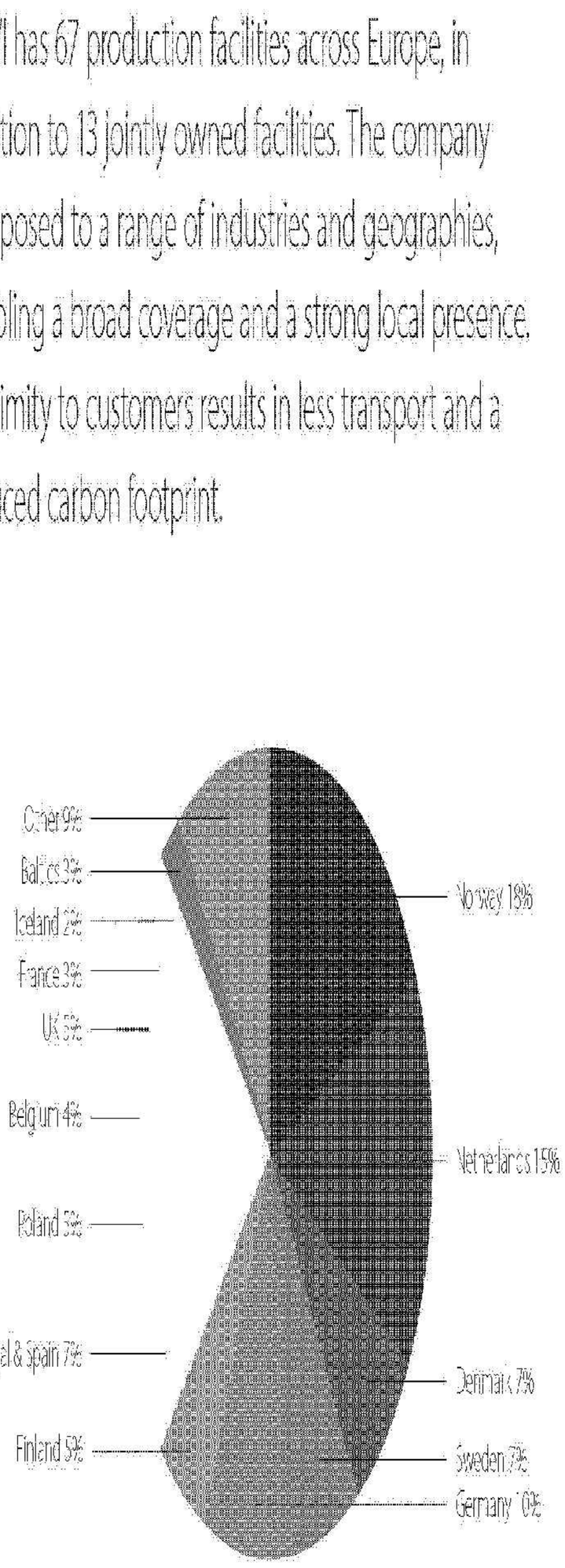
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Go Back

Diversified across regions

Broad European foothold with strong local presence

BEWI has 67 production facilities across Europe, in addition to 13 jointly owned facilities. The company is exposed to a range of industries and geographies, enabling a broad coverage and a strong local presence. Proximity to customers results in less transport and a reduced carbon footprint.





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Go Back

RAW

Investing to increase use of recycled material

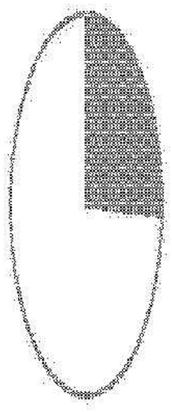
The RAW segment develops and produces white and grey expanded polystyrene (EPS), including various grades of recycled EPS (general purpose polystyrene (GPPS)), as well as Biofoam, a fully bio-based particle foam. After expanding and extruding the EPS material, also known as EPS beads or styrofoam, the material can be moulded or otherwise processed into several different end products and areas of application.

BEWI produces raw material at three facilities located in Porvoo in Finland, EttenLeur in the Netherlands, and, following the integration of Jackon, Wismar in Germany. The total EPS capacity is approximately 280 000 tonnes, of which approximately 50 per cent of the raw material is sold externally, and 50 per cent is sold to BEWI's downstream facilities, also including facilities owned through minority interests.



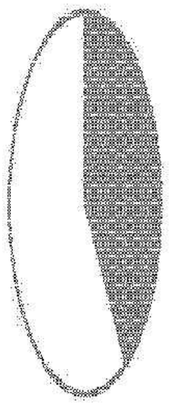
3 facilities in

3 countries



26%

of net sales[1]



41%

of total adj. EBITDA[2]

[1] Based on net sales from external customers

[2] Based on total adj. EBITDA for operating segments

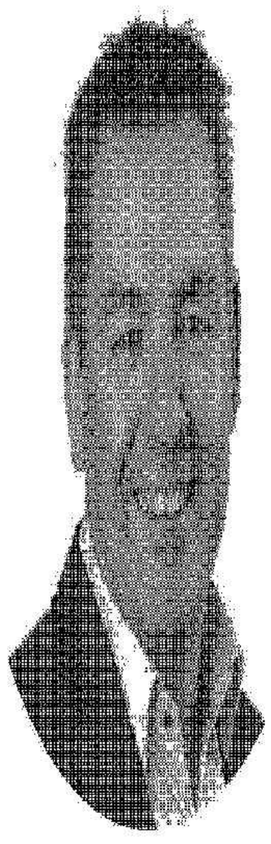
Innovation has a high priority in the segment, and RAW has a proven ability to develop new applications as well as designing new products.

In 2022, BEWI invested in a new extrusion line at its RAW production facility in Etten-Leur in the Netherlands. Production is expected to start in the second half of 2023, which will increase BEWI's production capacity of recycled material and grey EPS by approximately 25 000 tonnes. The investment demonstrates the company's dedication to close the loop and reach its ambitious targets for recycling.

The extruder will facilitate the uptake of recycled polystyrene (PS) provided by Circular and enable a higher uptake of recycled material in BEWI's down-stream units, while at the same time contribute to reduce the company's greenhouse gas emissions by replacing virgin fossil based raw materials with recycled raw materials.

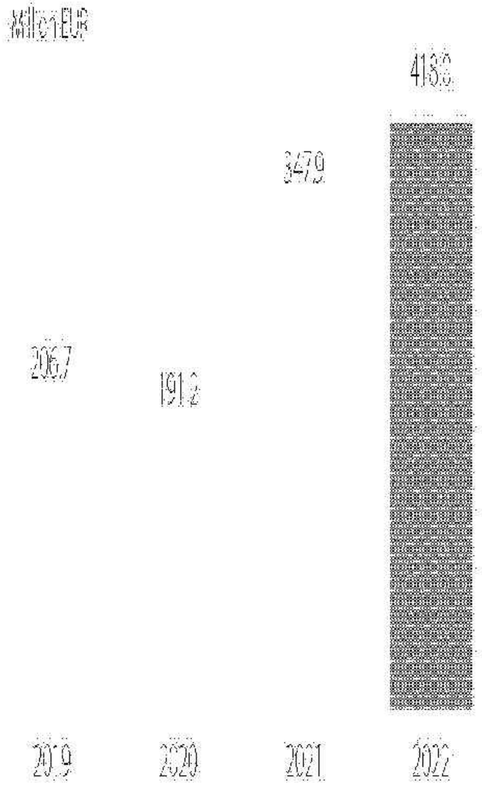
Alan Moss, EVP and Head of RAW

Alan Moss has been with BEWI since 2007, holding positions as business unit controller and finance manager for the RAW segment, and was appointed managing director for the RAW segment in 2019. Prior to joining BEWI, Moss held various finance positions at, among others, the Dutch companies SGS and Vanbreda Risk & Benefits.



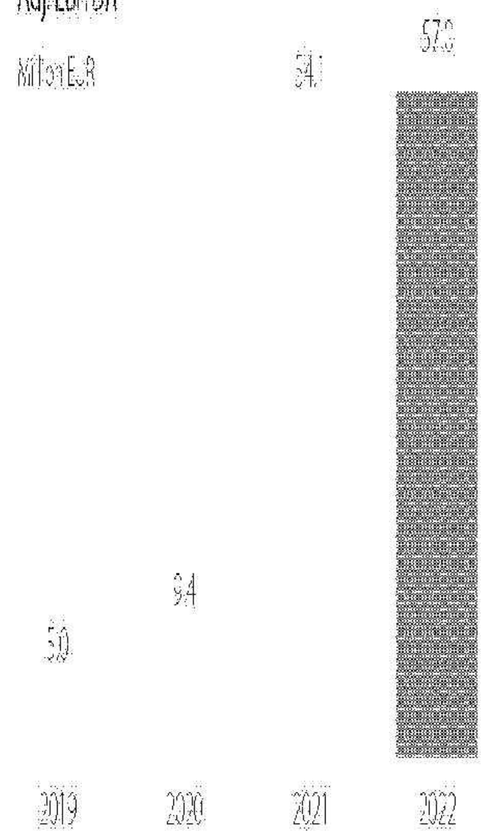
Net sales

Million EUR



Adj. EBITDA

Million EUR



Key achievements 2022

- Well managed raw material shortages
- Successful implementation of new ERP system
- Development project for new extruder in Etten-Leur, the Netherlands, to increase capacity of recycled EPS raw material

Key priorities going forward →

- Maintain ~50/50 balance between external and internal sales
- Successful start-up of new extruder in Etten-Leur to facilitate uptake of recycled material
- Commercialise RecCel cross balance grades
- Integration of raw material production business of BEWI and Jackon

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Go Back

Insulation & Construction (I&C)

Insulating to reduce energy consumption

The Insulation & Construction (I&C) segment develops and manufactures an extensive range of insulating solutions and systems for the building and construction industry, as well as infrastructure projects, including foundations, walls, roofs, and ceilings. The solutions are mainly composed of expanded polystyrene (EPS), extruded polystyrene (XPS), and polyisocyanurate (PIR).

BEWI's solutions have excellent insulation properties and is therefore contributing to improve energy efficiency of buildings in Europe, meaning reducing energy consumption and greenhouse gas emissions. This is also why many of the insulation solutions are taxonomy eligible.



39 facilities in **12** countries

32% of net sales[1]

22% of total adj. EBITDA[2]

[1] Based on net sales from external customers

[2] Based on total adj. EBITDA for operating segments

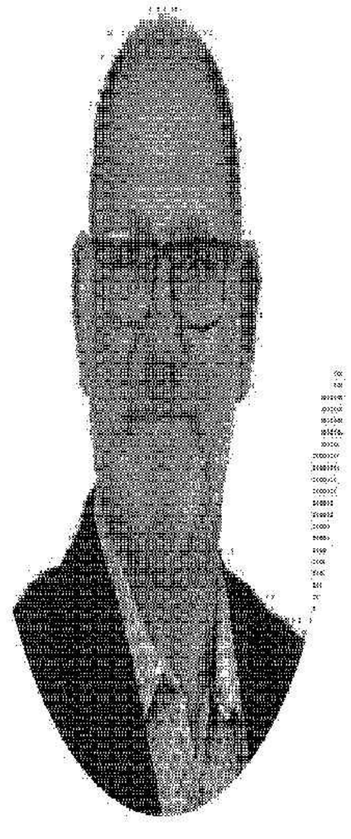
Some examples of product categories are thermal insulation boards, building systems, sandwich panels for walls, roof- and facade solutions, construction boards for wet rooms, and solutions such as radon barriers and underlayment. The products are known by the brand names Jackodur, Jackofoam, Thermomur, UniPIR, SlimFix, Jackoboard and Tuplex, and many more. Following the launch of the product series GreenLine, including various grades of recycled content, the interest and demand for more sustainable solutions has increased.

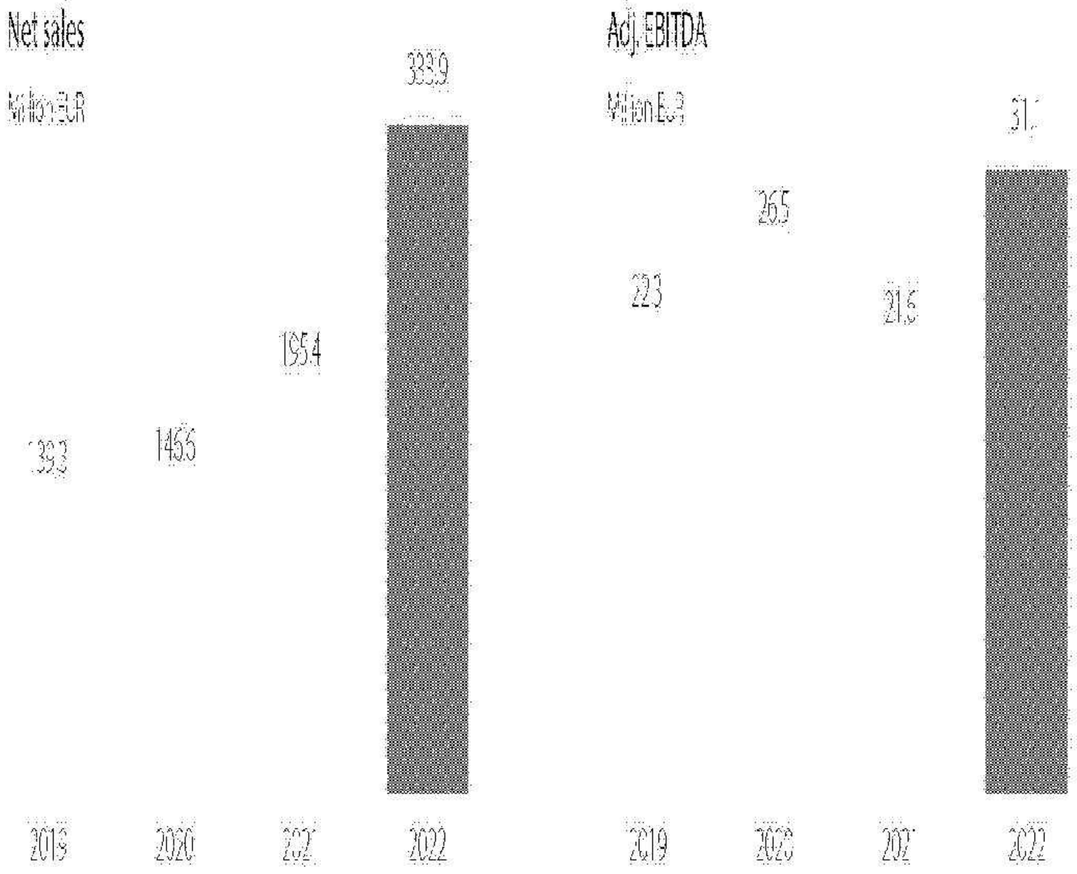
In 2022, BEWI acquired Jablite, BalPol, Jackon, and Aislenvas, all within the I&C segment, expanding into the UK, the Baltics and Spain, as well as broadening its product offering, and significantly strengthening its market positions in selected geographies. Following the acquisitions, approximately 60 per cent of the company's total business is exposed to the building and construction industry, including external sales from RAW.

BEWI is investing in one new production line for construction boards in Olen, Belgium, and one for foundation systems in Skövde, Sweden. The new lines are expected to commence operations in second half of 2023.

Karl Erik Olesen, EVP and Head of Insulation & Construction

Karl Erik Olesen became part of BEWI in 2014 and has been managing director for BEWI Denmark since 2017. Olesen was appointed EVP and Head of Insulation & Construction in 2022. Prior to BEWI, Olesen worked for SCA Packaging and DS Smith, which BEWI acquired in 2014, since 1998.





Key achievements 2022

- Geographic expansion, broadened offering, and strengthened market positions through acquisitions of Jackon, BalPol, Jablite, and Aislenvas
- Introduction of new and innovative solutions, such as prefabricated elements
- Increased sales of products with recycled content

Key priorities going forward→

- Integrate acquired companies, and secure best practice and cross border initiatives
- Adjust capacity to market conditions with continued focus on cost control and quality in all deliveries
- Increase sales of solutions/systems, prefabricated elements, and use of recycled material
- Successful start-up of new production lines in Olen and Skövde

Packaging & Components (P&C)

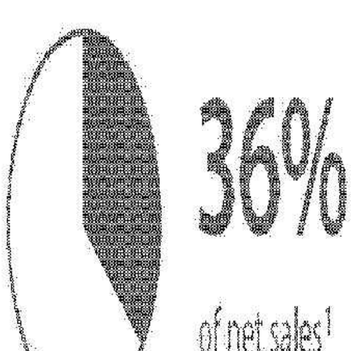
Protecting food and fine goods to reduce waste

Packaging & Components (P&C) develops and manufactures standard and customised packaging solutions, as well as technical and automotive components for customers in many industrial sectors. The solutions are composed of a variety of materials, including expanded polystyrene (EPS), expanded polypropylene (EPP), fabricated foam, cardboard, as well as other materials, enabling a broad and complementary product offering.

Examples include boxes and bags for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for heating, ventilation, and air-condition systems (HVAC) and other technical installations.



35 facilities in **9** countries



36% of net sales[1]



35% of total adj. EBITDA[2]

[1] Based on net sales from external customers

[2] Based on total adj. EBITDA for operating segments

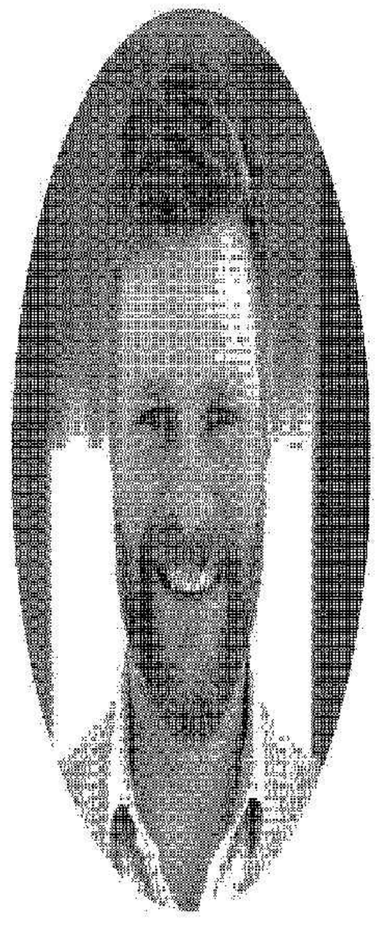
BEWI is one of the world's largest suppliers of fish boxes, supplying the salmon farming industry in Norway, the world's largest exporter of fresh salmon, and the industry for wild caught fish in Portugal.

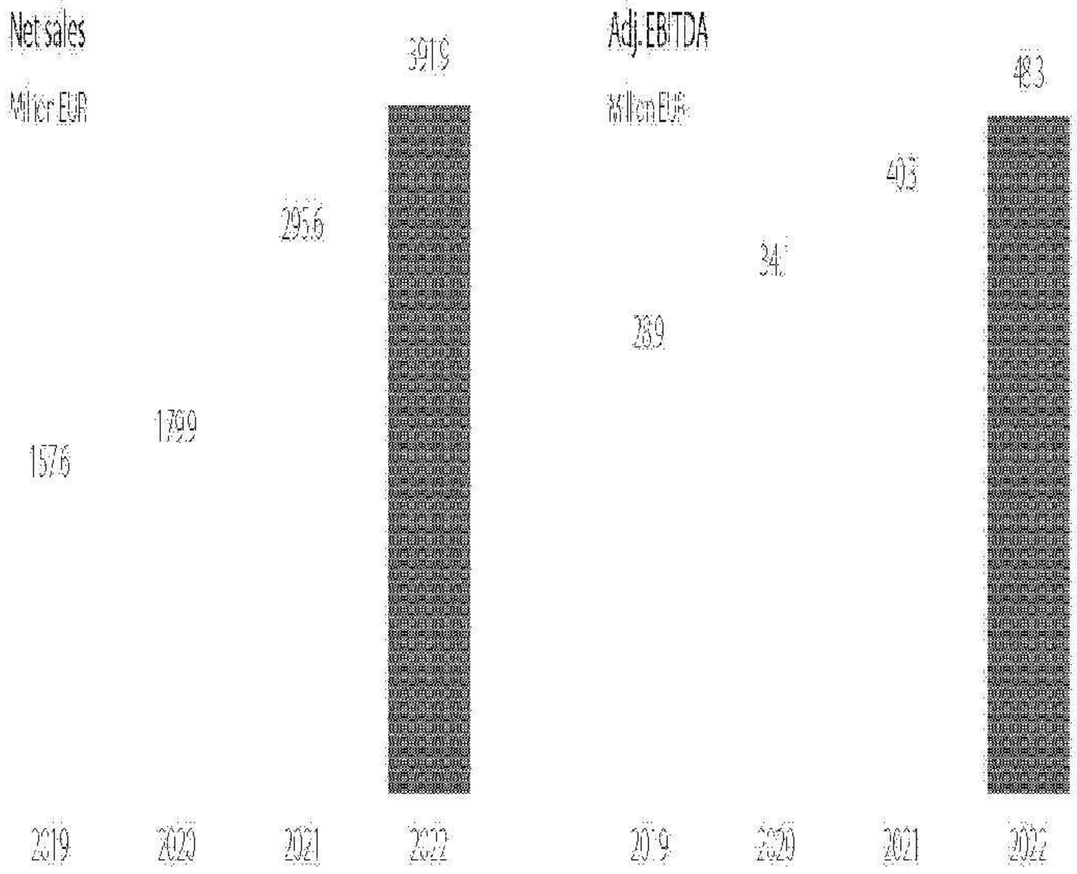
In 2022, BEWI acquired the Norwegian paper packaging company Trondhjems Eskefabrikk, broadening its offering within complementary non-fossil packaging solutions. Further, through the acquisitions of UK-based Jablite and Jackon, BEWI expanded into new regions and strengthened its market positions.

In late 2021, BEWI completed the development of a new fish box facility at Senja, Norway, under long term supply agreement with its customer SalMar. Volumes at the facility ramped up throughout 2022, positively contributing to the group's results. In addition, the group holds a minority interest in a new fish box facility completed at Iceland in 2022 and is investing in a new packaging facility at Jøsnøya, Norway, under long-term supply agreement with its customer Mowi. The latter is expected to start operations in second half of 2023.

Stein Inge Liasjø, EVP and Head of Packaging & Components

Stein Inge Liasjø joined BEWI in 2021 as managing director for the Norwegian operations and was appointed EVP and Head of Packaging & Components in 2022. Liasjø has previously held leading positions within management, finance, and business development at European industrial companies, such as Aker Solutions and Enova. Liasjø has held several board positions, including Aker Engineering & Technology (Shanghai) Co. Ltd., Ren Røros, IT-Nor and Biek.





Key achievements 2022

- Broadened offering through acquisition of Trondhjems Eskefabrikk (paper packaging) and the Styropack packaging business in UK
- Integration of seven packaging facilities acquired with Jackon
- Ramped up volumes at new fish box facility at Senja and secured long-term customer agreement for new packaging facility at Jøsnøya

Key priorities going forward →

- Broaden offering within complementary materials
- Secure strong position in high growth markets, such as HVAC and electrical vehicles
- Increase content of recycled material in applications
- Successful start-up of new packaging facility at Jøsnøya, Norway

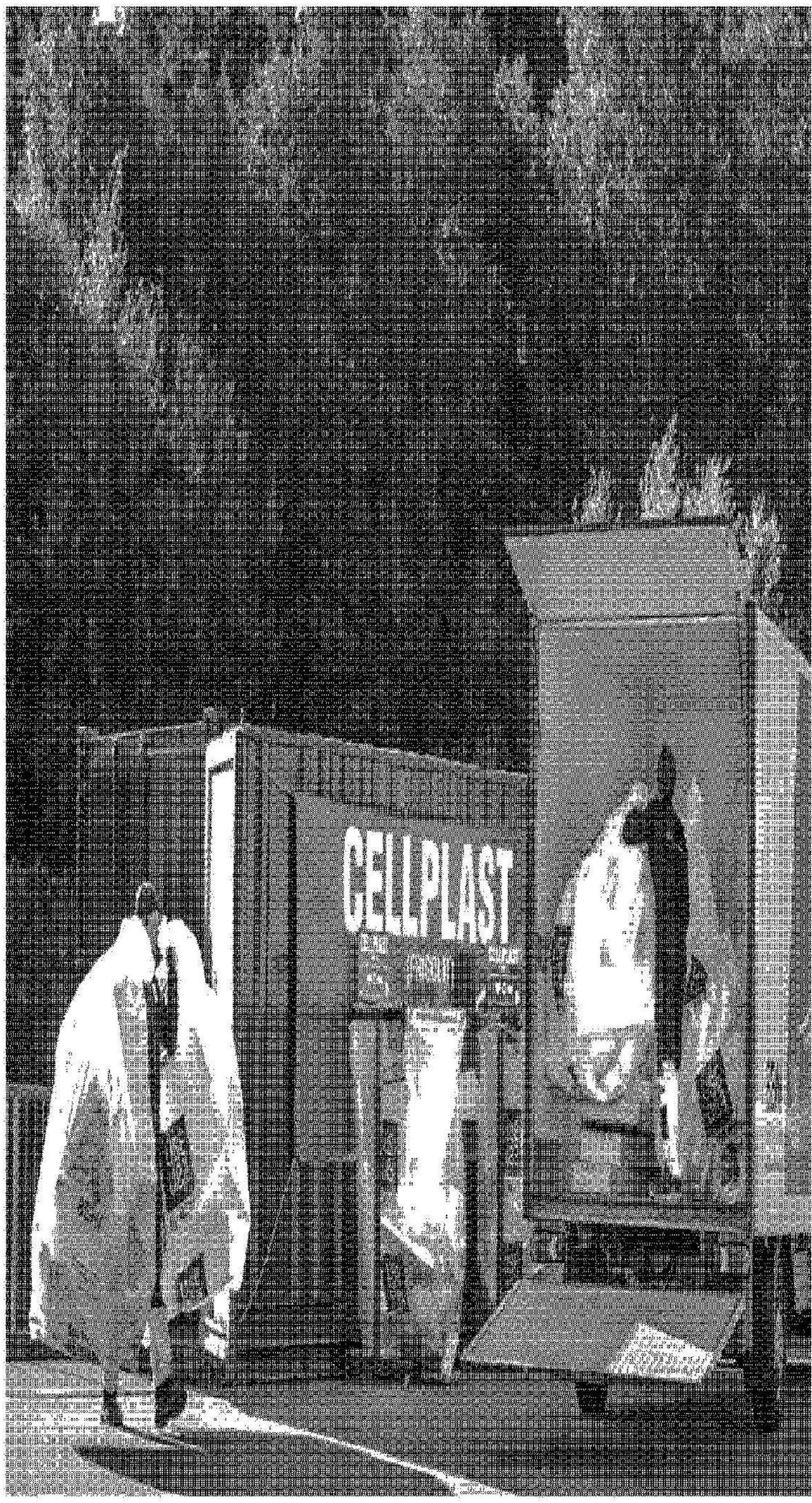
Go Back

Circular

Giving new life to used materials

Circular is responsible for increasing the group's collection and recycling of EPS, aiming at making BEWI a fully circular company. Circular offers different solutions for waste management and collection of used material, as well as offering a range of recycled materials.

Since the establishment of the business unit in 2018, Circular has launched several initiatives, increasing the group's collection and recycling capacity. In 2022, BEWI collected close to 33 000 tonnes of EPS for recycling, and had a collection run-rate at year end of approximately 38 000 tonnes.



7 facilities in **4** countries

6% of net sales[1]

2% of total adj. EBITDA[2]

[1] Based on net sales from external customers

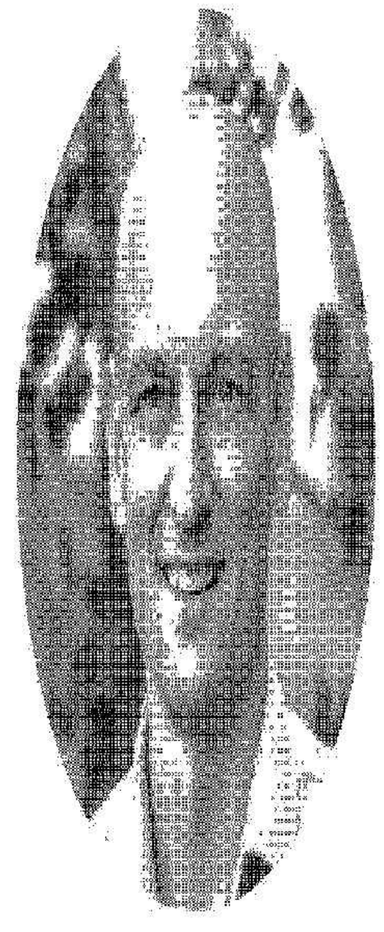
[2] Based on total adj. EBITDA for operating segments

BEWI has announced an annual target of collecting 60 000 tonnes of EPS for recycling by the end of 2026. The number refers to approximately the volume BEWI puts into the end markets with a lifetime less than one year. The remaining volume is used in products with a lifetime of more than one year, i.e., thermal insulation in buildings and infrastructure projects, bike helmets, car components and similar.

The acquisition of the circular platform - and trading company Berga Recycling in June 2022 significantly strengthened the platform for BEWI Circular by granting greater access to waste streams. The company's collection and reprocessing capacity was further strengthened through the acquisition of the Czech company Inoplast in December 2022.

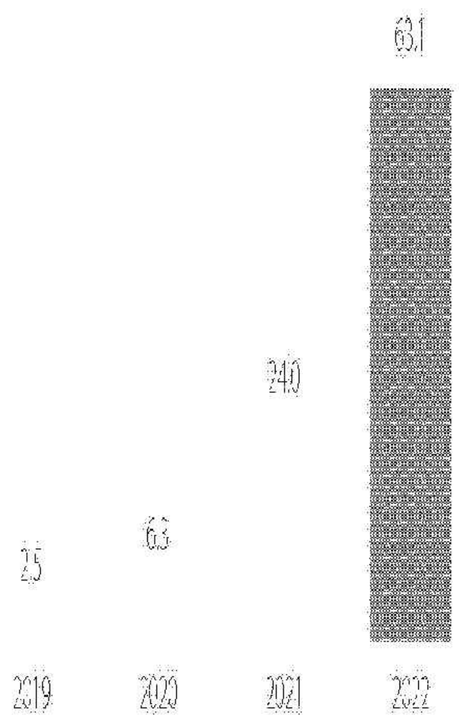
Henrik Ekvall, EVP and Head of Circular

Henrik Ekvall joined BEWI in 2020 as managing director of Circular. Prior to this, he has held leading positions at international companies in the oil and gas industry, such as Statoil and Nynas, mainly within finance and business controlling.



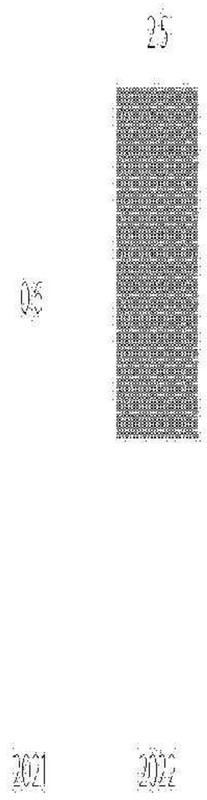
Net sales

Million EUR



Adj. EBITDA

Million EUR



Key achievements 2022

- Increased collection of EPS for recycling by 73%
- Significantly strengthened circular platform and capacity through acquisitions of Berga Recycling and Inoplast
- Development project to increase reprocessing capacity

Key priorities going forward→

- Continue consolidation within the fragmented market for recycling
- Increase volumes of collected material through control of waste streams
- Develop product certifications

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Go Back

Key partnerships

The transition towards a circular economy requires a systematic shift, fundamentally rethinking the way products are produced and used. Working in partnerships is therefore of crucial importance to build necessary infrastructures and alliances to accelerate the transition to a circular economy and an inclusive society.

These are BEWI's key partnerships:

The association for European manufactures of Expanded Polystyrene

The association for European Manufacturers of Expanded Polystyrene (EUMEPS) is the voice of the Expanded Polystyrene (EPS) industry. Representing 23 national associations in Europe, EUMEPS' activities focus on two main market segments: Construction and Packaging. The association is committed to sustainability and have joined forces to reach the ambitious European recycling targets by 2025.

European Plastic Pact

BEWI was one of the first signatories of the European Plastic Pact. The European Plastic Pact is a public-private coalition that forms a European network of governments and frontrunners from across the whole value chain. The aim of the pact is to set ambitious objectives and to encourage cooperation, innovation, and harmonisation at the European level to bring about a truly circular European plastics economy. The Pact works together towards four goals aimed at improving recyclability and reusability, responsible use, recycling capacity and the use of recycled content.

Operation Clean Sweep

To demonstrate the company's commitment to a clean environment BEWI is a partner in the international Operation Clean Sweep (OCS) initiative and have signed the Pledge to prevent Plastic Resin Loss from the company's production facilities. The commitment imposes all production facilities to identify high pollution risk areas and to mitigate risks through good housekeeping and pellets containment practices to work towards achieving zero pellet loss. As a partner in OCS, BEWI is obligated to implement and comply with the OCS standard and to conduct annual site audits.

The Polystyrene Loop Cooperative

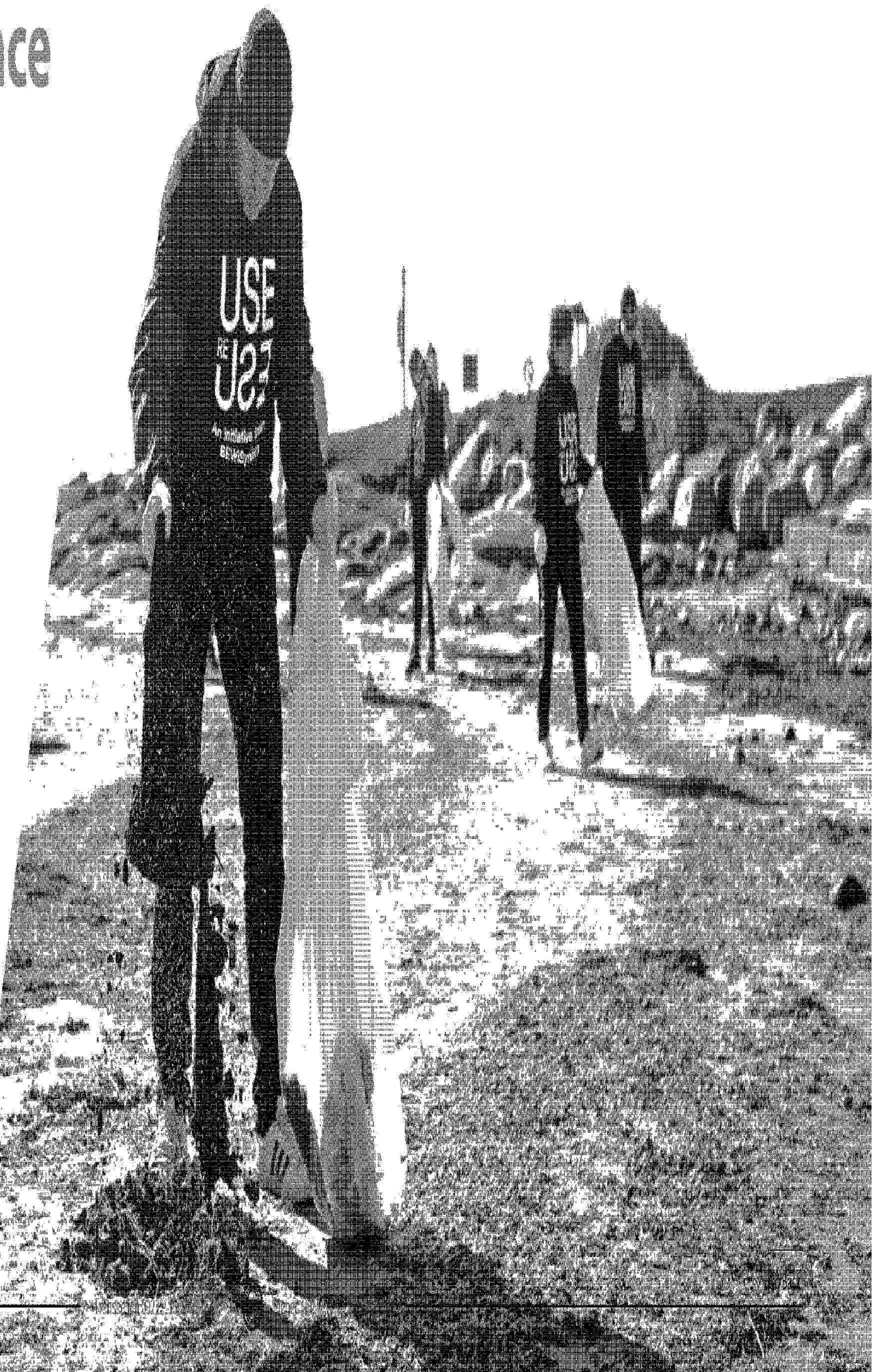
The PolyStyreneLoop Cooperative is set up to demonstrate the feasibility of a large-scale demo plant as a closed-loop solution for the recycling of polystyrene (PS), insulation from waste and the recovery of bromine. The planned demonstration plant in Terneuzen, Netherlands, will work with the CreaSolv® Technology. The technology is a development of Fraunhofer Institute and CreaCycle GmbH.

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Go Back

ESG performance report 2022

A circular economy and an inclusive society



ABOUT THIS REPORT This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021). The report covers the company's most significant impacts on economy, environment, and people, including impacts on human rights and how BEWI ASA manages these impacts for the calendar year 2022. The report aligns with the company's financial reporting period. Companies where BEWI has a majority shareholding are included within the scope of the report. Companies acquired during 2022 (except from Berga Recycling Ind) are not included but will be included in the report for 2023. This applies to the following companies: Trondhjems Eskefabrikk AS, Jebsite Group Ltd, UAB Baltijos Polistirenas (Ba Pol), Jackon Holding AS, Asiamiertosy Envases, S.L. (Aliservas), and Inoclass s.r.o.

This report is BEWI's Communication of Progress (COP) to demonstrate its commitment to the United Nations Global Compact, the Norwegian Transparency Act, and the EU Taxonomy.

Key achievements in 2022[1]

43 000 tonnes CO_2 saved

through the collection of EPS for recycling – equivalent to average annual emissions for 7 000 persons



ENVIRONMENT

- 73% increase in EPS collected for recycling
- 15% reduction in waste generation
- 78% reduction in waste sent to landfill
- 31% increase in waste used for recycling
- 21% reduction in scope 2 GHG emissions

SOCIAL

- 61% of employees have a development plan
- 65% of procurement spent assessed for ESG criteria
- 82 community engagement projects

GOVERNANCE

- 100% completion of anti-corruption training

[1] Compared to 2021.

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Go Back

Material ESG topics

BEWI's double materiality assessment resulted in eight material topics with an external and internal impact.

ENVIRONMENT

Climate change mitigation

The majority of BEWI's raw materials are based on petrochemicals, which contribute significantly to the company's GHG emissions. To mitigate climate change, the company works actively with all parts of its value chain, including its suppliers, to achieve improved resource efficiency and, in particular, reduction of CO_2-emissions.

Climate change adaptation

The impacts and consequences of climate change present risks and opportunities to BEWI. To manage these risks and opportunities, BEWI is in the process of integrating the management of climate risks into the company's daily operation in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Resource efficiency and circularity

BEWI produces plastic-based products. In a linear economy, these products contribute to greenhouse gas (GHG) emissions and if improperly managed after use, negative impacts on the environment. Embracing the model of a circular economy enables the company to reduce transition risks by increasing resource efficiency, reducing GHG emissions, and providing the market with more sustainable solutions.

Biodiversity and ecosystems

BEWI's production facilities can impact local ecosystems through the pollution of microplastic if materials are not managed properly. BEWI is committed to preventing such negative impacts through the company's commitment to Operation Clean Sweep and to promoting biodiversity that ensures resilient ecosystems that deliver vital ecosystem services.

SOCIAL

Working conditions

BEWI's employees are the company's most valuable resource. Ensuring safe working conditions for the employees and creating a culture where employees can grow and reach their full potential is a priority for the company.

Human rights

BEWI is exposed to human rights issues, by operating across different geographical regions and by having a global supply chain. Assessing the company's own operations and supply chain has a high priority.

Local communities

BEWI is operating across different regions and is present in many local communities. The company is committed to mitigate negative impacts especially concerning the migration of microplastics, to have a good dialogue with neighbours, and to actively engage in the communities where it operates.

GOVERNANCE

Ethical business conduct

BEWI has a global supply chain and unethical business risks are present in all countries and sectors where the company operates. To prevent corruption and other unethical practices, BEWI is committed to meet the highest ethical standards when conducting its business and to work actively with its value chain in such regard.

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Go Back

Identification of material topics

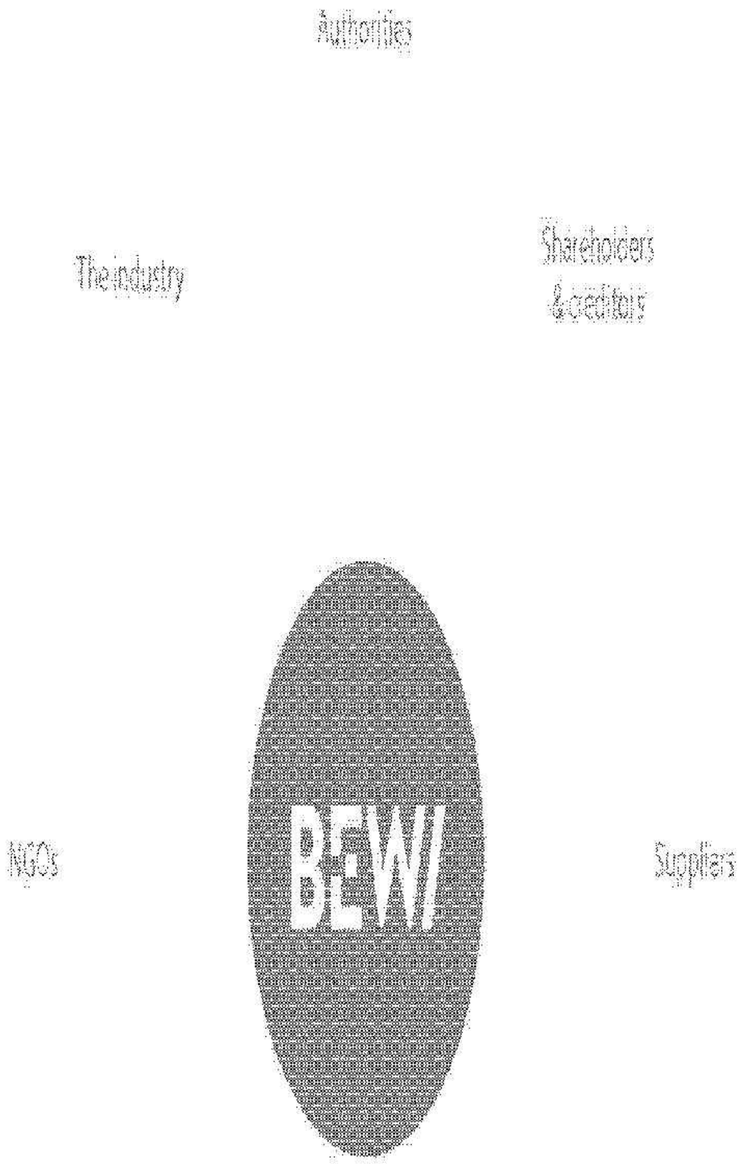
BEWI's operations influence a diverse group of stakeholders. Engagement with key stakeholders is essential to address critical issues and the management of risks and opportunities.

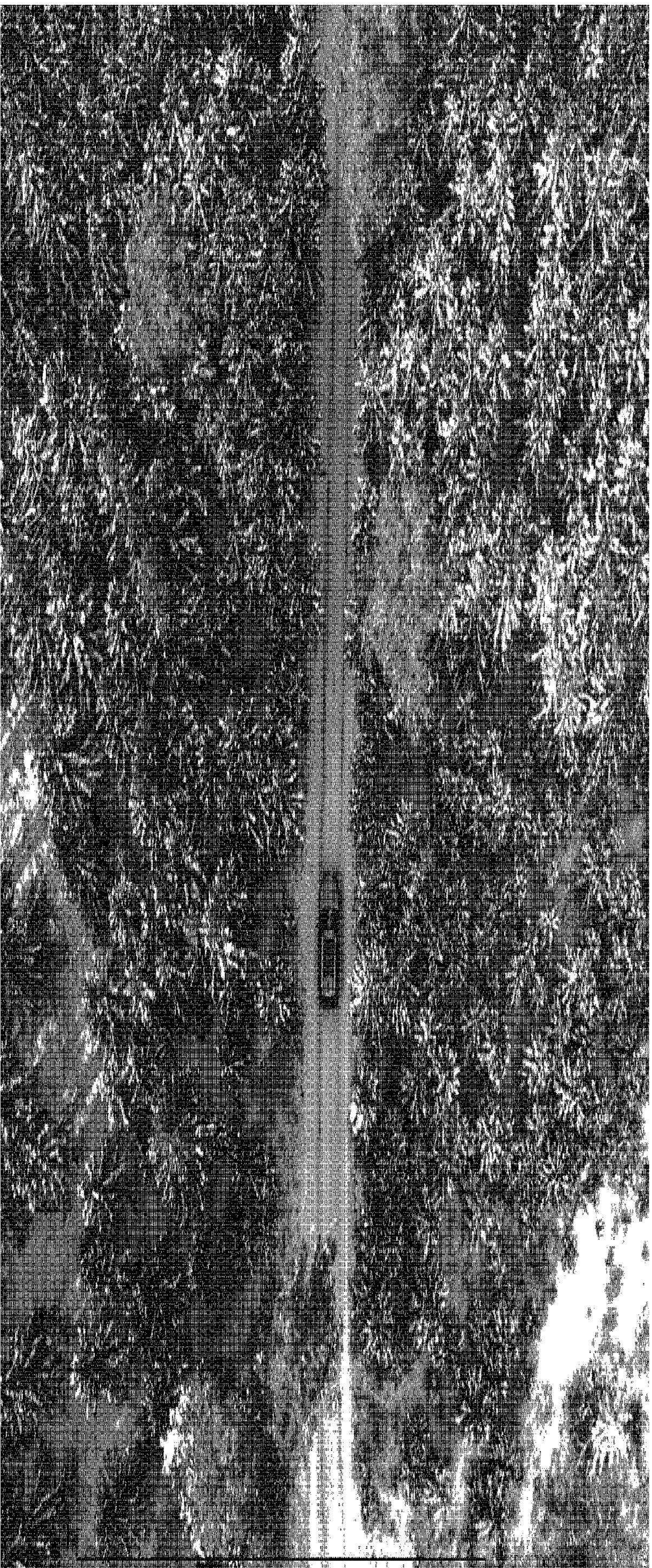
Identifying key ESG topics

To ensure that BEWI identifies the most important ESG topics, the company undertakes a double materiality assessment annually in accordance with GRI standards (2021). The assessment identifies the company's most significant impacts on the economy, environment, and people, including impacts on human rights.

The 2022 assessment was also conducted in accordance with the proposed European Sustainability Reporting Standard (ESRS). Potential material topics were identified by using the sector standards, a desktop review of relevant competitors, academic literature, media reports, reporting standards, regulations and engagement with key stakeholders and experts.

BEWI identified eight prioritised stakeholder groups: suppliers, customers, non-governmental organisations, employees, authorities, local communities, the industry, shareholders, and other investors. The stakeholders were asked to consider BEWI's impact on climate, the environment, society, and the economy (external impact). Additionally, they were asked to consider how changes to market conditions caused by ESG issues could impact BEWI's enterprise value (internal impact). To ensure that stakeholders' views were included in the analysis, the findings from the interviews were presented and calibrated in a workshop with BEWI's Director of Sustainability, Chief Human Resources Officer, and Chief Legal Officer. The significance (likelihood and severity) of each impact was rated by experts and stakeholders in conjunction with executive management to inform financial value creation.





The assessment resulted in three additional topics being considered material: (1) local communities, (2) climate change adaptation and (3) biodiversity and ecosystems. Further, already identified material topics were re-phrased to be more specific with regards to the value drivers for BEWI and its stakeholders.

- **Environment:** Climate change was replaced by climate change mitigation and climate change adaptation to emphasise the importance of the work to reduce the company's greenhouse gas emissions and to mitigate the company's risks related to climate change adaptation. Circular economy was rephrased to resource efficiency and circularity and extended to include the topic of energy scarcity. Biodiversity and ecosystems was added as a new material topic.

- **Social:** Health and safety was rephrased to working conditions and entails talent attraction and retention, diversity in workplace and employee work-life balance. Supply chain management was rephrased to human rights. This update reflects in a better way the ongoing work regarding human rights both internally in BEWI and in the company's supply chain and business relationships. Local communities were added as a new material topic, due to the potential negative impact that microplastic pollution from the company's production facilities might have on local communities.

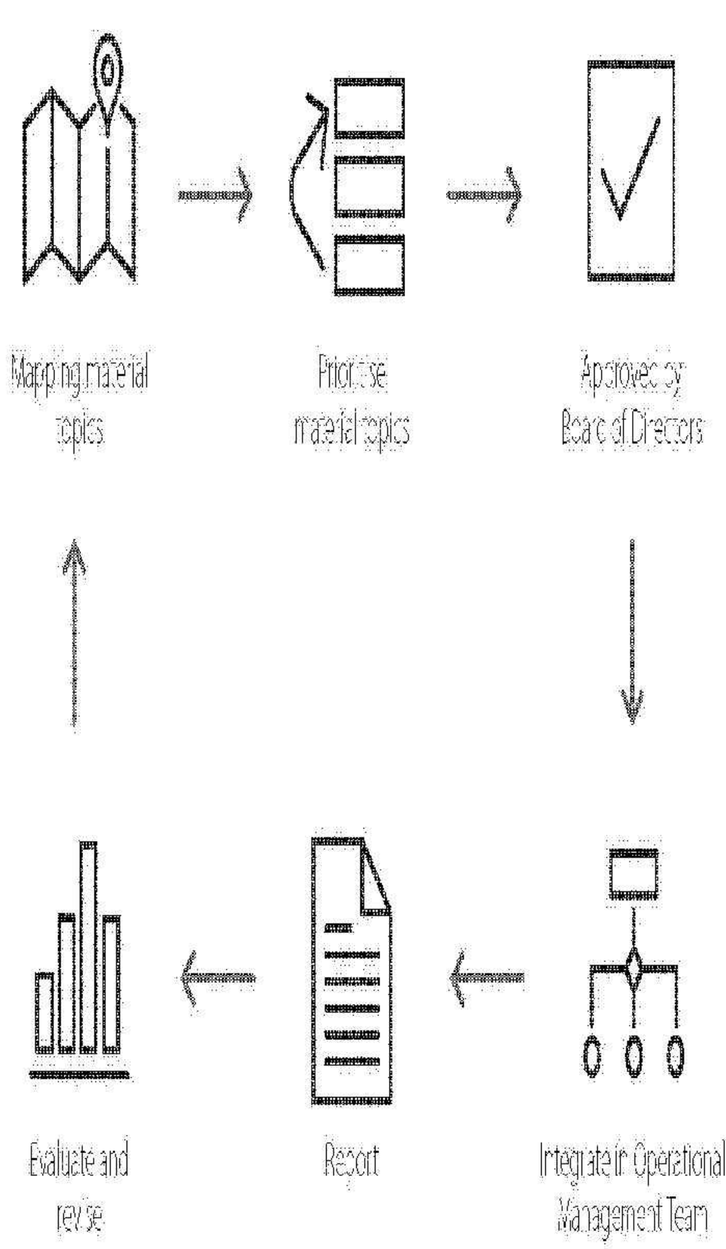
- **Governance:** Governance originally included corruption and was rephrased to ethical business conduct, which also includes anti-competitive practices and unethical business conduct in the supply chain.

Going forward, BEWI will strengthen the double materiality assessment giving more emphasis on financial materiality to align the assessment with the proposed European Sustainability Reporting Standard.

The full report of the materiality assessment for 2022 can be found on BEWI's corporate website.

Management of material topics

BEWI's approach to ESG is based on a continuous assessment of material topics to BEWI and its stakeholders. Identified material topics are addressed throughout the organization, to mitigate risks and explore opportunities.



Governance

The board of directors has the highest responsibility to oversee the integrity of the work with ESG, while the management sets the strategic direction and monitors progress towards the targets. Within the management team, the director of sustainability together with the Chief human resources officer (CHRO) and the Chief legal officer (CLO), are responsible for the company's ESG work, whereas the director of sustainability is responsible for the daily coordination and follow up across the group. Local units have sustainability- and human resource managers responsible for compliance with group sustainability strategy and policies.

Governing documents

BEWI's policies and procedures inform how the group, and its business partners shall conduct business. BEWI is in the process of developing a policy and a management approach for material topics that will govern the way BEWI manages each topic. The board of directors has the overall responsibility for compliance and governing documents, while management has the day-to-day responsibility for the company's conduct and monitoring of progress.

Sustainability strategy

BEWI is committed to lead the industry's way towards a circular economy and an inclusive society. The company's sustainability strategy outlines its commitment towards 2030 and is integrated in the organization with clear targets and action plans. The targets are reported and monitored on a monthly and annual basis. See progress report in appendix.

Integrating and monitoring of material topics

The board of directors approves the annual materiality assessment. The result from the assessment is consequently developed and anchored in the operational management team (OMT) to ensure a common understanding of key challenges and opportunities,

BEWI's governing documents

- Code of Conduct
- Sustainability strategy
- Human resource policy
- GDPR policy
- Anti-corruption policy
- Competition law policy

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Go Back

targets and key performance indicators, agreement on specific actions with clearly assigned responsibilities and ensuring appropriate training and communication throughout the organization. The company reports on a monthly and an annual basis to ensure progress and compliance with the targets and strategic direction.

Sharing knowledge and experience

To increase awareness of, and to ensure compliance with, policies and the management approach, courses are held throughout the organisation. Managers within sustainability and human resources conduct monthly meetings to share experience, and to discuss common opportunities and challenges.

Ensuring compliance

BEWI works to ensure compliance with any prevailing legislation and applies recognised norms and standards relevant for the scope of work, regardless of geographic location. Compliance is monitored through external audits, as well as the company's monthly and annual reporting. BEWI's governing policies are annually reviewed by the board of directors and updated to reflect the company's approach and industry's best practices.



Environmental impacts and opportunities



A circular economy creates a framework to move towards more sustainable production and consumption. For BEW this means focusing on resource efficiency throughout its value chain, utilising resources as efficiently as possible, reducing consumption and keeping the value of products and materials in the loop for as long as possible. In addition, it includes the company's dedication to the transition to renewable energy sources.

Material environmental topics:

→ Climate mitigation

→ Climate adaptation

→ Resource efficiency and circularity

→ Biodiversity and ecosystems

ENVIRONMENT

Climate change mitigation

BEWI's operations contribute to greenhouse gas (GHG) emissions, mainly through the consumption of styrene, a fossil based raw material.

BEWI works to reduce its emissions by adopting a circular economy model and by increasing its use of renewable energy sources, both of which are key elements in the company's strategy to mitigate climate risks and make the value chain more resilient.

Key risks

- More stringent regulations on energy efficiency and GHG emissions

Key opportunities

- Circular business model
- Energy efficiency requirements in the building & construction industry
- Electrification of the car fleet

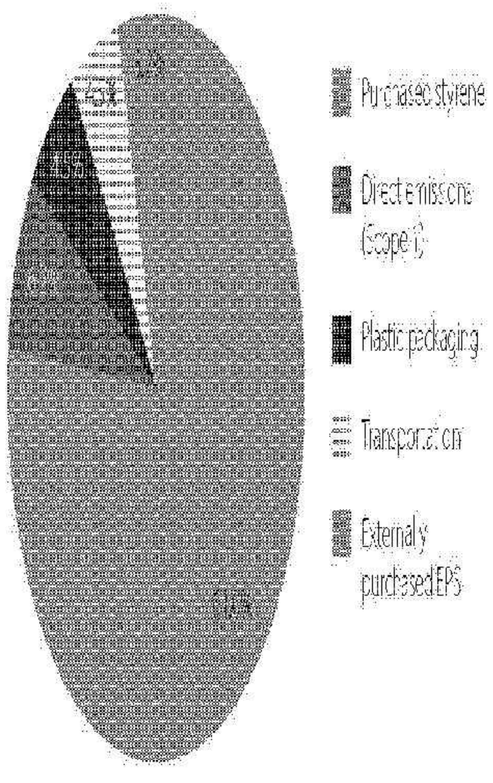
Our efforts

In 2022, BEWI continued to increase its efforts to address its climate impacts, gaining more insights on the company's GHG emissions.

Increased knowledge of GHG emissions

BEWI reports its GHG emissions in accordance with the GHG protocol including emissions in scope 1, 2, and 3. The last two years the company has worked to collect data on the relevant categories in scope 3. By completing the overview of the company's GHG emissions for all scopes, the company is ready to develop a climate reduction strategy in line with the science based targets initiative (SBTi). BEWI is currently in the first stages of implementing the SBTi corporate standard, including developing a climate reduction plan (scope 1, 2 and 3) of GHG emissions towards 2030 and 2050.

BEWI's top 5 sources of GHG emissions



Decarbonizing the value chain

The largest share (61 per cent) of BEWI's GHG emissions originates from the company's consumption of styrene. The company's work to increase the share of recycled and renewable raw materials is the most effective action to reduce the company's GHG emissions. To further reduce the company's GHG emissions, BEWI has strengthened its collaboration with strategic suppliers to map and discuss opportunities to increase circularity and reduce GHG emissions.

Energy efficiency and transition to renewable energy sources

The transition to renewable energy sources remains a challenge. In 2022, BEWI company established an energy committee, working to improve energy efficiency and increased use of renewable energy sources. During 2022, several pilot projects were conducted, aiming at enabling the company to make informed decisions with regards to investments in energy efficiency and transition to renewable energy sources.

Our progress

BEWI's total GHG emissions were 710 111 tonnes, whereas scope 1 and 2 accounted for 9.5 per cent and scope 3 for 90.5 per cent.

Scope 1 GHG emissions

BEWI's scope 1 GHG emissions are mainly caused by consumption of natural gas used to produce steam for moulding of the company's products. In 2022, the emissions increased by 12 per cent despite a decrease in the consumption of natural gas by 6 per cent. The increase is explained by a change to more GHG intensive energy sources. This is a result of a challenging energy market with shortage of energy and high prices. To ensure operations and cost control, several of the production facilities have changed their energy source from LPG to LNG, and some have been forced to switch from LPG to diesel, which can explain the increase in GHG emissions.

Scope 2 GHG emissions

BEWI's scope 2 GHG emissions are caused mainly by the company's electricity consumption (87 per cent) and purchased steam (13 per cent). In 2022, the emissions decreased by 21 per cent, explained by a decrease in the use of electricity (2 per cent) and steam consumption (9 per cent), and an increase in the share of renewable energy sources from 19 to 21 per cent.

Scope 3 GHG emissions

The largest share of BEWI's GHG emissions lies in scope 3 and amounted to 91 per cent of the company's emissions in 2022, in line with the share in 2021.

Purchased goods and services were 94.8 per cent of scope 3 emissions whereas 61 per cent came from the consumption of styrene.

The emissions increased by 2 per cent compared to 2021, due to inclusion of several new categories which constituted for 7 per cent of the emissions within this category. Disregarding these, the company had a reduction of GHG emissions of 2.7 per cent compared to 2021.

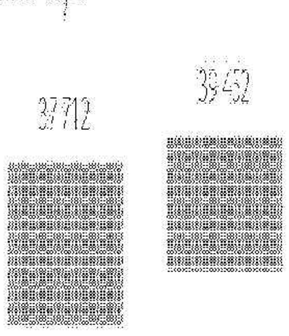
Emissions from waste generated in operations decreased by 93 per cent compared to 2021. This is mainly explained by increased data quality on final treatment of solid waste, as well as an overall decrease in waste production of 15 per cent.

Emissions from business travels increased by 178 per cent owing to a "return to normal" after the Covid-19 pandemic and increased travel to integrate newly acquired companies (see progress report for more detailed information).

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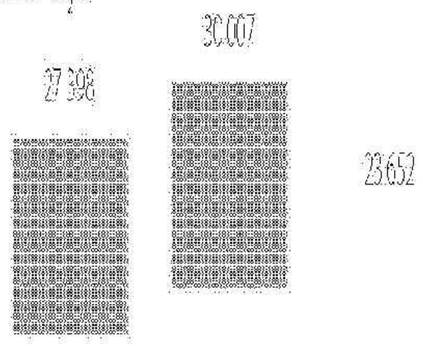
Direct GHG emissions
- scope 1

Tonnes CO_2eq



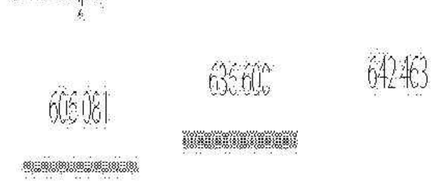
Indirect energy-related GHG emissions (market-based)
- scope 2

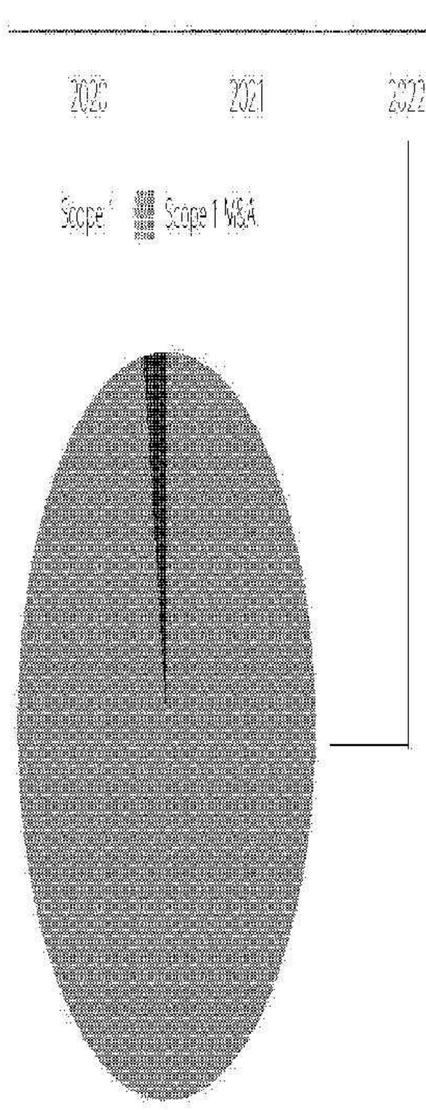
Tonnes CO_2eq

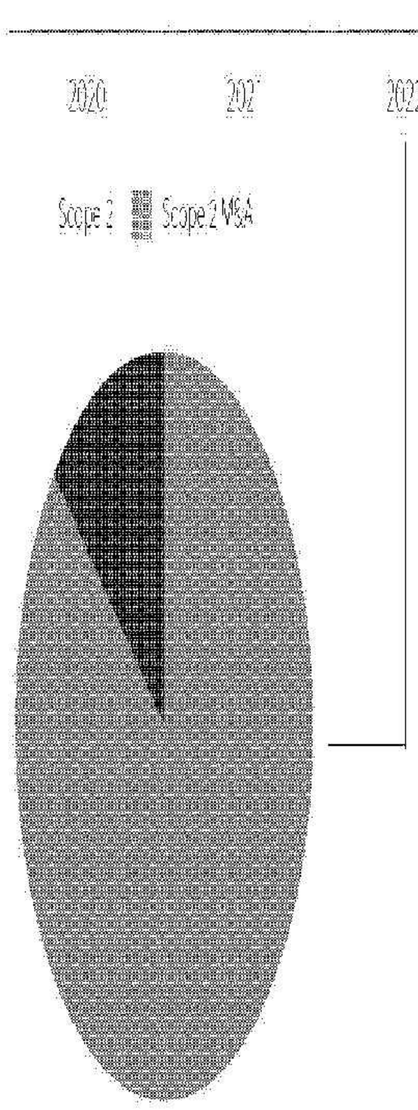


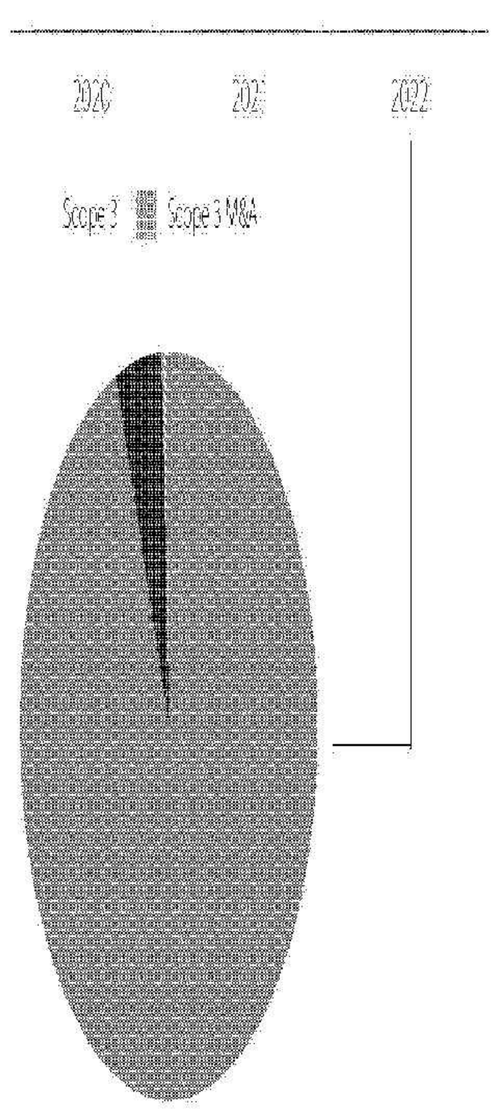
Other indirect GHG emisssions
- scope 3

Tonnes CO_2eq









Natural gas, oil and diesel 97.6%
Internal transport 2.4%

Electricity (market-based) 86.7%
Purchased steam 13.3%

Category 1 - Purchased goods and services 94.8%
Category 4 & 9 - Ups and Downstream transpo 5.0%
Category 5 - Waste generated in operations 0.1%
Category 6 - Business travel 0.1%
Category 7 - Employee commuting 0.1%

Key targets 2030

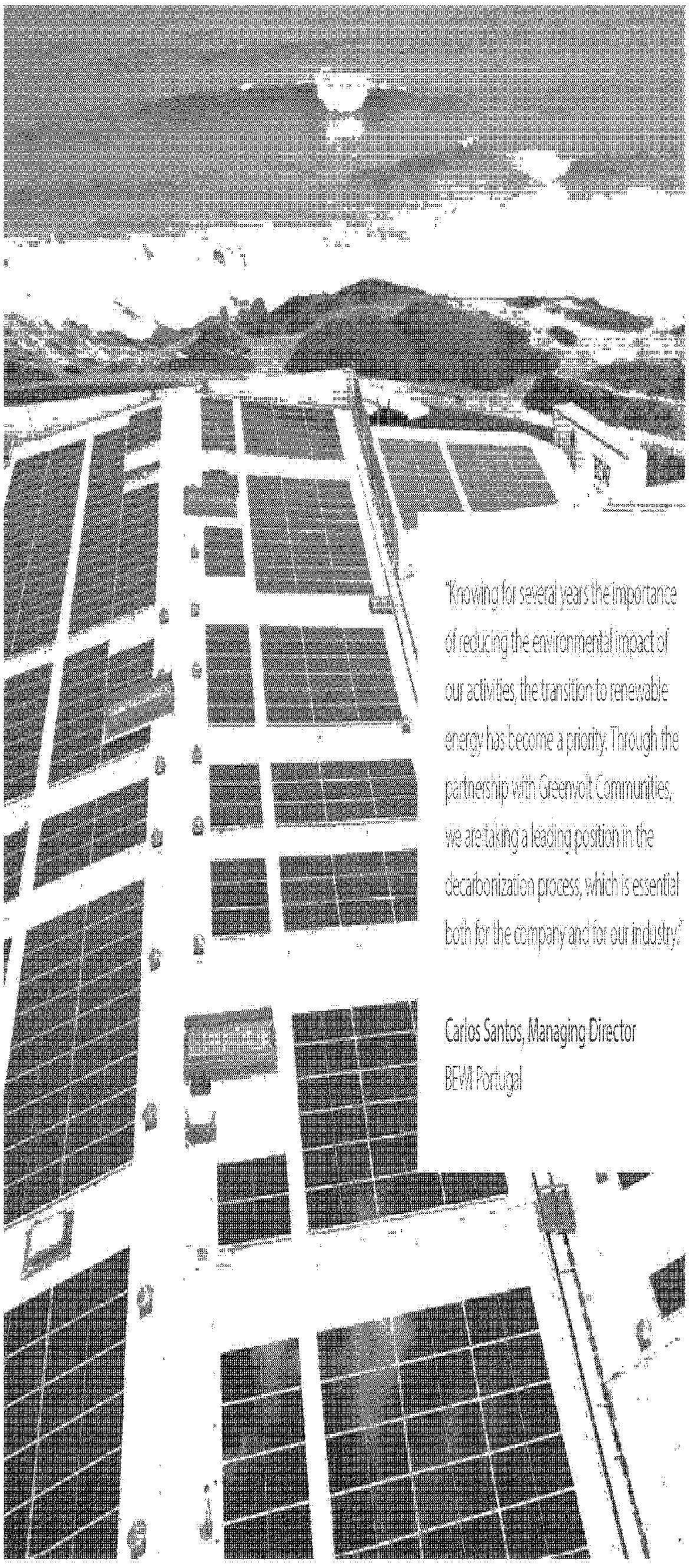
- 50% recycled or renewable raw materials
- 50% renewable energy sources
- 50% renewable transportation

Key priorities going forward →

- Integrate a climate mitigation policy and management approach
- Develop a climate reduction plan (scope 1, 2 and 3) in line with Science Based Target Initiative (SBTi)
- Collaborate with raw material and transportation suppliers to decarbonize the value chain
- Increase the share of recycled raw materials
- Increase the share of renewable energy sources

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Go Back



BEWI Portugal installs solar panels - providing cleaner energy to 800 families

In 2022, BEWI's operation in Portugal installed solar panels at two of their locations, in Peniche and Santo Tirso, in partnership with Greenvolt Communities. The solar panels have a total capacity of more than 1 400 kWp, being able to generate 1 922 MWh annually, and potentially reducing the GHG emissions by 500 tonnes per year[1].

The project is an important milestone for the company's transition to renewable energy sources and has enabled the two production facilities in Portugal to increase their share of renewable energy from electricity consumption to 35 per cent. All the energy that is produced but not used will be transferred through Greenvolt Communities and shared with up to 800 families and small businesses within 4 km of their facilities.

"Knowing for several years the importance of reducing the environmental impact of our activities, the transition to renewable energy has become a priority. Through the partnership with Greenvolt Communities, we are taking a leading position in the decarbonization process, which is essential both for the company and for our industry."

Carlos Santos, Managing Director
BEWI Portugal

[1] Compared to consumption of energy from the national grid.

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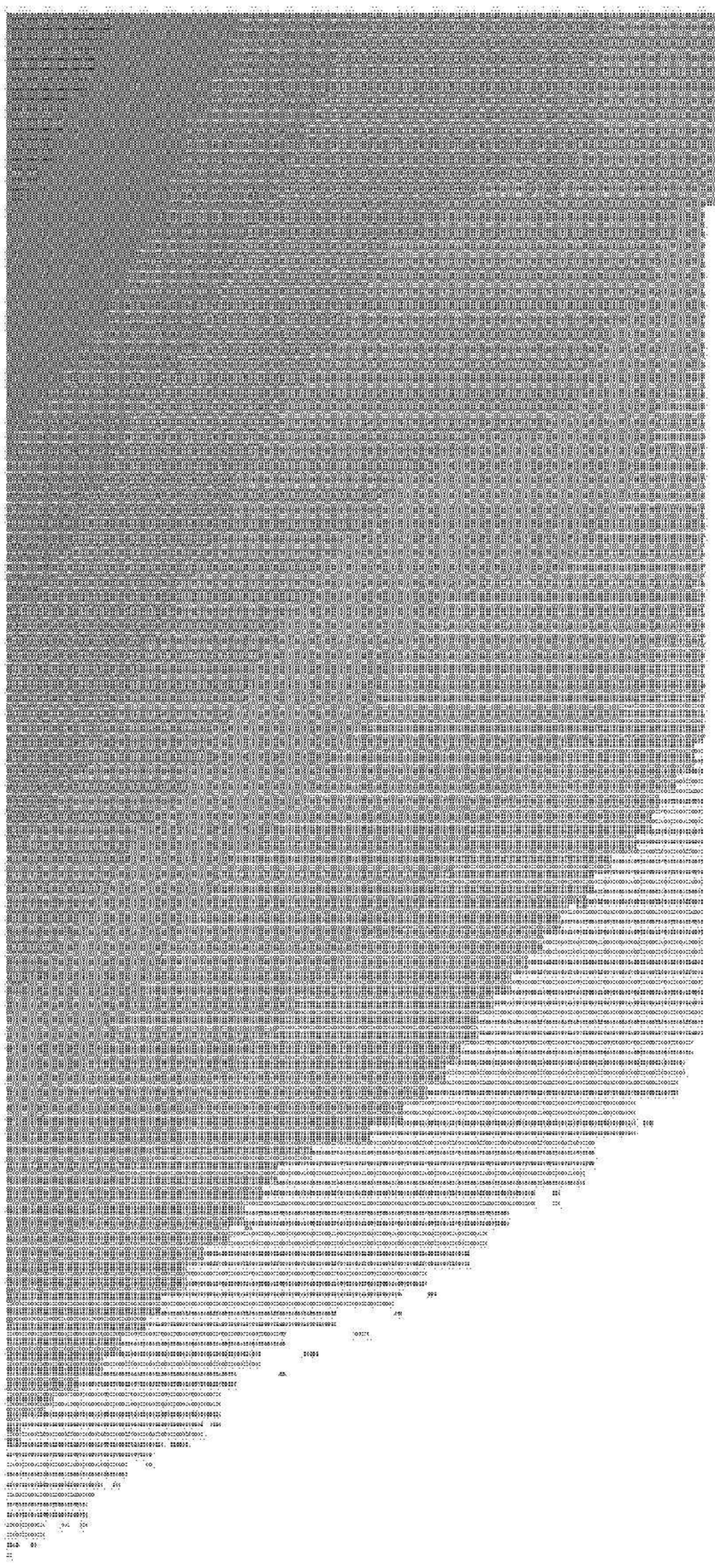
Go Back

ENVIRONMENT

Climate change adaptation

Climate change has an impact on BEWI's operations and represents financial risks and opportunities. The company is exposed to both physical and transitional risks and opportunities.

BEWI will mitigate its climate related risks by integrating the recommendations from the Task force on Climate-related Financial Disclosures (TCFD) and by adapting its business to a circular economy based on renewable energy sources, both of which are key elements in the company's strategy to make value chains more resilient.



Key risks

- Flooding and extreme weather
- More stringent regulations on GHG emissions
- Limited access to waste materials for recycling
- Change of market preferences for plastic packaging

Key opportunities

- Circular business model
- Energy efficiency requirements in construction sector
- Electrification of the car fleet



Our efforts and progress

In 2022, BEWI strengthened its efforts to address impacts on climate change adaptation, gaining more insights about its physical and transitional climate risks and opportunities.

Governance and management of climate risks

BEWI started the work to integrate climate change adaptation in 2021, with an external assessment of the company's governance and management based on the recommendations from TCFD. The work continued in 2022, focusing on integrating the management of climate risks and opportunities into the overall risk and management systems as well as the company's strategy processes. To ensure integration of climate risks and opportunities in acquisition processes, a due diligence checklist has been developed, to ensure that climate relevant information is considered.

Mapping of physical and transition risks

A mapping of physical and transitional risks was conducted by the management in 2021 and a physical risk assessment[1] of all production facilities and warehouses was conducted in 2022. The company are in the process of arranging workshops, aiming at identifying potential impact on facilities and operations, and agreeing on mitigation measures.

Climate risk scenario analysis

To increase the understanding of potential financial risks and opportunities a climate risk scenario analysis has been conducted. The aim was to better understand how climate change under various transition scenarios, could impact the company both in the short and long term. This study modelled three key scenarios each reflecting different emission and temperature paths, to assess the economic impacts of climate change and the low-emission transition from 2020 to 2070. A financial disclosure of material risks identified will be finalised in 2023.

Integration of TCFD in daily operation

In 2023, BEWI will continue the work to finalise the disclosures in line with the TCFD recommendations with an emphasis to increase knowledge about climate related risks and opportunities and to ensure that these are integrated in both governance, strategy and management approach and are part of the company's daily operation.

Key targets 2024

- Integrate and comply with TCFD recommendations

Key priorities going forward →

- Integrate a climate change adaptation policy and management approach
- Finalise integration of climate risks in the company's overall risk management system
- Implement measures to reduce physical climate risks at exposed production facilities
- Assess financial exposure and determine risks and opportunities material to the business model and strategy
- Finalise disclosures in line with TCFD recommendations

[1] The physical risk assessment was also part of the work towards EU taxonomy alignment, where the company have evaluated the resilience of taxonomy-eligible assets in changing and extreme weather.

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Go Back

ENVIRONMENT

Resource efficiency and circularity

In a linear economy, BEWI's products contribute to greenhouse gas (GHG) emissions and, if improperly handled after use, negative impacts on the environment.

Adopting a circular business model is crucial for BEWI to improve resource efficiency, and to reduce GHG emissions and potential negative environmental impacts.

Key risks

- Access to high quality waste materials

Key opportunities

- Circular business model
- Creating value in re-usable service-based products



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Go Back

Our efforts

The company's sustainability strategy sets out BEWI's commitment to resource effficiency. In 2022, BEWI continued its work to increase resource efficiency throughout the value chain by focusing on the company's key principles of a circular economy.

To be lean - increasing resource efficiency

In 2022, the company conducted further testing to use recycled raw materials in its downstream production facilities. The group has imposed strict requirements to all its downstream facilities to dramatically increase the use of recycled content, and expects this to result in a significant improvement in the share of recycled raw materials for 2023.

To keep - ensuring recyclability and reuse

An important prerequisite for circularity is to make sure that products are resource efficient and recyclable. A milestone in 2022 was the RecyClass certification of recyclability[1] and the REDcert certification of several of the company's locations enabling the company to provide customers with a third-party audited certificate on recycled content.

To close - making sure resources are put back into the cycle

BEWI has announced a target of an annual collection of 60 000 tonnes of EPS. The number refers to approximately the volume BEWI puts into the end markets with a lifetime of less than one year. The target is anchored in the company's sustainability-linked finance framework. Under the framework, BEWI has committed to collecting 45 000 tonnes of used EPS for recycling by the end of 2024, and 60 000 tonnes by the end of 2026.

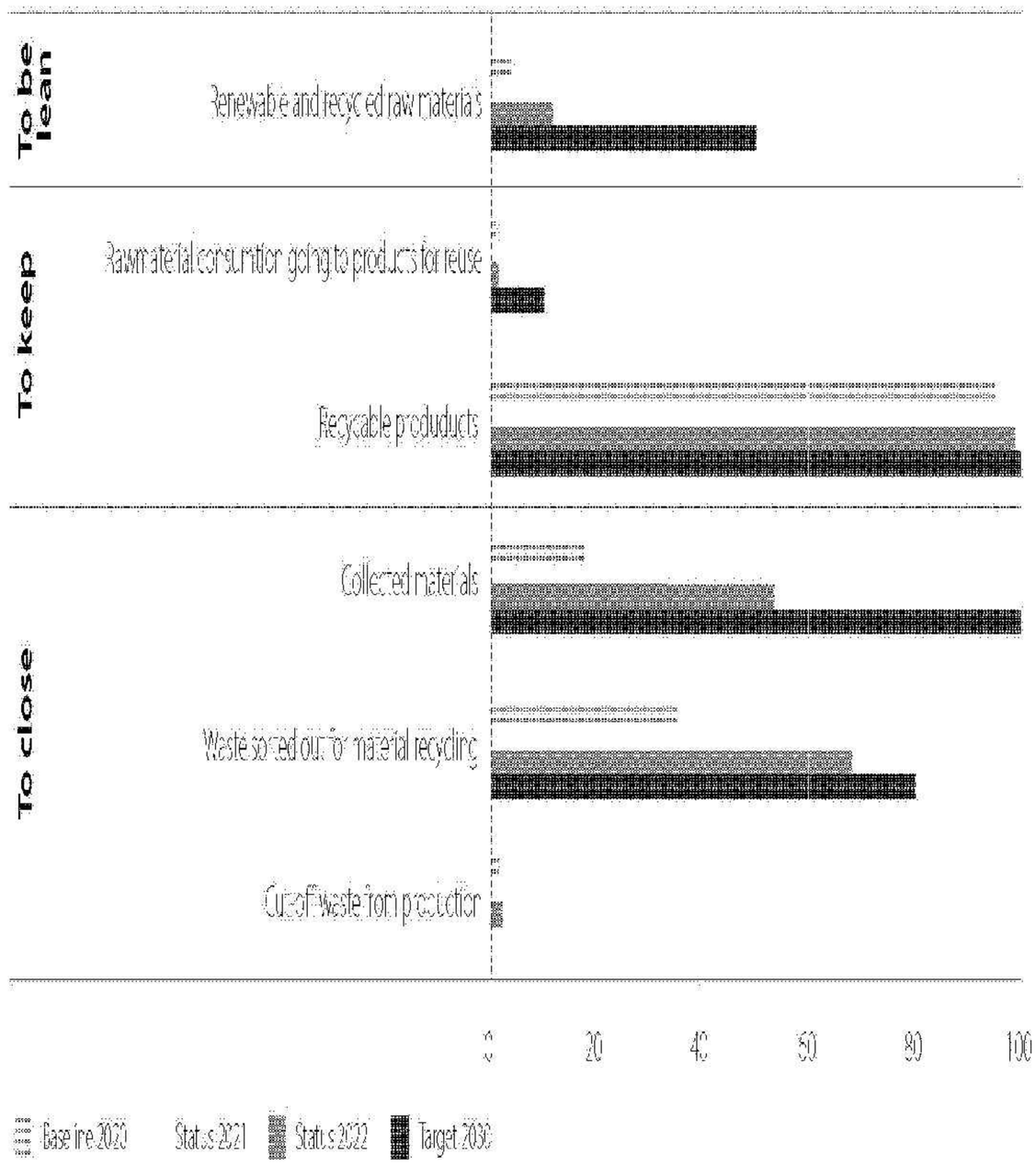
To increase the company's capacity to utilize the collected raw materials, BEWI is working to install a new EPS extruder which will increase the capacity by approximately 25 000 tonnes per year. The extruder will utilize recycled polystyrene provided by the Circular division and enable BEWI's downstream production facilities to increase their share of recycled materials.

Our progress

To enhance circularity, BEWI works with resource efficiency throughout its value chain. The aim is to build long-term resilience, create business and economic opportunities, and provide solutions that benefit the society and the environment.

Progress - becoming circular

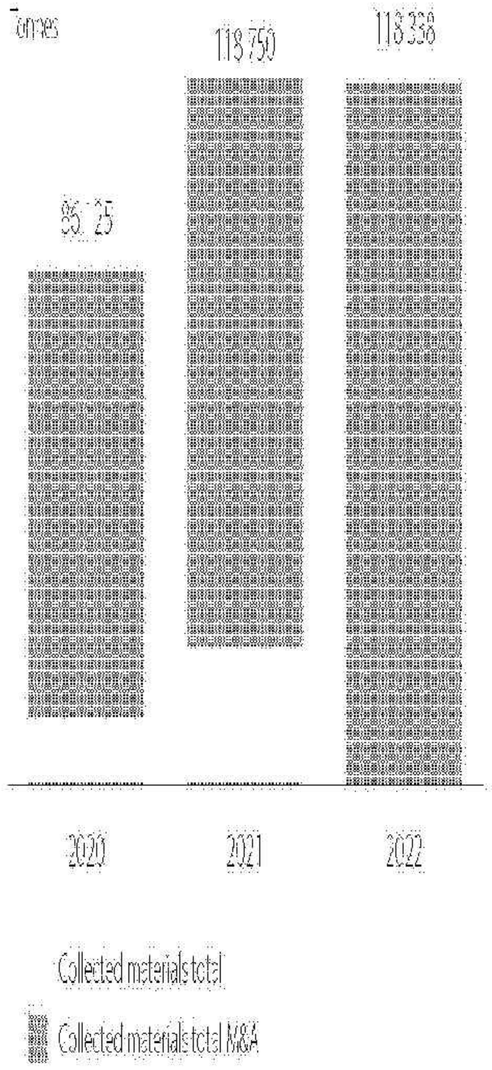
Percent



[1] EPS fish boxes and EPS packaging for appliances.

Transaction 09222 Signed Go Back

Materials collected for recycling



To be lean – increasing resource efficiency

BEWI is targeting to use 50 per cent recycled and renewable raw materials in their production by 2030. In 2022, the share of recycled and renewable raw materials where 12 per cent. This is an increase of 1 per cent compared to 2021 and a result of continuous work throughout the company's value chain.

To keep – ensuring recyclability and reuse

BEWI is committed to produce recyclable and reusable products. In 2022, 99 per cent of products supplied to the market were recyclable. 2 per cent of the company's raw materials consumption was used for products in re-use schemes, an increase of 357 per cent compared to 2021.

To close – making sure resources are put back into the cycle

BEWI is targeting zero waste from its production. In 2022, the company had 9 132 tonnes of production cut-offs of which 8 044 tonnes, representing 88 per cent, were recycled back into production.

BEWI's total waste production amounted to 16 990 tonnes in 2022, a reduction by 13 per cent from 2021. 68 per cent of this were sorted for recycling, an increase of 31 per cent compared to 2021.

In 2022, BEWI collected a total of 117 857 tonnes of waste. Of this, 32 629 tonnes were EPS waste, representing an increase of 73 per cent compared to the EPS material collected in 2021. This is a significant increase from 2021 and is mainly explained by acquisitions and investments in organic growth initiatives the last year, especially the acquisition of the trading platform Berga Recycling in June 2022, which strongly increased the amount of collected and traded materials.

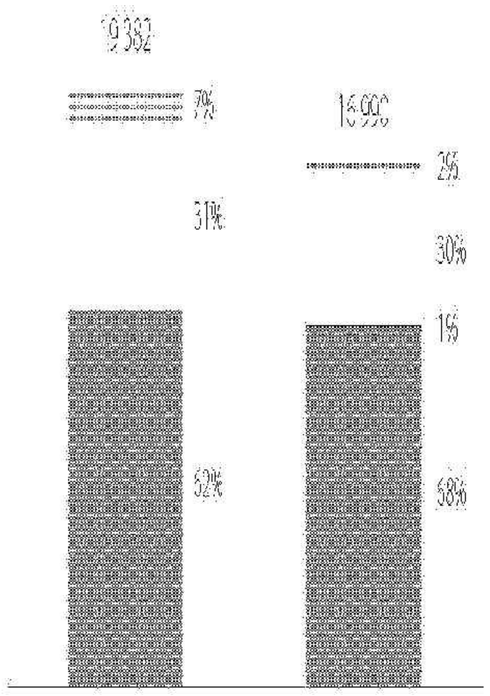
Key targets 2030

- 50% recycled or renewable raw materials
- 100% recyclable products
- 0% cut-off waste from production
- 80% waste sorted out for material recycling
- 60 000 EPS collected annually for recycling

Key priorities going forward →

- Continued focus on resource efficiency
- Continued focus on recyclability and reusability when designing new products
- Increase use of recycled raw materials in own production
- Increase collection capacity
- Increase recycling capacity

Waste handling

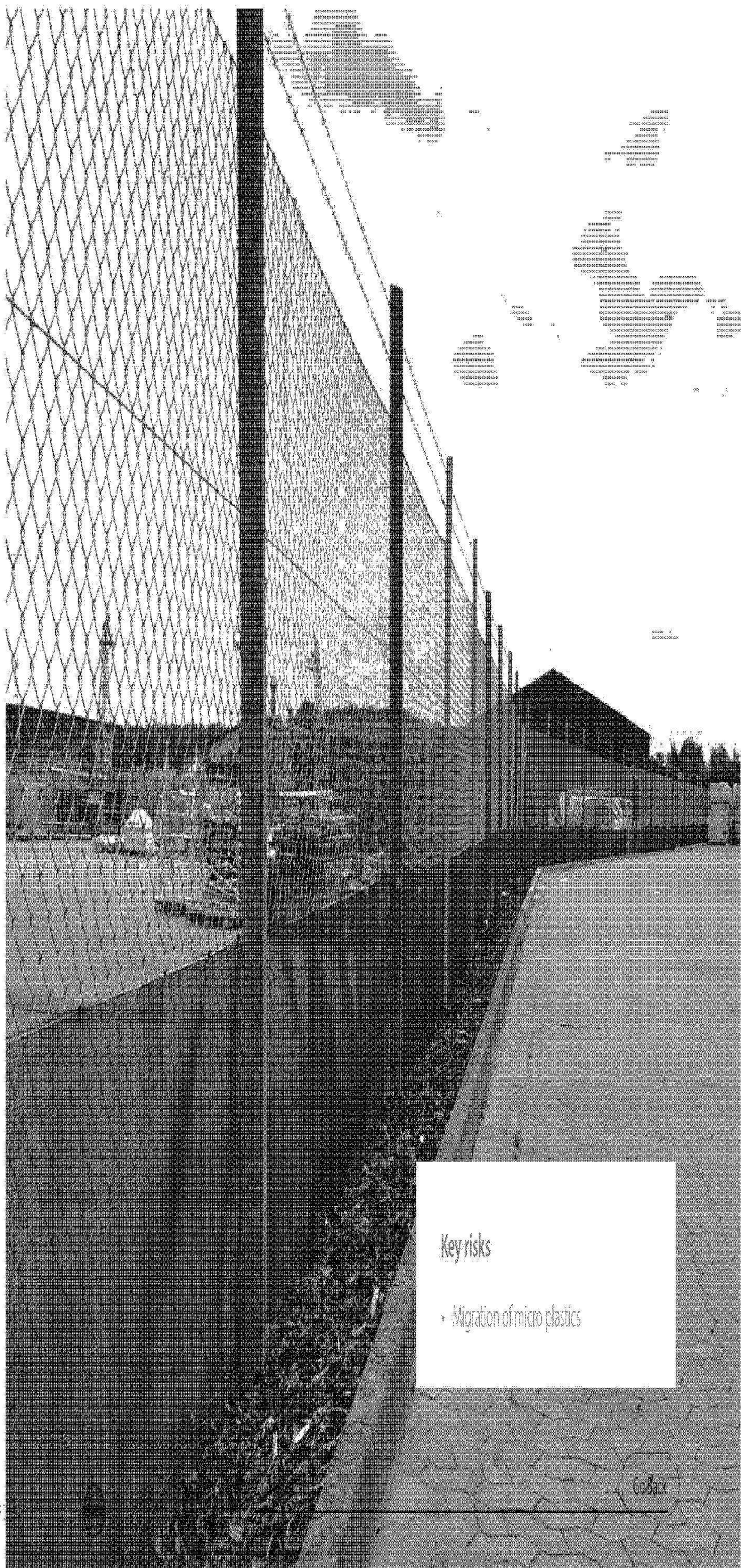


ENVIRONMENT

Biodiversity and ecosystems

Through the production of plastic raw materials and products, there is always a risk of plastic pellets getting into the surrounding environment.

BEWI is continuously monitoring impacts on biodiversity and ecosystems and works to increase knowledge and awareness among its employees.



Key risks

- Migration of micro plastics

20%

of BEWI's production facilities have implemented Operation Clean Sweep

60%

of BEWI's production facilities have ISO 14001 certification

31

deviations from environmental management system

Our efforts and progress

In 2022, BEWI focused on increasing its knowledge and efforts to mitigate potential negative impacts on biodiversity and ecosystems. The implementation and certification of environmental management systems has had – and is having a high priority to keep any negative impacts to an absolute minimum.

Certified management systems

In 2022, the company's top priority was to strengthen environmental standards and frameworks, supporting its facilities to ensure no negative impacts on biodiversity and ecosystems. BEWI has also signed the Operation Clean Sweep to reduce the loss of pellets, flakes, and powder from the company's processing facility into the environment. The commitment imposes all production facilities to identify high pollution risk areas and to mitigate risks by installing filters, netted fences, rules for transportation and storage, daily cleaning routines and training of employees. All deviations, regardless of severity, are followed up with an analysis of root cause and implementation of preventive measures. All production facilities are well underway with the implementation e.g. both ISO 14001 and OCS which will be completed in 2023.

Mapping of protected areas

To increase awareness of the importance of protecting ecosystems and biodiversity and to ensure alignment with the EU's taxonomy on Do No Significant Harm (DNSH), BEWI has conducted a mapping of protected areas. The mapping showed that 10 (21 per cent) production facilities are located within 1 kilometre from a protected area and are considered potentially very high-risk areas.

Taskforce on Nature-related Financial Disclosures

BEWI has followed the work with the development of Taskforce on Nature- related Financial Disclosures (TNFD). The company is in the first stage to integrate the framework that will guide the work related to biodiversity and ecosystems going forward.

Key targets 2023

- 100% production facilities certified with ISO 14001
- 100% compliance with Operation Clean Sweep
- Zero deviations from environmental management systems

Key priorities going forward →

- Integrate biodiversity and ecosystem in environment policy and managment approach
- Certification of ISO 14001 and Operation Clean Sweep for all production facilities in 2023
- Integration of Taskforce Nature-related Financial Disclosure

Transaction 69772 Signed 05 Jul 23, 9:32 AM CEST Signed 05 Jul 23, 9:43 AM CEST

Go Back



Social impacts and opportunities

BEWI has an important role to play in securing an inclusive society, by being a responsible employer, partner, and neighbour. BEWI can make a difference for people and communities in the countries where it operates by tackling anti-corruption, upholding human- and labour rights, and ensuring inclusive decision-making and community engagement.

Material social topics:

→ Working conditions

- Health and safety
- Employees wellbeing

→ Human rights

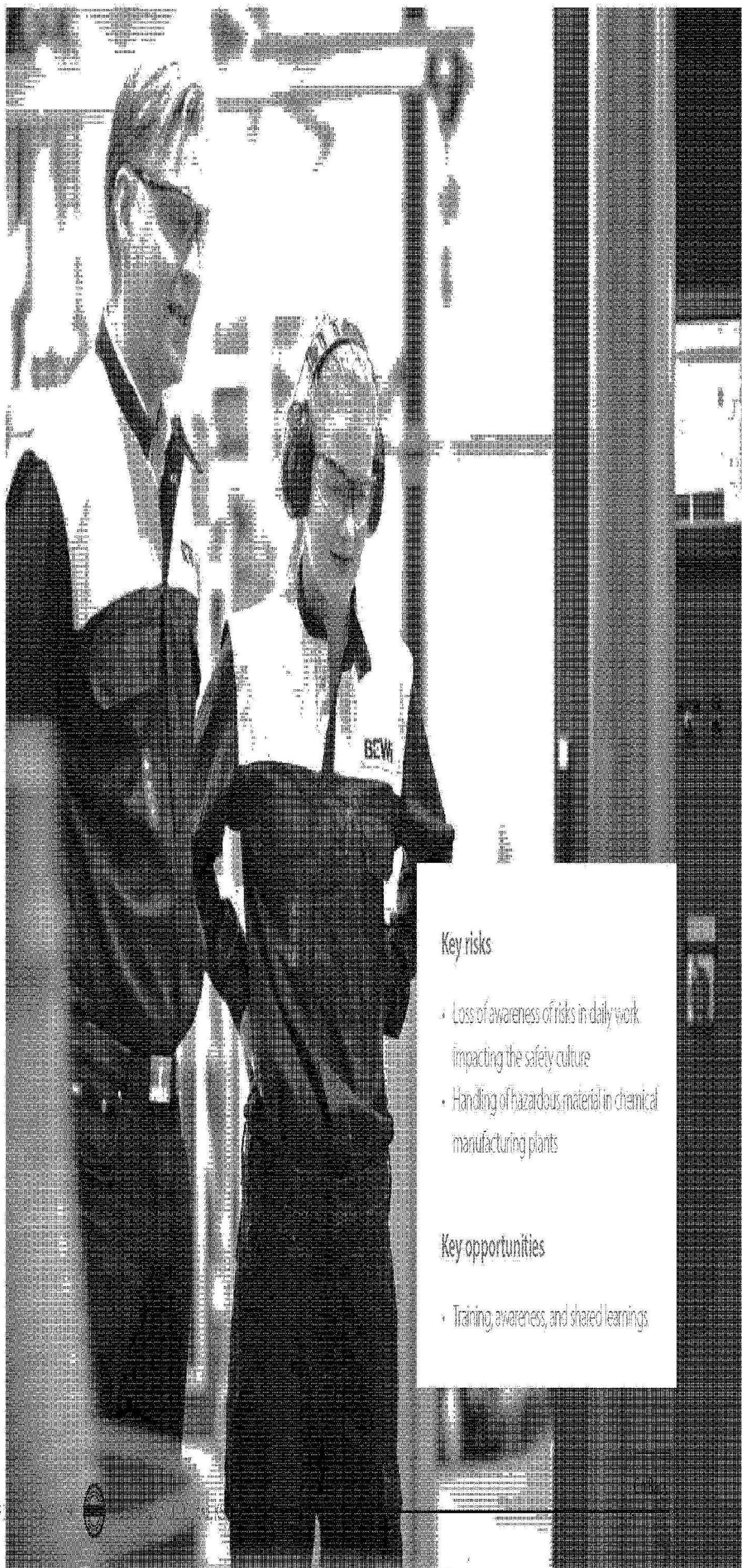
→ Local communities

SOCIAL

Health and safety

Ensuring safe working condition is paramount in everything the company does. BEWI has a target of zero accidents when it comes to health and safety.

At the end of 2022, BEWI had 67 production facilities in 13 European countries, including companies acquired during 2022 (not included in this ESG report). Employees and workers at the facilities are exposed to physical work-related risks of injuries and accidents. The main work-related hazards are related to the company's chemical production facilities, due to handling of chemicals and dangerous substances.



Key risks

- Loss of awareness of risks in daily work impacting the safety culture
- Handling of hazardous material in chemical manufacturing plants

Key opportunities

- Training, awareness, and shared learnings

54

accidents

62%

ISO 9001 certified

Our efforts

The company works actively to ensure that preventive measures are implemented, and that safe working conditions are maintained in accordance with internal policies, local laws, and regulations. All production facilities must be ISO 9001 certified. BEWI seeks to provide a working environment and culture where health and safety is integrated in the business.

To increase knowledge of health and safety across the organization, a survey was sent out in 2021 to map practices regarding management, as well as awareness, of risks and company policies. As a follow up, a new survey was sent out in the end of 2022 and the results will provide valuable information of gaps to fill based on the health and safety policy and the continued work on health and safety. Implementation within the local business units will be secured and followed-up within the segments and on group level.

Specialised training and qualifications

In highly regulated work places, such as the chemical production facilities mentioned above, workers are offered specialised training programmes and processes for training certification. At regular production facilities, introduction training programmes are conducted on a regular basis in line with local legislations or site-specific standards.

Our progress

In 2022, BEWI reported a total of 54 accidents compared to 26 accidents in 2021, with an increase of severity rate from 0.06 per cent to 0.10 per cent. Of these accidents, 25 had less than 5 days of sick leave and 7 accidents resulted in more than 21 days of sick leave. The main types of accidents are fall or cuts. All accidents, regardless of the severity, were followed up with an analysis of root cause and implementation of preventative measures.

	2020	2021	2022	Target
Total no. of accidents	41	26	54	0
Frequency rate	0.01%	0.01%	0.01%	
Severity rate	0.11%	0.06%	0.10%	
No. of working days lost	359	311	536	

A communication and awareness campaign on health and safety is under implementaton in 2023 across all business units, increasing focus on key risks and strengthening the culture of safety.

Key targets 2023

- 100% ISO 9001 certified
- Zero accidents

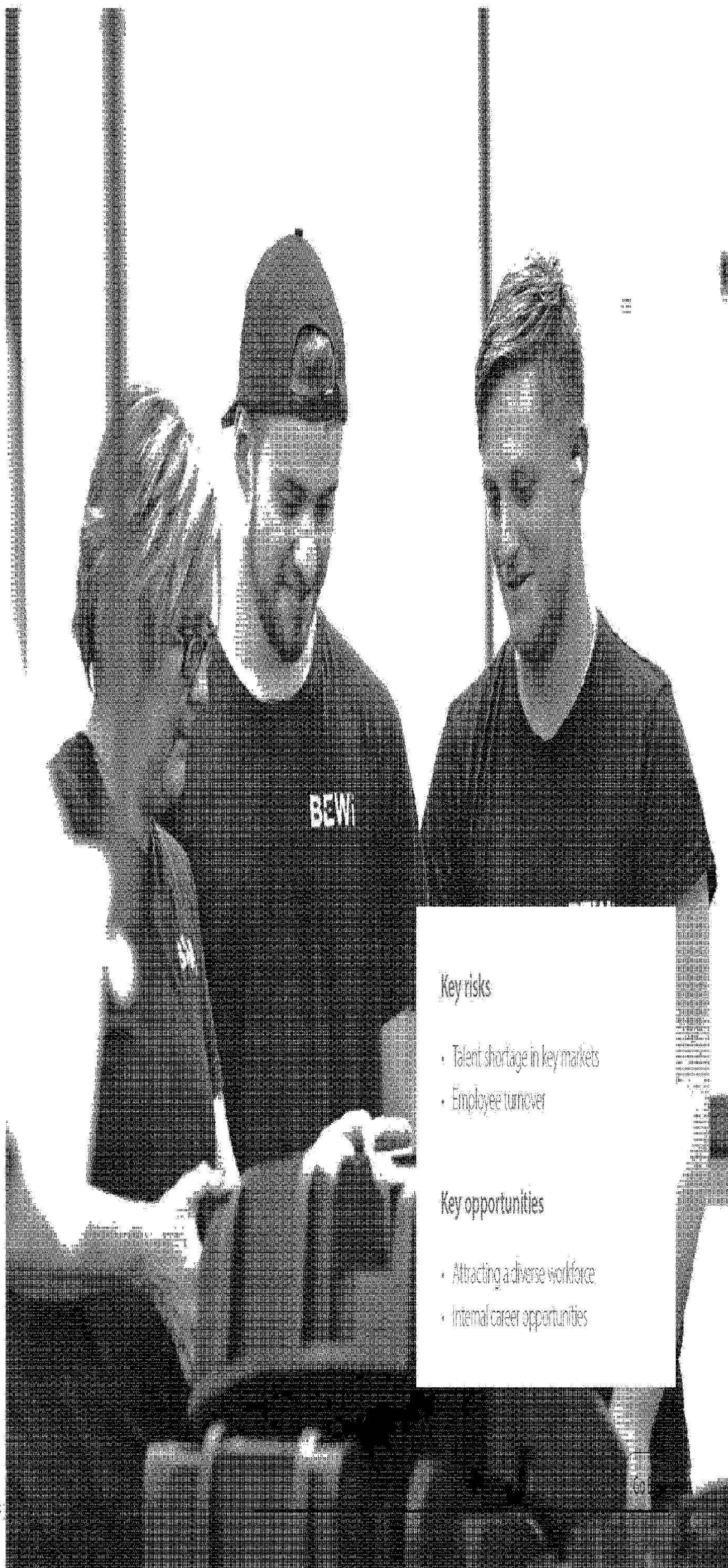
Key priorities going forward →

- New health and safety policy and management approach at group level
- Training and awareness of new policy and management approach

SOCIAL

Employees wellbeing

The employees are BEWI' most valuable resources and key enablers for continuous growth and development. Creating a learning environment which recognises the contribution of colleagues and providing development opportunities are priorities for BEWI.



Key risks

- Talent shortage in key markets
- Employee turnover

Key opportunities

- Attracting a diverse workforce
- Internal career opportunities

Our efforts and progress

The company's human resource policy sets out BEWI's commitments to ensure workers wellbeing and development. The policy stipulates employees' rights to form or join a trade union, and the company's respect for the rights of its employees and their trade unions to negotiate collective agreements.

Employee engagement and development

To ensure competitive advantages and maintain a sale driven culture, it is crucial to attract people with the right values, competencies, and skills. BEWI believes in developing and bringing out the best in its employees. Most learnings and competence development happen through "on-the-job-training", with internal recruitments providing opportunities for personal growth. BEWI targets that all employees should have a development plan and annual reviews.

In 2022, BEWI conducted an employee engagement survey, BE-Heard, as a follow up of the pilot survey conducted in Sweden in 2021. The survey will be an annual process and an important follow-up mechanism for continued improvements for employee motivation and engagement. The results from the 2022 survey were along the same lines as the pilot survey, showing highly engaged leaders with a good understanding of the overall strategy which is a prerequisite to further involve employees. Rapid decision making in combination with the willingness to learn from mistakes are also shown as strengths from the results and is coming from the entrepreneurial spirt of the company. Improvement areas are to further clarify overall goals and align them with team and individual goals which are expected to lead to an increased employee engagement index.

Diversity and equal opportunities

BEWI provides equal opportunities irrespective of race, ethnical background, religion, nationality, gender, marital status, age, or sexual orientation. This applies to all employees, potential employees, business partners, and other stakeholders. Everyone working for BEWI, in particularly those in a management position, has a responsibility in their daily work to ensure compliance to these commitments.

At the end of 2022, BEWI's gender mix was 71 per cent men and 29 per cent women (excluding acquired companies). The executive management team consists of 50 per cent men and 50 per cent women, while the board of directors has three men and two women. In the results from the BE-Heard survey, women show higher engagement and opportunities for development is considered the same for men and women.

In 2023, targets will be established with regards to gender mix based on organizational levels, and appropriate activities will be defined to secure progress.

Being a diverse workplace and providing equal opportunities for all employees is considered important in attracting top talents.

BEWI Business school – Leadership programmes

BEWI Business School was launched in 2020 to facilitate people- and leadership development internally. In 2022, BEWI conducted the first two programmes as "classroom trainings":

1. The Growth programme: A talent development programme including 18 participants, focusing on preparing employees to take the next step in BEWI, building network and learning about the business

2. The Business & Leadership Programme: A leadership programme including 20 participants, mainly from the business unit management teams, focusing on various leadership tools and techniques

Key targets 2030

- 100% employees with a development plan
- Gender mix of managers and non-managers reflecting overall company diversity

Key priorities going forward →

- Further development of leadership programmes to support engagement throughout the organisation
- Ensure a "healthy" gender mix in key positions

61%

of employees have a development plan

Zero

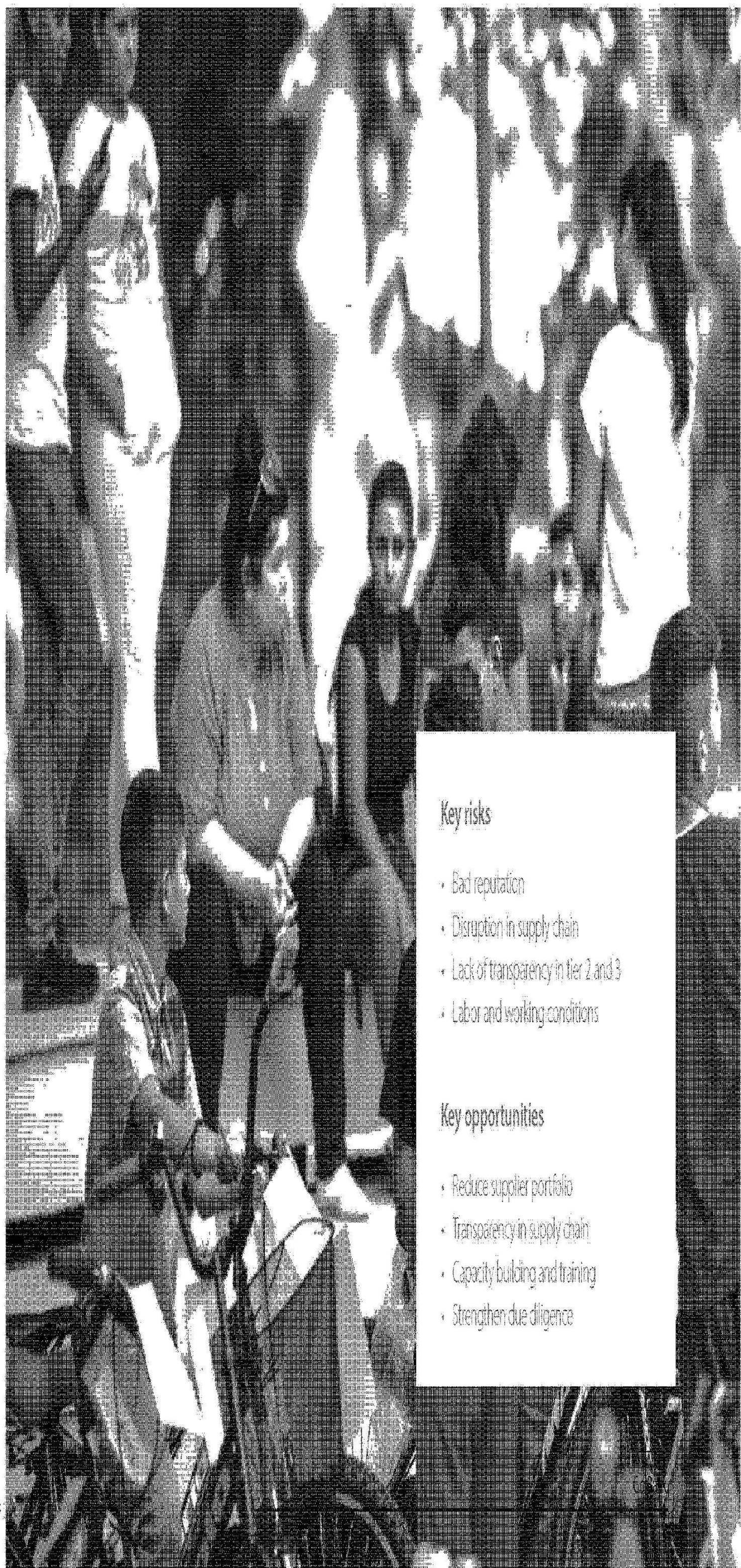
cases reported regarding equal opportunities or harassment

SOCIAL

Human rights

BEWI has a global supply chain and is therefore exposed to challenges related to human rights, especially in regions and industries where regulations are weak, and the implementation of local legislation is defective.

BEWI has approximately 7 500 suppliers, of which the majority is based in Europe and a few in Asia. Today, 10 per cent of the suppliers account for 90 per cent of the purchasing volume. The company will work to reduce the number of suppliers to increase control of human rights violations related to their operations.



Key risks

- Bad reputation
- Disruption in supply chain
- Lack of transparency in tier 2 and 3
- Labor and working conditions

Key opportunities

- Reduce supplier portfolio
- Transparency in supply chain
- Capacity building and training
- Strengthen due diligence

Our efforts

In 2022, BEWI increased the awareness of its suppliers environmental, social, governance and human rights performance. The company's goal is to respect and promote all international recognized human rights in own operations and in the value chain.[1]

Improving the management of human rights

To ensure compliance with the Norwegian Transparency Act, BEWI has evaluated existing policies and its management approach to ensure that the company meets legal requirements and the methodology for due diligence assessment, defined by the OECD and the UN's guiding principles for businesses and human rights. Based on the assessment, BEWI is in the process of integrating a human rights policy, an management approach, and a Code of Conduct for suppliers. Further, the company works to formalise the way findings are reported and to develop an internal audit system.

Identifying salient human rights issues

A salient human rights mapping was conducted in 2022, with the aim to identify and prioritise the management of human right issues. Based on the result from the mapping BEWI is in the process of developing an action plan for each salient issue that will guide how the company will manage and monitor each issue going forward.

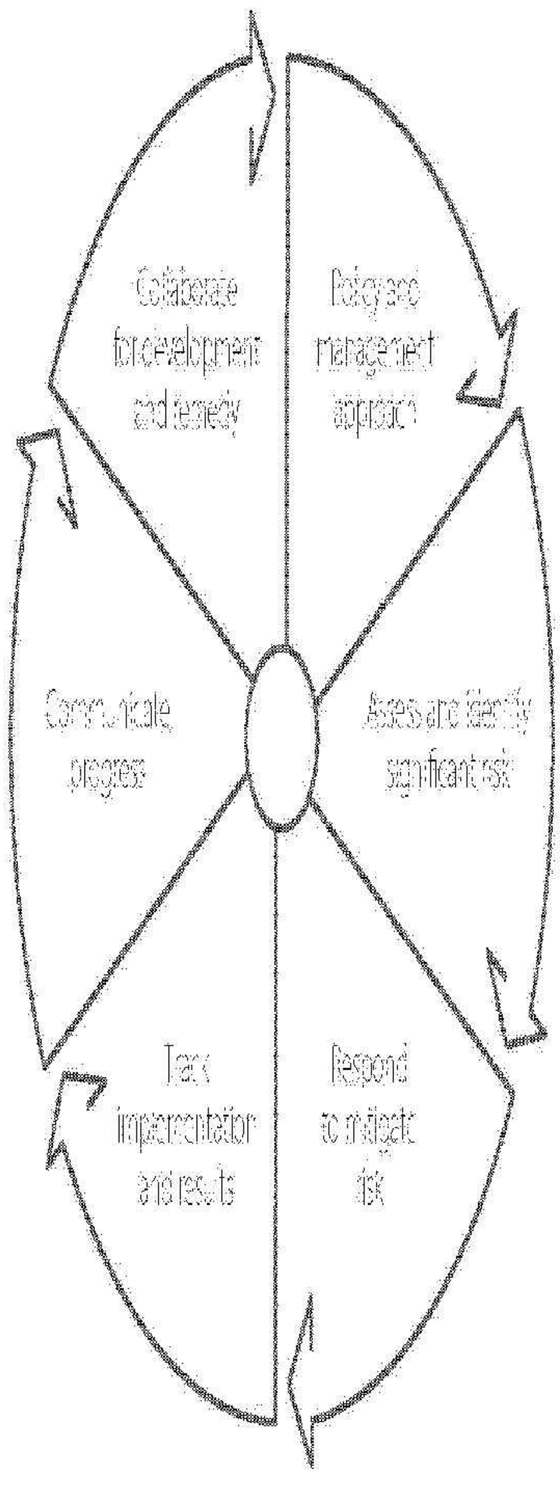
Due diligence of suppliers and business partners

The launch of BEWI Partner was a significant milestone in 2021 and paved way for a systematic due diligence of the company's suppliers (according to corporate governance, human rights, health and safety, environment, and quality). To ensure that the assessment covers more detailed information, especially related to human rights, the assessment has been expanded to include ILO Minimum Age Convention no 138, ILO Forced Labor Convention no. 29, and the ILO Abolition of Forced Labor Convention and will be launched in the BEWI Partner 2.0 in the second quarter of 2023. Moreover, a risk assessment module was added to the platform, to strengthen the assessment to identify potential risks and to include procedures for how to respond and mitigate identified risks. Moreover, a Visual Observation Form has been developed for assessment during supplier factory visits (covering health and safety, environment, and labor conditions) which will be included in the overall due diligence work.

Increasing knowledge within the organisation

BEWI is committed to build knowledge of human rights and works to ensure that 100 per cent of relevant employees are trained in human rights. This includes establishing a company toolbox with courses, manuals, presentations, and best practices to be easily accessible for all employees.

Due diligence management approach for suppliers



[1] BEWI is committed to respect and comply with the International Bill of Rights, The UN Guiding Principles on Business and Human Rights, The UN Global Compact Principles, The ILO Conventions, The OECD Guidelines for Multinational Enterprises

2.7%

suppliers identified having potential negative social impact

13%

suppliers identified having potential negative environmental impact

65%

procurement spend assessed for ESG criteria[1]

Our progress

In 2022, the total number of suppliers assessed for ESG criteria's including human rights impacts was 220, which accounts for 65[1] per cent of the company's procurement volume.

BEWI has 12 suppliers in Asia which have been identified as potentially high risk due to their geographical location. During 2022, 6 suppliers were visited with onsite audits and approved. 4 were approved through the company's assessment platform BEWI Partner. For 2023, BEWI will assess the remaining 2 suppliers for potential negative social and environmental impact.

Of the 220 suppliers assessed in BEWI Partner, 2.7 per cent were identified as having potential negative social impacts and 13 per cent were identified as having potential negative environmental impacts, lacking to document policies and procedures. Among the identified suppliers, no improvements were agreed upon, and no relationships were terminated.

During 2022, BEWI had 191 new suppliers. Of these, 12 (6 per cent) of the largest suppliers were assessed in BEWI Partner using ESG criteria.

BEWI acknowledges that the management approach for supplier assessment has not been well enough implemented both in terms of contracting new suppliers and to mitigate potential risks identified. Going forward, BEWI will focus on ensuring compliance with the company's policies and management approach to ensure that all deviations from the policy and management approach will be reported and followed up.

Key salient human rights issues

- Working conditions: logistics, tier 2-3 suppliers
- Hazardous materials: own operation and supply chain
- Health and safety: own operation and supply chain
- Forced labour: logistics supply chain
- Discrimination: own operation
- Corruption and unethical behaviour: own operations and supply chain

Key targets 2024

- 100% of suppliers mapped and risk assessed
- 100% of relevant employees trained in human rights

Key priorities going forward →

- Integrate human right policy and management approach
- Develop an action plan for each salient human right issue
- Increase knowledge and understanding according to the International Bill of Rights
- Secure higher enrolment in BEWI Partner

[1] BEWI's procurement spend from suppliers with a purchase volume inferior to EUR 50 000

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SOCIAL

Local communities

BEWI can make a difference for people and communities in the locations the company operates by engaging in communities and making a positive impact.



Key risks

- Bad reputation

Key opportunities

- Social inclusion
- Local job creation

Our efforts

BEWI has an important role to play by being a good neighbour and is dependent on maintaining good relationships with local communities. BEWI is committed to providing valuable employment opportunities and by supporting local communities, making a positive impact.

Our progress

In 2022, 74 per cent of BEWI's production facilities were involved in different local initiatives and community engagements. In total, BEWI carried out 82 community engagement projects ranging from employment, education, sports, and environmental clean-up initiatives.

Employment

BEWI shall be a good employer and contribute to employment, integration, and diversity. The company has employment projects focusing on providing opportunities for people who are trying to re-enter the workforce after long-term absence, little work history or disabilities.

Education

BEWI is committed to actively engage in partnerships to increase the capability for a transition towards a circular economy. Engaging with local schools and universities is an important part of this, by inviting schools and students to visit production facilities, offering internships and to share knowledge.

Local sports

BEWI sponsors local sports teams, as they are important arenas for inclusion, diversity, and development of children and young people.

Environmental clean-up

In 2022, people from BEWI's production facilities participated in the World Clean-up Day and invited employees, family members, and neighbours to clean their local communities and strengthening relations.

Recycling of working clothes at BEWI RAW Etten-Leur

In 2022, the employees at BEWI's raw material facility in Etten-Leur got new working clothes. Instead of throwing away the used clothes, they were reused through a collaboration with Põur, a design and product development brand that RE-harvests raw materials to create new circular products, such as cooling bags.

For the working clothes which were more polluted or too worn out BEWI engaged with another company, GAIA, who sort, dismantle, and make new raw materials and products. Through these activities, the company contributed to increasing resource efficiency and circularity.

- 90 m^3 water saved
- 677 hours of social employment
- 659 kg saved raw material
- 145 kg reduction in CO_2 emissions

The cooperation with GAIA is an ongoing process where workers at BEWI's facility in Etten-Leur will deliver broken or polluted clothing and shoes to avoid this ending up at landfills or to incineration.

Key targets 2024

- 100% community engagement

Key priorities going forward →

- Develop a local community stakeholder engagement plan
- Improve the company's local engagement reporting routines and review the reporting indicators

74%

of BEWI's production facilities were involved in different local initiatives

82

community engagement projects

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Go Back

V4W

value for waste

In the town of Shashemene in Ethiopia, littering of the environment with plastic and paper waste is a huge and growing problem. In May 2021, BEWI initiated a project together with Norwegian Church Aid, aiming at reducing the littering, but also to create sustainable jobs and increase the knowledge of the population.

Through the Value for Waste project, BEWI has aimed to:

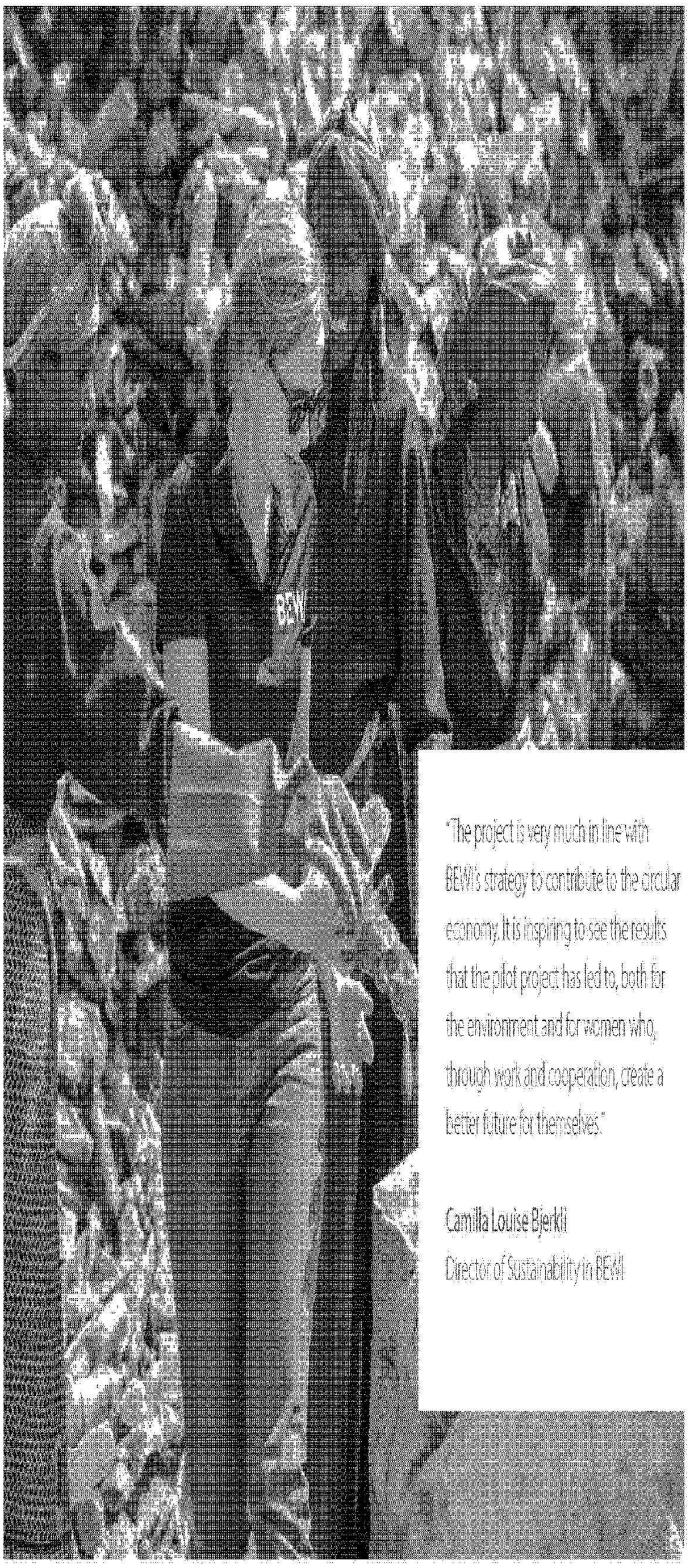
- Reduce littering
- Increase awareness and knowledge of waste as a resource
- Create jobs
- Collect waste for recycling
- Create sustainable income opportunities

Key achievements

- A cleaner Shashemene
- 30 women employed
- 95 tonnes of waste collected for recycling
- EUR 20 000 income generation

The project has facilitated business development with a focus on increasing knowledge about waste management, marketing, financial management and establishing market linkage to secure a circular value chain.

Read more about Value for Waste



"The project is very much in line with BEWI's strategy to contribute to the circular economy. It is inspiring to see the results that the pilot project has led to, both for the environment and for women who, through work and cooperation, create a better future for themselves."

Camilla Louise Bjerkli
Director of Sustainability in BEWI



Governance

High standards for responsible business practices are foundational for services and solutions provided by BEWI to its customers and for the value the company creates for other stakeholders.

Material governance topic:

→ Ethical business conduct

GOVERNANCE

Ethical business conduct

With operations across geographies, the risk of unethical business conduct is present. However, BEWI is mainly operating in countries in the Northern and Western part of Europe, with generally healthy business practices.

Key risks

- Corruption
- Competition law breaches

Key opportunities

- Transparency and accountability
- Training and awareness

Our efforts

BEWI strives to meet the highest ethical standards across its business, contributing to an effective and fair competition. The company has adopted a Code of Conduct, an anti-corruption policy, a gifts and event policy, a privacy policy and a competition law compliance policy, setting out its expectations on how its employees are to be conducting business. The policies guide the company's work and commitment to zero tolerance to bribery and corruption.

Corruption and anti-competitive behaviour

In 2022, BEWI carried out a saliency mapping of human rights whereas corruption and unethical behaviour in own operations and supply chain came up as a saliency issue. Although zero incidents of corruption are reported the past year, there is always a risk for corruption and unethical behaviour. To increase knowledge and insight, BEWI is in the process of developing an action plan that will guide how the company will manage and monitor the issue going forward. Corruption and ethical behavior are also included in the company's due diligence process to make sure that the company's suppliers comply with the company's policies and requirements.

Increasing awareness and competency

To enhance the organisation's awareness on corruption and ethical business conduct, all relevant employees must complete mandatory online training courses on, among others, anti-corruption, competition law and GDPR as part of their onboarding process. In addition, all such employees are asked to re-do the trainings regularly. To ensure continuous attention on suspicions misconduct, BEWI has implemented monthly reporting of concerns raised.

Whistleblowing

BEWI's whistleblowing channel facilitates the reporting of serious improprieties concerning potential compliance issues related to laws, regulations, and own policies. The channel is available to all stakeholders through internal channels and via the company's website. The function is operated by an independent third party, notifications may be done anonymously, and all reports are handled with confidentiality.

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Go Back

100%

of relevant employees trained in anti-corruption

Our progress

Corruption and business ethics

BEWI received two whistleblower reports in 2022. One was deemed to possibly constitute a whistle-blowing matter, but due to scarce information and no further information from the whistle-blower after a number of requests, BEWI took the measures appropriate on the basis of the information available.

The other case related to human resources and was followed up by personell in the human resource department.

Anti-competitive Behaviour

BEWI ASA completed its acquisition of the Synbra Group in May 2018. As communicated in BEWI's annual reports and prospectuses, the European Commission thereafter included Synbra in an investigation related to a potential involvement in anti-competitive practices of styrene monomer purchasing during 2013 and 2014. In November 2022, Synbra concluded a settlement agreement with the Commission entailing a payment of EUR 17.2 million.

Key targets

- Zero corruption
- 100% of relevant employees trained in anti-corruption policy

Key priorities going forward →

- Include corruption in the risk management system, mapping of business ethics risks
- Monitoring of business ethics rules (internal compliance controls)
- Training and encourage reporting of concerns internally or through whistleblowing channels
- Securing and strengthening due diligence processes in acquisitions and supply chain
- Adopt a sanction policy



Corporate governance



Risks and risk management

BEWI ASA is a Norwegian public limited company listed on the Euronext Oslo Børs (Oslo Stock Exchange). The company is subject to the Norwegian Accounting Act, whereas section 3-3 sets out the required content of the company's annual financial statements, including a description of the company's major risks and uncertainty factors. The governance of BEWI is based on the company's articles of association, applicable laws, and regulations as well as internal steering documents.

BEWI defines risk as something that could negatively impact its effectiveness and ability to serve customers. Although risks are a natural part of business operations, they can be managed and controlled, and it is the responsibility of group management to ensure that risks are identified and that corrective actions are taken to avoid or mitigate risks that cannot be accepted. BEWI's overall objective for risk management is to ensure a systematic method for identifying risks and ensuring corrective responses at an early stage. Moreover, the objective is to make risk management a natural part of daily operations by creating a culture of awareness among all employees, and knowledge of how to manage risks to achieve the company's business objectives. The risks described are relevant for the BEWI group (BEWI or the group), comprising BEWI ASA (the parent company) and all subsidiaries and associated companies.

Operational risks

Market and forecasts

BEWI is exposed to general market risk in its operating markets. However, the company has an integrated and diversified business model, meaning that it is exposed to various market dynamics (upstream vs downstream business), and to customers in different industries and geopraphic regions. The risk of a recession in one or more of BEWI's end markets is thus balanced by the group's healthy distribution of customers.

Demand for BEWI's products and solutions has the largest exposure to the building and construction industry, of which approximately 60 per cent of the group's sales are directed. Further, the group is exposed to the market conditions for food packaging, in particular seafood, technical components, especially heating, ventilation and air condition (HVAC) components, and components to the automotive industry.

BEWI has a detailed forecasting process, enabling the group to continuously adapt and adjust its capacity to the demand in each of its markets, securing profitable and competitive operations.

This is done by monitoring market trends and cultivating close relationships with customers to increase knowledge of their forecasts and expectations. BEWI also obtains information on changes in the market through relevant memberships in European industry organizations.

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Go Back

Customers and competition

BEWI's operations are conducted in competitive industries.

By using product development, improved production methods and accessibility as well as offering competitive prices, BEWI can get customers to choose its products over its competitors. BEWI's integrated business model is expected to bring further synergies within R&D, product expertise and customer relations in each segment.

BEWI's customer relations are characterised by a long-term perspective in which shared development work for customized design, adaptation to customers' production processes and a functional storage and logistics flow are in focus.

BEWI conducts work that will create and add value through the development of new materials, applications, and design, targeting a continuously relevant and sustainable product portfolio which is a business advantage.

Focusing on all cost aspects in the production and distribution chain, BEWI strives to be the most cost-effective collaborating partner for its customers. BEWI invests in, and continuously reviews its internal processes to be as cost-effective as possible at all stages.

Geographical proximity to customers yields better accessibility and lower distribution costs.

Raw material prices and purchasing

Styrene is a crucial raw material to BEWI. Volatility in styrene prices and supply disturbances are risk factors.

Supply and demand govern prices on the world market. Raw material is traded on the global market, and price changes will in most cases also affect BEWI's competitors so that desirable margins (GAP) can be maintained.

To fend off price volatility, BEWI works with several suppliers, contract models, purchasing strategies and individually tailored customer agreements throughout the value chain.

To mitigate the risk of supply disturbances a multi supplier strategy is crucial, but also the possibility to utilize the groups three raw material facilities.

Production capacity

Breakdowns or losses in production entail a risk of being unable to deliver.

BEWI balances the risk of not being able to continue delivery in the event of breakdowns in production through redundancy and the possibility of increased capacity in its facilities. Recent acquisitions has further increased the group's capacity and redundancy in production in order to ensure continuous supply to internal and external customers.

The group also collaborates closely with other suppliers on purchasing goods or to let out production capacity if needed.

For strategic products and customers, special risk manuals and routines for managing production efforts have been developed.

In addition, BEWI has insurance in place that will help the company recover and minimize business interruption.

Go Back

Production quality

Delivering faulty quality can cause negative repercussions for customers or damage BEWI's reputation.

The risk of delivering faulty quality over time – or to specific projects – that causes negative repercussions for customers, fines, or damage to BEWI's reputation is managed through working with ISO 9001 & 14001, which helps ensure continuity in processes, quality checks and a lean production philosophy.

There is also an integrated monitoring system, in the event of deviations, that identifies causes and preventive measures.

Research & Development (R&D)

BEWI's customers are constantly in search for new and improved products, including more environmentally friendly solutions. Further, new legislation and requirements from authorities drives the development of more resource efficient solutions.

To meet customers' expectations and future legal requirements, BEWI works to have a relevant and innovative product portfolio. The portfolio is diversified and not dependant on a single product group.

BEWI closely monitors the development with regards to new standards, patents and legislation both on national and European level. Efficient product and process development will help BEWI react proactively to possible changes in regulations.

BEWI is a member of both local and European industry organizations for advice concerning materials and legal requirements.

Information and IT systems

BEWI relies on IT systems for its operations. Disruptions or faults in critical systems might have a direct impact on production and other important business processes. Errors in financial systems could affect the group's reporting of financial results.

BEWI's management model for IT relies on standardized IT processes, security and governance. Continuous work is performed to move away from traditional and customized on-premises solutions to modern standardized and unified solutions to reduce risk.

Acquisitions and integration

Integration of newly acquired businesses entails a stress on existing operations.

Rapid growth through business acquisitions can entail a risk that the integration processes become more costly or take longer than estimated, and that expected synergies either wholly or in part do not occur. Rapid growth can also be a stress on existing operations, in which relationships with customers, suppliers and key persons are negatively affected.

BEWI has a strong track record for successful acquisitions and integration of companies. The company has acquired and integrated more than 30 companies since 2014, and has established a well functioning integration model with clear division of responsibilities and use of dedicated project groups. The process includes external legal and financial due dilligence processes and where needed there will also be a business and technical due dilligence process.

Legal risks

Legislation

Legal risks comprise a number of risks in various areas, e.g. changes to regulations, violations of law in the operations, compliance risk and errors in any agreements signed by BEWI.

BEWI takes preventive measures through its governance structures and continuously observes rules and regulations in each of its markets. BEWI works to prepare its products and operations to future changes by monitoring legal risks that may arise, often in cooperation with external advisers when deemed necessary.

Sustainability-related risks

Environment

There is a risk that BEWI's operations can have a negative environmental impact on the air, soil, or water.

To ensure the compliance of various laws and regulations from government authorities as well as the group itself, all production facilities conduct a risk assessment to identify the risk of unforeseen, undesirable events or accidents that can have a consequence for the external environment. All production facilities systematically work to reduce these risks, including implementation of several processes to identify, monitor, measure, analyze and register environmental risks to the environment. The results of these activities are the basis for the work to address and evaluate possible mitigation measures to improve routines and reduce the group's environmental impact. Read more about the company's environmental risks in the chapter about biodiversity and ecosystems in the ESG section.

Climate

Climate change represents both financial risks and opportunities to BEWI. Read more about the company's climate related risks in the chapter about climate mitigation and climate adaptation in the ESG section.

To mitigate impacts of climate change, it is important for the company to understand the risks (physically and transitional) and opportunities presented by rising temperatures, climate-related policies, and emerging technologies. Climate related risks and opportunities are directly linked to BEWI's strategy and are addressed as an integrated part of the company's daily business. The risks are reported as recommended by the Task force on Climate-related Financial Disclosures (TCFD).

Go Back

Health and safety

There is a risk for accidents and injuries in BEWI's operation.

As an employer BEWI conducts risk assessments of the conditions that may involve a risk of the health to employees, and implement measures to remove or reduce risk factors as far as possible. BEWI has a zero tolerance vision when it comes to health and safety. BEWI works preventively and systematically to prevent health sickness, injuries and near misses, and are continuously working to follow-up performance through regular measurements and evaluations. All deviations, incidents and near-misses are reported and are the basis for continuous improvements. Risk assessments are used to identify hazards requiring a special attention.

BEWI actively works to find green substitutes and to consider whether processes and resources can be changed to improve the group's HSE profile. Moreover, BEWI offers training with active participation of employees to establish good routines to prevent employee incidents at work. Employees are familiar with the requirements and have been introduced to BEWI's HSE policies and shall comply with internal safety rules and instructions.

Employees

Attracting skilled personnel and retaining key individuals is of crucial importance to BEWI's success.

BEWI manages the risk of being unable to recruit qualified labour by striving for a good work environment and internal competence development, as well as taking responsibility for training new employees. In addition, the group works actively to promote the group as an attractive employer. BEWI has a group staff function for human resources (HR), including an HR Director responsible for group culture, values and processes to secure management development and succession planning.

Human rights

There is a risk of discrimination of human rights and that labor legislation is not fully complied with. In BEWI's case, the risk of human rights violations is greatest in the supply chain.

BEWI conduct human rights due diligence through the supplier management system called BEWI partner. The management system is guided by international standards including OECD Due Diligence Guidance for Responsible Business Conduct and the UN Guiding Principles on Human Rights and industry practice. BEWI regularly assess ESG risks within its supply chain and seek to mitigate these risks through the supplier development programme, transparent and fair tender processes, robust contracting, and pre-production audits.

In addition, risk assessment is done annually to identify and follow-up high risk suppliers.

Unethical behavior

There is a risk that employees are involved in unethical behavior such as bribes, corruption, or fraud.

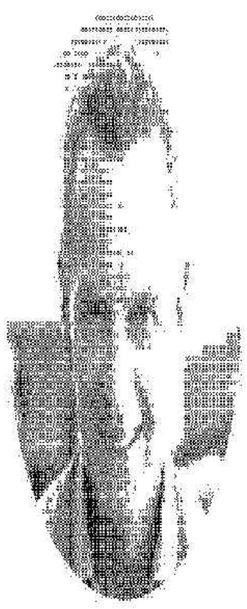
BEWI's Code of Conduct sets out the essential requirements for ethical business conduct within the group and it is fundamental to BEWI to contribute to effective and fair competition in the society. BEWI's anti-corruption policy describes a zero tolerance to bribery and corruption and BEWI's whistleblowing system enables internal and external stakeholders to report suspicions of misconduct.

A gift and event policy and a competition law compliance policy have been adopted to provide all employees of BEWI with further information on how to act in order to be in compliance with BEWI's values and policies as well as laws and regulations. To enhance the organisations awareness of ethical conduct, general managers, sales and marketing employees, group functons and selected employee groups are trained on anti-corruption and the group's gift and event policy.

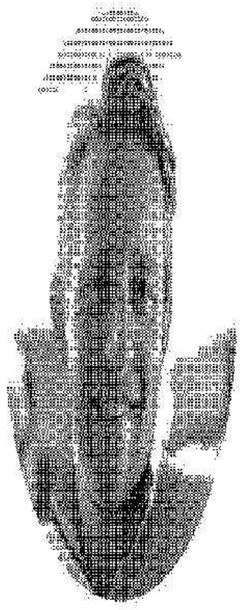
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Go Back

Board of directors







	Gunnar Syvertsen	Kristina Schauman	Andreas M. Akselsen
Position	Chair of the board	Director	Director
Born	1954	1965	1977
Nationality	Norwegian	Swedish	Norwegian
Elected	2014	2016	2022
Education	M.Sc. Engineering	M.Sc. Business Administration, Stockholm School of Economics.	M.Sc. Business Administration from BI Norwegian School of Management, and a Bachelor of Sc. in mechanical engineering.
Professional background	CEO Heidelberg Cement Northern Europe AB, Managing Director Heidelberg Cement Norway AS, Managing Director Norcem AS, and other executive positions in Heidelberg Cement AG in Africa and the US.	CFO of OMX AB, Carnegie Investment Bank and Alcoteket AB. Senior positions at Investor AB, AB3, and Stora Enso.	Experience from various positions in Jackon Holding from 2007, including M&A, strategy and business development, restructuring and financing. From 2018, Akselsen worked as a consultant for Jackon, in addition to other assignments within real estate, early phase investment and restructuring projects.
Other selected directorships	Chair of the board of BEWI Invest AS, (majority shareholder of BEWI), and various other directorships in BEWI Invest portfolio companies	Board member of Vitec Software Group AB, AFRY AB, Coor Service Management Holding AB and Elos Group Holding AB. Member of NASDAQ Stockholm's Disciplinary Committee	Board member of HAAS (second largest shareholder of BEWI), Proark AS, Bricks Beverages AS, Flexform AS and Godthab Holding AS.
Independence	Independent of material business contacts. Not considered independent of the management or large shareholders, due to a consultancy agreement with the company and directorship with the majority shareholder BEWI Invest.	Independent of executive management, material business contacts and large shareholders.	Independent of material business contacts. Not considered independent of the management or large shareholders, due to a consultancy agreement with the company and being the owner of the second largest shareholder HAAS.
Shares per 31.12.22	16 681[1]	193 452	32 070 000[2]

[1] Gunnar is the chairman of BEWI Invest AS, an investment company controlled by the Bekker family, owning 97 958 328 on 31 December 2022.

[2] Shares are held through the investment company HAAS AS, owned by the Akselsen family.

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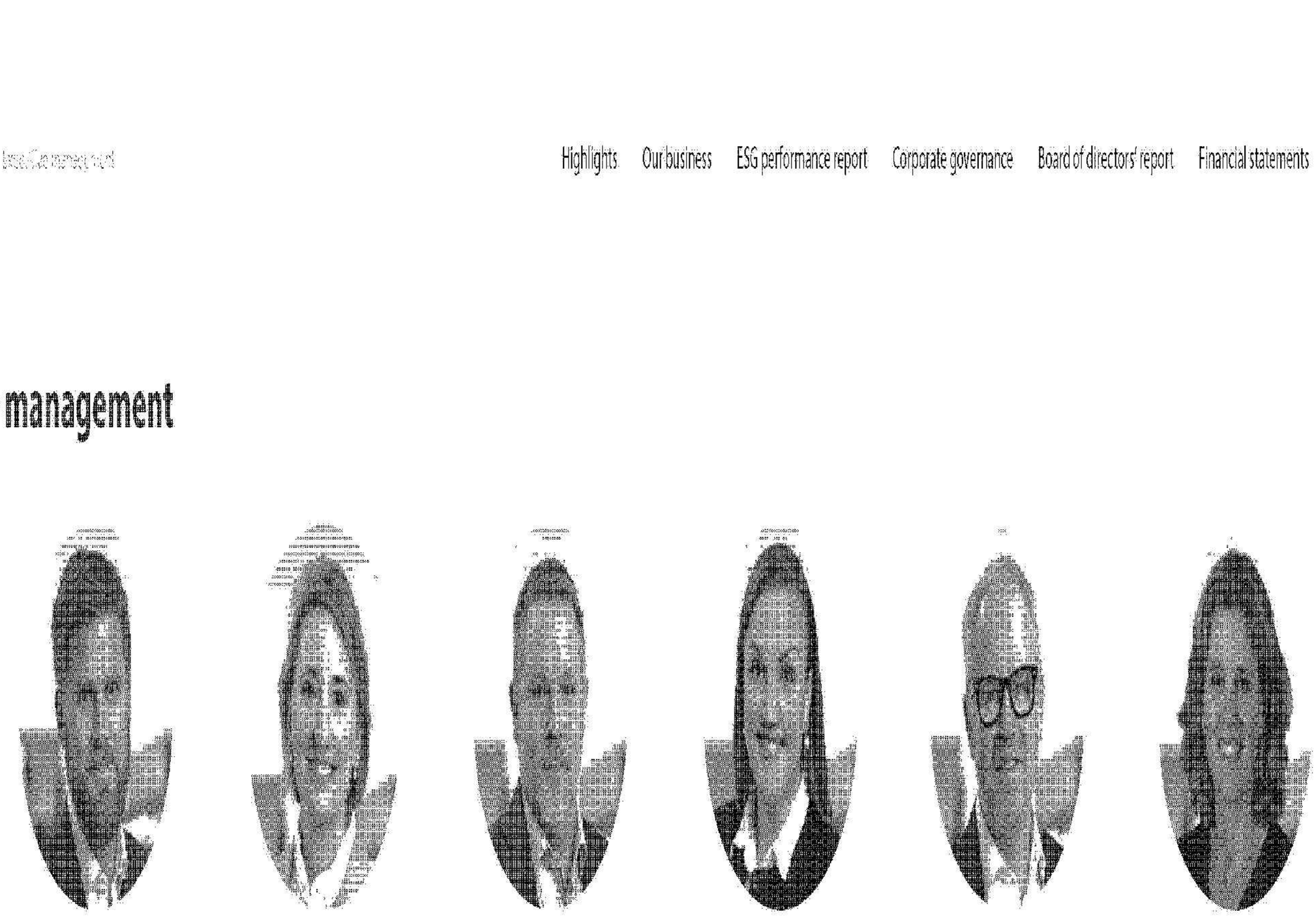




	Anne-Lise Aukner	Rik Dobbelaere
Position	Director	Director
Born	1956	1954
Nationality	Norwegian	Belgian
Elected	2020	2021
Education	Law degree from the University of Oslo.	M.Sc. Engineering and MBA from Catholic University in Leuven, Belgium.
Professional background	Managing director and CEO of Nexans Norway and CEO of Nexans Sweden. Long experience in management of technology and knowledge-based companies and management of industrial companies.	CEO of BEWI ASA from 2018 to 2020 and CEO of Syrona Holding BV prior to the merger with BEWI. Senior positions in global industry companies, including Bombardier and Raychem Corporation.
Other selected directorships	Chair of the board in Fontenehuset Ullensaker and Fontenehuset Moreno AS, and board member of Aukner Holding AS.	Board member of selected subsidiaries of the BEWI group.
Independence	Independent of executive management, material business contacts and large shareholders.	Independent of material business contacts and large shareholders. Not considered independent of the management due to a consultancy agreement with the company.
Shares per 31.12.22	-	98 497

Transaction 09222 Signed 05 Jun 2023 Go Back

Executive management



	Christian Bekken	Marie Danielsson	Jonas Siljeskär	Petra Brantmark	Roger Olofsson	Charlotte Knudsen
Position	Chief Executive Officer (CEO)	Chief Financial Officer (CFO)	Chief Operations Officer (COO)	Chief Legal Officer (CLO)	Chief Human Resources Officer (CHRO)	Chief Communications and IR Officer (CCO)
Born	1982	1975	1972	1981	1964	1973
Nationality	Norwegian	Swedish	Swedish	Swedish	Swedish	Norwegian
Employed	2022	2015	2010	2020	2019	2020
Education	Upper secondary general, financial, and administrative programmes	M.Sc. Economics, Stockholm University, Sweden	Degree in Engineering, Dalarna University, Sweden	Master of Laws, Uppsala University, Sweden	B.Sc. human resource development and acorrelations, Umeå University, Sweden	M.Sc. Economics and Business administration ("Siviløkonom"), Norwegian School of Economics (NHH), Norway
Professional background and relevant directorships	Various positions with production and sales at BEWI, CEO Smart Bolig Majority shareholder and director of the board at BEWI Invest, majority shareholder of BEWI ASA	Auditor KPMG, Vice President Financial Control and Taxes, Hallcex AB Director of the board at BEWI Invest, majority shareholder of BEWI ASA	Managing Director of BEWI RAW and Chief Operating Officer of Gustafs Inredningar	Senior Legal Counsel at Swedfund International AB and as Associate at Linklaters Law Firm	SVP Human Resources at Scandic Hotels, senior HR roles at ABB, GE Healthcare and Locum's	Senior advisor at First House and Crux Advisors, Director of IR and Communications at BEX Biometrics ASA and EMGS ASA
Shares per 31.12.22	25 952[1]	185 452	24 126	8 922[2]	5 952	33 681
Options per 31.12.22	200 000	250 000	200 000	30 000	25 000	30 000

[1] Christian Bekken is a member of the Bekken family, who controls BEWI Invest, the majority shareholder of BEWI ASA, owning 97 958 328 on 31 December 2022

[2] Related parties of Petra Brantmark owned a total of 5 458 shares on 31 December 2022

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Go Back

Corporate governance in BEWI ASA

BEWI aims to maintain a high standard of corporate governance. Good corporate governance strengthens the confidence in the company and contributes to long-term value creation by regulating the division of roles and responsibilities between shareholders, the board of directors and executive management.

Corporate governance at BEWI shall be based on the following main principles:

- All shareholders shall be treated equally
- BEWI shall maintain open, honest, relevant, and reliable communication with its stakeholders about the company's activities
- BEWI's board of directors shall be autonomous and independent of the company's management
- BEWI shall have a clear division of roles and responsibilities between shareholders, the board and management

1. Implementation and reporting on corporate governance

Compliance and regulations

The board of directors (the board) of BEWI ASA (the company) has the overall responsibility for ensuring that the company has a high standard of corporate governance. The board has adopted corporate governance principles for the company, latest adopted on 2 June 2022. In addition, the board has adopted several other policy documents related to corporate governance, including, but not limited to a policy on handling of inside information and other disclosure obligations, and an information policy.

The company's corporate governance principles are based on the Norwegian Code of Practice (the Code) for Corporate Governance issued by the Norwegian Corporate Governance Board (NCGB). The objective of the Code is that companies listed on regulated markets in Norway will practice corporate governance that regulates the division of roles between shareholders, the board and executive management more comprehensively than is required by legislation. The board and executive management perform an annual assessment of its principles for corporate governance.

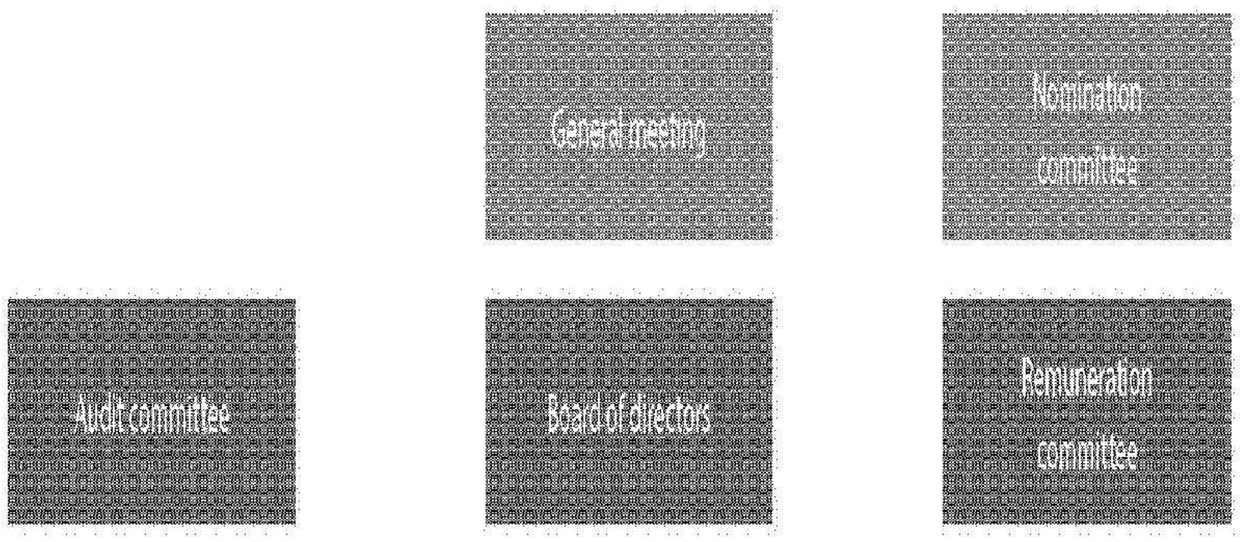
BEWI ASA is a Norwegian public limited liability company listed on the Oslo Børs (Oslo Stock Exchange). The company is subject to section 3-3b of the Norwegian Accounting Act, which requires the company to disclose certain corporate governance related information annually. In addition, the Issuers Rules of Oslo Børs, covered by the Oslo Rulebook II chapter 4.5 requires listed companies to publish an annual statement of its principles and practices with respect to corporate governance, covering every section of the Code. Oslo Børs also sets out an overview of information required to be included in the statement. The Norwegian Accounting Act is available at www.lovdata.no (in Norwegian), while the Issuers Rules is available at www.oslobors.no.

BEWI always seeks to comply with the latest version of the Code. The current Code was adopted on 14 October 2021 and is available at www.nues.no/english. Application of the Code is based on the 'comply or explain' principle, which means that the company must provide an explanation if it has chosen an alternative approach to specific recommendations.

BEWI provides an annual statement of its adherence to corporate governance.

Deviations from the Code: None

Governance structure



2. Business activity

BEWI is a provider of packaging, components, and insulation solutions.

The operations of BEWI shall comply with the business objective set forth in the company's articles of association.

The company's business objective is set out in its Articles of Association section 3 as:

"The company's objective is to directly or indirectly conduct production, marketing and sales of customer tailor made packaging solutions and insulation materials and to conduct other business compatible therewith and to conduct services within the company group mainly within administration and finance."

The board has defined clear objectives and strategic priorities for the company, including both long-term financial targets and sustainability targets, to ensure value creation for the shareholders and other stakeholders. The objectives are evaluated annually. In March 2021, BEWI launched a sustainability strategy, including clearly defined ambitions for the group leading towards 2030.

The board has adopted a Code of Conduct for the company, a key governing document setting out important principles for the company's ethical conduct of its business. The principles are used to integrate considerations to human rights, employee rights and social matters, the external environment and anti-corruption efforts. Further, the group has established separate policies on anti-corruption, compliance with competition law, privacy, and whistleblowing guidelines.

Vision, mission, and core values

BEWI's vision is *"Protecting people and goods for a better everyday."*

The group's mission is "To create value for customers by offering sustainable packaging, components and insulation solutions in innovative and efficient ways, and lead the change towards a circular economy."

In addition to the Code of Conduct setting out key principles for ethical business conduct, BEWI's core values are guiding stones:

- Responsible
- Proud
- Stable
- Care for quality

Deviations from the Code: None

3. Equity and dividends

Capital structure

The board is committed to maintain a satisfactory capital structure for the company according to the company's goals, strategy and risk profile, thereby ensuring that there is an appropriate balance between equity and other sources of financing. The board will continuously assess the company's capital requirements related to the company's strategy and risk profile.

BEWI's financial targets were launched in September 2021:

- The double adjusted EBITDA by 2026
- Leverage of NIBD/ Adjusted EBITDA below 2.5x (LTM excl. IFRS 16)
- Dividend pay-out policy of 30-50 per cent of net profit
- Increase Return on Capital Employed (ROCE) towards 20 per cent by 2026

Dividends

The board of BEWI has established a dividend policy where the long-term policy is to pay out between 30 and 50 per cent of the company's underlying net profit after tax as dividends. When deciding on the annual dividend, the board will consider the company's financial position, investment plans as well as the needed financial flexibility for strategic growth.

For the financial year of 2021, BEWI distributed dividends of NOK 1.10 per share. The dividends were distributed in November 2022, following completion of the Jackon acquisition.

For the financial year of 2022, the board has proposed to the general meeting to pay dividends of NOK 0.60 per share. The dividends are proposed to be distributed following sale of the company's real estate portfolio.

Board authorisations

Authorisations to the board to increase the share capital or to buy own shares will normally not be given for periods longer than until the next annual general meeting (AGM) of the company.

As of 31 December 2022, the board of BEWI had three authorisations:

1. Authorisation to increase the share capital by up to NOK 31 407 960 to strengthen the equity of the company, finance future growth, acquisitions, increase the liquidity and spread of ownership in respect of the company's shares or for other purposes as the board decides.

2. Authorisation to increase the share capital by up to NOK 4 711 194 in connection with the company's incentive programmes.

3. Authorisation to acquire own shares up to a nominal value of 15 703 980 (equal to 10 per cent of the company's share capital at the time of the authorisation). The shares shall either be cancelled, included in the company's incentive programme, be used for investment or as settlement in acquisitions.

Transaction 09222 Signed 05 Jun 2023 Signed Go Back

Authorisations no. 1 and 3 are valid until the annual general meeting in 2023, planned to be held on 1 June 2023, however expiring on 30 June 2023 at the latest. Authorisation no. 2 is valid until the annual general meeting in 2024, however expiring on 30 June 2024 at the latest.

Deviations from the Code: The Code states that mandates granted to the board to increase the share capital should be limited in time to no later than the date of the next annual general meeting, and thus the mandate to increase the share capital in connection with the company's incentive programme is a deviation from the Code, explained by the duration of the company's incentive programme, however limited by legal restrictions.

4. Equal treatment of shareholders and transactions with close associates

In the event of capital increases based on authorisations issued by the general meeting, where the existing shareholders' rights will be waived, the reason for this will be provided in a public announcement in connection with the capital increase.

Any transactions, agreements or arrangements between the company and its shareholders, members of the board, members of the executive management team or close associates of any such parties will be conducted in compliance with the procedures set out in the Norwegian Public Limited Liability Companies Act. The board shall arrange for a valuation to be obtained from an independent third party unless the transaction, agreement or arrangement in question is considered immaterial. Board members and members of the executive management team shall immediately notify the board if they have any material direct or indirect interest in any transaction entered by the company.

Trading own shares

Any transaction which the company carries out in its own shares will be carried out through the stock exchange, and at prevailing stock exchange prices. If there is limited liquidity in the company's shares, BEWI will consider other ways to ensure equal treatment of its shareholders.

Deviations from the Code: None

5. Shares and negotiability

BEWI has only one class of shares and all shares have equal rights. Each share has a face value of NOK 1.00 and carries one vote.

The company emphasise equal treatment of its shareholders and the shares are freely transferable.

6. General meetings

BEWI's highest decision-making body is the general meeting of shareholders. All shareholders have the right to participate in the general meetings of the company.

Article 7 of the company's articles of associations sets out the main principles of the company's general meeting, including where the meetings should be held and matters to be dealt with. The article also sets out that documents relating to matters to be dealt with, including documents which by law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available on the company's website. A shareholder may nevertheless request that documents relating to matters to be dealt with at the general meeting, is sent to him or her.

Shareholders who wish to participate in a general meeting, shall notify the company of this within a deadline which is set out in the notice of the general meeting, and which cannot expire earlier than three days prior to the meeting.

The shareholders may cast their votes in writing, including through electronic communication, in a period prior to the general meeting. The right to participate and vote at the general meeting may only be exercised if the acquisition is entered in the VPS on or before the fifth business day before the general meeting.

The full notice for general meetings shall be sent to the shareholders no later than 21 days prior to the meeting. The board will ensure that the notice includes information about resolutions and that supporting information is sufficiently detailed to allow shareholders to form a view on all matters to be considered at the meeting. Notices shall provide information on procedures that shareholders shall observe to participate in and vote at the general meeting. The notice should also set out: (i) the procedure for representation at the meeting through a proxy, including a form to appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the general meeting. The form for the appointment of a proxy should also be designed to make voting on each individual matter possible.

The annual general meeting (AGM) is held each year no later than six months after expiry of the preceding financial year. The board and the company's auditor shall be present at the AGM. General meetings are opened by the chair of the board, or the person appointed by the board. The board proposes a person to chair the meeting.

In 2022, an extraordinary general meeting was held on 16 February 2022 and the AGM was held on 2 June 2022. In 2023, the AGM is scheduled to be held on 1 June 2023.

Deviations from the Code: None

Transaction 09222 Signed 05 Jun, 22, 08, 43

Go Back

7. Nomination committee

Article 8 of the company's articles of association stipulates that the company shall have a nomination committee, consisting of two to four members, where the majority of the members shall be independent of the board and management. The members of the nomination committee, including the chairperson, will be elected by the general meeting for a term of two years unless the general meeting decides otherwise in connection with the election.

The nomination committee gives recommendations to the general meeting for the election of shareholder elected members to the board and the chairperson of the board, as well as to members of the nomination committee. The nomination committee also presents to the general meeting proposals for remuneration to the board and to the nomination committee.

When proposing candidates for election to the board, the committee should consider that the board should be composed in such a way as to maintain the interests of the shareholders and the company's need for competence and diversity, and that the board should function well as a collegiate body. Also, the committee should consider that the directors of the board should be independent of the executive management and significant business partners, and that at least two of the directors should be independent of the company's principal shareholder.

On 16 February 2022, BEWI held an extraordinary general meeting which resolved the committee's composition to be amended so that the chair of the board of directors, Gunnar Syvertsen, no longer was a member of the nomination committee to secure independence and impartiality of the board. At the meeting, Liv Malvik was re-elected as chair and Roar Husby was re-elected as member of the committee for the period until the annual general meeting of 2024. Instructions for the nomination committee was adopted by the extraordinary general meeting of the company held on 21 August 2020.

Deviations from the Code: None

8. Board of directors: composition and independence

Composition of the board

According to article 5 of BEWI's artides of associations, the board of directors shall consist of a minimum of three and a maximum of eight board members elected by the general meeting for a period of two years, unless otherwise decided by the general meeting in connection with the election. The general meeting elects the chair of the board.

The Public Limited Companies Act states that when the board has between four and five members, both sexes should be represented by at least two members. As of 31 December 2022, the board of BEWI ASA consisted of five members, whereof two are female.

In appointing members to the board, it is emphasised that the board shall have the requisite competency to independently evaluate the cases presented by the executive management team as well as the company's operations. It is also considered important that the board can function well as a body of colleagues. Board members shall be elected for periods not exceeding two years at a time, with the possibility of re-election. Board members shall be encouraged to own shares in the company.

An overview of the board members competence, background and which of the board members are considered independent, is included in a separate section of this annual report and is also available from the company's website www.bewi.com. Four out of five board members own shares in the company.

Independence of the board

BEWI's board should be composed such that it is able to act in the interests of all shareholders and act independently of any special interests. All the board members of BEWI are deemed to be independent of the company's material business partners, and three of the members are independent of the company's major shareholders. Two of the board members are independent of the company's senior executives.

Deviations from the Code: The Code states that the majority of the board members should be independent of the executive personnel. In BEWI, two out of five board members are considered independent, while three of the members are not considered independent due to their advisory agreements with the company. This includes the chair of the board, and board members Andreas M. Akselsen and Rik Dobbelaere. The company has chosen to enter such agreements to secure the integration of the company's two most transformative acquisitions, namely Jackon (2022) and Synbra Holding (2018).

9. The work of the board of directors

The board shall ensure that the company has proper management with clear internal distribution of responsibilities and duties. A clear division of work has been established between the board and the executive management team. The CEO is responsible for the executive management of the company.

Instructions to the board of directors and the CEO were last revised and approved by the board on 2 June 2022.

The board has the overall responsibility for the management of the group and the supervision of its day-to-day management and business activities. The board shall prepare an annual plan for its work with special emphasis on goals, strategy, and implementation. The board's primary responsibility shall be (i) participating in the development and approval of the company's strategy, (ii) performing necessary monitoring functions and (iii) acting as an advisory body for the executive management team. The chairperson of the board is responsible for ensuring that the board's work is performed in an effective and correct manner.

The members of the board receive information about the company's operational and financial development monthly. The company's strategies shall regularly, and at least once a year, be subject to review and evaluation by the board.

The regulations governing the board's working practices include guidelines for how individual directors and the CEO should conduct themselves with respect to matters in which they may have a personal interest. Among them is the stipulation that each director must make a conscious assessment of his/her own impartiality and inform the board of any possible conflict of interest. Further, the regulations include guidelines for how the board of directors and executive management shall deal with approval of agreements, which are considered material, between the company and its shareholders and other close associates, including that the board shall arrange for an independent third-party valuation. This will, however, not apply for transactions that are subject to the approval of the general meeting pursuant to the Norwegian Companies Act. Independent valuations shall also be procured for transactions between companies within the group if any of the companies involved have minority shareholders. Agreements with related parties will be included in the notes to the financial statements in the annual reports.

The board meets as often as necessary to perform its duties. The board shall prepare an annual evaluation of its work.

Sub-committees of the board

Audit committee

Pursuant to the Norwegian Public Limited Liability Companies Act and the listing rules of the Oslo Stock Exchange, the company shall have an audit committee. The audit committee shall consist of at least two members. At least one member must have accounting or auditing proficiency and at least one member must be independent of the company's business. The audit committee is appointed by the board.

The committee's main task is to assist the board with addressing and preparing issues concerning, amongst other, procurement of audit services, monitoring the work of the auditors and the company's internal control systems, monitoring the risk management of the company and the financial and sustainability reporting and any other issues that the board may assign to the committee.

The board revised and approved instructions to the audit committee on 2 June 2022. As of 31 December 2022, the audit committee in BEWI consisted of only Kristina Schauman, as the other member of the committee, Stig Wærnes, was replaced by Andreas M. Akselsen as board member upon completion of the acquisition of Jackon (October 2022). At a board meeting on 13 April 2022, Gunnar Syvertsen was appointed as member of the audit committee.

Remuneration committee

The company shall have a remuneration committee appointed by the board. The remuneration committee shall evaluate and propose the compensation of BEWI's CEO and other members of the executive management team and provide general compensation related advice to the board.

The board of directors of BEWI appointed a remuneration committee and adopted instructions to the committee on 2 June 2022. The remuneration committee consists of Anne-Lise Aukner as chair and Gunnar Syvertsen as member.

Deviations from the Code: None

10. Risk management and internal control

The board of directors is responsible for ensuring that BEWI has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The internal control and the systems shall also encompass the company's corporate values and ethical guidelines.

The board shall annually review the company's most important areas of risk exposure and the internal control arrangement in place for such areas. The review shall pay attention to any material shortcomings or weaknesses in the company's internal control and how risks are being managed.

The annual review is normally carried out in relation to the board's approval of the annual report, including the financial statements and board of director's report, where the risks are further described.

Different methods are used for evaluating risks and for ensuring that the relevant risks to which BEWI is exposed are managed in accordance with established policies and guidelines. Risks and risk management are described in a separate section of BEWI's annual report.

Internal control of financial reporting is achieved through day-to-day follow-up by management, and supervision by the company's audit committee.

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The objective of the risk management and internal control is to manage exposure to risks, to ensure successful conduct of the company's business and to support the quality of its financial reporting.

The board has approved routines for internal control and risk management.

In 2022, BEWI employed a risk manager dedicated to improving the company's system for risk management.

Deviations from the Code: None

11. Board remuneration

The general meeting shall determine the board's remuneration. The remuneration to the board members shall not be performance-related nor include share option elements.

The board's remuneration was approved on the company's annual general meeting on 2 June 2022, following a proposal from the nomination committee. The committee emphasized that the remuneration shall be reasonable and based on the board's responsibilities and need for competence, but also be sober.

The board shall be informed if individual board members perform tasks for the company other than exercising their role as board members.

Work in sub committees, such as the audit committee and the remuneration committee, is compensated in addition to the remuneration received for board membership.

As of 31 December 2022, three of the board members had agreements to perform advisory work for the company in addition to their assignment as board members.

Deviations from the Code: None

12. Remuneration of executive management

Pursuant to Section 6-16a of the Norwegian Public Limited Companies Act (NPLCA), the board prepares guidelines for determination of salaries and other benefits payable to senior executives. The guidelines will, in line with the said statutory provision, as well as Section 5-6 (3) of the same Act be approved by the general meeting. If the guidelines are materially altered, the guidelines will be laid before, and approved by the general meeting. The guidelines will be approved by the general meeting at least every four years. In addition to the guidelines, the board prepares a remuneration report pursuant to Section 6-16b of NPLCA. Such report will be considered by the company's general meeting and shall be subject to an advisory vote by the general meeting in accordance with NPLCA Section 5-6 (4). The guidelines and remuneration report are published as a separate document on the same day as the company's annual report is published, and is available at the company's website.

The company's senior executive remuneration policy is based primarily on the principle that executive pay should be competitive and motivating, to attract and retain key personnel with the necessary competence.

The statement refers to the fact that the board of directors shall determine the salary and other benefits payable to the CEO. The salary and benefits payable to other senior executives are determined by the CEO in accordance with the guidelines. The CEO will normally propose the remuneration to senior executives in consultation with members of the remuneration committee.

Deviations from the Code: None

13. Information and communication

Investor relations

Communication with shareholders, investors and analysts is a high priority for BEWI. The objective is to ensure that the financial markets and shareholders receive correct and timely information, thus providing a sound foundation for a valuation of the company. All market players shall have access to the same information, and all information is published in English. All notices sent to the stock exchange are made available on the company's website and at www.newsweb.no.

BEWI's ambition is to comply with the latest version of the Oslo Børs Code of Practice for IR ("the IR Code"), including recommendations on the reporting of information to investors on the company's websites. The board of BEWI has adopted a policy on handling of inside information and other disclosure obligations, as well as an information policy. Included in the policies are, among others, guidelines on trading in the share by key employees, including clearance prior to trading and restricted trading periods, and division of roles and responsibilities. The CEO, CFO and Director of IR and Communications are responsible for communications with shareholders in the period between general meetings.

Transaction 09222 Signed 05 Jun 2023 Go Back

Financial information

The company holds investor presentations in association with the publication of its quarterly results. These presentations are open to all and provide an overview of the group's operational and financial performance in the previous quarter, as well as an overview of the general market outlook. These presentations are also made available on the company's website.

Quiet period

BEWI maintains a silent period of 30 days prior to the day of the company's publication of interim reports. During this period, representatives of the company will minimize its contact with financial media, analysts, and investors and not comment on any financial development.

Restricted trading periods

Persons defined as primary insiders of BEWI, as well as related parties of the primary insiders, are not allowed to acquire or sell shares in the company or related financial instruments during the period of 30 days prior to the company's publication of the report for the fourth quarter, including preliminary full year results, and the report for the first half year. BEWI publishes a financial calendar on Oslo Børs's website, setting out the expected dates of publication for its reports. The dates are also available at the company's website. During other periods trading is allowed provided that it is made in accordance with laws and regulations as well as other provisions in BEWI's policies.

Deviations from the Code: None

14. Take-over situations

In a take-over process, should it occur, the board and the executive management team each have an individual responsibility to ensure that the company's shareholders are treated equally and that there are no unnecessary interruptions to the company's business activities. The board has a particular responsibility in ensuring that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over process, the board shall ensure that:

- the board will not seek to hinder or obstruct any takeover bid for the company's operations or shares unless there are particular reasons for doing so;
- the board shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the company;
- the board shall not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of the shareholders; and
- the board shall be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a take-over bid, the board will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Code. This could include obtaining a valuation and fairness opinion from an independent expert. On this basis, the board shall draw up a statement containing a well-grounded evaluation of the bid and make a recommendation as to whether or not the shareholders should accept the bid. The evaluation shall specify how, for example, a take-over would affect long-term value creation of BEWI.

Deviations from the Code: None

15. Auditor

The auditor is appointed by the annual general meeting and is independent of BEWI ASA. Each year the board shall receive written confirmation from the auditor that the requirements with respect to independence and objectivity have been met.

Each year, the auditor shall draw up a plan for the execution of their auditing activities, and the plan shall be made known to the board of directors and the audit committee. The board should specifically consider if the auditor to a satisfactory degree also carries out a control function and the auditor shall meet with the audit committee annually to review and evaluate the company's internal control activities.

The auditor shall meet with the board without the CEO or any other member of the senior management present at least once a year. Whenever necessary, the board shall meet with the auditor to review the auditor's view on the company's accounting principles, risk areas, internal control routines, etc.

The auditor may only be used as a financial advisor to the company provided that such use of the auditor does not have the ability to affect or question the auditors' independence and objectiveness as auditor for the company. The audit committee shall approve any agreements in respect of such counselling assignments in accordance with BEWI's internal policies.

At the annual general meeting the board shall present a review of the auditor's compensation as paid for auditory work required by law and remuneration associated with other specific assignments.
The auditor for BEWI ASA is PWC.

Deviations from the Code: None

Transaction ID 772 Signed 05 Jul, 22, 08, 03

Go Back

Statement on remuneration of executive management

1. Overview

This statement on executive remuneration is prepared by the board of directors ("the board") of BEWI ASA (the "company") in accordance with Section 6-16a of the Norwegian Public Limited Liabilities Companies Act as applicable per 1 January 2021 ("NPLCA") and the administrative regulation regarding policy and report for the remuneration of the executive management.

The board of the company does not have members elected by and among the employees of the company or of the group.

The total remuneration for the CEO and the other executives consists of annual base salary, variable pay, options awarded under a share option plan and other benefits, including pension.

2. Remuneration policy for the executive management

2.1 General remarks

The remuneration is an important instrument for harmonizing the company's interests with the interests of the executive management. The general meeting shall therefore approve the guidelines, and the guidelines shall be made available at the company's website.

The purpose of the company's remuneration policy for the executive management is to contribute to the company's business strategy, long-term interests, and sustainability of the company. Further, BEWI's remuneration policy shall encourage a strong and sustainable performance-based culture, growth, shareholder value over time and responsible business practices aligned with the company's values. The total remuneration level shall be in line with the relevant market level for peers within the industry, but not market leading.

2.2 Annual base salary

The executives are compensated based on individual criteria, including each executive's role, experience, and competence. All executives are evaluated yearly as part of the company's Performance and Development Dialogue (PDD). The total compensation level targets at attracting and retaining executives, and to maintain a compensation level which for each individual is competitive compared to market conditions for the relevant position and individual.

BEWI applies standard employment contracts and standard terms and conditions regarding notice period and severance pay, which shall be deductible to other income.

Internal board assignments and similar internal positions are not remunerated separately. External assignments shall be approved by the CEO or by the board.

2.3 Pension scheme

Executives are members of the standard pension and insurance schemes on the same terms and conditions as non-executives in the county of employment. Executives are not entitled to early retirement.

2.4 Pay after termination of employment

The CEO and the COO is entitled to 12- and 6-months' severance pay respectively. Other executives are not entitled to pay after termination of employment.

2.5 Other types of remuneration

Executives may receive benefits in line with relevant market practice, such as free phone, PC, broadband, newspapers, and parking.

2.6 Variable pay

BEWI has a variable incentive pay programme including the executive management team, as well as other key executives. The objective of the programme is to encourage achievement of financial- and operational targets. The variable pay programme is based on defined and measurable criteria, including financial targets and targets linked to strategic priorities.

Transaction ID 772 Signer OS, AH, SC, AB, OS, CS

Go Back

The variable pay programme potential is maximized to 50 per cent of the annual base salary.

2.7 Share option plan for executive employees

On 19 November 2020, the board of BEWI adopted a share option plan comprising the executive management and other key employees of the company. The programme was resolved based on the approval by the extraordinary general meeting on 16 November 2020 to authorise the board to issue new shares to employees under a long-term incentive programme. The aggregate number of options under the plan shall never exceed two (2) per cent of the outstanding shares of the company, including options already outstanding.

The purpose of the share option plan is to further align the interests of the company and its shareholders. The awards of options shall give an interest in the company parallel to that of the shareholders, enhancing the interests of the executives to the company's continued long-term success and progress and motivate for individual contributions. The share option shall enable the company to attract and retain the executive employees and other key employees.

The strike price is set as the market price at the time of the grant of the options plus 10 per cent, to ensure that only value creation from allocation onwards is rewarded. The options vests with 20 per cent per after one year, 30 per cent after two years, and with 50 per cent three years after granted, provided the participant is still employed. The option lapses and becomes void after a period of 5 years. If the employee resigns from his or her position with the company, all unvested options will lapse and becomes void. The maximum profit gain from awarded options under the plan, is capped according to an agreement between the employee and the company.

3. Annual remuneration report

BEWI will for each financial year produce and make public a remuneration report in accordance with NPLCA Section 6-16b. Such report shall be considered by the company's general meeting and shall be subject to an advisory vote by the general meeting in accordance with NPLCA Section 5-6 (4). If the shareholders vote against the remuneration report, the company will explain, in the following remuneration report, how the vote of the shareholders was taken into account.

The remuneration report for 2022 is published on the same date as BEWI's annual report for 2022 and is available from the company's website, www.bewi.com. The report includes details about the variable pay programme and the company's long-term incentive programme (share option plan). The notes to the financial statements for the financial year of 2022, includes an overview of the remuneration to the executive management.

BEWI has a remuneration committee, which was elected on 3 June 2021 for a period of two years. Instructions for the committee was adopted at the board meeting on 2 June 2022.

4. Temporary derogation from the applicable remuneration policy

The board can only derogate from any element of the remuneration policy in exceptional circumstances, and only in situations where the derogation from the remuneration policy is necessary to serve the long-term interests and sustainability of the company, cfr. NPLCA section 16-6a (4).

Any derogation shall be explained and motivated by the company's and the shareholders' interests in retaining the executives under extraordinary circumstances.

Any derogation shall be considered by the boards as required in the specific situation and for the individual employee.

The remuneration report shall include information on remuneration awarded under such exceptional circumstances.

5. Amendments

Material variations in the remuneration policy shall be subject to approval by the BEWI's general meeting, and the policy shall be considered and approved by the general meeting at least every fourth year.

6. Publication of the remuneration policy

The remuneration policy will be made public on BEWI's website, www.bewi.com.

Go Back

Board of directors' report 2022

In 2022, BEWI continued to deliver solid results combined with strong growth from both organic and strategic initiatives. Net sales amounted to EUR 1050 million for the full year, an increase of 40 per cent from 2021, of which 17 per cent was organic growth following successful price management and organic growth initiatives. The company posted an adjusted EBITDA of EUR 134 million, representing 23 per cent growth over the previous year, of which approximately half was organic.

During the year, BEWI kept a steady focus on its three stated strategic priorities: innovation, circular economy, and profitable growth. The company strengthened its innovation capabilities, with a top priority to accelerate the group's progress to becoming circular. BEWI's ambition to lead the industry's way towards a circular economy is about the company's dedication to sustainability throughout its value chain. A description of activities, progress and key priorities going forward is included in the ESG part of this report.

Just like the last couple of years, BEWI completed a high number of acquisitions in 2022 and invested in further development of its existing operations, resulting in strong growth. From an annual reported sales of EUR 748 million in 2021, the company closed off 2022 with annual pro forma sales of more than EUR 1 500 million, including full effect of seven acquired companies. Through the acquisitions, the company has expanded into the UK, the Baltics and Spain, broadened its offering, significantly strengthened its market positions, and further developed its recycling platform. In addition, several organic growth initiatives contributed positively to the growth, including the company's new fish box facility at Senja.

Through its integrated and diversified business model, BEWI is exposed to many end markets and geographies. The company experienced mixed market developments in 2022, with volatile raw material prices, resulting in margins shifting from upstream to downstream segments. Further, demand from the building and construction industry dampened in the second half of the year, while demand for packaging remained stable, and demand for automotive components improved.

Going forward, BEWI's key priorities are to integrate acquired companies and extract synergies, adjust capacity to the current market conditions and implement measures to improve profitability in the Nordic insulation business.

BEWI's business model, including the diversified exposure to end markets, combined with a strong organisation, makes the company well positioned in the current challenging markets.

Transaction 6772 Signed 03, Feb, 23, 08:03

Go Back

Overview of the business

The board of directors' report for the BEWI group ("BEWI" or "the group") comprises BEWI ASA ("the parent company") and all subsidiaries and associated companies. The parent company, BEWI ASA, is a Norwegian public limited liability company.

Business and locations

BEWI is an international provider of packaging, components, and insulation solutions. The group has an integrated and circular business model from production of raw materials and end goods, collecting used materials for recycling, and re-using the recycled materials to new raw material and new products.

The group is headquartered at Hamarvik at the island Frøya, Norway. As per 31 December 2022, the group had a total of 67 production facilities in 13 countries (excluding minority interests): 12 in Norway, 10 in Sweden, 6 in Finland, 10 in Denmark, 1 in Czech Republic, 2 in Lithuania, 3 in Poland, 3 in Germany, 3 in Belgium, 7 in the Netherlands, 3 in Spain, 3 in Portugal, and 4 in the UK. In addition, the group has minority interests in 6 facilities in Germany, 5 in France, 1 at Iceland, and 1 in Poland.

BEWI's business is organised in four segments: RAW, Insulation & Construction (I&C), Packaging & Components (P&C) and Circular.

RAW develops and produces the raw materials white and grey expanded polystyrene (EPS), general purpose polystyrene (GPPS), as well as Biofoam, a fully bio-based particle foam. The raw material is sold both internally and externally for production of end products.

Insulation & Construction (I&C) develops and manufactures an extensive range of insulation products for the building and construction industry. The products are primarily composed of EPS, and extruded polystyrene (XPS). In addition, the segment offers insulation boards from polyisocyanurate (PIR) and mineral wool (MW) sandwich panels.

Packaging & Components (P&C) develops and manufactures standard and customised packaging solutions, as well as technical and automotive components for customers in many industrial sectors, such as food packaging, protective packaging for pharmaceuticals and electronics, re-usable plastic boxes and components for the automotive and heating ventilation and air conditioning industry. The material is composed primarily of EPS, expanded polypropylene (EPP), paper/ fibre and fabricated foam. The company also sells traded products, mainly related to food packaging.

Circular is responsible for the group's collection and recycling of EPS.

A further description of each business segments is presented in the section above, about the company's business model, and below, including financial highlights for each reporting segment.

Vision, mission, and values

BEWI's vision is: *Protecting people and goods for a better everyday.*

BEWI offers solutions that insulate buildings and homes, packaging that protects food and medicines, and components such as bike helmets and child seats for cars that protect people. But the group also takes responsibility by leading the industry's way to a circular economy, constantly working to improve resource efficiency by using less materials and energy, optimise transport, reduce waste, and reuse and recycle more.

By managing the entire value chain, from production of raw materials and end products, to recycling used products back to new raw materials, BEWI can close the loop.

BEWI's mission is: *To create value by offering sustainable packaging, components, and insulation solutions in innovative and efficient ways.*

The group has strong core values, deeply rooted in the organisation, securing customer focus, and acting as important guidelines in the daily work:

- Responsible
- Proud
- Stable
- Care for quality

Strategic priorities

BEWI has three strategic priorities:

- **Innovation** in search for more sustainable materials, products, solutions, and production processes.
- **Circular economy**, aiming at being a the most resource efficient provider of packaging, components, and insulation solutions and being the first company in its industry to close the loop.
- **Profitable growth** through organic initiatives and M&A opportunities targeting increased recycling capacity, geographic expansion, strengthening of market positions and broadening of the company's offering, in particular with solution from complementary materials.

Markets and customers

As mentioned above, BEWI has production facilities in 13 countries. However, the group has sales from more than 20 countries and an integrated business model, with exposure to a range of different end markets. The business model has proven robust to volatile raw material prices, and to various challenges facing different industries.

Transaction 09222115557477819 Signed 05 Jun 2023, 13:08:48 CEST

Go Back

Increased raw material prices positively impacted the profitability for the upstream segment RAW for the first 8 to 9 months of 2022, while putting pressure on margins for the two downstream segments. Then, when raw material prices decreased for the last months of the year, margins shifted between the segments.

Following the acquisitions completed in 2022, BEWI's exposure to the building and construction industry increased. Going into 2023, approximately 60 per cent of the group's sales are from this industry, including sales from the RAW and Insulation & Construction segments. Food packaging accounts for approximately 20 per cent, the automotive industry approximately 5 per cent and other packaging and components approximately 15 per cent.

Demand from the building and construction industry decreased during the second half of 2022 and into 2023. BEWI expects volumes from this industry to end up at approximately 10 per cent lower for 2023 than for 2022 but remains confident in the long-term outlook for its solutions to this industry, supported by strong underlying fundamentals, including the need to improve energy efficiency in buildings and related regulations. Demand for food packaging, as well as technical and automotive components has remained stable, with positive contribution from organic initiatives and M&As.

Important developments in 2022

Organic growth initiatives

Growth initiatives remain a high priority for BEWI. The company invests in organic growth and has a strong pipeline of M&A opportunities.

Below is a description of some key investment programmes in the BEWI group:

Packaging & Components Norway

In 2021, BEWI established a new fish box facility at Senja, Norway, where the company has a long-term supply agreement with its customer SalMar. Production commenced in the third quarter of 2021, with ramp-up of volumes throughout 2022. The new facility contributed positively to the group's results for the second half of 2022 and a further positive volume development is expected in 2023.

In March 2021, BEWI announced its plans to set up a new packaging facility on the Jøsnøya island, Hitra, Norway. The real estate group KMC Properties ASA is responsible for the development project, which commenced in May 2022.

BEWI has been rewarded a long-term supply agreement with the listed seafood company Mowi, the world's largest producer of Atlantic salmon. Under the contract, BEWI will supply fish boxes directly to Mowi's processing lines from the new Jøsnøya facility, with expected start in the second quarter of 2023.

Packaging & Components Sweden

In the first quarter of 2022, investments related to a Heating Ventilation Air Condition (HVAC) system for the customer Bosch was initiated at BEWI's facility in Skara, Sweden. Commercialisation started in the fourth quarter of 2022, with expectations of increased volumes of specific EPP components going forward.

New extruder in Etten-Leur

In the fourth quarter of 2021, investments into a new twin screw extrusion line at the RAW production site in Etten-Leur started. The new extrusion line will increase production capacity of recycled grades and grey products, and production is expected to start in 2023.

Insulation Benelux

In 2022, Jackon initiated an investment in a new production line for production of construction boards in Belgium. The production serves the European market, as well as the UK. The new production line will close to double current capacity. Production is expected to start in the second half of 2023.

ICT

BEWI has initiated a transformation of its IT environment, to build a scalable platform supporting the company's continuous growth. This includes, among several initiatives, investments in new infrastructure and ERP systems, as well as improved processes and strengthening of competence and capacities within certain areas such as IT security.

Acquisitions

In 2022, BEWI completed a total of seven acquisitions, all in line with the group's strategic priorities as referred to above, adding close to EUR 600 million in annual net sales and EUR 40 million in EBITDA.

BEWI's M&A opportunities are mainly within the following categories:

- Strengthening of market positions
- Broadening product offering
- Geographic expansion
- Recycling consolidation

In addition, the company increased its ownership from 51 to 100 per cent of the Danish paper packaging company Cellpack (previously named Honeycomb Cellpack) and divested real estate for approximately NOK 900 million. Below is a description of the transactions completed in 2022 in the order of appearance.

Transaction 09222 Signed: 05 Go Back

Period	Company	Region	Annual sales	Key offering	Strategic rationale
Q2 2022	Trondhjems Eskefabrikk	Norway	EURm ~155	Paper packaging	Broadening offering with complimentary materials
	Jablite Group	UK	EURm ~586	Packaging and insulation	Geographic expansion to UK
	Berga Recycling	Global	EURm ~345	Circular trading platform	Expanding circular platform
Q3 2022	BalPol	Baltics	EURm ~347	Insulation	Geographic expansion to the Baltics and broadening offering with complimentary materials
Q4 2022	Jackon Holding	Europe	EURm ~423.0	Raw materials, packaging and insulation	Strengthening market positions
	Aislenvas	Spain	EURm ~18.3	Insulation	Geographic expansion to Spain
	Incplast	Czech	EURm ~66	Circular	Strengthening circular offering and volumes

Acquisition of Scandinavian paper packaging company

On 28 February 2022, BEWI announced its intention to acquire 100 per cent of a Scandinavian paper packaging company. Further, on 12 April 2022, the company announced the signing of an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS. The acquisition was completed in April and the company was consolidated into BEWI's accounts from 1 May 2022.

Trondhjems Eskefabrikk is manufacturing fibre-based packaging products, such as carton boxes to the food industry, which are 100 per cent recyclable, and a significant share of the raw material used is recycled fibres.

The acquisition provided BEWI with an extended offering of recyclable and recycled products, in line with the company's strategy to provide its customers with complementary solutions. Also, the acquisition supports the company's sustainability target to increase the use of non-fossil raw materials.

Acquisition to become 100% owner of Jablite Group

On 16 May 2022, BEWI acquired the remaining 51 per cent of the leading UK based insulation and packaging company Jablite Group. BEWI first announced its acquisition of 49 per cent of Jablite in June 2020. Since then, Jablite has completed a restructuring programme, resulting in significant profitability improvement. Jablite was consolidated into BEWI's accounts from 1 June 2022.

Through the acquisition, BEWI expanded into the UK, gaining a good market position and three production facilities which complemented the UK based operations of Jackon well.

Acquisition of the recycling platform company Berga Recycling

On 10 June 2022, BEWI acquired Berga Recycling Inc., a world leader in the purchase and sale of materials for recycling. Berga was consolidated into BEWI's accounts from 1 June 2022.

In 2022, Berga collected approximately 65 000 tonnes of materials for recycling through a network of hundreds of customers globally. The trading is completed through an online trading platform, which is linked to Berga's comprehensive network of logistic partners. The trading platform provides BEWI with access to a tool for further consolidation and growth of its circular business, as the platform is scalable, and easily applicable to other recycling companies.

Acquisition of the Lithuanian insulation company BalPol

On 1 July 2022, with reference to the stock exchange notice of 18 February 2022, BEWI announced that it had signed an agreement to acquire the Lithuanian insulation company UAB Baltijos Polistirenas ("BalPol"). BalPol is the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and polyisocyanurate (PIR) and is also a provider of EPS packaging solutions. The transaction was closed in August 2022 and BalPol was consolidated into BEWI's accounts from 1 September 2022.

BalPol, who changed its name to BEWI Lithuania as of 1 March 2023, operates two downstream facilities, whereas one produces PIR and mineral wool (MW) sandwich panels and PIR insulation boards and the other produces insulation solutions from EPS for construction and packaging products from EPS and expanded polyethylene (EPE).

Through the acquisition, BEWI expanded its geographic footprint into the Baltics, enabling sales growth, as well as establishing a platform for circular

Transaction 09222115557477019 Signed 05 Jun 2023, 13:28:48 CET

Go Back

activities. At the same time, the company was broadening its insulation offering.

Completion of acquisition of Jackon Holding

On 19 October, BEWI completed its acquisition of Jackon Holding, including issuance of 32 070 000 new shares directed to the Akselsen family and their investment company HAAS AS, as consideration for their 50 per cent holding of the shares of Jackon. The shares were subject to a 12-months lock-up from issuance. The shareholders that held the remaining 50 per cent received approximately NOK 1.3 billion in cash upon closing.

Jackon was consolidated into BEWI's accounts from 1 November 2022. At the time of closing, Jackon had approximately 970 employees and owned 20 facilities in Norway, Sweden, Finland, Denmark, Germany, and Belgium.

The approval of the transaction from the competition authority in Finland was conditional upon BEWI divesting two insulation facilities, located in Tarvasjoki and Ruukki. In Norway, the approval was conditional upon divestments of Jackon's packaging facility in Alta and the share (63 per cent) of the packaging facility called Kasseriet in Gratangen. All divestments were completed in October 2022.

In its report for the fourth quarter of 2022, BEWI maintained its previously communicated expectations of synergies of more than EUR 15 million.

Acquisition of Spanish insulation company Aislenvas

On 28 November 2022, BEWI entered an agreement to acquire 80 per cent of the Spanish insulation company Aislenvas. The acquisition was completed in December 2022, and the company was consolidated into BEWI's accounts from 31 December 2023.

Aislenvas operates three facilities, all in the same industrial area, manufacturing a variety of EPS-based solutions. The company's key products are insulation solutions, including EPS boards for underfloor heating and EPS panels for External Thermal Insulation Composite Systems (ETICS) used to improve the energy efficiency for building renovations.

Acquisition to become 100% owner of recycling company Inoplast

In December 2022, BEWI acquired an additional 66 per cent of the Czech recycling company Inoplast, becoming owner of 100 per cent of the company. BEWI first announced its acquisition of 34 per cent of Inoplast in March 2021. Inoplast was consolidated into BEWI's accounts from 31 December 2022.

Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics.

Other important events

Closing of first tranche in divestment of industrial real estate portfolio

On 30 June 2022, BEWI announced that it had entered an agreement with KMC Properties ASA for the sale of up to 24 properties and one land plot, with a gross asset value of up to approximately NOK 2.0 billion.

In November 2022, the first tranche of the transaction was completed, including 11 properties and one land plot in Norway and Sweden valued at approximately NOK 900 million. Net of taxes, BEWI received approximately NOK 850 million in cash for the properties. In connection with the transaction, long term triple net rental agreements were entered for the properties.

Further, KMC Properties has an exclusive right to acquire the remaining part of the portfolio valued at up to NOK 1.1 billion, including, but not limited to properties in Belgium, Finland, and Denmark, within twelve months from the agreement was entered on 30 June 2022.

Synbra concluding settlement agreement with the EU Commission

On 29 November 2022, BEWI announced that its subsidiary, Synbra, had concluded a settlement agreement with the European Commission entailing a payment of EUR 17.2 million. The settlement was related to Synbra's potential involvement in anticompetitive practices of styrene monomer purchasing during 2013 and 2014, i.e., five years prior to BEWI's acquisition of Synbra.

As part of the acquisition of Synbra, BEWI received customary warranties from the sellers of Synbra. BEWI intends to pursue the insurance for coverage, and subsequently potentially the sellers.

Implications of Russia's invasion of Ukraine

BEWI's exposure to Russia has been relatively modest, mainly including sales of EPS beads from segment RAW and sales of food packaging products to the Russian fishing industry. Net sales for the group to Russia amounted to EUR 29.2 million for the full year 2021 and to EUR 14.0 million for the full year 2022.

During the first quarter of 2022, BEWI stopped all sales of EPS beads to Russia. Sales to the Russian fishing vessels, mainly from the Norwegian operations, was stopped in the third quarter, following the Norwegian authorities' position.

For the full-year of 2022, the financial impact from sanctions and reduced business volume with Russia was limited to EUR 0.1 million in provisions for doubtful accounts and EUR 0.2 million in write-down of inventory ear-marked for Russian customers.

Transaction 09222 Signed 05 Go Back

Financial review

All amounts in brackets are comparative figures for 2021 unless otherwise specifically stated.

The following financial review is based on the consolidated financial statements of BEWI ASA and its subsidiaries. The statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

In the view of the board, the income statement, the statements of comprehensive income, changes in equity and cash flow, the balance sheet and the accompanying notes provide satisfactory information about the operations, financial results and position of the group and the parent company on 31 December 2022.

Consolidated statement of income

Net sales increased to EUR 1 050.4 million for the full year 2022 (748.2), corresponding to an increase of 40.4 per cent, of which 24.4 per cent was driven by the net of acquisitions and divestments and 16.5 per cent was organic growth, mainly following price increases.

Adjusted EBITDA ended at EUR 133.6 for the full year (109.0), an increase of 22.6 per cent, of which 11.5 per cent was net of acquisitions and divestments, and 10.7 per cent was organic growth. All segments except Circular contributed positively to the organic growth. The adjusted EBITDA margin for the year ended at 12.7 per cent (14.6).

Operating income (EBIT) came in at EUR 68.0 million for the period (67.8). In 2022, EBIT was positively impacted by the EUR 9.6 and EUR 1.1 million gain from revaluation of shares in Jablite and Inoplast respectively, following BEWI's acquisition of the remaining shares in these companies and the subsequent consolidations. EBIT was negatively impacted by the EUR 17.2 million settlement agreement with the European Commission, as explained above.

Net financial items amounted to a negative EUR 25.5 million for the year (-18.8). The increased financial expenses are explained by higher interest rates and increased interest-bearing debt from acquired companies throughout the year. The year was also negatively impacted by a EUR 3.7 million fair value adjustment of shares in the listed real estate company KMC Properties ASA (-0.5) and a EUR 2.9 million revaluation of an option to acquire a minority shareholding (-0.0).

Taxes amounted to a negative EUR 7.2 million for the year (-14.6). The main factors impacting the effective tax rate are the positive tax effect related to the sale and leaseback transactions with KMC Properties and the settlement agreement with the European Commission.

Net profit for 2022 was EUR 35.4 million (34.4).

Financial position and liquidity

Consolidated financial position

Total assets amounted to EUR 1 300.7 million on 31 December 2022, compared to EUR 785.7 million at year-end 2021. The increase mainly relates to acquired companies.

Total equity amounted to EUR 429.8 million at the end of 2022 representing an equity ratio of 33.0 per cent, up from EUR 262.2 million and an equity ratio of 33.4 per cent at the end of 2021.

Net debt amounted to EUR 550.7 million on 31 December 2022 (382.3 excluding IFRS 16), compared to EUR 196.4 million at year-end 2021 (120.3 excluding IFRS 16).

Cash and cash equivalents were EUR 47.5 million on 31 December 2022, compared to EUR 142.3 million at year-end 2021.

Consolidated cash flow

Cash flow from operating activities amounted to EUR 40.9 million for the full year of 2022 (67.4), including an increase in working capital of EUR 46.9 million (6.8). The increase in working capital was mainly related to increased inventory levels in segment RAW and Circular and lower accounts payable which mainly was related to timing of styrene payments.

Cash flow used for investing activities amounted to a negative EUR 179.7 million (-85.9). Capital expenditures were higher than for 2021, driven by specific projects and newly acquired companies. Cash outflow from business acquisitions noted a significant increase due to the many acquisitions during the year, of which the Jackon acquisition accounted for the biggest portion. The full year numbers were also largely impacted by the sale and lease back transactions completed in November, following the closing of the Jackon transaction in October.

Cash flow from financing activities amounted to a positive EUR 46.9 million (positive 107.3) and was dominated by the utilisation of the revolving credit facilities in connection with the Jackon acquisition, partly offset by reduced leasing liabilities and dividends paid. The positive cash flow in 2021 was mainly explained by the bond refinancing and a new share issue.

In total, the cash flow for 2022 amounted to a negative EUR 91.9 million (positive 89.2).

Capital expenditures (CAPEX)

For the full year of 2022, CAPEX amounted to EUR 43.7 million (34.7), of which EUR 16.0 million related to greenfield and other customer specific projects, and EUR 4.2 million related to CAPEX in Jackon, which was consolidated into BEWI's accounts from 1 November 2022.

Transaction 09222 Signed Go Back

In total, Jackon recorded approximately EUR 17 million in CAPEX in 2022. The majority was related to investments in new production lines, to support organic growth, including construction board production, fully robotic production line for foundation elements, and production for underlayment for flooring products.

BEWI has announced an annual target for investments (CAPEX) of 2.5 per cent of net sales excluding greenfield projects, customer specific initiatives and ICT investments. For the full year of 2022, such investments accounted for 2.6 per cent.

For further information about the company's investment programmes, see section above about organic growth initiatives and investment programmes.

Segment information

Segment RAW

Segment RAW develops and produces white and grey expanded polystyrene (EPS), general purpose polystyrene (GPPS), as well as Biofoam, a fully bio-based particle foam. The raw material is sold internally and externally for production of end products. BEWI produces raw material at 3 facilities in Finland (Porvoo), the Netherlands (Etten-Leur) and Germany (Wismar). The group has an annual capacity of approximately 280 000 tonnes EPS.

Key figures

Amounts in million EUR (except percentage)	2022	2021
Net sales	418.0	347.9
Of which internal	*142.0*	*104.5*
Of which external	*276.0*	*243.3*
Net operating expenses	-365.0	-293.9
Adjusted EBITDA	**57.0**	**54.1**
Adjusted EBITDA %	13.6%	15.5%
Items affecting comparability	-17.0	0.1
EBITDA	**40.0**	**54.2**
Depreciations	-4.3	-4.2

From 1 November 2022, the financials for Jackon Holding were consolidated into BEWI's accounts.

Net sales for segment RAW for the full year of 2022 were EUR 418.0 million (347.9), up by 20.1 per cent from 2021, mainly explained by increased sales prices. The consolidation of Jackon contributed EUR 12.5 million to the sales.

Adjusted EBITDA ended at EUR 57.0 million for the full year (54.1). The improvement primarily relates to a strengthened GAP. The consolidation of Jackon contributed EUR 1.2 million to the adjusted EBITDA for 2022.

Segment Insulation & Construction (I&C)

Segment I&C develops and manufactures an extensive range of solutions for insulation and other applications for the building and construction industry. The products are primarily composed of expanded polystyrene (EPS) and extruded polystyrene (XPS). The Nordic markets account for approximately 40 per cent of the sales, whereas other European countries account for the remainder. As per 31 December 2022, and following recent acquisitions, BEWI operated 28 facilities in 11 countries producing insulation solutions. In addition, BEWI has minority interests in 5 facilities in France and 6 facilities in Germany.

Measures for greater energy efficiency are important drivers of demand in the European construction market. Effective insulation for walls, ceilings and floors are the most cost-efficient way of achieving greater energy efficiency and reducing greenhouse gas emissions.

Insulation markets are mostly local. The degree of product specialization varies greatly among different countries and markets. Around 70 per cent of the insulation material is used for new construction and the remainder for renovations.

Key figures

Amounts in million EUR (except percentage)	2022	2021
Net sales	333.9	195.4
Of which internal	*4.0*	*2.8*
Of which external	*329.9*	*192.7*
Net operating expenses	-302.8	-173.9
Adjusted EBITDA	**31.1**	**21.6**
Adjusted EBITDA %	9.3%	11.0%
Items affecting comparability	2.5	0.9
EBITDA	**33.6**	**22.5**
Depreciations	-11.3	-7.9

Kemisol was consolidated from 1 December 2021, Jablite from 1 June 2022, BalPol from 1 September 2022, and Jackon from 1 November 2022.

Net sales amounted to EUR 333.9 million for the full year of 2022 (195.4), an increase of 70.8 per cent. Of this, 25.2 per cent was organic growth mainly driven by increased sales prices related to the higher cost of raw materials. Acquisitions and divestments contributed net 46.2 per cent for the full year.

Adjusted EBITDA increased with EUR 9.5 million and amounted to EUR 31.1 million (21.6). This represents an increase of 44.3 per cent, of which 29.5 per cent, i.e., EUR 6.4 million, was organic growth.

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Go Back

Segment Packaging & Components (P&C)

Segment P&C develops and manufactures standard and customised packaging solutions and technical components for customers in many industrial sectors. The solutions are composed of a variety of materials, including expanded polystyrene (EPS), expanded polypropylene (EPP), fabricated foam, carboard, fibre (paper), as well as other materials, enabling a broad product offering. Examples include boxes and bags for transportation of fresh fish and other food, protective packaging for pharmaceuticals and electronics, and components for cars and heating systems. In addition, the company sells traded products, mainly related to food packaging. As per 31 December 2022, BEWI operated 35 facilities in 9 countries producing P&C components.

Key figures

Amounts in million EUR (except percentage)	2022	2021
Net sales	391.9	295.6
Of which internal	*10.6*	*6.9*
Of which external	*381.9*	*288.7*
Net operating expenses	-343.6	-255.3
Adjusted EBITDA	**48.3**	**40.3**
Adjusted EBITDA %	12.3%	13.6%
Items affecting comparability	4.9	-0.4
EBITDA	**53.3**	**39.9**
Depreciations	-19.7	-16.6

Trondhjems Eskefabrikk was consolidated from 1 May 2022, Styropack (packaging part of Jablite) from 1 June 2022, and Jackon from 1 November 2022.

Net sales amounted to EUR 391.9 million (295.6), an increase of 32.6 per cent. Excluding acquisitions, sales increased by 11.5 per cent explained by increased sales prices in all regions, as well as increased volumes at the Senja facility.

Adjusted EBITDA amounted to EUR 48.3 million (40.3), up by 20.0 per cent. Excluding acquisitions, adjusted EBITDA increased by 7.9 per cent.

Circular

Segment Circular is responsible for BEWI's collection and recycling of EPS. Since the establishment of the business unit in 2018, the segment has launched several initiatives, in addition to acquisitions, to increase the group's recycling capacity. At year-end 2022, the group had access to a recycling capacity of approximately 29 000 tonnes and a collection run-rate of approximately 38 000 tonnes.

BEWI has announced an annual target of recycling 60 000 tonnes of EPS by the end of 2026. The number refers to approximately one-third of BEWI's annual production, which is the volume BEWI puts into the end markets with a lifetime less than one year. As per 31 December 2022, BEWI operated 7 recycling facilities in 6 countries.

Key figures

Amounts in million EUR (except percentage)	2022	2021
Net sales	63.1	24.0
Of which internal	*0.7*	*0.6*
Of which external	*62.4*	*23.4*
Net operating expenses	-60.6	-23.4
Adjusted EBITDA	**2.5**	**0.6**
Adjusted EBITDA %	3.9%	2.5%
Items affecting comparability	0.1	-0.3
EBITDA	**2.6**	**0.3**
Depreciations	-1.7	-1.0

Volker Gruppe was consolidated from 1 October 2021 and Berga Recycling from 1 June 2022.

Net sales for segment Circular for the full year 2022 came in at EUR 63.1 million (24.0), up by 162.7 per cent from 2021, of which 46.9 per cent was organic growth coming from higher volumes and increased sales prices.

Adjusted EBITDA ended at EUR 2.5 million for year (0.6). The improvement relates to the acquisition of Berga Recycling.

In 2022, BEWI collected a total of 29 440 tonnes of EPS for recycling, including seven months of recycling volumes from Berga Recycling, representing an increase of 49.2 per cent since 2021.

Corporate

Revenues and costs related to group functions that do not belong to any specific business segment are booked as unallocated costs. For the full year of 2022, the contribution from corporate costs was negative EUR 5.6 million (-7.6).

Research and development (R&D)

BEWI has three strategic priorities, of which innovation is one of the priorities. BEWI is constantly searching for more sustainable materials, products, solutions, and production processes, aiming at improving resource efficiency and increasing the use of recycled materials. The group conducts R&D activities at selected upstream and downstream facilities, and the activities are coordinated and overseen by group and R&D functions in the segments.

For the full year 2022, CAPEX related to R&D amounted to EUR 0.4 million.

Going concern

The annual financial statements for 2022 have been prepared on the assumption that BEWI is a going concern pursuant to section 3-3a of the Norwegian Accounting Act. With reference to the group's results and financial position, as well as forecasts for the years ahead, the conditions required for continuation as a going concern are hereby confirmed to exist. In the opinion of the board of directors, the group's financial position is good.

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Go Back

Parent company results and allocation of net profit

The financial statements for the parent company are prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The parent company had a loss before taxes of NOK 30.7 million (a profit of NOK 40.9 million). The parent company had payable taxes of NOK 6.9 million (NOK 7.6 million) and thus recorded a net loss of NOK 23.8 million (net profit of NOK 33.3 million).

The board proposes a dividend of NOK 0.60 per share, corresponding to the following allocation of the net profit of NOK 115.0 million for the parent company, based on 191 722 290 shares outstanding:

Amounts in million NOK	
Transfered to other equity	-138.8
Dividend	115.0
Total allocated	**-23.8**

Following an evaluation, the board has concluded that the group will have an equity and liquidity after paying the proposed dividend, which is acceptable in relation to the risks and scope of its activities.

Risks and risk management

BEWI is exposed to several risk factors, categorized into operational risks, including market risk and risk related to production, legal risks, sustainability related risks and financial risks. One of the most important risk factors, is the group's exposure to the change in the price of the raw material styrene monomers.

The raw material is traded on the world market and purchased with a combination of spot and contract prices. The purchase price is partly linked to the level of supply and demand, and partly to the price of oil. The price of styrene is set in dollars and euro, and naturally entails a risk exposure against the Scandinavian currencies. The price of the final product to end customers in the Scandinavian countries is largely connected to the price of styrene, thus entailing a reduction of currency risk.

A detailed description of the financial risks and uncertainty factors can be found in the notes to the financial statements. An overview of the company's most important operational risks, legal risks and sustainability related risks can be found in a separate section of this report.

Corporate governance

Good corporate governance provides the foundation for long-term value creation, to the benefit of shareholders, employees, and other stakeholders. The board of directors of BEWI has established a set of governance principles to ensure a clear division of roles between the board of directors, the executive management, and the shareholders. The principles are based on the Norwegian Code of Practice for Corporate Governance.

BEWI is subject to annual corporate governance reporting requirements under section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance, cf. section 4.4 of the Oslo Rule Book II, rules for issuers listed at the Oslo Børs. The Accounting Act may be found (in Norwegian) at www.lovdata.no. The Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021, may be found at www.nues.no.

The annual statement on corporate governance for 2022 has been approved by the board and can be found in a separate section of this annual report.

Corporate social responsibility

BEWI is subject to corporate responsibility reporting requirements under section 3-3c of the Norwegian Accounting Act. A separate report on ESG (Environmental, Social, Governance) is included in this annual report. The report has been prepared in referance to the Global Reporting Initiative (GRI) Standards (2021). The report covers material environmental, social, and economic impacts and the management approach of BEWI ASA (BEWI) for the calendar year 2022. The report aligns with the company's financial reporting period and represents BEWI's Communication on Progress to demonstrate its commitment to the United Nations Global Compact.

BEWI aims to create value for customers, shareholders, employees, and the society at large, first and foremost, by producing a variety of sustainable products and solutions supporting its customers' sustainability strategies.

BEWI's license to operate rests on confidence from its key stakeholders. All employees are therefore required to comply with the group's code of conduct to ensure high ethical standards in its business conduct and relations with customers, suppliers, and employees.

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Go Back

BEWI is characterised by continuous growth and development. The group launched a sustainability strategy in March 2021 and reports on its progress to selected KPI's on an annual basis.

Employees and organisation

BEWI's most important asset is the knowledge and skills of its employees. As of 31 December 2022, BEWI had 3 293 employees, up from 2 097 on 31 December 2021. The increase mainly reflects acquisitions during the year.

The group had an average work force of 2 372 full time equivalents (FTEs) in 2022, compared to an average of 1 662 in 2021.

Long-term incentive programme and employee share offering

In November 2020, BEWI launched a long-term incentive programme for selected key employees. The programme is a share options programme. Pursuant to the vesting schedule, 20 per cent of the options vested one year after the day of grant, i.e., in November 2021, and another 30 per cent vested two years after the day of grant, in November 2022. The remaining 50 per cent will vest in November 2023. Vesting is dependent on the option holder still being employed in the company. The strike price at grant date for all options granted was NOK 24.48 per share, which was based on the market price plus 10 per cent when granted. At year-end 2022, the strike price amounted to NOK 22.94 per share.

Options that have not been exercised within 5 years from the date of grant will lapse and become void. On 31 December 2022, a total of 2 372 500 options were outstanding, corresponding to 1.2 per cent of the total number of outstanding shares. 972 250 options were vested but not exercised at year-end 2022.

The board of directors

From the annual general meeting in 2021, BEWI's board of directors consisted of Gunnar Syvertsen as the chairperson and Stig Wærnes, Kristina Schauman, Rik Dobbelaere, and Anne-Lise Aukner as directors.

On 16 February 2022, BEWI held an extraordinary general meeting whereas Andreas M. Akselsen, representing HAAS AS, the company's second largest shareholder, was elected new board member, replacing Stig Wærnes, subject to – and with effect of completion of the Jackon transaction. Thus, Andreas M. Akselsen became a director of the board as of 19 October 2022, when the acquisition of Jackon was formally completed. Further information on the directors of the board, as well as the use of board committees are included in the section about corporate governance in this report.

BEWI's Articles of Association provide that the board shall consist of between three and eight members.

BEWI has an insurance covering the responsibilities of the board of directors, the CEO and other senior management.

Health, safety and working environment

Working environment, sickness absence, incidents, and injuries

The working environment in the BEWI group is perceived as good. In March 2021, BEWI launched a sustainability strategy, setting out the group's promise by 2030. The commitments were divided in three main categories: (1) Becoming circular, (2) Actively engage in partnerships and (3) Contribute to an inclusive society, of which the latter includes being a responsible employer. This includes the company's commitments to making gender equality a reality and providing equal opportunities irrespective of ethnical background, religion, age, or sexual orientation. It also includes that 100 per cent of the employees of BEWI will have a development plan which will enable them to grow, have a voice, engage, and reach their full potential. The group will never compromise with health and safety and will work actively to ensure preventive actions with zero accidents.

In 2022, the group had 5.3 per cent absence due to illness, compared to 4.8 per cent in 2021. The group reported 54 accidents in 2022, compared to 26 in 2021. Out of these accidents, 25 had less than 5 days of sickness and 7 accidents resulted in more than 21 days of sick leave. The cost common type of accidents is fall- or cut accidents. All accidents, regardless of the severity, were followed up with an analysis of root cause and implementation of preventative measures.

For further information about management of health and safety, employee satisfaction and leadership development, see the ESG performance report of this report.

Equal opportunities

The board of directors of BEWI ASA consists of five members, of which two are women. The group has an executive management team consisting of six executives, of which three are men and three are female. The group is committed to promoting equality and equal treatment at all stages of the organisation and other relationships. For further information about equal opportunities in the group, see section in the sustainability report.

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Share and shareholder matters

BEWI ASA's shares have been listed at the Euronext Oslo Børs since December 2020.

On 31 December 2022, the total number of shares outstanding in BEWI ASA was 191 347 992, each with a par value of NOK 1. Each share entitles to one vote.

During 2022, the share traded between NOK 78.80 and NOK 43.00 per share, with a closing price of NOK 45.90 on 30 December 2022.

BEWI has one share class, and all shares have equal rights. The shares are registered in the Norwegian Central Securities Depository (VPS). The company's registrar is DNB Markets. The shares carry the securities number ISIN NO 001 0890965.

On 31 December 2022, the 20 largest shareholders of BEWI ASA held 93.49 per cent, of which the largest shareholders are BEWI Invest AS, where the Bekken family is a majority shareholder, holding 51.19 per cent, HAAS AS, owned by the Akselsen family, holding 16.76 per cent, Kverva Industrier, owned by the Witzøe family, holding 7.99 per cent.

General meetings

On 16 February 2022, BEWI held an extraordinary general meeting. At the meeting, the board was authorised to issue a total of 32 070 000 consideration shares to HAAS AS, the owner of 50 per cent of Jackon Holding AS, subject to completion of the transaction.

In addition, Andreas M. Akselsen was elected new board member, replacing Stig Wærnes, subject to – and with effect of completion of the Jackon transaction.

The general meeting also approved the nomination committee's proposal for changes in the composition of the nomination committee.

BEWI held its annual general meeting on 2 June 2022. All resolutions proposed by the board of directors were approved, including the proposal to distribute dividends of NOK 1.10 per share. The dividends were distributed after completion of the Jackon transaction.

BEWI's annual general meeting for 2023 is planned to be held on 1 June 2023.

Dividends

BEWI targets annual dividends of 30 to 50 per cent of the group's net profit. When deciding on the annual dividend, the board of directors will consider the group's financial position, investment plans as well as the needed financial flexibility to provide for sustainable growth.

In 2022, BEWI ASA distributed dividends of NOK 1.10 per share based on the results for the financial year of 2021. The dividends were distributed on 18 November 2022, following completion of the Jackon transaction in October. A total of EUR 20.8 million was distributed.

On 15 February 2023, the board of directors of BEWI proposed to pay a dividend of NOK 0.60 per share for the financial year of 2022. The proposal is in line with the company's dividend policy and will be dealt with at BEWI's annual general meeting on 1 June 2023.

Events after the close of the period

Measures to adjust capacity and reduce costs in Nordic Insulation

Following the combination with Jackon, and in response to the current market conditions, BEWI has initiated measures to optimize its production footprint and reduce capacity to current demand. This includes reduced shifts at several facilities, and temporary closure of one facility. In addition, the company has taken measures to reduce the cost base of its Nordic Insulation business. In total, the company expects annual savings of approximately EUR 5 million.

Exercise of options and increase of share capital

On 18 February 2023, BEWI announced that, following exercise of options by option holders under the company's share option programme, the board had resolved to increase the Company's share capital by NOK 374 298, by the issuance of 374 298 new shares at a subscription price of NOK 22.96 per share by use of the authorisation granted by the general meeting on 2 June 2022.

Agreement to divest real estate for NOK 348 million

On 31 March 2023, BEWI announced, with reference to the real estate transaction announced on 30 June 2022, that the company had entered an agreement with KMC Properties ASA for the divestment of four properties, of which three properties in Finland and one in Denmark valued at NOK 348.3 million. The purchase price will be settled in the form of an amount equal to approx. NOK 200.0 million in cash and NOK 148.3 million in 20 235 931 new shares in KMC Properties at a subscription price of NOK 7.33 per share. KMC Properties has an exclusive right to acquire the remaining part of the portfolio until 30 June 2023.

Through the acquisition of the 20 235 931 new shares in KMC Properties, BEWI will increase in shareholding to a total of 28 807 359 shares corresponding to 8.4 per cent of the issued share capital of KMC Properties.

Go Back

Outlook

During 2022, BEWI experienced a mixed market development between segments and regions, and this has continued into 2023. Due to the current macro environment, markets are characterised by high uncertainty. However, BEWI has proven its ability to manoeuvre well in volatile markets, and the company's integrated and diversified business model has proven to be a competitive advantage in challenging markets.

In the second half of 2022, the building and construction industry showed reduced activity, especially in the Nordics. Following the acquisitions completed in 2022, approximately 60 per cent of BEWI's business is exposed to this industry. The company expects approximately 10 per cent lower demand from building and construction for 2023 than for 2022. Still, the long-term demand for insulation solutions is supported by strong market fundamentals, including the need to improve energy-efficiency in buildings and related regulations. The demand for food packaging is expected to remain stable, with positive contribution from organic initiatives and M&As, and demand for both technical and automotive components is solid.

Going forward, BEWI will continue focusing on integrating acquired companies, including extracting synergies, and adjust production capacity and cost level to the current market conditions.

Based on the company's financial position, investment plans and growth ambitions, the board of directors of BEWI will propose to the general meeting to pay dividends of NOK 0.60 per share, in line with the company's dividend policy of 30 to 50 per cent of net profit. The dividends are proposed to be distributed following a sale of the company's real estate portfolio.

The board of directors remain confident in BEWI's robust business model, strong organisation, and the outlook for continued profitable and sustainable growth of the company.

Trondheim, Norway, 24 April 2023

The board of directors and CEO

BEWI ASA

Sunne Syvertsen	Anne-Lise Aukrust	Rik Dobbelaere
Chair of the board	*Director*	*Director*
Andreas M. Akselsen	Kristine Schaanning	Christian Beckers
Director	*Director*	*CEO*

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Go Back

Statement by the board of directors and CEO

We confirm, to the best of our knowledge, that

- The group financial statements for the period from 1 January to 31 December 2022 have been prepared in accordance with IFRS, as adopted by the EU
- The financial statements give a true and fair view of the group and the company's consolidated assets, liabilities, financial position, and results of operations
- The financial statements of BEWI ASA for the period from 1 January to 31 December 2022 have been prepared in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway
- The board of directors' report provides a true and fair view of the development and performance of the business and the position of the group and the company, together with a description of the key risks and uncertainty factors that the group and the company is facing.

Trondheim, Norway, 24 April 2023

The board of directors and CEO
BEWI ASA

Gunnar Syvertsen	Anne-Lise Aukner	Rik Dobbelaere
Chair of the board	*Director*	*Director*
Andreas M. Akselsen	Kristina Schauman	Christian Bekken
Director	*Director*	*CEO*

Go Back

Financial statements 2022

Transaction 16222153574914679 Signed 65.141.38.242 65.63

Go Back

Contents

The Group

Consolidated comprehensive income statement	97
Consolidated statement of financial position	98
Consolidated statement of financial position	99
Consolidated statement of changes in equity	100
Consolidated cash flow statement	101
Accounting principles and notes to the accounts	102
Note 01 General information	102
Note 02 Summary of key accounting principles	102
Note 03 Financial risk management	107
Note 04 Critical accounting estimates and assessments	112
Note 05 Revenue distribution and segment information	112
Note 06 Employee remuneration etc.	115
Note 07 Remuneration to auditors	117
Note 08 Leasing	117
Note 09 Financial income and expense	118
Note 10 Exchange differences, net	119
Note 11 Income tax	119
Note 12 Intangible assets	121
Note 13 Tangible assets	123
Note 14 Business acquisitions	124
Note 15 Sale of business	129
Note 16 Shares in associates	130
Note 17 Financial instruments per category	132
Note 18 Account receivables	133
Note 19 Inventory	134
Note 20 Prepaid expenses and accrued income	134
Note 21 Cash and cash equivalents	134
Note 22 Share capital	135
Note 23 Share based incentive programme	135
Note 24 Earnings per share	137
Note 25 Borrowings	137
Note 26 Pensions and similar obligations to employees	140
Note 27 Other provisions	143
Note 28 Accrued expenses and deferred income	145
Note 29 Contingent liabilities	145
Note 30 Pledged assets	144
Note 31 Related parties	144
Note 32 Adjustments for non-cash items etc.	145
Note 33 Subsequent events	147

Parent company

Income statement of the parent company	148
Statement of financial position of the parent company	149
Statement of financial position of the parent company	150
Cash flow statement for the parent company	151
Accounting principles and notes to the accounts	152
Note 01 General information	152
Note 02 Summary of key accounting principles for the parent company	152
Note 03 Net sales	153
Note 04 Employee remuneration etc.	153
Note 05 Interest income and interest expense and similar items	157
Note 06 Income tax on the profit for the year	155
Note 07 Shares in subsidiaries and associates	155
Note 08 Cash and bank balances	157
Note 09 Share capital	157
Note 10 Equity	158
Note 11 Receivables and liabilities	158
Note 12 Related parties	159
Note 13 Remuneration to auditors	159
Auditor's report	160
Alternative Performance Measures	167

Consolidated comprehensive income statement

million EUR (except numbers for EPS)	Note	2022	2021
Operating income			
Net sales	5	1 050.4	748.2
Total operating income		**1 050.4**	**748.2**
Operating expenses			
Raw materials and consumables	19	-432.4	-304.9
Goods for resale	19	-136.1	-92.2
Other external costs	7, 8, 10	-229.9	-135.9
Personnel costs	6	-149.3	-116.2
Depreciation/amortisation and impairment tangible and intangible assets	12, 13	-47.2	-37.8
Share of income from associated companies		2.8	5.7
Capital gain/loss from sale of asset		9.7	1.0
Total operating expenses		**-982.5**	**-680.4**
Operating income (EBIT)		**68.0**	**67.8**
Financial income		2.0	0.4
Financial expense		-27.4	-19.2
Financial income and expense - net	**9**	**-25.5**	**-18.8**
Income before taxes		**42.5**	**49.0**
Income tax	11	-7.2	-14.6
Net income for the year		**35.4**	**34.4**

million EUR (except numbers for EPS)	Note	2022	2021
Other comprehensive income:			
Items that may later be reclassified to profit and loss			
Exchange rate differences		-2.2	4.1
Items that will not be reclassified to profit and loss			
Remeasurements of net pension obligations		-4.2	4.0
Income tax pertinent to remeasurements of net pension obligations		0.8	-0.8
Other comprehensive income after tax		**-5.6**	**7.3**
Total comprehensive income for the period		**29.7**	**41.7**
Net income for the year attributable to:			
Parent company shareholders		34.4	35.7
Non-controlling interest		0.9	-1.3
Total comprehensive income attributable to:			
Parent company shareholders		28.7	42.9
Non-controlling interest		1.0	-1.2
Earnings per share	24		
Average number of shares		164 109 723	153 336 017
Diluted average number of shares		165 490 895	154 116 368
Earnings per share (EPS), basic (EUR)		0.21	0.23
Earnings per share (EPS), diluted (EUR)		0.21	0.23
Earnings per share (EPS), basic (NOK)[1]		2.12	2.37
Earnings per share (EPS), diluted (NOK)[1]		2.10	2.36

[1] EPS in NOK is calculated using average rates for the period

Consolidated statement of financial position

million EUR	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets			
Goodwill		262.8	113.0
Other intangible assets		135.2	80.3
Total intangible assets	**12**	**398.0**	**193.3**
Tangible assets			
Land and buildings		238.5	97.3
Plant and machinery		178.0	107.3
Equipment, tools, fixtures and fittings		28.2	12.4
Construction in progress and advance payments for property, plant and equipment		23.9	10.1
Total tangible assets	**13**	**468.7**	**215.1**
Financial assets			
Shares in associates	16	13.2	13.7
Net pension assets		2.5	6.7
Non-current receivables associates		0.1	4.2
Other non-current receivables		0.1	0.1
Other shares and participations		6.1	9.8
Total financial assets		**22.1**	**34.5**
Deferred tax assets	11	4.4	3.6
Total non-current assets	**17**	**893.2**	**445.9**

million EUR	Note	31 Dec 2022	31 Dec 2021
Current assets			
Inventory			
Raw materials and consumables		53.9	30.3
Work-in-progress		5.4	3.4
Finished goods and goods for resale		108.3	47.3
Total inventory	**19**	**167.6**	**81.0**
Current receivables			
Account receivables	18	156.7	93.8
Current tax asset		0.7	0.6
Other current receivables		14.2	11.9
Prepaid expenses and accrued income	20	12.5	5.0
Other financial assets		8.3	0.2
Cash and cash equivalents	7	47.5	142.3
Total current receivables	**17**	**239.9**	**258.8**
Total current assets		**407.5**	**339.8**
TOTAL ASSETS		**1 300.7**	**785.7**

Consolidated statement of financial position

million EUR	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	22	18.2	14.8
Additional paid-in capital		322.3	166.9
Reserves		-15.3	-9.6
Accumulated profit or loss (including net profit for the year)		94.7	80.3
Equity attributable to parent company shareholders		**419.8**	**252.4**
Non-controlling interests		10.0	9.8
Total Equity		**429.8**	**262.2**
LIABILITIES			
Non-current liabilities			
Pensions and similar obligations to employees	26	1.3	1.4
Other provisions	27	0.4	0.9
Deferred tax liability	11	58.3	26.8
Non-current bond loan	25	246.9	246.1
Other non-current interest-bearing liabilities	25	238.2	75.9
Other financial non-current liabilities	17	0.7	4.3
Total non-current liabilities	17	**545.7**	**355.4**

million EUR	Note	31 Dec 2022	31 Dec 2021
Current liabilities			
Other current interest-bearing liabilities	25	12.4	16.7
Other financial liabilities		0.4	0.2
Account payables		83.5	89.7
Current tax liabilities		16.4	3.0
Other current liabilities		15.1	13.2
Accrued expenses and deferred income	28	97.3	40.2
Total current liabilities	17	**325.2**	**168.0**
Total liabilities		**870.9**	**523.4**
TOTAL EQUITY AND LIABILITIES		**1 300.7**	**785.7**

Trondheim, Norway, 24 April 2023

The board of directors and CEO
BEWI ASA

Svein Sivertsen	Anne-Lise Aukrust	Rik Dobbelaere
Chair of the Board	*Director*	*Director*
Andreas Akselsen	Kristina Schauman	Christian Beckeen
Director	*Director*	*CEO*

Consolidated statement of changes in equity

million EUR	Share capital	Additional paid-in capital	Reserves	Retained earnings (incl profit for the year)	Total	Non-controlling interest	Total equity
Opening balance as of 1 January 2022	14.8	166.9	-9.6	80.3	252.4	9.8	262.2
Net profit for the year	-	-	-	34.4	34.4	0.9	35.4
Other comprehensive income	-	-	-5.7	-	-5.7	0.1	-5.6
Total comprehensive income	**-**	**-**	**-5.7**	**34.4**	**28.7**	**1.0**	**29.7**
Transactions with owners, recognised directly in equity							
New share issue	3.4	155.5	-	-	158.8	-	158.8
Transaction cost	-	-0.1	-	-	-0.1	-	-0.1
Dividend	-	-	-	-20.8	-20.8	-	-20.8
Acquisition non-controlling interest	-	-	-	0.2	0.2	-0.8	-0.6
Share-based payments IFRS 2	-	-	-	0.6	0.6	-	0.6
Total transactions with shareholders, recognised directly in equity	3.4	155.4	-	-20.1	138.6	-0.8	137.9
Closing balance as of 31 December 2022	18.2	322.3	-15.3	94.7	419.8	10.0	429.8
Opening balance as of 1 January 2021	14.0	151.9	-16.8	45.6	194.7	0.4	195.1
Net profit for the year	-	-	-	35.7	35.7	-1.3	34.4
Other comprehensive income	-	-	7.2	-	7.2	0.1	7.3
Total comprehensive income	**-**	**-**	**7.2**	**35.7**	**42.9**	**-1.2**	**41.7**
Transactions with owners, recognised directly in equity							
New share issue	0.8	21.8	-	-	22.7	-	22.7
Transaction cost	-	-0.7	-	-	-0.7	-	-0.7
Dividend	-	-6.1	-	-0.3	-6.4	-	-6.4
Acquisition of non-controlling interest	-	-	-	-1.4	-1.4	10.5	9.2
Share-based payments IFRS 2	-	-	-	0.7	0.7	-	0.7
Total transactions with shareholders, recognised directly in equity	0.8	15.0	-	-1.0	14.8	10.5	25.4
Closing balance as of 31 December 2021	14.8	166.9	-9.6	80.3	252.4	9.8	262.2

Consolidated cash flow statement

million EUR	Note	2022	2021
Operating cash flow			
Operating income (EBIT)		68.0	67.8
Adjustments for non-cash items, etc.	22	50.5	32.6
Interest paid and financing costs		-19.3	-17.8
Interest received		2.8	0.4
Income tax paid		-14.2	-8.7
Operating cash flow before changes to working capital		**87.8**	**74.2**
Cash flow from working capital changes			
Increase/decrease in inventories		-20.4	-14.3
Increase/decrease in operating receivables		28.5	-28.2
Increase/decrease in inventories in operating cost		-55.2	35.8
Total change to working capital		**-46.9**	**-6.8**
Cash flow from operating activities		**40.9**	**67.4**
Cash flow from investment activities			
Purchase of property, plant and equipment and intangible assets	12, 13	-46.7	-34.7
Acquisitions of business	4	-230.9	-54.0
Acquisitions of associated companies	16	0.0	-1.1
Other financial investments		2.2	-0.5
Disposals of property, plant and equipment	13	85.0	0.5
Divestment of business	5	7.8	4.3
Cash flow from investment activities		**-179.7**	**-85.5**

million EUR	Note	2022	2021
Cash flow from financing activities			
Borrowings, net of transaction costs	25	85.0	248.2
New share issue, net of transaction costs	22	1.0	18.9
Repayment of borrowings	25	-18.3	-153.4
Dividend		-20.8	-6.4
Cash flow from financing activities		**46.9**	**107.3**
Cash flow for the period		**-91.9**	**89.1**
Opening cash and cash equivalents		142.3	51.4
Exchange difference in cash		-2.9	1.8
Closing cash and cash equivalents	21	**47.5**	**142.3**

The group

Accounting principles and notes to the accounts

Note 01 General information

BEWI ASA (the parent company) and its subsidiaries (together "the group") produce, market and sell packaging, components and insulation solutions. The parent company conducts its business through subsidiaries in Sweden, Finland, Denmark, Norway, Iceland, the Netherlands, Belgium, Portugal, Spain, Poland, Germany, UK and through associated companies in Germany, France, Czech Republic, Lithuania, Canada and the US.

The parent company is a public limited company registered in Norway, with head office located in Trondheim, Norway, and address Dyre Halses gate 1A, 7042 Trondheim. BEWI ASA's registration number is 925 437 943.

The board of directors approved these consolidated accounts on 24 April for publishing on 25 April 2023.

Note 02 Summary of key accounting principles

The key accounting principles applied in these consolidated accounts are stated below. The principles have consistently been applied for all reported financial years, unless otherwise specified.

All amounts are reported in million Euro (mill on EUR), unless otherwise specified. The information in brackets concerns previous years.

2.1 Reasons for the method of preparation of the reports

The consolidated accounts for the BEWI ASA group ("BEWI ASA") have been prepared in accordance with the Norwegian Annual Accounts Act (norsk regnskapslov), and International Financial Reporting Standards (IFRS, as well as interpretations from the IFRS Interpretations Committee (IFRS IC), in the form they have been adopted by the EU. The accounts have been prepared using the cost value principle.

Preparing reports compliant to IFRS requires certain estimates for accounting purposes to be made. It requires the executive management to make certain assessments when applying the group's accounting principles. The complex areas, areas in which a high degree of assessments are required, or in which assumptions and estimates are significant to the consolidated accounts, are stated in note 4.

No new IFRS standards or amendments to standards have been added in 2021 that have required changes in the accounting or measurement principles.

CONSOLIDATED ACCOUNTS

Basic accounting principles

2.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Executive Committee is the chief operating decision-maker, responsible for assessing the financial position of the group and strategic decision-making. The executive management has assessed the operating segments based on the information considered by the board of directors which is the basis of the allocation of resources and assessment of performances. The group has identified four segments to be reported: PAW Insulation, Packaging & Components and Circular.

Subsidiaries

The subsidiaries are all companies over which the group exercises the controlling influence. The group controls a company when it is exposed to or entitled to variable returns from its holdings in the company and carries the ability to influence the return through its control of the company. Subsidiaries are included in the consolidated accounts from the date on which the controlling influence is transferred to the group. They are excluded from the date on which the controlling influence ceases to be.

The acquisition method is applied for accounting for the group's business combinations. The purchase consideration for the acquisition of a subsidiary is made up of the fair value of assets transferred, the group's liabilities to prior equity holders of the acquired company, and the new shares issued by the group. The consideration also includes the fair value of all liabilities pertinent to a contingent consideration agreement. Identifiable acquired assets and assumed liabilities in a business combination are initially valued at fair value on the acquisition date. For each acquisition, i.e. on an acquisition-to-acquisition basis, the Group determines whether non-controlling interests in the acquired company is reported at fair value or at the proportional share of the reported value of the acquired company's identifiable net assets.

Expenses pertinent to an acquisition are carried as an expense as they arise.

Each contingent consideration to be transferred by the group is reported at fair value on the acquisition date. Subsequent variations of the fair value of a contingent consideration are reported in accordance with IFRS 9 in the income statement.

Goodwill is initially valued to the amount with which the total consideration and any fair value for the non-controlling interests or the acquisition date exceeds the fair value of the identifiable acquired net assets. Should the consideration be lower than the fair value of the acquired company's net assets, the difference is recorded in the income statement.

Intra-group transactions, balance sheet items, revenue and expenses from intra-group transactions are eliminated. The accounting principles for the subsidiaries have, when applicable, been altered to guarantee a consistent application of the group's principles.

Associated companies

Associated companies are companies over which the group has a significant but not controlling influence, which generally is relevant for holdings ranging from 20 percent to 50 percent of the votes. Holdings in associated companies are reported using the equity method.

The equity method entails initially reporting the holdings in associated companies at the acquisition cost on the consolidated balance sheet. The carrying amount is increased or decreased thereafter, in order to take into account the group's share of the net profits and other comprehensive income from its associated companies after the acquisition date. The group's share of the profit forms part of the consolidated net income and the group's share of the comprehensive income forms part of the group's comprehensive income. Dividends from associated companies are reported as a reduction to the investment's carrying amount.

Should the group's share of the loss of an associated company be equal to or exceed the holdings in that associated company (including all long-term liabilities who are de facto part of the group's net investment in the associated company), the group does not report any more losses, provided that the group has not incurred obligations or made payments on behalf of the associated company.

Unrealised gains on transaction between the group and its associated companies are eliminated to the extent of the group's holdings in associated companies. Unrealised losses are eliminated, provided that the transaction is not an indication of impairment of the asset being transfered.

The accounting principles for associated companies have been adjusted when required in order to guarantee accordance with the group's accounting principles.

2.3 Translation of currencies

Functional currency and presentation currency

The units of the group use their local currencies as functional currency as they have been defined as the currencies used in the primary economic environment in which the respective units mainly are active. In the consolidated accounts, Euro (EUR) is utilised, as the group's presentation currency.

Transactions and balance sheet items

Transactions in foreign currency are translated to the functional currency using the exchange rates on the date of the transaction. Exchange rate gains and losses arising from payments of such transactions and from translations of monetary assets and liabilities in foreign currency at the rate on the balance sheet day, are reported in the operating income section of the income statement. Exchange rate gains and losses arising from borrowings and cash and cash equivalents are reported in the income statement as financial incomes and expenses.

Translation of foreign group companies

Profits and financial positions for all group companies not using the presentation currency as functional currency are translated to the group's presentation currency. Assets and liabilities for each balance sheet are translated from the foreign unit's functional currency to the group's presentation currency, Euro, at the exchange rate on the balance sheet day. Revenue and expenses for each income statement is translated to Euro at the average rate at the time of each transaction. Translation differences arising from currency translation of foreign operations are reported in other comprehensive income.

2.4 Intangible assets

Goodwill

Goodwill arises when subsidiaries are acquired and represent the amount with which the purchase consideration exceeds BEWI Synbra's share of the fair value of identifiable assets, liabilities and contingent liabilities of the acquired company.

In order to recognise impairment need, goodwill acquired in business combinations is allocated to cash generating units who are expected to be favoured by the synergies from the acquisition. Each unit or group of units to which goodwill has been allocated represents the lowest level in which the goodwill is monitored in the internal governance.

Goodwill is monitored per cash generating unit. Goodwill is tested for impairment annually or more frequently should certain events or changes to conditions indicate a possible impairment need. The carrying value of goodwill is compared to the recoverable amount, which is the higher of fair value less costs of disposal and value in use. Any impairment is immediately reported as an excerse and is not reversed.

Patents/ Licences/ IT

Patents, licences & IT acquired separately are reported at the acquisition cost. Patents, licences & IT acquired through a business combination are reported at fair value on the acquisition date. It mainly includes costs for the development of identifiable and unique software products controlled by the company. Patents, licences & IT carry a useful life and are reported at the acquisition cost less accumulated amortisation and impairment.

Customer relations, trademark and technology

These intangible assets have all been acquired through business combinations and are reported at fair value on the acquisition date. Customer relations and technology have a fixed useful life and are for subsequent periods reported at the acquisition cost less accumulated amortisation and impairment. The useful life of trademarks acquired through business combinations is evaluated and determined in each acquisition. Net cash flows generated by trademarks are not expected to cease in the foreseeable future. The trademarks in the groups balance sheet is therefore deemed to carry an indefinite useful life. Trademarks and goodwill are tested annually for impairment as described above. Trademarks are for subsequent periods reported at the acquisition cost less any write-down from impairment.

Useful lives for the group's intangible assets:

Patents/ licences	5 yr.
Customer relations	8–15 yr.
Technology	6.5–10 yr.

2.5 Tangible assets

Tangible assets are reported at the acquisition cost less accumulated depreciation and write-down from impairment. Expenses directly attributable to the acquisition may be included in the acquisition cost. Incremental costs are either added to the asset's carrying amount or reported as a separate asset, as appropriate. Assets are only added in the event that the future economic benefits will be of use to the group and that the acquisition cost can be reliably measured. The carrying amount of a replaced component is taken off the balance sheet. Other maintenance and reparations are reported as expenses in the income statement during the period in which they arise, and is not depreciated. Depreciation of other assets is recognised on a straight-line basis over the useful life to the calculated residual value. Such depreciations are carried out according to the following:

Buildings	10–65 yr.
Frameworks, foundations	64–84 yr.
Frame supplements, interior walls	50 yr.
Heating, sanitary, electricity, front, roof	40 yr.
Interior surface finish/ental preparation	10 yr.
Ventilation	20 yr.
Elevator/transportation	25 yr.
Control system and surveillance	15 yr.
Other property components	50 yr.
Ground installations (facilities)	20 yr.
Plant and machinery	5–18 yr.
Equipment, tools, fixtures and fittings	3–10 yr.

The assets' residual value and useful life are assessed at the end of each reporting period and are adjusted when required. An asset's carrying amount is immediately impaired to the recoverable amount when the carrying amount exceeds its recoverable amount.

Gains and losses arising from a disposal of a tangible asset are determined through comparing the sale proceeds to the carrying amount.

2.6 Impairment of non-financial assets

Intangible assets with an indefinite useful life are not amortised but are assessed annually to determine the impairment need. Depreciated and amortised assets are assessed with respect to the impairment if events or changed conditions indicate that the carrying amount is not recoverable. Impairments are undertaken for the amount with which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is equal to the higher of the asset's fair value less selling expenses and its value in use. Assets are grouped at the lowest level of separate identifiable cash flows (cash generating units) when assessing the impairment need. Assets previously impaired, other than goodwill, are assessed for reversal for each balance sheet day.

2.7 Inventory

The inventory is reported at the lower of the acquisition cost and the realisable value. The acquisition cost is determined through the first-in-first-out method. The acquisition cost also includes expenses relating to the acquisition, as well as for bringing the goods to their current location and condition. The acquisition cost for the company's semi-finished or finished products is the sum of the direct production costs and the production overhead (based on normal production capacity).

2.8 Financial instruments

Financial instruments recur in several different balance sheet items and are described below.

2.8.1 Classification

The group classifies its financial assets and liabilities in the following categories: Financial assets at fair value through profit and loss, financial assets measured at amortised cost, financial liabilities measured at fair value through profit and loss and financial liabilities measured at amortised cost. The classification is chosen in accordance with the purpose of obtaining the financial asset or liability.

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are shares and participations other than shares in subsidiaries, associates and joint ventures. The shares in KMC Properties ASA, listed on Oslo stock exchange are included in this category. Derivatives are recognised at fair value through profit and loss. Positive fair value changes in derivatives are reported as financial assets.

Financial assets measured at amortised cost

Financial assets measured at amortised cost are financial instruments where the business model is to collect cash flows. The contractual cash flows are solely payments of principal and interest and are valued at amortised cost in accordance with the effective interest method. Accounts receivables are included in this category.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss are normally limited to derivatives and earnouts from business acquisitions.

Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost are all other financial instruments, such as the bond loans, liabilities to credit institutions, liabilities regarding financial leasing and account payables.

2.8.2 Reporting and valuation

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not at fair value through profit and loss. Financial assets at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are recognised when the group becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on the settlement date. Financial assets are removed from the balance sheet when the right to obtain cash flows from the instrument has expired and the group has transferred all essential risk and benefits in conjunction with the ownership. Financial liabilities are recognised when the group becomes bound to the contractual obligations of the instrument. Financial liabilities are removed from the balance sheet when the obligation under the agreement is completed or otherwise extinguished. Loans and receivables and other financial liabilities are, after the acquisition date, reported at the amortised cost calculated using the effective interest method.

2.8.3 Offsetting financial instruments

Financial assets and liabilities are offset and reported with a net amount on the balance sheet only when there is a legal right to offset the carrying amounts and an intention to settle them with a net amount or to simultaneously realise the asset and settle the debt.

2.8.4 Impairments of financial instrument

At each balance sheet date, financial assets measured at amortised cost are assessed for impairment based on Expected Credit Losses (ECL). ECLs are the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that the group expects to receive, discounted at the original effective interest rate. Allowances for trade receivables are always equal to lifetime ECL.

2.9 Account receivables

Account receivables are financial instruments that include amounts payable by customers for operationally sold goods and services. They are classified as current assets when payment is expected within a year. Should payment be expected beyond that period, they are reported as non-current assets. Account receivables are initially reported at fair value, subsequently at amortised cost, calculated using the effective interest method less any provisions for impairment.

2.10 Cash and cash equivalents

Cash and cash equivalents include, on the balance sheet as well as in the cash flow statement, cash and bank balances.

2.11 Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the new issue of ordinary shares are reported in equity, net after tax, as a deduction from the proceeds from the issue.

2.12 Account payables

Account payables are financial instruments in conjunction with obligations to pay for goods and services for operations acquired from the suppliers. Account payables are reported as current liabilities when they mature within a year. Should they mature beyond that period, they are reported as long-term liabilities. Account payables are initially reported at fair value and subsequently at amortised cost using the effective interest method.

2.12 Borrowings

Liabilities to credit institutions and liabilities to associated companies are initially reported at fair value, net after transaction costs. Borrowings are subsequently reported at amortised cost. Any difference between the obtained amount (net after transaction cost) and the repayment amount is reported in the income statement distributed over the loan period using the effective interest method. Bank overdraft facilities are reported as liabilities to credit institutions in the current liabilities section of the balance sheet.

2.13 Provisions

Provisions are reported when the group is legally or constructively obligated following prior events, where it is probable that an outflow of resources is required to clear the commitment and the amount is reliably calculated.

Provided that similar commitments exist, the probability of an outflow of resources at the clearing to be required is assessed for the entire group of similar commitments. A provision is recorded even in the event of low probability of an outflow regarding a particular item in the group of commitments. The provisions are recorded at the present value of the amount expected to be required for fulfilling the obligation. A discount rate before tax is utilised thereby, reflecting the current market assessment of the time-dependent value of money and risks connected to the provisor. The increase of provisor pertinent to the passing of time is reported as an interest expense.

2.14 Current and deferred tax

The period's tax expenses include current and deferred tax. The current tax expense is calculated on the basis of the tax regulations in force on the balance sheet day in the countries in which the parent company and its subsidiaries are active and generate taxable revenue. Deferred tax is reported in accordance with the balance sheet method for all temporary differences between the written-down value of assets and liabilities and the carrying amounts in the consolidated accounts. Deferred tax is calculated with the application of the tax rates in force on the balance sheet day and the rates expected to be in force when the tax asset is realised or the tax liability is cleared. Deferred tax assets on carry forwards are reported to the extent likely that future fiscal surplus will be available, against which the deficits may be exploited.

Deferred tax assets and liabilities are offset in the event of a legal right to offset for the tax refunds in question, the tax deferrals are attributable to taxes debited by one tax authority, apply to one or several tax subjects and there is an intention to clear the balances through net payments.

2.15 Employee remuneration

Pension commitments

The group has several post-employment benefit plans, including defined benefit plans, of which the majority of the pension schemes are defined contribution plans. A defined contribution plan is a pension plan according to which the group pays a fixed fee to a separate legal entity. The group carries no legal or constructive obligations to pay additional fees should the entity lack sufficient resources to remunerate all employees what they are due as a result of their service, in the current or prior periods. The fee is reported as a personnel cost when incurred. A defined benefit plan is a pension plan without defined contribution. Defined benefit plans normally set out an amount for the employee to receive upon retirement, normally based on one or several factors such as age, period of service and salary. The group provides defined benefit plans for a limited number of people, in Finland, in the UK, and in Norway. These plans are further described in note 26. In addition, the group provides other long-term

benefits in the Netherlands for long-term service ('jubilee fund), calculated in the same manner as a defined benefit plan. The liability reported on the balance sheet in conjunction with the defined benefit pension plan is the present value of the defined benefit commitment at the end of the reporting period less the plan assets' fair value. The defined benefit pension commitment is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit liability is determined through discounting future estimated cash flows using the interest rate for investment grade corporate bonds or housing bonds issued in the same currency as the benefits, with terms comparable to the pension commitment in question. The net interest is calculated by applying discount interest charges to defined benefit plans and for the fair value of the plan assets. The current service cost is included in the personnel costs and the net interest among financial items. Revaluation gains and losses as a result of adjustments in accordance with experience and changes to actuarial estimates are reported in other comprehensive income for the period during which they arise. They are part of the profit carried forward in the changes to consolidated equity and the balance sheet. Costs for service in prior periods are reported in the income statement.

Compensation at termination of employment

Compensation at termination of employment is due when an employee's employment is terminated by the group before the normal time of retirement or when an employee accepts voluntary withdrawal in exchange for such compensation. The group reports compensation at termination at the first of these points of time: a) when the group no longer has the option to withdraw the compensation offer and and b) when the company reports expenses for a restructuring within the scope of IAS 37 and implies payments of severance. Compensations at termination are calculated based on the number of employees expected to accept the offer and ageing voluntary withdrawal in the event that such an offer has been made. Benefits maturing more than 12 months after the end of the reporting period are discounted at present value.

Share based payments

In 2020, the parent company BEWI ASA implemented a share-based incentive programme, entitling the participants to subscribe for shares in BEWI ASA during a three-year period.

The fair value of the share options issued is determined at the grant date in accordance with the Black & Scholes valuation model, taking into consideration the terms and conditions that are related to the share price.

The value is recognised in the income statement as a personnel cost allocated over the vesting period with a corresponding increase in equity.

The recognised cost corresponds to the fair value of the estimated number of share options that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested options and shares.

2.16 Revenue recognition

The group follows a five-step model for recognising income that is based on when control of a good or service is passed to the customer. The core principle is that an entity is to recognise revenue once each the transfer of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The five-step model comprises the following steps: Step 1: Identify the contract with the customer; Step 2: Identify the performance obligations in the contract; Step 3: Determine the transaction price; Step 4: Allocate the transaction price and Step 5: Recognise revenue – over time or point in time.

As to Step 5, revenue is recognised when a company has satisfied a performance obligation, which is when control of the underlying goods or services has been passed to the customer. The amount recognised as revenue corresponds to the amount allocated to the satisfied performance obligations. A performance obligation can be satisfied over time or at a point in time. Revenue is recognised over time if the customer simultaneously receives and consumes all of the benefits provided by the company as the company performs, the company's performance creates or enhances an asset that the customer controls, or the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date. If a performance obligation does not meet one of these criteria to be recognised over time, revenue is recognised at one specific point in time. This takes place when control of a good or service is passed to the customer. Factors that may indicate the point in time at which control passes include the company has transferred physical possession of the asset, the company has a present right to payment for the asset, the customer has accepted the good or service, the customer has the significant risks and rewards related to the ownership of the asset, and the customer has legal title to the asset.

BEWI sells products for insulation for the construction industry as well as packaging solutions for the manufacturing industry and food producers. Virtually all of these sales transactions meet the definition of a point in time revenue recognition. The sales are reported as revenue when a group company has delivered the product to a customer. Delivery is deemed to have taken place when the products have arrived at the indicated location, as defined by the shipment terms.

2.17 Interest revenue

Interest revenue is reported using the effective interest method.

2.18 Leases

According to IFRS 16 a lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Each lease payment is apportioned to interest and amortisation of the lease liability. The interest is recognised as a financial expense in income statement, apportioned over the lease term so that each period is charged with an amount reflecting a fixed interest rate on the underlying lease liability. The right-of-use asset is measured at cost, which reflects the value of the lease liability, plus any initial direct expenditure, plus obligations for disassembly, removal or recovery at the end of the lease. In general, the right-of-use asset is depreciated on a straight-line basis over the term of the lease or, given an option to extend, the period during the lessee expects to use the asset.

The group has decided to apply the practical expedients for short-term leases and low-value assets. This means that contracts with shorter maturities than 12 months and leases of low value (value of assets when it is new of less than EUR 35 000) are not included in the calculation of right-of-use assets or leasing liabilities but continue to be reported with straight-line expense over the lease term.

Examples of low value assets are computers, printers and copiers.

Lease facilities are initially measured at the present value of future lease payments. Lease payments are discounted by the lessee's implicit interest rate, if the implicit interest rate can be easily determined, but the typical method is for the group to use the incremental borrowing rate. Future lease payments are calculated at present value consist of fixed payments. Lease liabilities that fall due within 12 months are classified as current liabilities and liabilities that fall due after 12 months as non-current liabilities. Upon determining the term for a lease, extension options are taken into account if it is likely that they will be exercised.

2.19 Government grants

Government grants are recognised when there is a reasonable assurance that the grants will be received and that the Company will comply with the conditions attached to them. Government grants are recognised in profit or loss on a systematic basis over the periods in which the related expenses, which the grants are intended to compensate for, are recognised. Government grants are recognised as a reduction of such related expenses. Government grants received for investments are recognised in the balance sheet as a reduction of the booked value of the asset.

2.20 Dividends

Dividends to the parent company's shareholders are reported as liabilities in the consolidated financial reports for the period in which the dividends have been approved by the parent company's shareholders.

2.21 Cash flow statement

Cash flow statement is prepared using the indirect method. The reported cash flow solely contains transactions giving rise to payments.

Note 03 Financial risk management

3.1 Financial risk factors

The group is through its activities exposed to several different risks: market risks (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The group's comprehensive financial risk management is focused on the unpredictability of the financial markets and strives to minimise any adverse effect on the consolidated profits. The use of derivative financial instruments has so far been limited to minimization of currency exposure on intra-group borrowing and lending. The risk management is controlled by the central finance department and the treasury function within that department. The finance department identifies, evaluates and hedges financial risks in close cooperation with the group's operative units.

Currency risk

The group operates in the Nordic countries, in continental Europe, in the UK and in North America and is mainly exposed to currency risk arising from currency exposure to the Swedish Krona (SEK), the Danish Krona (DKK) and the Norwegian Krona (NOK). Currency risks arise from both transaction exposure and translation exposure. Transaction exposure should, when possible, be centralised and managed by the group's central treasury function.

Transaction exposure

Transaction exposure arises when revenues and costs are incurred in different currencies and exposes the group to changes in net cash flow due to fluctuations in exchange rates. This is applicable to both operational cash flows and to financial commitments that will end in a cash outflow. Transaction exposure also arises on fair value changes on existing balance sheet items in foreign currency, such as trade receivables and liabilities and borrowing and lending, when these items are revalued on the balance sheet date or when settled. The largest transaction exposure to operational cash flows is attributable to raw material purchases in Sweden and Norway, which are done in EUR. As DKK is pegged to the EUR, Denmark is not subject to that same exposure. In addition, there is also a minor exposure between other currency pairs where sales or purchases are conducted in foreign currencies. The largest fair value exposure on the balance sheet is related to intra-group loans, mainly EUR denominated, from Sweden to its subsidiaries. However, the main sources of funding for the group, the bond loan and the overdraft facility are denominated in EUR to match the intragroup loans to subsidiaries predominately located in the Euro area.

The following measures are taken by BEW to reduce the transaction exposure:

- For raw material purchases from the Euro area into the Nordics, price and currency clauses are in general incorporated into customer agreements.
- Intra-group trade receivables and liabilities should be settled within a limited time-frame.
- The group's external borrowing should be matched to the currency of intra-group lending to subsidiaries.
- Bank balances in foreign currency should be exchanged to local currency as soon as possible.

Transaction exposure to operational cash flows are only to a limited extent hedged by using derivatives. However, to the extent that there is a major net exposure in any currency from borrowing and lending, that balance sheet

exposure should be hedged by using forward contracts or swaps. Net balance sheet exposure has been managed by a combination short-term derivatives and long-term derivatives, depending on the nature of the exposure.

The net fair value of derivate contracts used for hedging transaction exposure, as of 31 December, is presented in the table below. All short-term derivatives in the table below mature within 6 months.

million EUR	0-6 months	7-12 months	3-4 yr.	4-5 yr.
As of 31 Dec 2022				
Derivative asset	0.6	0.0	7.7	-
Derivative liability	-0.4	-	-	-
Total	**0.2**	**0.0**	**7.7**	**-**
As of 31 Dec 2021				
Derivative asset	0.2	-	-	-
Derivative liability	-0.2	-	-0.2	-0.3
Total	**-0.0**	**-**	**-0.2**	**-0.3**

Translation exposure

Translation exposure arises when the income statements and balance sheets of foreign operations are translated to EUR, the presentation currency of the group's financial statements. The reported net sales and profit of the group, as well as the net assets of the group, are consequently exposed to changes in exchange rates between EUR and the currencies of the group's foreign operations. The translation exposure is not hedged, but the group strives to have a balance in major currencies between net debt, equity and EBITDA to reduce volatility in the balance sheet and key financial ratios.

A sensitivity analysis shows that if EUR would have fluctuated by 5 percent against all other currencies in the group, the impact on adjusted EBITDA would have been +/- EUR 1.3 million in 2022 (EUR 1.1 million). This assumes that all other variables are held constant and ignores any compensating effects from transaction exposure, for example the impact from raw material purchases.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will have a negative impact on cash flow or fair value of financial assets and facilities. Cash flow risk arises from changes in variable interest rates, whereas fair value risk arises from changes in fixed interest rates. It is the policy of the group to limit the interest rate risk to cash flow risk by restricting the allowed average interest duration for both borrowing and financial investments. The group's borrowing is primarily exposed to changes in Euribor through the bond loan, and short term interest rates in SEK and NOK, as further outlined in Note 25 Borrowings. The group's lending, limited to loans to associated companies, is exposed to changes in Euribor, as described in Note 16 Investments in associated companies.

In the event that the interest rate would fluctuate up or down by 50 basis points, all other variables held constant, the impact on net profit would have been +/- EUR 1.2 million in 2022 (EUR 0.8 million).

Price risk

The group is exposed to price risks in relation to shareholdings other than shares held in group companies or associated companies. Such other shareholdings are valued at fair value. The exposure is mainly related to shares in KMC Properties ASA, a company listed on Oslo Børs. These shares were part of the consideration received in the sale and leaseback transaction in the Netherlands in 2020. The corporate bonds are listed on Nasdaq Stockholm, and the group is therefore exposed to fluctuations of the market value if the repurchase clause in the bond agreement would be utilised.

Credit risk

Credit risk refers to the risk that a counterparty in a financial transaction may not fulfil its obligations. It is a risk applicable to trade receivables, lending and to cash and cash equivalents. Credit risks are managed by the central treasury function, except for credit risks related to accounts receivables, which are managed locally by the subsidiaries or business units.

Each subsidiary or business unit shall monitor and analyse the credit risk for each new customer before standard terms for payment and delivery are offered. If customers are credit rated by independent credit rating agencies, these credit ratings are utilised. In the event that no independent credit rating exists, the group company undertakes a risk assessment of the customer's creditworthiness, in which the customer's financial position is considered, as well as previous experience and other factors. Individual risk limits are determined on the basis of internal or external credit ratings. The application of credit limits is monitored regularly. The credit-terms are normally 30 days, but both shorter and longer terms are applied, depending on the customer and local practices. A breakdown of maturity for accounts receivables, as well as description of the principles for estimating credit losses, are presented in note 13 Accounts receivables.

To minimise the credit risk for cash and cash equivalents, only banks and financial institutions with strong credit rating from independent credit rating agencies are accepted. The maximum credit risk exposure corresponds to the financial assets presented in note 17 Financial instruments per category.

Liquidity risk

Liquidity risk is the risk that the group does not have access to adequate financing on acceptable terms at any given point in time. This requires a combination of short-term monitoring of cash flow and securing short and long-term financing of the group.

Cash flow forecasts are prepared by the group's operating companies and are closely monitored by the treasury department. The group should always have sufficient liquidity reserve to meet the short-term operating needs. In order to balance seasonal effects in operating cash flow, and managing other short term funding needs mainly related to change in working capital, the group has secured a revolving credit facility (RCF). The facility was originally EUR 80 million and in 2022 an accordion option for an increase of 20 million was exercised and the RCF was increased with additional 50 million to a total of EUR 150 million. The facility is now provided by two banks and runs until 2024 and includes the option to extend the facility further in time. Part of the total RCF frame has been utilized for an overdraft facility provided by one of the banks.

For the long-term financing of the group, BEWI has outstanding issued a EUR 250 million five year sustainability linked bond that matures on 3 September 2026, with a possibility for BEWI to unilaterally decide on an early redemption after 3 March 2025 of 50 per cent of the bonds.

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Go Back

outstanding at that date. A detailed description of the terms for the bond loans is given in note 24. Borrowings In addition to the centrally negotiated borrowings, there are also a few liabilities to credit institutions and overdraft facilities in companies acquired, that have not been subject to refinancing post acquisition. The major part is derived from the acquisition of Jadcon Holding AS which has utilized facilities in the amount of EUR 30.8 million as per 31 December 2022.

The amounts in the table below are the agreed, undiscounted cash flows.

As of 31 Dec 2022

million EUR	<1 yr.	1-2 yr.	2-5 yr.	>5 yr.
Bond loans	-	-	250.0	-
Liabilities to credit institutions	69.5	82.3	4.9	0.6
Overdraft	22.7	-	-	-
Accounts payables	83.5	-	-	-
Liabilities leases	25.0	24.0	52.2	12.4
Total	**200.8**	**106.2**	**317.1**	**125.0**

As of 31 Dec 2021

million EUR	<1 yr.	1-2 yr.	2-5 yr.	>5 yr.
Bond loans	-	-	250.0	-
Liabilities to credit institutions	3.0	2.7	7.1	-
Overdraft	0.8	-	-	-
Accounts payables	89.7	-	-	-
Liabilities leases	14.8	13.3	33.5	40.9
Total	**108.3**	**16.0**	**290.6**	**40.9**

The undiscounted cash flow for liabilities leases correspond to the future lease payments reflected in the calculation of the discounted lease liability in accordance with IFRS 16.

3.2 Fair value

The table below presents the fair value of financial instruments measured at fair value though profit and loss or, which is the case with the bond loans, fair value of financial instruments measured at amortised cost. The carrying amount of the group's other financial assets and liabilities is considered to constitute a good approximation of fair value, since they carry floating interest rates or are of a current nature.

As of 31 Dec 2022

million EUR	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	5.5	-	0.5	6.0	6.0
Derivative asset	-	8.3	-	8.3	8.3
Total	**5.5**	**8.3**	**0.5**	**14.3**	**14.3**
Financial liabilities measured at amortised cost					
Bond loan	240.6	-	-	240.6	246.9
Total	**240.6**	**-**	**-**	**240.6**	**246.9**
Financial liabilities measured at fair value through profit and loss					
Derivative liability	0.4	-	-	0.4	0.4
Other financial non-current liabilities	-	-	0.7	0.7	0.7
Total	**0.4**	**-**	**0.7**	**1.1**	**1.1**

Go Back

As of 31 Dec 2021 million EUR	Level 1	Level 2	Level 3	Total	Carrying amount
Financial assets measured at fair value through profit and loss					
Participation in other companies	9.2	-	0.6	9.8	9.8
Derivative asset	-	0.2	-	0.2	0.2
Total	**9.2**	**0.2**	**0.6**	**10.0**	**10.0**
Financial liabilities measured at amortised cost					
Bond loan	252.5	-	-	252.5	246.1
Total	**252.5**	**-**	**-**	**252.5**	**246.1**
Financial liabilities measured at fair value through profit and loss					
Derivative liability	-	0.7	-	0.7	0.7
Other financial non-current liabilities		-	3.8	3.8	3.8
Total	**-**	**0.7**	**3.8**	**4.5**	**4.5**

Level 1 – Listed prices (unadjusted) on an active market for identical assets and liabilities.
Level 2 – Other observable data for the asset or liability that is not based on prices included at Level 1, either directly (as prices) or indirectly (derived from prices).
Level 3 – Data for the asset or liability that is not based on observable market data.

Level 3 - Changes during the period, million EUR	Participation in other companies	Other financial non-current liabilities
As of 31 Dec 2021	0.6	3.8
Acquisitions	-	0.7
Use of option to acquire BEW Cellpack A/S	-	-6.7
Fair value adjustment through profit and loss	-0.1	2.9
As of 31 Dec 2022	**0.5**	**0.7**

Level 3 - Changes during the period, million EUR	Participation in other companies	Other financial non-current liabilities
As of 31 Dec 2020	0.3	-
Acquisitions	0.5	3.8
Fair value adjustment through profit and loss	-0.2	-
As of 31 Dec 2021	**0.6**	**3.8**

Other financial non-current liabilities of EUR 3.8 million corresponds to the estimated value of the option to acquire non-controlling interest in BEW Cellpack A/S (former Honeycomb Cellpack A/S), as further outlined in note 34.

Go Back

3.3 Capital management

The group's capital is defined as capital employed, which comprises total equity and net debt. The objective for the capital structure is to guarantee the group's capacity to continue its operations and to support a profitable growth through a combination of M&A activities and organic growth, with the aim to continue generating return to shareholders and benefits to other stakeholders. This should be achieved through an optimal capital structure that reduces the cost of capital. In order to maintain or adjust the capital structure, the group may alter the dividend to shareholders, reimburse capital to shareholders, issue new shares, raise new loans or dispose of assets. The capital is assessed on the basis of the return on capital employed. Net debt is defined as interest-bearing liabilities less cash and cash equivalents. Net debt is calculated both with and without the effect from IFRS 16 Leases, as the covenants stated in the revolving credit facility agreement and the bond loan agreement are based on a net debt calculation excluding the effect of IFRS 16. For the sake of calculating capital employed, net debt includes the effect of IFRS 16. For more information on the components of interest-bearing liabilities, please refer to note 25. Return on capital employed is calculated as rolling 12 months' adjusted EBITA (earnings before interest, tax and amortisations after adding back items affecting comparability) as a percentage of average capital employed during the same period, where the average is calculated with each quarter during the measurement period as a measuring point.

million EUR	31 Dec 2022	31 Dec 2021
Total interest-bearing liabilities (A)	598.2	338.7
Cash and cash equivalents (B)	47.5	142.3
Net debt including IFRS 16 (A-B)	550.7	196.4
Effect of IFRS 16 leasing liabilities (C)	158.4	76.1
Net debt excluding IFRS 16 (A-B-C)	392.3	120.3
Total equity (D)	429.8	262.2
Capital employed (A-B+D)	980.5	382.5
Average capital employed (E)	629.1	409.6
Adjusted EBITA (F)	96.1	78.8
Return on capital employed (F/E)	**15.3%**	**19.2%**

The increase in net debt from 2021 to 2022 is mainly attributable to the business acquisitions during the year. The increase in capital employed from 2021 to 2022 was further impacted by the increase in equity, to a large extent attributable to the profit for the year and the new shares issued. Return on capital employed decreased from 2021 to 2022, mainly explained by the fact that business acquisitions have only contributed to the consolidated EBITA after the acquisition date, whereas the full effect on capital employed from the acquisitions is recognised immediately.

Note 04 Critical accounting estimates and assessments

Estimates and assessments are continuously evaluated and are prepared on the basis of historical experience and other factors, including expectations regarding future events, deemed reasonable under existing conditions.

4.1 Critical accounting estimates and assessments

The group makes estimates and assumptions about the future. Accounting estimates will, by definition, rarely be equivalent to the actual result. The estimates and assumptions contain a significant risk for material adjustments to carrying amounts of assets and liabilities during the following financial years are outlined below.

(a) Inventory obsolescence

The inventory is valued at the acquisition cost, in accordance with the first-in-first-out method. The acquisition costs for the company's semi-finished or finished products are generally calculated as the sum of raw material carried forward, other direct production costs and a reasonable production overhead (based on normal production capacity). When assessing whether obsolescence of the goods should be calculated during the manufacturing process or when the goods is finished, the executive management has concluded that no obsolescence is in question for the company's products, seeing as they are standard products with a high turnover rate, products only manufactured following a customer order and that any defect goods may be restored to raw material and thereby be reused. The carrying amount for the inventory amounts to EUR 163.6 million as of 31 December 2022 (61.0).

(b) Consideration of impairment need of goodwill and trademarks

The group examines annually whether any impairment need for goodwill or trademarks is at hand, in accordance with the accounting principle set out in note 2. Recoverable amounts have been determined on the basis of calculations of values in use. These calculations include certain estimates to be carried out (see note 12 Intangible assets).

(c) Pension benefits

The present value of the pension commitments is dependent to several factors determined on an actuarial basis using a number of assumptions. The assumptions utilised to determine the net cost (revenue) for pension benefits include the discount rate. Each change to these assumptions will affect the pension commitments carrying amounts. The group stipulates the appropriate discount rate at the end of each year. This will be the rate utilised for determining the present value of assessed future payments expected to be required in order to clear the pension commitment. When determining the appropriate discount rate, the group considers the rates of the investment grade corporate bonds issued in the same currency as the benefits, with terms comparable to the pension commitment in question. Other critical assumptions with regard to the pension commitments are in part based on existing market conditions. Additional information is given in note 16.

Note 05 Net sales distribution and segment information

Operating segments are reported in a manner that corresponds with the internal reporting submitted to the chief operating decision maker. The Executive Committee constitutes the chief operating decision maker for the BEWI group and takes strategic decisions. In addition to evaluating the group's financial position and earnings, Group management has determined the operating segments based on the information that is reviewed by the Executive Committee and used for the purposes of allocating resources and assessing performance. The Executive Committee assesses the operations based on four operating segments: RAW, Insulation, Packaging & Components and Circular. Sales between segments take place on market terms.

million EUR	2022	2021
RAW		
Segment revenue	418.0	347.9
Intra-group revenue	-142.0	-104.6
Revenue from external customers	**276.0**	**243.3**
Insulation		
Segment revenue	333.9	195.4
Intra-group revenue	-4.0	-2.8
Revenue from external customers	**329.9**	**192.7**
Packaging & Components		
Segment revenue	391.9	295.6
Intra-group revenue	-10.0	-6.9
Revenue from external customers	**381.9**	**288.7**
Circular		
Segment revenue	63.1	24.0
Intra-group revenue	-0.7	-0.6
Revenue from external customers	**62.4**	**23.4**

million EUR	2022	2021
Unallocated		
Segment revenue	0.3	0.1
Intra-group revenue	0.0	0.0
Revenue from external customers	**0.3**	**0.1**
Total		
Total segment revenue	1 207.3	863.1
Total intra-group revenue	-156.8	-114.9
Total revenue from external customers	**1 050.4**	**748.2**
Adjusted EBITDA[1]		
RAW	52.0	54.1
Insulation	31.1	21.6
Packaging & Components	48.3	40.3
Circular	2.5	0.6
Unallocated	-5.4	-7.6
Total adjusted EBITDA	**133.6**	**109.0**
EBITDA		
RAW	40.9	54.2
Insulation	33.5	22.5
Packaging & Components	53.3	39.9
Circular	2.5	0.3
Unallocated	-14.2	-11.4
Total EBITDA	**115.2**	**105.5**

million EUR	2022	2021
EBITA		
RAW	35.7	50.0
Insulation	22.3	14.6
Packaging & Components	33.6	23.3
Circular	0.9	-0.7
Unallocated	-14.8	-11.8
Total EBITA	**77.7**	**75.4**
EBIT		
RAW	35.3	49.6
Insulation	19.4	12.6
Packaging & Components	28.8	18.8
Circular	0.3	-0.7
Unallocated	-15.8	-12.6
Total EBIT	**68.0**	**67.8**
Net financial items	-25.5	-18.8
Income before tax	**42.5**	**49.0**

[1] Normalised earnings before interest, tax, depreciation and amortisations, i.e. items affecting comparability and deviations are adjusted for. Adjusted EBITDA is a key performance indicator that the group considers relevant for understanding earnings adjusted for items that affect comparability. For more information see section "Alternative performance measures not defined by IFRS".

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Go Back

Specification of impact from specific amounts on the segmentation	2022	2021
Share of income from associated companies		
Adjusted EBITDA, EBITDA, EBITA and EBIT for Insulation	2.5	4.7
Adjusted EBITDA, EBITDA, EBITA and EBIT for Packaging & Components	0.1	0.0
Adjusted EBITDA, EBITDA, EBITA and EBIT for Circular	0.1	0.0
Capital gain/loss from sale of assets		
EBITDA, EBITA and EBT for Insulation	3.1	0.9
EBITDA, EBITA and EBT for Packaging & Components	3.2	0.0
EBITDA, EBITA and EBT for RAW	0.1	0.1
EBITDA, EBITA and EBT for Circular	1.2	-0.1
EBITDA, EBITA and EBT for Unallocated	-	0.0
Impairment tangible assets		
EBITA and EBT for Insulation	-0.3	-
EBITA and EBT for Packaging & Components	-	-0.8
EBITA and EBT for RAW	-0.5	-0.2
EBITA and EBT for Circular	0.0	0.0
Impairment other intangible assets except goodwill		
EBIT for Insulation	0.0	-
EBIT for Packaging & Components	-0.1	-

Net sales per country

External segment revenue by country (selling company's sales)	2022	2021
RAW		
Total Finland	51.2	125.8
Total Netherlands	219.2	117.5
Total Germany	5.5	-
Total RAW	**276.0**	**243.3**
Packaging & Components and Insulation		
Total Finland	36.0	21.3
Total Sweden	65.3	57.1
Total Denmark	83.5	70.3
Total Norway	213.3	164.9
Total Netherlands & Belgium	185.2	129.8
Total Germany, Switzerland & France	36.9	6.6
Total United Kingdom	37.0	-
Total Portugal & Spain	25.4	21.8
Total Poland	25.6	9.6
Total Lithuania	8.7	-
Total P&C and Insulation	**711.8**	**481.4**
Circular		
Total Belgium	2.3	2.6
Total Sweden	8.1	6.3
Total Denmark	2.2	2.2
Total Norway	0.0	0.1
Total Netherlands	5.2	3.4
Total Portugal	13.0	6.6
Total United Kingdom	20.4	2.2
Total USA & Canada	13.6	-
Total Circular	**62.4**	**23.4**
Total Unallocated	**0.3**	**0.1**
Total Group	**1 050.4**	**748.2**

Go Back

Net sales per country (Customers' geography)	2022	2021
Total Finland	54.2	34.0
Total Sweden	73.8	62.2
Total Denmark	73.2	61.3
Total Norway	193.0	154.1
Total Portugal & Spain	73.5	45.0
Total Iceland	25.2	22.0
Total Baltics	33.1	14.3
Total UK	57.5	20.2
Total Germany	101.9	58.0
Total Poland	44.8	39.0
Total Russia	14.9	29.2
Total Netherlands	154.3	117.3
Total Belgium	38.5	13.6
Total France	36.1	28.4
Total Other	77.9	49.2
Total Group	**1 050.4**	**748.2**

Note 06 Employee remuneration etc.

million EUR	2022	2021
Salary and other remuneration	-108.4	-82.5
Social security expenses	-14.9	-12.5
Pension costs – defined contribution plans	-8.3	-8.0
Pension costs – defined benefit plans	-0.1	-0.1
Total remunerations to employees	**-131.7**	**-103.1**

The costs in the table above reflects costs for own employees.

Average number of employees with geographical breakdown by country

	2022		2021	
	Average number of employees	Whereof men	Average number of employees	Whereof men
Sweden	232	163	199	137
Finland	166	135	154	126
Denmark	258	169	287	187
Norway	285	207	237	180
Iceland	14	11	14	11
Netherlands	486	425	329	297
Belgium	88	81	16	13
Portugal	203	119	208	124
Spain	5	4	5	4
Poland	264	172	136	87
Germany	227	165	73	49
UK	99	72	4	2
France	2	2	-	-
Lithuania	37	30	-	-
Canada	6	1	-	-
The Group in total	**2 372**	**1 754**	**1 662**	**1 219**

Remuneration to senior executives

The senior executives comprise of the board of directors, CEO of BEWI ASA and managers in the executive management directly reporting to the CEO and remunerations for those applies to:

BEWI ASA	1 Jan 2022–31 Dec 2022			1 Jan 2021–31 Dec 2021		
million EUR	Basic salary incl. benefits/ board fees	Variable remuneration	Retirement compensation	Basic salary incl. benefits/ board fees	Variable remuneration	Retirement compensation
Board of Directors						
5 members of the board, where of 2 women						
Gunnar Syversen (chairman)	0.06	-	-	0.07	-	-
Stig Wærnes[2]	0.03	-	-	0.02	-	-
Christina Schaumann	0.04	-	-	0.05	-	-
Anne-Lise Aukner	0.03	-	-	0.04	-	-
Eik Dobbeleere	0.03	-	-	0.02	-	-
Andreas Vilpine Akseser	0.00	-	-	-	-	-
Total	**0.18**	**-**	**-**	**0.19**	**-**	**-**
CEO						
Christian Bekken	0.27	0.09	0.01	0.24	0.09	0.00
Other Senior Executives[3]	0.74	0.26	0.19	0.55	0.24	0.16
Total	**1.01**	**0.35**	**0.20**	**0.79**	**0.33**	**0.16**
Consultancy services board members						
Gunnar Syversen	0.19	-	-	0.10	-	-
Andreas Vilpine Akseser	0.00	-	-	-	-	-
Eik Dobbeleere	0.06	-	-	-	-	-

[1] The Executive management has been extended with three new employees as from 1 October 2022. They are included in the numbers above for this date.

[2] Stig Wærnes left the board of son completion of the Jackon transaction 19 October 2022, and was replaced by Andreas M. Akselsen.

[3] EUR 0.2 million of the remuneration to other executives in 2022 was recharged to KMC Properties ASA, a company related to the Bekken family, for services rendered on behalf of that company.

Share-based incentive programme

In November 2020, the parent company BEWI ASA implemented a share-based incentive programme, entitling the participants to subscribe for shares in BEWI ASA during a three-year period. The purpose of the programme is to further align the interests of the company and its shareholders by providing incentives in the form of awards to employees to motivate them to contribute materially to the success and profitability of the company. The features of the programme are further described in note 23.

The CEO of BEWI ASA and other senior executives, at the time of grant date, were granted 250 000 share options each. The three persons added to the executive management in 2022 were granted 125 000 share options each at grant date in 2020.

Severance pay

Subject to the CEO's employment agreement, there is a notice period of 12 months if the agreement is terminated by the company and a notice period of 6 months if the agreement is terminated by the employee. The employee is entitled to receive unchanged salary and other fringe benefits during the period of notice, however the salary is deductible to other income.

Note 07 Remunerations to auditors

million EUR	2022	2021
PwC		
– The audit assignment	-0.5	-0.7
– Audit activities other than the audit assignment	0.0	-0.1
– Tax advice	-	0.0
– Other services	-0.7	-0.1
Total	**-1.4**	**-0.9**
Other accounting firms than PwC		
– The audit assignment	-0.2	-0.1
– Audit activities other than the audit assignment	-0.2	-
– Tax advice	0.0	-
– Other services	-0.2	-
Total	**-0.7**	**-0.1**

For 2021 and 2022 audit activities other than the audit assignment from PwC and other services mainly includes costs related to the Jadon transaction.

Note 08 Leasing

Lease-terms and purchase options

The group leases buildings (e.g. production facilities, warehouses, offices), machinery (e.g. gas facilities, compressors, moulding machines and equipment (e.g. cars, trucks, fork-lifts). Contracts for production facilities normally run for 10-12 years, but there are exceptions with both shorter and longer lease terms. Separate warehouses are normally leased for 1–2 years, with a few exceptions. In case a warehouse rent is paid based on usage, for example pallet space used, it is treated as variable and not subject to capitalisation in accordance with IFRS 16. Office space is normally leased for three years. Based on the assumption that a business cycle lasts for eight years and that predictions beyond that period are difficult, extension options for contracts for production facilities expiring after that time-frame are not considered when assessing the lease-term, unless specific conditions are present. Extension options for warehouses and offices are not reflected.

The lease term for other assets vary, but normally range between 3–5 years. Purchase options are considered in the capitalised amount if deemed reasonably certain that such an option will be exercised, but this is not common. Extensions options are reflected when it is deemed reasonable that they will be exercised.

Discount rate, liability and carrying amount

Discount rates applied and total leasing liability are described in note 25 Borrowings. Maturity dates for the undiscounted values are presented in note 3 Financial risk management. Carrying amounts and depreciations of the assets capitalised are presented in note 12 Intangible assets and note 13 Tangible assets.

Lease expenses for lease contracts capitalised in accordance with IFRS 16

million EUR	2022	2021
Depreciations and amortisations	-13.1	-11.3
Interest expense	-6.1	-4.9
Total	-19.2	-16.2

Go Back

Lease expenses for lease contracts not capitalised in accordance with IFRS 16

million EUR	2022	2021
Lease expense short-term leases	-0.3	-0.4
Lease expense low-value assets	-0.4	-0.5
Lease expense variable leases	-0.9	-0.3
Total	**-1.5**	**-1.2**

Cash flow from leases

million EUR	2022	2021
Recognised in operating cash flow		
Operating income	-1.5	-1.2
Interest paid	-6.1	-4.9
Cash flow from financing activities		
Repayment of borrowings	-11.7	-11.3
Total	**-19.3**	**-17.4**

Note 09 Financial income and expense

million EUR	2022	2021
Interest revenue	1.8	0.3
Other financial income	0.2	0.1
Total financial income	**2.0**	**0.4**
Interest expenses	-20.7	-12.7
Fair value adjustments shares and participations	-6.7	-0.6
Other financing costs	0.2	-5.7
Fair value change derivatives	8.3	-0.2
Exchange rate losses	-8.5	0.0
Total financial expense	**-27.4**	**-19.2**
Total financial income and expense - net	**-25.5**	**-18.8**

EUR -1.2 million (2021: EUR -1.0 million) of the interest expenses were attributable to amortisation of financing cost.
In 2021 -5.6 million of financing costs was attributable to bond repurchase premium, early consent fee and expensed financing costs in connection with the refinancing in 2021.

Net financial income and expense per category of financial instrument

million EUR	2022	2021
Financial assets and liabilities measured at fair value through profit and loss	1.7	-0.8
Financial assets and liabilities measured at amortised cost	-27.2	-18.0
	-25.5	-18.8

Note 10 Exchange differences - net

Exchange differences have been reported in the income statement as follows:

million EUR	2022	2021
Other operating expenses	-0.8	-0.1
Fair value change derivatives	0.5	-
Total exchange difference in other operating expenses	**-0.3**	**-0.1**
Exchange rate losses	-8.5	0.0
Fair value change derivatives	8.3	-0.2
Total financial income and expense (note 9)	**-0.2**	**-0.2**
Exchange differences - net	**-0.5**	**-0.3**

Note 11 Income tax

Tax income and expense in income statement

million EUR	2022	2021
Tax income(+)/expense(-) comprises:		
Current tax income(+)/expense(-) this year	-25.4	-12.5
Adjustment recognised in current year in relation to current tax of prior years	-1.0	-
Deferred tax income(+)/expense(-)	19.2	-2.1
Total tax income(+)/expense(-)	**-7.2**	**-14.6**

The income tax attributable to the income before taxes differs from the theoretical amount that would have arisen from the application of the local tax rates on income before tax in the group companies, as follows:

million EUR	2022	2021
Profit/loss before tax from continuing operations	**42.5**	**49.0**
Tax income(+)/expense(-) calculated at the local tax rate	-10.0	-12.5
Effect of revenue that is exempt from taxation	12.8	2.4
Effect of non-deductible expenses	-5.9	-1.0
Effect of tax losses and tax offsets not recognised as deferred tax assets	-3.1	-3.6
Effect of previously unrecognised deferred tax attributable to tax losses carry forward, tax credits and temporary differences	0.0	0.1
Effect of write-downs and reversals of deferred tax balances	0.0	-0.1
Effect on deferred tax balances due to change in tax rate	0.0	0.0
Adjustment recognised in current year in relation to current tax of prior years	-1.0	-
Other	0.9	0.1
Total tax income(+)/expense(-) in profit or loss	**-7.2**	**-14.6**

Recognised in other comprehensive income

million EUR	2022	2021
Deferred tax		
Tax on items recurrent of defined benefit obligation	0.8	-0.8
Total	**0.8**	**-0.8**

Deferred tax assets and liabilities 2022

million EUR	Opening balance	Through acquired business	Through divested business	Reclassi-ficaton	Reported in profit/loss	Reported in other compre-hensive income	Exchange differ-ences	Closing balance
Deferred tax in balance sheet is attributable to:								
Tax losses carry forward	0.3	0.9	-	-	0.2	-	0.0	1.4
Intangible assets	-19.1	-11.5	-	-2.5	1.1	-	0.9	-31.1
Tangible assets	-2.4	-37.9	0.3	-	16.9	-	0.6	-22.5
Inventories	-0.4	0.0	-	-	0.3	-	-	-0.1
Untaxed reserves	-0.1	-0.7	-	-	0.1	-	-	-0.7
Pension assets and liabilities	-1.3	-	-	-	0.9	0.8	0.0	-0.5
Provisions	0.0	-	-	-	0.0	-	-	0.0
Other	-0.8	-	-	-	0.5	-	-	-0.3
Total net deferred tax assets and liabilities	**-23.8**	**-49.2**	**0.3**	**-2.5**	**19.1**	**0.8**	**1.5**	**-53.8**

The reclassification of EUR 2.5 million in the table above is attributable to a finalised acquisition analysis during the year, related to an acquisition in 2021, in which a preliminary goodwill allocation was reduced and intangible assets increased, leading to higher deferred tax liabilities.

Deferred tax assets and liabilities 2021

million EUR	Opening balance	Through acquired business	Through divested business	Reclassi-ficaton	Reported in profit/loss	Reported in other compre-hensive income	Exchange differ-ences	Closing balance
Deferred tax in balance sheet is attributable to:								
Tax losses carry forward	2.5	-	-	-	-2.2	-	0.0	0.3
Intangible assets	-18.4	-0.9	0.2	-0.7	1.1	-	-0.4	-19.1
Tangible assets	0.9	-4.4	-0.2	0.9	-0.1	-	0.5	-2.4
Inventories	-0.2	-	-	-	-0.2	-	0.0	-0.4
Untaxed reserves	-0.3	0.1	-	-	0.2	-	-0.1	-0.1
Pension assets and liabilities	-0.2	-	-	-	-0.2	-0.8	-0.1	-1.3
Provisions	0.1	-	-	-	0.0	-	-0.1	0.0
Other	0.0	-0.1	-	-0.2	-0.7	-	0.1	-0.8
Total net deferred tax assets and liabilities	**-15.6**	**-5.3**	**0.0**	**0.0**	**-2.1**	**-0.8**	**-0.1**	**-23.8**

Deferred tax assets are reported for tax losses carry forward or temporary differences to the extent that they are likely to be utilised against future taxable profits. All of the EUR 1.4 million of deferred tax assets attributable to tax losses carry forward have no due date. Tax losses carry forward corresponding to a tax value of EUR 14.6 million (EUR 12.0 million) were not recognised as deferred tax assets. EUR 13.8 million of those losses have no due date and the remaining EUR 0.8 million fall due between 2024 and 2032. The tax losses carry forward by the end of 2022 were attributable to Sweden, Finland, Germany, Norway and Poland. In addition, tax credits attributable to deferred interest deductions corresponding to a tax value of EUR 2.5 million (EUR 2.2 million), falling due between 2025 and 2027, were not recognised as deferred tax assets.

Go Back

Note 12 Intangible assets

million EUR	Goodwill	Trademark	Customer relations	Technology	Patents, licences & IT	Total
As of 1 January 2021						
Acquisition costs	85.1	21.3	64.1	9.0	13.6	193.1
Accumulated amortisations/write-downs	-1.2	0.0	-14.0	-3.2	-11.4	-29.8
Carrying amount	**83.8**	**21.3**	**50.1**	**5.8**	**2.2**	**163.2**
Financial year 2021						
Carrying amount brought forward	**83.8**	**21.3**	**50.1**	**5.8**	**2.2**	**163.2**
Exchange differences	1.6	0.3	1.7	0.1	-0.1	3.6
Acquisitions	0.0	-	-	-	4.6	4.6
Through acquired business	28.7	2.6	-	0.8	1.1	33.1
Divestment of business	-1.1	-	-0.5	-0.7	-0.5	-2.9
Reclassifications	0.0	-	-	0.0	-	0.0
Disposals	0.0	-	-	-	-0.8	-0.8
Amortisations	-	-	-5.7	-2.0	-0.9	-8.6
Carrying amount carried forward	**113.0**	**24.3**	**45.5**	**4.8**	**5.7**	**193.3**
As of 31 December 2021						
Acquisition costs	114.1	24.4	65.3	9.5	13.5	226.7
Accumulated amortisations/write-downs	-1.0	-0.1	-19.8	-4.7	-7.9	-33.5
Carrying amount	**113.0**	**24.3**	**45.5**	**4.8**	**5.7**	**193.3**

million EUR	Goodwill	Trademark	Customer relations	Technology	Patents, licences & IT	Total
Financial year 2022						
Carrying amount brought forward	**113.0**	**24.3**	**45.5**	**4.8**	**5.7**	**193.3**
Exchange differences	-3.0	-0.4	-1.8	0.0	0.0	-5.2
Acquisitions	-	-	-	-	4.6	4.6
Through acquired business	161.2	22.5	23.4	4.9	1.1	213.3
Divestment of business	-1.0	-	-	-	-	-1.0
Reclassifications	-7.6	1.7	8.3	0.4	-	2.8
Writedown	-	-	-	0.0	-0.1	-0.1
Disposals	-	-	-	-	-	0.0
Amortisations	-	0.0	-7.0	-1.4	-1.2	-9.6
Carrying amount carried forward	**262.8**	**48.1**	**68.4**	**8.7**	**10.0**	**398.0**
As of 31 December 2022						
Acquisition costs	263.8	48.2	95.2	14.9	19.2	441.2
Accumulated amortisations/write-downs	-1.0	-0.1	-26.8	-6.1	-9.2	-43.2
Carrying amount	**262.8**	**48.1**	**68.4**	**8.7**	**10.0**	**398.0**

Of the amortisations above, EUR 0.1 million in 2022 (0.2) was attributable to leases. The carrying amount of capitalised leases as of December 31, 2022 was EUR 0.3 million (0.2).

In March 2021 IFRSIC update included an agenda decision on configuration and customisation costs in a cloud computing arrangement, impacting costs associated with a Software as a Service (SaaS) cloud arrangement. Key areas to consider are whether these costs can be capitalised as an intangible asset or as a prepayment or whether they must be expensed when incurred. BEWI has started the implementation of a cloud-based ERP system and is consequently impacted by this IFRS C decision and. BEWI has therefore undertaken an analysis of the contract with the software supplier and the nature of the different components of the implementation costs, to fully understand the accounting treatment of these costs and whether something should be expensed. Initially, all costs incurred had been capitalised and intangible assets. The analysis was completed in 2022, leading to EUR 2.0 million being expensed, EUR 1.5 million being reclassified from intangible assets to prepaid expense

and EUR 2.7 million remaining as intangible assets. The amount recognised in intangible assets is mainly related to costs for ancillary systems and support systems, such as manufacturing executing systems, which despite their integration with the new cloud-based ERP system are separate from the SaaS arrangement and contract. The precise expenses are mainly attributable to customisations of the ERP system to BEWI specific requirements. By the end of 2022, costs amounting to EUR 6.9 million incurred in this ERP implementation have been capitalised as an intangible asset.

Considerations of impairment need for goodwill and trademark

Goodwill and trademarks have an indefinite useful life and are monitored each cash generating unit by the executive management. Goodwill and trademarks divided by cash generative unit are summarised as follows:

Goodwill

million EUR	31 Dec 2022	31 Dec 2021
RAW	10.4	10.8
Insulation Nordics	4.5	6.5
Insulation Finland	-	0.7
Insulation Netherlands	20.9	20.9
Insulation Belgium	4.4	-
Insulation Lithuania	9.0	-
Insulation UK	11.2	-
Packaging & Components Sweden	2.6	2.8
Packaging & Components Denmark	9.8	9.8
Packaging & Components Netherlands	1.7	1.7
Packaging & Components Norway	47.5	33.0
Packaging & Components Portugal & Spain	5.4	5.4
Packaging & Components Poland	4.1	4.2
Circular	24.4	5.6
Goodwill not divided on segment, pending PPA	106.8	12.0
Total	262.8	113.0

Trademarks

million EUR	31 Dec 2022	31 Dec 2021
RAW	0.6	0.6
Insulation Netherlands	5.9	5.9
Insulation Nordics	0.4	0.7
Insulation UK	2.4	-
Insulation Lithuania	2.6	-
Insulation Belgium	1.7	-
Packaging & Components Denmark	5.1	5.1
Packaging & Components Netherlands	2.3	2.3
Packaging & Components Norway	6.0	6.0
Packaging & Components Portugal & Spain	1.1	1.1
Packaging & Components Poland	2.6	2.6
Circular	2.8	-
Trademark not divided on segment, pending PPA (attributable to Jackson acquisition)	14.7	-
Total	48.1	24.3

The assumptions used for calculating the value in use are the same for goodwill and trademarks. The executive management has assessed that revenue growth, operating margin, discount rate and long-term growth are the most critical assumptions in the impairment assessment. The recoverable amount has been assessed based on estimates of the value in use. The estimates are based on future estimated cash flow before tax based on financial budgets and business plans for the next year, approved by the senior executives, and extrapolated for an additional four-year period, assuming a prudent increase in both revenue and costs of 2.0 percent or more in case there are specific circumstances, such as a turnaround case or a recovery from a macro economic slowdown. This has been the case for the automotive business and for Insulation in the Nordics. The estimates are based on the executive management's experience and historical data. The discount rate after tax amounts to 8.6 percent (8.6 percent). The long-term sustainable growth rate has been estimated at 2 percent (2 percent) for all cash generating units and has been assessed in accordance with industry forecasts. No impairment of goodwill or intangible fixed assets was identified in 2022. A change in the discount rate of 1 percent or reduced cash flow of 10 percent would not change the outcome of the test. Tangible fixed assets of EUR 0.8 million were written down in 2022 (EUR 1.0 million), based on an individual assessment for those assets.

Note 13 **Tangible assets**

million EUR	Buildnings and land	Plant and other technical machinery	Equipment, tools, fixtures and fittings	Construction in progress and advance payments for property, plant and equipment	Total
As of 1 January 2021					
Acquisition costs	89.3	255.0	30.6	9.4	384.3
Accumulated depreciations/write-downs	-19.3	-174.3	-20.4	-0.1	-214.0
Carrying amount	**70.0**	**80.0**	**10.2**	**9.3**	**170.3**
Financial year 2021					
Carrying amount brought forward	**70.0**	**80.8**	**10.2**	**9.3**	**170.3**
Exchange differences	1.0	0.9	0.1	-0.1	1.9
Acquisitions	0.4	17.9	1.4	11.5	31.2
Capitalised leases	2.4	0.1	3.1	-	5.7
Through acquired business	26.9	7.8	1.5	1.7	37.8
Divestment of business	-0.5	-0.3	-	-	-0.8
Writedown	0.0	-0.9	-0.0	-	-1.0
Reclassifications	0.2	11.4	0.4	-12.0	0.0
Disposals	0.0	-0.3	-0.3	-0.2	-0.8
Depreciations	-9.2	-16.1	-3.9	-	-29.2
Carrying amount carried forward	**91.3**	**101.3**	**12.4**	**10.1**	**215.1**
As of 31 December 2021					
Acquisition costs	123.5	300.8	40.3	10.1	474.8
Accumulated depreciations/write-downs	-32.3	-199.5	-27.9	-0.0	-259.7
Carrying amount	**91.3**	**101.3**	**12.4**	**10.1**	**215.1**

million EUR	Buildnings and land	Plant and other technical machinery	Equipment, tools, fixtures and fittings	Construction in progress and advance payments for property, plant and equipment	Total
Financial year 2022					
Carrying amount brought forward	**91.3**	**101.3**	**12.4**	**10.1**	**215.1**
Exchange differences	-5.4	-2.8	-0.2	-0.1	-8.5
Acquisitions	1.5	18.1	4.3	13.8	37.8
Capitalised leases	73.5	0.2	2.2	-	76.1
Through acquired business	175.1	76.9	20.8	14.4	286.4
Divestment of business	-1.5	-0.5	-2.7	-3.6	-8.3
Writedown	0.0	-0.8	0.0	-	-0.8
Reclassifications	1.4	6.3	-1.2	-7.5	-0.4
Disposals	-85.3	-0.8	-2.0	-3.8	-91.9
Depreciations	-12.1	-20.1	-4.4	-	-36.7
Carrying amount carried forward	**238.6**	**178.0**	**28.2**	**23.9**	**468.8**
As of 31 December 2022					
Acquisition costs	283.0	398.5	60.5	24.0	766.0
Accumulated depreciations/write-downs	-44.4	-220.5	-32.3	-0.0	-297.3
Carrying amount	**238.6**	**178.0**	**28.2**	**23.9**	**468.8**
Amounts above attributable to leases:					
Depreciations 2022	-9.6	-1.5	-2.9		-13.1
Of which is attributable to IFRS 16	-9.6	-0.3	-1.9		-11.8
Carrying amount 31 December 2022	140.1	5.6	7.9		152.7
Of which is attributable to IFRS 16	140.1	2.7	6.3		149.1
Depreciations 2021	-7.6	-1.9	-1.8		-11.3
Of which is attributable to IFRS 16	-7.6	-0.2	-1.8		-9.7
Carrying amount 31 December 2021	58.1	4.7	4.3		62.0
Of which is attributable to IFRS 16	52.7	0.3	4.3		57.4

Note 14 Business acquisitions

Cash flow from acquisition of business

million EUR	2022	2021
Cash consideration	-228.0	-73.3
Cash in acquired business	-2.9	19.3
Total cash out/-inflow	**-230.9**	**-54.0**

Business acquisitions during the year

Jablite Group Ltd

On 18 May 2022, BEWI announced the signing of an agreement to acquire an additional 51 per cent of the leading UK-based insulation and packaging company Jablite Group ("Jablite"), with an annual turnover of approximately GBP 40 million, thereby becoming 100 per cent owner of the company. BEWI has held 49 per cent in Jablite since June 2020 and the company has until the last acquisition been reported as an associated company in accordance with the equity method. The group is consolidated as a subsidiary as from 1 June 2022. Jablite has approximately 50 years of experience from innovating and developing EPS solutions for insulation and packaging. The group includes the manufacturer and supplier of solutions for insulation and civil engineering named Jablite and the producer of packaging products named Stylepack.

The adjusted acquisition analysis presented below gave rise to goodwill of EUR 11.7 million, which relates to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to trademarks and customer relations. Goodwill is not tax deductible. Until 31 December 2022, Jablite had contributed EUR 35.4 million to the group's net sales, EUR 1.3 million to adjusted EBITDA and EUR 0.3 million to EBIT, excluding transaction costs and capital gains from revaluation of shares in associate. Of this, EUR 0.4 million in adjusted EBITDA and EUR 0.3 million in EBIT are attributable to Jablite's result when being an associated company. If the acquisition of the remaining 51 percent of Jablite had taken place on 1 January, Jablite would have contributed EUR 58.6 million to the group's net sales, EUR 3.2 million to adjusted EBITDA and EUR 1.7 million to EBIT. Transaction costs are counted to EUR 0.3 million.

Amounts in million EUR	Total
Cash consideration during the period	11.7
Capital gain from revaluation of shares in associate[2]	9.7
Book value of shares in associate	1.6
Total	**23.0**

Recognised amount of identifiable assets and acquired liabilities assumed

Trademark	2.5
Customer relations	8.0
Other intangible assets	0.0
Property, plant and equipment	17.4
Other fixed assets	0.1
Inventory	4.3
Current receivables	11.4
Cash and cash equivalents	0.3
Non-current liabilities	-15.1
Deferred tax liability	-3.0
Current liabilities	-14.5
Total identifiable net assets	**11.4**
Goodwill	11.7
Cash and cash equivalents in acquired business	0.3
Total cash outflow from acquisition of business during the period	-11.5

[1] The acquisition analysis is preliminary

[2] BEWI owned 49 per cent of Jablite Group Ltd before the acquisition of the additional 51 per cent of the group. This is consequently a transaction of a business combination achieved in stages. In a business combination achieved in stages, IFRS 3 states that the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain in the statement of income.

Trondhjems Eskefabrikk AS, Berga Recycling Inc, Aislamientos y Envases, S.L. ("Aislenvas") and Inoplast s.r.o. ("Inoplast)

On 12 April 2022, BEWI announced the signing of an agreement to acquire the Norwegian paper packaging company Trondhjems Eskefabrikk AS. The company is consolidated as from 1 May. Trondhjems Eskefabrikk is manufacturing fibre-based packaging products, such as carton boxes to the food industry, which are 100 per cent recyclable, and a significant share of the raw material used is recycled fibres. The acquisition provides BEWI with an extended offering of recyclable and recycled products, in line with the company's strategy to provide its customers with complementary solutions. Also, the acquisition supports the company's sustainability target to increase the use of non-fossil raw materials. For 2021, Trondhjems Eskefabrikk had revenues of approximately EUR 13.5 million, up from EUR 11.7 million for 2020.

On 10 June 2022, BEWI announced the signing of Berga Recycling Inc, a world leader in the purchase and sale of materials for recycling. Berga's vision is to become the world's largest agency for materials for recycling. In 2021, the company purchased and sold an annual volume of approximately 82 000 tonnes of materials for recycling through a network of hundreds of customers globally. The trading is completed through an online trading platform, which is linked to Berga's comprehensive network of logistic partners. Through the system, customers can track the delivery of the material, enabling improved planning throughout the value chain and securing a seamless process from the completion of the transaction to the delivery of the material. For 2021, Berga had sales revenues of approximately EUR 31 million, with an EBITDA margin of approximately 10 per cent. The company has shown a sustained profitable growth of more than 20 per cent the last three years. The company is consolidated as from 1 June.

On 28 November 2022, BEWI announced that the company has entered an agreement to acquire 86 per cent of the leading Spanish insulation company, Aislenvas, on 7 December 2022 the transaction was finalised. Aislenvas operates three facilities, all in the same industrial area, manufacturing a variety of EPS-based solutions. The company's key products are insulation solutions, including EPS boards for underfloor heating and EPS panels for External Thermal Insulation Composite Systems (ETICS), used to improve the energy efficiency for building renovations. In addition, Aislenvas provides a range of other EPS-based products, such as packaging and industrial applications. In 2021, Aislenvas had revenues of approximately EUR 16.0 million, with an EBITDA of EUR 3.5 million. From 2018 to 2021, Aislenvas recorded significant and profitable growth, mainly driven by increased demand for underfloor heating products, increased sales for key customers and high retention rate for other customer. The company is consolidated as from 31 December.

On 6 December 2022, BEWI announced the acquisition of an additional 66 per cent of the Czech recycling company Inoplast, becoming owner of 100 per cent of the company. BEWI first announced its acquisition of 34 per cent of Inoplast in March 2021. Inoplast specialises in recycling of plastics, mainly expanded polystyrene (EPS), but also other types of plastics. The company has a recycling facility, located approximately 35 km from Prague in the city of Slaný, with modern and versatile machinery, allowing for recycling of various plastic waste. In addition to recycling EPS, the company recycles polypropylene (PP), HDPE (high density polyethylene) film, PET and various other plastics from product waste. The company is consolidated as from 31 December.

The combined acquisition analyses for these acquisitions is presented below and gave rise to a goodwill of EUR 48.6 million, which relates to synergies such as future market growth opportunities and future cost savings. The main fair value adjustments were related to trademark, customer relations and technology. Goodwill is not tax deductible. Until 31 December 2022, the companies had contributed EUR 22.8 million to the group's net sales, EUR 3.5 million to adjusted EBITDA and EUR 2.1 million to EBT, excluding transaction costs. If the acquisition of the companies had taken place on 1 January, they would have contributed EUR 42.2 million to the group's net sales, EUR 5.6 million to adjusted EBITDA and EUR 4.5 million to EBT. Transaction related costs amounted to EUR 2.3 million.

Amounts in million EUR	Total
Cash consideration during the period	54.0
Promissory note	2.4
Capital gain from revaluation of shares in associate [2]	11.1
Book value of shares in associate	0.4
Total	**67.9**

Recognised amount of identifiable assets and acquired liabilities assumed

Trademark	2.9
Customer relations	6.0
Technology	3.1
Other intangible assets	0.1
Property, plant and equipment	1.7
Other fixed assets	0.3
Inventory	3.8
Current receivables	12.2
Cash and cash equivalents	4.1
Non-current liabilities	-9.1
Deferred tax liability	-3.4
Current liabilities	-12.1
Total identifiable net assets	**20.2**
Liabilities to non-controlling interests	0.9
Goodwill	48.6
Cash and cash equivalents in acquired business	4.1
Total cash out flow from acquisition of business during the period	-59.9

[1] The acquisition analyses are preliminary

[2] BEAT owned 34 percent of Inpolis before the acquisition of the additional 66 percent of the group. This is consequently a transaction of a business combination achieved in stages. In a business combination achieved in stages, IFRS 3 states that the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain in the statement of income

UAB Baltijos Polistirenas ("BalPol")

On 18 February 2022 BEWI announced entering a letter of intent to acquire 100 percent of a Baltic insulator company. On 1 July 2022 BEWI announced that an agreement to acquire the company was signed and on 31 August 2022 the transaction was finalised.

BalPol is the market leader in Lithuania for insulation solutions from expanded polystyrene (EPS) and PIR, and for EPS packaging solutions. BalPol, which was established in 2002, has approximately 150 employees and currently operates two downstream facilities, whereas one facility produces PIR and MW sandwich panels and PIR insulation boards, while the other produces insulation solutions from EPS for construction and packaging products from EPS and EPE.

BalPol demonstrated solid growth and improved profitability in 2021, recording revenues of approximately EUR 31.9 million and an EBITDA of approximately EUR 4.3 million. The increase is mainly explained by favourable market conditions, a broadened product range and increased sales prices.

The total consideration for the shares in BalPol amounts to approximately EUR 29.2 million, of which 50 percent has been paid in cash and 50 percent has been settled by the issuance of 2 238 188 consideration shares in BEWI at a share price of NOK 64.64 per share. The price per share is calculated based on a three (3) months weighted average price from 23 August 2022. The share capital increase was resolved by the board of directors by use of the authorisation granted by the annual general meeting on 2 June 2022. The company is consolidated as from 1 September.

The adjusted acquisition analysis presented below gave rise to goodwill of EUR 9.0 million, which relates to synergies such as future market growth opportunities and future cost savings. The main value adjustments were related to buildings & land, trademark, and customer relations. Goodwill is not tax deductible. Until 31 December 2022, BalPol had contributed EUR 8.7 million to the group's net sales, EUR 0.5 million to adjusted EBITDA and EUR 0.1 million to EBIT, excluding transaction costs. If the acquisition of BalPol had taken place on 1 January, BalPol would have contributed EUR 34.7 million to the group's net sales, EUR 3.3 million to adjusted EBITDA and EUR 2.2 million to EBIT. Transaction costs amounted to EUR 0.6 million.

Amounts in million EUR	Total
Cash consideration	14.4
Paid in shares	12.9
Total	**27.4**
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	2.6
Technology	0.0
Customer relations	10.1
Other intangible assets	0.0
Property, plant and equipment	3.6
Other fixed assets	0.7
Inventory	6.5
Current receivables	4.1
Cash and cash equivalents	0.1
Non-current liabilities	-2.0
Deferred tax liability	-3.0
Current liabilities	-9.3
Total identifiable net assets	**18.4**
Goodwill	9.0
Cash and cash equivalents in acquired business	0.1
Total cash outflow from acquisition of business	-14.3

[1] The acquisition analysis is preliminary

Go Back

Jackon Holding AS

In October 2021, BEWI received acceptance from all shareholders on its offer for the acquisition of the Norwegian family-owned packaging and insulation company Jackon Holding.

On 12 October 2022, the company announced that it had received final approvals from all relevant competition authorities to proceed with closing of the acquisition. The approval in Finland was conditional upon BEWI divesting two insulation facilities located in Tarvaspää and Rauma. The divestments were completed on 24 October 2022.

In Norway, the approval was conditional upon divestments of Jackon's packaging facility in Ålta and the share (63 per cent) of the packaging facility called Kasser in Gratanger. The divestments were completed on 26 October 2022. In total, revenues for the four facilities divested represent less than two per cent of the combined company's annual turnover.

On 19 October, BEWI announced that the acquisition of Jackon was completed. On this date, BEWI issued 32 070 000 new shares directed to the Akseer family and their investment company HAAS AS, as consideration for the 59 per cent hereof of the shares of Jackon. The shares are subject to a 12-months lock-up from issuance. The shareholders holding the remaining 50 per cent accepted receive approximately NOK 1.3 billion in cash upon closing.

Jackon was consolidated from 1 November 2022.

At the time of the release of this report, the acquisition analysis for Jackon is preliminary and gave rise to goodwill of EUR 94.2 million. A complete acquisition analysis is expected to be presented in 2023, leading to fair value adjustments of intangible assets and a corresponding change in goodwill. Goodwill is not tax deductible. Until 31 December 2022, Jackon has contributed EUR 54.0 million to the group's net sales, EUR 1.5 million to adjusted EBITDA and EUR -0.4 million to EBIT, excluding transaction costs. If the acquisition of Jackon had taken place on 1 January, Jackon would have contributed EUR 423.9 million to the group's net sales, EUR 24.2 million to adjusted EBITDA and EUR 11.3 million to EBIT. Transaction costs amounted to EUR 3.79 million.

Amounts in million EUR	Total
Cash consideration	128.9
Paid in shares	148.8
Total	**277.6**
Recognised amount of identifiable assets and acquired liabilities assumed	
Trademark	15.1
Technology	1.9
Other intangible assets	1.0
Property, plant and equipment	247.0
Other fixed assets	2.0
Inventory	37.2
Current receivables	76.8
Cash and cash equivalents	7.7
Non-current liabilities	-92.3
Deferred tax liability	-39.9
Current liabilities	-77.2
Total identifiable net assets	**184.1**
Liabilities to non-controlling interests	**-0.7**
Goodwill	94.2
Cash and cash equivalents in acquired business	-7.4
Total cash outflow from acquisition of business	-136.3

[1] The acquisition analysis is preliminary

IZOBLOK

On 2 November 2021, BEW launched a tender offer for the acquisition of all outstanding shares in IZOBLOK. The offer was completed on 31 January 2022. Under the tender offer, BEW received acceptances for a total of 21 870 shares at a price per share of PLN 5041, amounting to a total consideration of approximately EUR 23 million. Settlement of the transaction was completed on 7 February 2022. After this transaction, BEW owns, indirectly, 64.28 per cent of the shares, corresponding to 73.21 per cent of the voting rights in IZOBLOK.

Other

In 2022, BEW has also acquired non-controlling interests and settled final purchase price related to acquisitions carried out in 2021, leading to a total cash payment of EUR 7.5 million. This has not resulted in any changes to the fair value of acquired assets and liabilities in business combinations.

Note 15 **Sale of business**

The acquisition of Jackon was conditional upon divestment of two insulation facilities in Finland and two packaging facilities in Norway. In Finland, BEW entered an agreement for the sale of the two insulation facilities located in Tarvasjoki and Ruukki. In Norway, the agreement was entered into with the companies Kasseriet Alta AS and Kasseriet Holding AS for the sale of Jackon's facility in Alta and its shares in Kasseriet AS in Grong (63 per cent), respectively. Until the date of divestment, the companies contributed EUR 13.1 million to the group's net sales, EUR 1.0 million to adjusted EBITDA and EUR 0.8 million to EBIT in 2022.

million EUR	Total
Cash consideration	8.1
Total	**8.1**

Recognised amount of identifiable assets and liabilities

Goodwill	1.0
Property, plant and equipment	8.3
Other fixed assets	0.1
Inventory	2.1
Current receivables	4.6
Cash and cash equivalents	0.3
Non-current liabilities	-0.0
Deferred tax liability	-0.3
Current liabilities	-6.5
Total identifiable net assets	**9.5**
Cash and cash equivalents in sold business	-0.3
Total cash inflow from sale of business	7.8

Go Back

Note 16 Shares in associates

Name	Carrying amount 31 Dec 2021	Through acquired business	Acquired as a subsidiary	Dividend	Share of income	Exchange difference	Carrying amount 31 Dec 2022
HIRSCH Porozell GmbH	4.8	-	-	-2.0	3.2	-0.1	5.8
HIRSCH France SAS	6.5	-	-		-0.9	-0.1	5.5
Jablite Group Ltd	1.4	-	-1.7	-	0.3	-	-
Inoplast S.R.O	0.3	-	-0.4	-	0.1	-	-
BEWI EPS enf.	0.8	-	-	-	-	-	0.8
Energifjädrarna AB (E&D)	-	1.0	-	-	-	-	1.0
Total	**13.8**	**1.1**	**-2.1**	**-2.0**	**2.8**	**-0.2**	**13.2**

Name	Carrying amount 31 Dec 2020	Acquisitions during the year	Acquired as a subsidiary	Dividend	Share of income	Exchange difference	Carrying amount 31 Dec 2021
HIRSCH Porozell GmbH	2.4	-	-	-1.0	3.4	-	4.8
HIRSCH France SAS	5.4	-	-	-	0.9	0.1	6.5
Jablite Group Ltd	0.1	-	-	-	1.4	-	1.4
Inoplast S.R.O	-	0.3	-	-	0.0	-	0.3
BEWI EPS enf.	-	0.8	-	-	-	-	0.8
Total	**8.0**	**1.1**	**-**	**-1.0**	**5.7**	**0.1**	**13.8**

Share of income from Jablite Group Ltd in 2021 includes a positive amount of EUR 0.9 million, corresponding to BEWI's share of reversal of negative goodwill.

Non-current receivables associates	31 Dec 2022	31 Dec 2021
As of 1 January	4.2	4.1
Loans repaid	-2.3	-
Acquired as a subsidiary	-1.9	
Exchange rate difference	-	0.1
As of 31 December	**-**	**4.2**

Summarised financial information for associates

2022	Net sales	EBITDA	Operating profit (EBIT)	Net profit
HIRSCH Porozel GmbH	144.9	17.8	14.4	9.3
HIRSCH France SAS	86.9	3.2	-3.0	-2.5
Jablite Group Ltd[1]	22.5	1.5	1.3	0.8
Inoplast S.R.O	7.4	0.4	0.2	0.2
BEWI EPS enf.	-	-	-	-

31 Dec 2022	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net debt
HIRSCH Porozel GmbH	45.7	44.5	12.6	29.3	8.1
HIRSCH France SAS	35.8	26.3	25.9	18.1	13.6
Jablite Group Ltd	3.5	16.0	3.0	13.1	6.0
Inoplast S.R.O	2.6	1.1	-	2.4	1.2
BEWI EPS enf.	-	-	-	-	-

[1] Net sales, EBITDA, EBIT and Net profit for Jablite Group Ltd refers to period January to May, when Jablite was an associated company. The balance sheets items in the table above are adjusted to reflect adjustments made by BEWI when the associates are reduced in the consolidated accounts by applying the equity method. The balance sheets in the statutory accounts of these companies will therefore deviate to the table above for some of the items.

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Go Back

HIRSCH Porozell GmbH (34 per cent ownership)

In connection with the acquisition of Synbra in 2018, 66 per cent of Synbra's shares in the German company Isocouw GmbH was divested to Hirsch Servo Group. At the same time, BEWI obtained 34 per cent in the newly incorporated company Hirsch Porozell GmbH, which acquired Saint Gobain's insulation operations at four sites in Germany. The other 66 per cent is held by Hirsch Servo Group. In 2019, Isocouw GmbH was merged into Hirsch Porozell GmbH and the combined company now operates six insulation production sites in Germany.

Hirsch France SAS (34 per cent ownership)

On 31 December 2019, BEWI, together with Hirsch Servo Group, closed a deal in which six insulation production sites in France and 49.9 per cent of the shares in the French company Issoire SAS were acquired from Placoplatre SA, a subsidiary of Saint-Gobain. The acquisitions are done through a newly incorporated French company, Hirsch France SAS, 34 per cent owned by BEWI and 66 per cent owned by Hirsch Servo Group.

BEWI EPS ehf. (49 per cent ownership)

BEWI owns 49% in the company BEWI EPS ehf. located on Iceland. The company has not yet commenced operations.

Energijägarna AB (49.8 per cent ownership)

In connection with the acquisition of Jackon, Energijägarna AB became part of BEWI Group as an associated company. Energijägarna AB is owned by Jackon AB.

Remondis Technology Sp. z.o.o.

BEWI owns 34% in the Polish recycling company Remondis Technology Sp. z.o.o since the acquisition of BEWI Drift Holding AS in 2020. The company is, among other things, collecting and reusing EPS for recycling in extruders and selling the end products to BEWI's EPS business.

Go Back

Note 17 Financial instruments per category

31 December 2022

million EUR	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised cost	Total
Balance sheet assets			
Other long-term receivables	-	0.1	0.1
Participations in other companies	6.1	-	6.1
Accounts receivables	-	156.7	156.7
Current derivative assets	8.3	-	8.3
Cash and cash equivalents	-	47.5	47.5
Total	**14.4**	**204.3**	**218.7**

31 December 2021

million EUR	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised cost	Total
Balance sheet assets			
Other long-term receivables	-	4.2	4.2
Participations in other companies	9.8	-	9.8
Accounts receivables	-	98.8	98.8
Current derivative assets	0.2	-	0.2
Cash and cash equivalents	-	142.3	142.3
Total	**10.0**	**245.4**	**255.5**

31 December 2022

million EUR	Financial liabilities measured at fair value through profit and loss	Financial liabilities measured at amortised cost	Total
Balance sheet liabilities			
Non-current bond loan	-	246.9	246.9
Non-current liabilities to credit institutions	-	87.8	87.8
Non-current liabilities leases	-	150.4	150.4
Current liabilities to credit institutions	-	59.5	59.5
Overdraft facility	-	22.7	22.7
Current liabilities leases	-	20.1	20.1
Current derivative liability	0.4	-	0.4
Account payables	-	83.5	83.5
Total	**0.4**	**681.0**	**681.4**

31 December 2021

million EUR	Financial liabilities measured at fair value through profit and loss	Financial liabilities measured at amortised cost	Total
Balance sheet liabilities			
Non-current bond loan	-	246.1	246.1
Non-current liabilities to credit institutions	-	9.8	9.8
Non-current liabilities leases	-	66.1	66.1
Other financial non-current liabilities [1]	4.3	-	4.3
Current liabilities to credit institutions	-	3.0	3.0
Overdraft facility	-	0.8	0.8
Current liabilities leases	-	13.0	13.0
Current derivative liability	0.2	-	0.2
Account payables	-	89.7	89.7
Total	**4.5**	**428.4**	**432.9**

[1] Other financial non-current liabilities include the option to acquire non-controlling interests, valued at EUR 3.8 million, and EUR 0.5 million liabilities for non-current derivatives

Note 18 Account receivables

million EUR	31 Dec 2022	31 Dec 2021
Accounts receivables	158.0	99.8
Deducted provisions for impairment for doubtful receivables	-1.4	-1.0
Accounts receivables - net	**156.7**	**98.8**

The ageing analysis of all account receivables is clear from below:

million EUR	31 Dec 2022	31 Dec 2021
Not yet matured	124.9	86.3
1-30 days	24.5	10.4
31-60	3.8	1.7
>61 days	4.8	1.5
Deducted provisions for impairment for doubtful receivables	-1.4	-1.0
Accounts receivables - net	**156.7**	**98.8**

	31 Dec 2022	31 Dec 2021
Matured account receivables not part of the provisions for impairment for doubtful receivables	31.8	12.6

Carrying amounts, per currency, for account receivables and other receivables are the following:

million EUR	31 Dec 2022	31 Dec 2021
SEK	15.8	8.1
EUR	73.8	56.5
GBP	11.6	0.8
NOK	32.7	16.9
DKK	18.3	14.9
CZK	1.3	1.3
USD	2.4	-
CAD	0.6	-
PLN	0.1	-
Other	0.1	0.4
	156.7	**98.8**

The group is applying the simplified approach for estimating credit losses. Estimated life-time cash shortfalls is the basis for calculating credit losses for accounts receivables. For this purpose accounts receivables are grouped based on certain characteristics. The principles for writing of accounts receivables are based on prerequisites such as insolvency, failed legal and other collection processes, credit risk assessments based on credit information provided by credit agencies, identified payment behavior, company specific information such as changes in company management or loss contracts and macro-economic outlook for industries and countries. Credit losses on accounts receivables are reported in operating income. Reversals of prior credit losses are also reported in operating income.

Note 19 Inventory

The expenditure for inventory carried as an expense forms part of the item raw materials and consumables and goods for resale in the income statement and amounts to EUR 5684 million (EUR 3971 million).

EUR 1.1 million (EUR 1.2 million) was expensed as write-downs of inventory in 2022. The group reversed EUR 0.6 million (EUR 0.5 million) in 2022 of earlier write-downs of the inventory. The expense and reversed amount is reported in the item raw materials and consumables in the income statement.

Note 20 Prepaid expenses and accrued income

million EUR	31 Dec 2022	31 Dec 2021
Prepaid energy tax expenses	0.6	0.4
Accrued bonus and discounts	1.1	0.5
Other items	10.9	4.0
Total	**12.5**	**5.0**

Note 21 Cash and cash equivalents

million EUR	31 Dec 2022	31 Dec 2021
Bank balances	47.5	142.3

Note 22 Share capital

The number of shares as of December 31, 2022 amounted to 191 347 992, each with a par value of NOK 1. Each share entitles to one vote. All shares issued by the parent company are fully paid.

Fully paid ordinary share	Type of change	Date of decision	Changes in number of shares	Change in share capital	Total number of shares	Total share capital (NOK)	Par value (NOK)
As of 31 Dec 2020					**148 410 874**	**148 410 874**	**1.00**
	New share issue	6 May 2021	7 067 138	7 607 138	155 478 012	155 478 012	1.00
	New share issue	7 Jul 2021	1 132 792	1 132 792	156 610 804	156 610 804	1.00
As of 31 Dec 2021					**156 610 804**	**156 610 804**	**1.00**
	New share issue	9 Mar 2022	429 000	429 000	157 039 804	157 039 804	1.00
	New share issue	9 Sep 2022	2 238 188	2 238 188	159 277 992	159 277 992	1.00
	New share issue	19 Oct 2022	32 070 000	32 070 000	191 347 992	191 347 992	1.00
As of 31 Dec 2022					**191 347 992**	**191 347 992**	**1.00**

Following the authorisation from the extraordinary general meeting on 16 November 2020, the board of directors on 6 May 2021 resolved to issue 7 067 138 new shares for subscription price of NOK 28.30 in a private placement that raised NOK 200 million, equal to EUR 19.6 million. Net of transaction costs, equity increased by EUR 18.9 million.

On the 3 June 2021, the annual general meeting of the company authorised the board of directors to increase the share capital of the company to inter alia strengthen the equity of the company, finance future growth and acquisitions and to increase the liquidity and spread of ownership in respect of the shares and for other purposes as the board of directors decides, by up to NOK 31 055 602, equivalent to 20% of the share capital at the time the authorisation was granted. The authorisation was valid until the annual general meeting in 2022, however expiring at the latest on 30 June 2022. Following the authorisation, the Board of Directors on 7 July 2021 resolved to issue 1 132 792 new shares for a subscription price of NOK 27.50 per share in a private placement, as part of the consideration for the shares in IZOBLOK, and directed towards the majority seller of that company. The new share issue increased equity by NOK 31.2 million, equal to EUR 3.1 million.

On 2 March, following the exercise of share options by option holders under the company's share option programme, the board of directors resolved to increase the company's share capital by NOK 429 000, by the issuance of 429 000 new shares at a subscription price of NOK 24.05 per share.

On the 16 of February 2022, an extraordinary general meeting of the company authorised the board of directors to increase the share capital by up to 32 070 000 shares. The authorization could only be used in connection with the company's acquisition of shares in Jackon Holding AS. Following the authorisation, the board resolved to issue 32 070 000 for the subscription price of NOK 45.9925 on the 19 October 2022.

On the 2 June 2022, the annual general meeting of the company authorised the board of directors to acquire shares in the company on one or more occasions. The total nominal value of shares acquired pursuant to this authorisation may not exceed NOK 5 793 980, equal to ten per cent of the company's share capital at the time the authorisation was given. The purchase price per share shall not be less than NOK 1 and not more than NOK 500. The purchase of own shares shall otherwise be governed by the board of directors at its discretion. The authorisation is valid until the next annual general meeting, but not later than 30 June 2022. By 31 December 2022, no shares had been bought back.

On the 2 June 2022, the annual general meeting of the company also authorised the board of directors to increase the share capital by 31 407 960 NOK. Within this aggregated amount, the authorisation may be used on more than one occasion to strengthen the equity of the company, finance future growth of the company's business, acquire companies with settlement in company's shares, increase the liquidity and spread the ownership in respect of the company's shares or for other purposes as the board decides. The authorisation is valid until the annual general meeting in 2023, and will in any case expire 30 June 2023. Following the authorisation, the board of directors resolved to issue 2 238 138 new shares for the subscription price of 64.64 NOK per share in connection with the acquisition of JA3 Baltijos Distrenas.

Largest shareholders

Name	Shares	Per cent
BEW Invest AS[1]	97 958 328	51.19
HAAS AS[2]	32 070 000	16.76
Sverva Industrier AS	15 292 424	7.99
J.P. Morgan SE	5 068 463	2.65
Skandinaviska Enskilda Banken AB	3 794 245	1.98
Nordea Bank Abp	3 585 405	1.87
M2 Asset Management AB	2 943 258	1.54
ABG SEB BANK AS	2 238 188	1.17
Union Bancaire Privee, UBP SA	2 165 467	1.13
Tredje AP-fonden	1 874 189	0.98
Other	24 358 024	12.73
Total	**191 347 992**	**100.00**

[1] BEW Invest AS is majority owned by members of the Bekken family.

[2] HAAS AS is owned by members of the Akselsen family, including director of the board Andreas M. Akselsen.

Note 23 Share-based incentive programme

In November 2020, the board of directors exercised the authorisation given by the Extraordinary General Meeting on 16 November and launched a share-based incentive programme to a maximum of 25 key employees in the company, involving a maximum of 2 625 000 share options, and entitling the participants in the programme to subscribe for the same number of shares in the company during a three-year period. The number of share options outstanding as of 31 December 2022 represents 1.2 per cent of the number of shares outstanding as of that date. The purpose of the programme is to further align the interests of the company and its shareholders by providing incentives in the form of awards to employees to motivate them to contribute materially to the success and profitability of the company. This programme will also enable the company to attract and retain such employees. Settlement of the options may, at the discretion of the board of directors, be done by issuing new shares or by using available shares bought back by the company.

At grant date on 19 November 2020, 2 625 000 share options were granted to 22 key employees. The share options entitle the participants to subscribe for shares at a pre-set strike price, which is adjusted for dividends paid. Strike price at grant date was NOK 24.48, equal to 110 per cent of the average share price during five days preceding the grant date on 19 November 2020. As of 31 December 2022 strike price was NOK 22.96 (24.96). The gain per option may however not exceed the strike price at the time of exercise, multiplied by three minus strike price at grant date. The number of exercisable options will be reduced proportionally so that the maximum gain does not exceed the maximum gain per option multiplied by the number of options granted. This gain is calculated based on the average share price five days prior to the period of exercise.

In the event the company is not capable of delivering shares (for reasons being lack of approval in the general meeting or lack of board authorisation to issue shares or lack of own shares in the company) following an exercise of options, the company shall fulfil its obligations under the programme towards participants other than Swedish residents by way of making a cash payment equal to the excess, if any, of the share price over the strike price, multiplied by the number of exercisable options.

The options will vest in three tranches during a three-year period, as presented in the table below. The options are exercisable during a window period after the release of the quarterly reports for the fourth and second quarters. Options that are not exercised within 5 years from the date of grant will lapse and become void.

Percentage of option programme vesting	Vesting date	Expiry date
20%	19 November 2021	19 November 2025
30%	19 November 2022	19 November 2025
50%	19 November 2023	19 November 2025

The fair value of each option at grant date was calculated at NOK 4.59 per option. The Black-Scholes model was used for calculation of fair value and the following assumptions were used:

Number of options	2 625 000
Number of potential shares	2 625 000
Contractual life	5 years
Strike price	24.48
Share price	22.10
Expected lifetime	3.30 years
Volatility	34.32%
Interest rate	0.321%
Dividend	0.00

The total value of the options granted in 2020 was EUR 1.1 million. EUR 0.6 million (0.7) of that was recognised as personnel costs during the year. In addition, EUR 0.6 million in income due to reversal of accrual (1.8 expense in 2021) was recognised during the year in personnel costs related to social security charges.

The change in the number of options outstanding during the year is presented in the table below:

	2022	2021
Outstanding as of 1 January	2 762 500	2 625 000
Granted during the year	40 000	305 000
Adjusted	-	7 500
Exercised	-429 000	
Terminated	-	-175 000
Outstanding as of 31 December	**2 373 500**	**2 762 500**
Vested but not exercised	972 250	562 500

During the exercise window in March 2022, 429 000 shares were issued at a subscription price of 24.06. The average share price at the time of exercise was NOK 26.26.

Note 24 Earnings per share

million EUR	2022	2021
Profit for the period attributable to parent company shareholders (million EUR)	34.4	35.7
Average number of shares	64 109 723	153 336 017
Effect on options to employees	1 381 172	780 351
Diluted average number of shares	65 490 895	154 116 368
Earnings per share (EPS), basic (EUR)	0.21	0.23
Earnings per share (EPS), diluted (EUR)	0.21	0.23
Earnings per share (EPS), basic (NOK)	2.12	2.37
Earnings per share (EPS), diluted (NOK)	2.10	2.36

EPS in NOK is calculated using the average rate in the period.

The number shares outstanding have increased from 156 618 804 to 191 347 992 compared to 31 December 2021 in three new share issues, one in March 2022, one in September 2022 and one in December 2022. Earnings per share is calculated by dividing profit attributable to parent company shareholders by the weighted number of ordinary shares during the period.

In 2022, BEW ASA distributed dividends of NOK 1.0 per share based on the results for the financial year of 2021. The dividends were distributed on 18 November 2022, following completion of the Jeløy transaction in October. On 15 February 2023, the board of directors of BEW proposed to pay a dividend of NOK 0.60 per share for the financial year of 2022.

Note 25 Borrowings

Interest-bearing liabilities

million EUR	31 Dec 2022	31 Dec 2021
Non-current		
Bond loan	246.9	246.1
Liabilities to credit institutions	87.8	9.8
Liabilities leases	150.4	66.1
Other non-current liabilities	0.7	-
Total long-term borrowings	**485.8**	**322.0**
Current		
Liabilities to credit institutions	69.5	3.0
Liabilities leases	20.1	13.0
Overdraft	22.8	0.8
Total current borrowings	**112.4**	**16.7**
Total borrowings	**598.2**	**338.7**

Specification of net debt

Net debt by the end of the reporting period, million EUR	31 Dec 2022	31 Dec 2021
Interest-bearing liabilities	598.2	338.7
Cash and cash equivalents	47.5	-142.3
Net debt in including IFRS 16	**550.7**	**196.4**
Adding back IFRS 16 leasing liabilities	-168.4	-76.1
Net debt excluding IFRS 16	**382.3**	**120.3**

Change in net debt, million EUR	31 Dec 2022	31 Dec 2021
Change in interest-bearing liabilities	259.4	117.2
Change in cash and cash equivalents		
Impact from cash flow for the period	91.9	-69.1
Impact from exchange differences	2.9	-1.8
Change in net debt including IFRS 16	**354.3**	**26.3**
Adding back change in IFRS 16 leasing liabilities	-92.3	2.4
Change in net debt excluding IFRS 16	**262.0**	**28.7**

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Go Back

Change in interest-bearing liabilities	Bond loan	Liabilities to credit institutions	Liabilities leasing	Factoring debt	Overdraft	Total
Interest-bearing liabilities as of 31 December 2021	**246.1**	**12.8**	**79.1**	**-**	**0.8**	**338.7**
Cash flow affecting changes	-	-	-	-	-	-
Borrowings	-	62.3	-	-	22.7	85.0
Repayments of loans	-0.3	-3.8	-	-	-1.4	-5.5
Repayments of leasing liabilities	-	-	-12.8	-	-	-12.8
Total cash flow in financing activities	**-0.3**	**58.5**	**-12.8**	**-**	**21.3**	**66.7**
Changes not affecting cash flow	-	-	-	-	-	-
Through acquisitions	-	91.1	34.1	0.7	1.1	127.0
Through divestments	-	-	-0.1	-	-	-0.1
Capitalised leasing	-	-	76.1	-	-	76.1
Amortisation financing costs	1.1	-	-	-	-	1.1
Exchange differences	-	-5.1	-0.9	-	-0.4	-6.4
Total changes not affecting cash flow	**1.1**	**86.0**	**104.1**	**0.7**	**0.7**	**192.6**
Total change	0.8	144.5	91.3	0.7	22.0	259.4
Interest-bearing liabilities as of 31 December 2022	**246.9**	**157.3**	**170.5**	**0.7**	**22.8**	**598.2**

Change in interest-bearing liabilities	Bond loan	Liabilities to credit institutions	Liabilities leasing	Factoring debt	Overdraft	Total
Interest-bearing liabilities as of 31 December 2020	**137.9**	**1.8**	**81.5**	**-**	**0.4**	**221.6**
Cash flow affecting changes						
Borrowings	245.4	2.4	-	-	0.3	248.1
Repayment of loans	-140.0	-1.5	-	-	-0.4	-141.9
Repayment of leasing liabilities	-	-	-11.4	-	-	-11.4
Total cash flow in financing activities	**105.4**	**0.9**	**-11.4**	**-**	**-0.1**	**94.8**
Changes not affecting cash flow						
Through acquisitions	-	10.3	3.0	-	0.5	13.8
Through divestments	-	-	-0.6	-	-	-0.6
Capitalised leasing	-	-	5.4	-	-	5.4
Amortisation financing costs	2.8	-	-	-	-	2.8
Exchange differences	0.0	-0.2	1.1	-	-	0.9
Total changes not affecting cash flow	**2.8**	**10.1**	**8.9**	**-**	**0.5**	**22.3**
Total change	108.2	11.0	-2.5	-	0.4	117.1
Interest-bearing liabilities as of 31 December 2021	**246.1**	**12.8**	**79.1**	**-**	**0.8**	**338.7**

Go Back

Bond loans

Frame	Amount outstanding	Date of issuance	Maturity/redemtion date
EUR 250 million	EUR 250 million	3 September 2021	3 September 2026

The EUR 250 million bond, which is unsecured and linked to a sustainability framework, matures on 3 September 2026, with a possibility for BEW to unilaterally decide on an early redemption after 3 March 2025 of 50 percent of the bonds outstanding at that date. Net of financing costs, BEW received EUR 245.4 million in cash from the bond issued during the year. The bonds are recognised once the effective interest method and amortised cost after deductions for transaction costs. Interest terms, as well as nominal interest rates and average interest rates recognised during the quarter are presented in the table below.

		Nominal interest		Average interest	
Bond loan	Interest terms	2022	2021	2022	2021
EUR 65 million	Euribor 3 m + 3.15%	2.86-5.12%	2.58-2.60%	3.66%	3.03%

Liabilities to credit institutions and factoring debt

The group has a Revolving Credit Facility. The facility was increased during 2022 to a total of EUR 150 million (from 80 million) and is granted by two banks. As set to this facility one of the participating banks is providing an overdraft facility. As of 31 December 2022 the RCF was utilised by EUR equivalent 59.8 million and interest range between 2.7% - 3.8% during the year and the overdraft was utilised with 6.3 million EUR equivalent with an interest range of 3.7% - 3.1%. Interest-bearing liabilities in acquired subsidiaries are normally settled and refinanced internally after the acquisition. However, in a specific cases liabilities to credit institutions in acquired companies, including overdraft facilities, have not been subject refinancing post acquisition. Such liabilities to credit institutions have carried an interest in the range of 0.9% - 5.1% during 2022. As of 31 December 2022, a majority of the liabilities from acquired companies to direct institutions as well as the overdraft recognised as of that date, were attributable to the acquisition of Tacktor Holding AS.

Liabilities leases

For leases capitalised in accordance with IFRS 16, the interest rates used for discounting the future lease payments have been based on the Group's bond trading and Euro benchmark spreads, adjusted for the fact that the lease liabilities are repaid over the lease-term in contrast to the bonds that are repaid in full at maturity. Each company or relevant business unit has been given a credit rating, derived from certain financial KPI's, based on Moody's methodology. These ratings have been applied to the spreads to arrive at the discount rates. Depending on the lease-term and the rating, the discount rates vary from 1.2-8.2% for contracts maturing within 1-3 years to 6.2-13.2% for contracts maturing after 10 years. For lease contracts already capitalised in accordance with IAS 17 prior to the transition to IFRS 16, the discount rates have remained unchanged and range from 1.9%-7.14%, corresponding to the implicit rates of the contracts.

Covenants and security provided

The revolving credit facility agreement and the terms and conditions for the bond loans state certain covenants that the Group has to comply with, referred to as Leverage Ratio and Interest Coverage Ratio. Leverage Ratio is defined as net debt to EBITDA and Interest Coverage Ratio as EBITDA to net finance charges, where both EBITDA and net finance charges are adjusted. EBITDA is adjusted for non-recurring items as defined in the loan agreements. The impact of IFRS 16 on net debt and EBITDA is excluded in the covenant calculation. Compliance with the covenants is calculated on a regular basis with the respect to the revolving credit facility agreement, whereas compliance in the bond loan agreements is triggered by certain events, such as new financial indebtedness. The Group has not been in breach of any covenants in 2022 or 2021. The revolving credit facility is a super senior credit facility and the bond loan is subordinated the revolving credit facility.

Liabilities to credit institutions and overdraft facilities not refinanced post acquisition, and all series as a result of acquisitions in 2022, and some former acquisitions are subject to securities granted in the form of mortgages and pledges. The value at the balance sheet day of the securities provided, is presented in note 29 Pledged assets.

Currency exposure

Carrying amounts per currency (in millions) for the Group's interest-bearing liabilities are as follows:

	31 Dec 2022		31 Dec 2021	
million EUR	Incl. IFRS 16	Excl. IFRS 16	Incl. IFRS 16	Excl. IFRS 16
SEK	78.7	40.7	8.7	0.2
EUR	307.0	275.7	287.3	259.7
NOK	174.8	107.5	24.4	2.1
DKK	20.2	1.2	17.2	-
GBP	17.4	3.8	-	-
Other	0.9	0.9	0.6	0.6
	598.2	**429.8**	**338.7**	**262.6**

million EUR	31 Dec 2022	31 Dec 2021
Overdraft facility (equivalent amount in million EUR)	150	80
Overdraft utilised	5.8	-

Maturity

The tables below presents the maturity of the discounted cash flows of the group's interest-bearing liabilities

As of 31 December 2022	< 1 yr.	1-2 yr.	2-5 yr.	> 5 yr.
Bond loans	-	-	246.9	-
Liabilities to credit institutions	69.5	82.3	4.9	0.6
Liabilities leases according to definition in IAS 17	0.9	0.8	0.4	0.1
Additional liabilities leases due to IFRS 16	39.3	18.0	46.1	84.9
Other non current liabilities	-	-	0.7	-
Overdraft	22.8	-	-	-
Total	**112.5**	**101.1**	**299.0**	**85.6**

As of 31 December 2021	< 1 yr.	1-2 yr.	2-5 yr.	> 5 yr.
Bond loans	-	-	246.1	-
Liabilities to credit institutions	3.0	2.7	7.1	0.2
Liabilities leases according to definition in IAS 17	1.3	0.8	0.8	0.1
Additional liabilities leases due to IFRS 16	11.1	9.5	25.2	30.2
Overdraft	0.8	-	-	-
Total	**16.2**	**13.1**	**279.2**	**30.3**

Note 26 Pensions and similar obligations to employees

The group provides defined benefit pension plans in Finland, Norway and the UK. The defined benefit pension plans in the UK, which are closed for new participants, originate from the acquisition of Synbra and are related to Synbra's previous operations in the UK. Due to contractual obligations, the group had to pay a lump sum to the UK funds in 2018, following the change of ownership of Synbra. As a result, the fair value of plan assets in one of the funds exceed the present value of the pension obligation and a net pension asset is recognised on the balance sheet. The net pension asset is not subject to asset ceiling limitations.

The defined benefit pension obligations, calculated in accordance with the Projected Unit Credit Method, are, among other things, based on estimated salary increases, apart from the UK funds, which are closed for new participants and where the existing participants are no longer employed by the group. In addition to the defined benefit pension plans, the group also provides other long-term benefits in the Netherlands through a so called Jubilee plan, which entitles the participants salary benefits for long-term service. The Jubilee plan is calculated in accordance with the Projected Unit Credit Method and is presented below as Other long-term benefits.

The amounts reported on the balance sheet have been calculated as follows:

	Defined benefit pension plans		Other long-term benefits	
million EUR	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Present value of funded obligations	-32.4	-49.6	-	-
Fair value of plan assets	34.8	56.0	-	-
	2.3	**6.4**	**-**	**-**
Present value of unfunded obligations	-	0.0	-0.9	-1.1
Net asset(+)/liability(-) as of 31 December	**2.3**	**6.4**	**-0.9**	**-1.1**
Net pension asset				
United Kingdom	2.6	6.7	-	-
	2.6	**6.7**	**-**	**-**
Pension obligations and other long-term benefits				
Netherlands	-	-	-0.9	-1.1
Finland	-0.2	-0.3	-	-
Norway	0.0	0.0	-	-
United Kingdom	-	-	-	-
	-0.2	**-0.3**	**-0.9**	**-1.1**

The amounts reported on the balance sheet are changes in the defined benefit pension plans during the year are as follows:

	Defined benefit pension plans		Other long-term benefits	
	2022	2021	2022	2021
Costs of service during the current year	-0.1	-0.1	-0.1	0.0
Past service cost	-	-	-	-
Net interest income/expense	0.1	0.0	0.0	0.0
Total reported in the income statement	**0.1**	**-0.1**	**-0.1**	**0.0**
Return on plan assets excluding amounts included in interest expenses/income	-18.0	2.2	-	-
Actuarial gains/losses from changes in demographic assumptions	-0.2	0.2	-	-
Actuarial gains/losses from changes in financial assumptions	14.8	1.4	-	-
Experience based gains/losses	-0.8	0.2	-	-
Total reported in other comprehensive income	**-4.2**	**4.0**	**-**	**-**

	Defined benefit pension plans		Other long-term benefits	
Change in present value of the obligation	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
As of 1 January	**-49.6**	**-50.7**	**-1.1**	**-1.1**
Current service cost	-0.1	-0.1	-0.1	0.0
Interest cost	-0.9	-0.7	0.0	0.0
Actuarial gains/losses	13.8	1.8	-	-
Benefits paid	2.3	1.9	0.0	0.0
Settlements	0.0	1.7	0.2	-
Exchange rate differences	2.0	-3.5	-	-
As of 31 December	**-32.4**	**-49.6**	**-0.9**	**-1.1**

	Defined benefit pension plans		Other long-term benefits	
Change in fair value of plan assets	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
As of 1 January	56.0	52.5	-	-
Interest income	1.0	0.7	-	-
Return on plan assets excluding amounts included in interest expenses/income	-38.0	2.2	-	-
Contributions by the employer	0.3	0.3	-	-
Benefits paid	-2.3	-0.2	-	-
Settlements	0.0	-3.3	-	-
Exchange rate differences	-2.2	3.9	-	-
As of 31 December	**34.8**	**56.0**	**-**	**-**

The most critical assumptions for the defined benefit pensions were:	31 Dec 2022	31 Dec 2021
United Kingdom		
Discount rate	4.70-5.00%	1.85-1.95%
Salary increase	n/a	n/a
Inflation (based on CPI and RPI assumption)	2.90-3.40%	3.10-3.60%
Pension increase (based on CPI and RPI assumptions)	1.80-3.20%	2.25-3.45%
Finland		
Discount rate	3.75%	1.00%
Salary increase	3.10%	2.60%
Inflation	2.60%	2.10%
Cost of living adjustments for pensions in payment	-	-
Norway		
Discount rate	3.20%	1.90%
Salary increase	3.75%	2.75%
G-regulering	3.50%	2.50%

The range in assumed inflation in the United Kingdom reflects different assumptions used for CPI versus RPI. The range in assumed pension increase in the UK reflects different limits linked to years in which the pension was accrued and different inflation metrics applied for those limits.

The most critical assumptions for other long-term benefits were:	31 Dec 2022	31 Dec 2021
Discount rate	3.40%	0.60%
Salary increase	2.70%	2.20%

The sensitivity of the net defined benefit pension asset/liability for changes in essential assumptions are presented below (minus equals decrease in net asset/increase in net liability).

Change in fair value of plan assets, million EUR	Change	Increase in assumption	Decrease in assumption
Discount rate	0.50%	-1.7	1.8
Salary increase	0.50%	0.0	0.0
Pension increase	0.25%	1.1	-1.0

For the financial year of 2023, the defined pension plan fees are expected to amount to EUR 0.3 million.

Plan asset allocation	31 Dec 2022	31 Dec 2021
Bonds	12.3	9.5
Equities	5.7	18.0
Hedge funds and alternatives	15.2	26.3
Insurance contracts	0.9	1.1
Real estate	0.1	0.1
Cash	0.6	1.0
	34.8	**56.0**

Analysis of expected undiscounted payments of defined benefits	31 Dec 2022	31 Dec 2021
Within 1 year	2.1	2.0
1-2 years	2.0	2.2
3-5 years	6.8	6.9
5 years or more	43.7	49.9

Note 27 Other provisions

million EUR	Restoration of environment	Restructuring measures	Health benefits	Staff benefits	Guarantee	Total
As of 1 January 2021	**0.1**	**0.4**	**0.1**	**0.0**	**0.1**	**0.7**
Reported in the income statement:						
- additional provisions	-	0.9	-	-	0.1	1.0
Exchange differences	-	0.0	-	-	-	0.0
Utilised during the year	-	-0.7	-0.0	-0.1	-0.1	-0.9
As of 31 December 2021	**0.1**	**0.6**	**0.0**	**0.0**	**0.1**	**0.9**

million EUR	Restoration of environment	Restructuring measures	Health benefits	Staff benefits	Guarantee	Total
As of 1 January 2022	**0.1**	**0.6**	**0.0**	**0.0**	**0.1**	**0.9**
Reported in the income statement:						
- additional provisions	0.0	0.5	-	-	0.2	0.7
Exchange differences	-	0.0	-	-	0.0	0.0
Utilised during the year	-	-1.1	-0.0	-	-0.1	-1.2
As of 31 December 2022	**0.1**	**0.0**	**-**	**0.0**	**0.3**	**0.4**

million EUR	31 Dec 2022	31 Dec 2021
Long-term provision	0.1	0.1
Short-term provision	0.2	0.8
Total provision	**0.4**	**0.9**

Note 28 Accrued expenses and deferred income

million EUR	31 Dec 2022	31 Dec 2021
Accrued wage debt	8.6	4.6
Accrued social security fees	4.6	3.8
Accrued holiday pay including social security fees	13.9	11.6
Accrued customer bonuses	26.0	8.7
Accrued interest	1.7	0.7
Other items	43.4	10.9
Total	**97.3**	**40.2**

Note 29 Contingent liabilities

million EUR	31 Dec 2022	31 Dec 2021
Guarantees to suppliers	27.7	18.6
Total	**27.7**	**18.6**

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Go Back

Note 30 Pledged assets

million EUR	31 Dec 2022	31 Dec 2021
Business mortgages	2.9	2.4
Property mortgages	37.8	35.0
Other pledged assets	51.3	26.7
Total	**92.0**	**64.0**

Interest-bearing liabilities in acquired subsidiaries are normally settled and refinanced internally after the acquisition. However, in specific cases liabilities to credit institutions in acquired companies, including overdraft facilities, have not been refinanced post acquisition. The pledged assets in 2021 and 2022 are attributable to those liabilities.

Note 31 Related parties

Christian Bekken, CEO of BEWI ASA, is together with other members of the Bekken family a majority shareholder of the company through Bekken Invest AS and BEWI Invest AS. Other related parties are the two 34 percent owned associated companies Frosch France SAS and Frosch Pomaz I GmbH. Transactions with those companies are presented in the tables below.

Inoplast S.R.O. was owned to 34 percent for the full year 2022 and is included in the table below with regards to positions from the income statement. From 31 December 2022, Inoplast S.R.O. was consolidated as a subsidiary. Jadlite Group Ltd was owned to 49 percent until 30 May 2022 and is up until this date included in the table below. From 1 June 2022 Jadlite Group Ltd is consolidated as a subsidiary.

Information on remuneration of management and the board of directors is found in note 6.

The number of shares in the company held by management and the board of directors as of 31 December 2022 is presented in the table below.

Board of Directors

Person	Title	Shares	Options	Shares held by related parties
Gunnar Syvertsen[1]	Chairman	5 952	-	55 739
Christina Schaumann	Director	5 952	-	37 500
Stig Wærnes[2]	Director	-	-	-
Anne-Lise Aukner	Director	-	-	-
Rik Dobbeleare	Director	38 497	-	-
Andreas M. Asheim[2]	Director	-	-	32 070 000[3]

[1] Gunnar Syvertsen is chairman of the board of BEWI Invest AS, majority owned by the Bekken family and the owner of 97 958 328 shares per 31.12.2022. BEWI Invest is listed as a related party to Christian Bekken, but is also related to Mr Syvertsen.

[2] Stig Wærnes left the board upon completion of the Jadlite transaction 19 October 2022 and was replaced by Andreas M. Asheim.

[3] Shares held by HAAS AS, the investment company owned by the Asheim family.

Executive Management

Person	Title	Shares	Options	Shares held by related parties
Christian Bekker[1]	Chief Executive Officer	25 952	200 000	97 958 328
Marie Danielsson	Chief Financial Officer	185 452	250 000	-
Joras Sijtsma	Chief Operating Officer	134 126	200 000	-
Petra Blanmark[2]	General Counsel	8 962	9 452	5 458
Charlotte Knudsen[2]	Director of Brand Communications	33 683	9 452	
Roger Olofsson[2]	CHRO	5 952	125 000	

[1] Christian Bekker owns 25 952 shares directly and is part of the Bekker family that holds 97 958 328 shares (directly or indirectly through the family's indirect ownership in BEW Invest AS.

[2] Petra Blanmark, Roger Olofsson and Charlotte Knudsen became part of the Executive management team at 3rd of October 2022.

Transactions impacting the income statement

million EUR	2022	2021
Sale of goods to:		
HIRSCH France SAS	25.6	18.8
HIRSCH Porozel GmbH	46.2	45.3
Jabiru Group Ltd	3.6	7.9
noplast s.r.o.	4.3	2.9
Bekker owned companies	0.4	0.1
Total	**80.1**	**74.9**
Other income from:		
noplast s.r.o.	0.6	-
Bekker owned companies	0.3	-
Total	**0.9**	**-**
Purchase of goods from:		
noplast s.r.o.	4.5	3.4
Bekker owned companies	4.2	3.1
Total	**8.7**	**6.5**
Interest Income from:		
Hirsch France SAS	0.1	0.1
Jabiru Group Ltd	0.0	0.1
Total	**0.1**	**0.2**
Rental expenses to:		
Bekker owned companies	11.4	8.8
Total	**11.4**	**8.8**
Other external costs to:		
Bekker owned companies	0.1	0.1
Total	**0.1**	**0.1**

On 23 December 2021, the wholly owned subsidiary Bicoe AS was sold to a company owned by members of Bekken family for a consideration of EUR 6.2 million, of which EUR 4.2 million was settled in cash and EUR 2.0 million in a short-term loan to the buyer. The loan was settled on 1 June 2022.

The transactions were conducted on normal market terms.

Transactions impacting the balance sheet

million EUR	31 Dec 2022	31 Dec 2021
Non-current receivable		
Bekken owned companies	0.1	0.1
HIRSCH France SAS	-	2.3
Cablite Group Ltd	-	1.8
Total	**0.1**	**4.2**
Current receivables		
Bekken owned companies	1.8	4.1
HIRSCH Porozell GmbH	0.1	0.1
Inoo as; s.r.o.	-	0.6
Total	**1.9**	**4.8**
Current liabilities		
Bekken owned companies	0.3	-
Inoo as; s.r.o.	-	0.6
Total	**0.3**	**0.6**

Interest terms for the lending to associated companies are presented in note 16 Shares in associates.

Note 32 Adjustments for non-cash items, etc.

million EUR	31 Dec 2022	31 Dec 2021
Depreciations, amortisations and write-downs	47.2	37.8
Change in provisions for pension liabilities	-0.5	-0.5
Change in other provisions	-0.5	0.2
Share of income from associates net of dividend received	-1.1	-4.5
Effect of share-based incentive programme	0.6	0.7
Capital gain from sale of assets and business	-1.2	-1.1
Capital gain from revaluation of shares in associates	-10.7	-
Settlement agreement - European Commission	17.2	-
Other	-0.5	-
Total	**50.5**	**32.6**

Note 33 Subsequent events

Measures to adjust capacity and reduce costs in Nordic Insulation

Following the combination with Isocon, and in response to the current market conditions, BEWI has initiated measures to optimize its production footprint and reduce capacity to current demand. This includes reduced shifts at several facilities and temporary closure of one facility. In addition, the company has taken measures to reduce the cost base of its Nordic Insulation division.

In total, the company expects annual savings of approximately EUR 5 million.

Exercise of options and increase of share capital

On 18 February 2023, BEWI announced that, following exercise of options by option holders under the company's share option programme, the board had resolved to increase the Company's share capital by NOK 374 298, by the issuance of 374 298 new shares at a subscription price of NOK 22.96 per share by use of the authorisation granted by the general meeting on 21 June 2022.

Agreement to divest real estate for NOK 348 million

On 31 March 2023, BEWI announced, with reference to the real estate transaction announced on 30 June 2022, that the company had entered an agreement with KMC Properties ASA for the divestment of four properties, of which three properties in Finland and one in Denmark valued at NOK 348.3 million. The purchase price will be settled in the form of an amount equal to approx. NOK 200.0 million in cash and NOK 148.3 million in 20 235 931 new shares in KMC Properties at a subscription price of NOK 7.33 per share. KMC Properties has an exclusive right to acquire the remaining part of the portfolio until 30 June 2023. Through the acquisition of the 20 235 931 new shares in KMC Properties, BEWI will increase its shareholding to a total of 28 807 359 shares corresponding to 8.4 percent of the issued share capital of KMC Properties.

Income statement of the parent company

million NOK	Note	2022	2021
Operating income			
Net sales	3	5.0	4.0
Other operating income		0.0	0.7
Total operating income		**5.0**	**4.7**
Operating expenses			
Other external costs	13	-47.9	-39.5
Personnel costs	4	-14.9	-17.1
Other operating costs		-0.1	-
Total operating expenses		**-62.9**	**-56.6**
Operating profit		**-57.8**	**-51.9**
Financial income		181.2	115.5
Financial expense		-154.1	-22.7
Financial income and expense - net	5	**27.1**	**92.8**
Profit before taxes		**-30.7**	**40.8**
Income tax	6	6.9	-7.6
Net profit for the year		**-23.8**	**33.3**

Statement of financial position of the parent company

million NOK	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Financial assets			
Shares in subsidiaries	7	6 152.5	3 091.2
Other finance assets		0.9	0.0
Receivables from group companies	11	1 668.6	1 572.3
Total financial assets		**7 821.1**	**4 664.6**
Total non-current assets		**7 821.1**	**4 664.6**
Current assets			
Current receivables			
Receivables from group companies	11	558.1	160.4
Accounts receivables		0.2	-
Prepaid expenses and accrued income		2.2	22.5
Total current receivables		**560.4**	**182.8**
Cash and cash equivalents	8	5.5	877.7
Total current assets		**565.9**	**1 060.5**
TOTAL ASSETS		**8 387.0**	**5 725.1**

Statement of financial position of the parent company

million NOK	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (91 347 932 shares)	9,10	191.3	156.6
Total restricted equity		**191.3**	**156.6**
Non-restricted equity			
Additional paid-in capital	10	4 426.2	2 969.5
Profit or loss brought forward	10	0.0	0.0
Net profit or loss for the year	10	-23.8	33.3
Total non-restricted equity		**4 402.4**	**3 002.7**
Total equity		**4 593.7**	**3 159.3**
Non-current liabilities			
Deferred tax liability		0.6	7.5
Non-current bond loan		2 595.7	2 454.5
Liabilities to Group company	11	852.6	-
Total non-current liabilities		**3 448.9**	**2 462.0**
Current liabilities			
Liabilities to group companies	11	320.3	71.8
Account payables		3.7	10.3
Other short-term liabilities		1.0	2.5
Accrued expenses and deferred income		19.3	19.2
Total current liabilities		**344.4**	**103.8**
TOTAL EQUITY AND LIABILITIES		**8 387.0**	**5 725.1**

Trondheim, Norway, 24 April 2023

The board of directors and CEO

BEWI ASA

Sonat Syvertsen	Anne-Lise Aukner	Rik Dobbelaere
Chair of the Board	*Director*	*Director*
Andreas Akseser	Kristine Schaanning	Christian Beckeri
Director	*Director*	*CEO*

Cash flow statement for the parent company

million NOK	Note	2022	2021
Operating cash flow			
Income before financial items		-57.8	-51.9
Adjustments for non-cash items, etc		0.0	0.4
Interest paid and financing costs		-38.4	-16.2
Interest received		0.0	19.3
Dividend received		71.2	35.0
Operating cash flow before changes to working capital		**-75.0**	**-13.4**
Cash flow from working capital changes			
Increase/decrease in current receivables		65.9	-1 624.5
Increase/decrease in operating debt		230.9	43.7
Total change to working capital		296.8	-1 580.8
Operating cash flow		**221.7**	**-1 594.2**
Cash flow from investment activities			
Acquisitions of subsidiary		-1 835.3	-184.5
Cash flow from investment activities		**-1 835.3**	**-184.5**

million NOK	Note	2022	2021
Cash flow from financing activities			
Borrowings, net of transaction costs	11	852.6	2 453.0
New share issue, net of transaction costs		9.5	192.8
Group contribution		68.7	-
Dividend	10	-2 105	-553
Cash flow from financing activities		**741.3**	**2 580.4**
Cash flow for the period		**-872.2**	**801.8**
Opening cash and cash equivalents		877.7	75.9
Closing cash and cash equivalents		**5.5**	**877.7**

Go Back

Parent company

Accounting principles and notes to the accounts

Note 01 General information

The parent company is a public limited company registered in Norway, with head office located in Trondheim, Norway, and address Dyre Halses gate 1A, 7042 Trondheim.

Note 02 Summary of key accounting principles for the parent company

The key accounting principles used in this annual report are stated below. The principles have consistently been used for all reported financial years, unless otherwise specified.

The annual report for the parent company is prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The accounts are stated below, for which the parent company applies accounting principles differing from those of the group as described in note 2 to the consolidated accounts.

The annual report has been prepared in accordance with the cost value principle.

The preparation of reports requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the parent company's accounting principles. The areas involving a higher degree of judgement or complexity, or areas for which assumptions and estimates are significant to the annual report, are stated in note 4 to the consolidated accounts.

The parent company's through its activities exposed to several different financial risks: market risk (currency risk and interest rate risk), credit risk and liquidity risk. The parent company's comprehensive financial risk management is focused on the unpredictability of the financial markets and strives to minimise any adverse effects on the consolidated profits. For more information regarding financial risks, see note 3 to the consolidated accounts.

The parent company applies accounting principles differing from those of the group, for the areas are stated below:

Layout

The income statement and statement of financial position is compliant with the layout stipulated in the Norwegian Accounting Act. The statement of changes to equity observes the layout of the consolidated accounts, but must contain the columns stated in the Norwegian Accounting Act. Furthermore, differences arise relating to designations, in comparison with the consolidated accounts, mainly concerning the financial income/expense and equity.

Shares in subsidiaries

Shares in subsidiaries are reported at acquisition cost less any impairment. The acquisition cost includes any cost related to the acquisition and any additional purchase price.

A calculation of the recoverable amount is undertaken, in the event of an indication of impairment of the shares in a subsidiary. Should the recoverable amount be below the carrying amount, impairment is made. Impairments are reported in Profit from participations in group companies.

Financial instruments

Financial instruments are reported at acquisition cost. Financial assets acquired for short-term holding will in subsequent periods be reported at the lower of acquisition cost or market value.

Note 03 Net sales

The parent company's revenue derive solely from one business area and is mainly related to intra-group administrative services.

Note 04 Employee remuneration etc.

million NOK	2022	2021
Salary and other remuneration	-12.8	-11.9
Social security expenses	-1.2	-4.5
Pension costs - defined contribution plans	-0.5	-0.2
Total remuneration to employees	**-14.5**	**-16.7**

The company is obliged to have an occupational pension scheme in accordance with the Act on Mandatory Occupational Pensions. The company pension schemes satisfy the requirement of this Act.

Salary and other remunerations and pension costs for directors of the board, CEO's and other senior executives

million NOK	2022	2021
Salary and other remuneration	-4.6	-2.4
Bonus	-0.9	-0.6
Pension costs	-0.1	0.0
Total remuneration	**-5.6**	**-3.0**

Go Back

Average number of employees

2021	Average number of employees	Whereof men
Norway	5	3

2022	Average number of employees	Whereof men
Norway	8	4

In November 2020, BEWI ASA implemented a share-based incentive programme, entitling the participants to subscribe for shares in BEWI ASA during a three-year period. The purpose of the programme is to further align the interests of the company and its shareholders by providing incentives in the form of awards to employees to motivate them to contribute materially to the success and profitability of the Company. The features of the programme are further described in note 23 to the group.

The CEO of BEWI ASA was granted 250 000 share options.

Severence pay

Subject to the CEO's employment agreement, there is a notice period of 12 months if the agreement is terminated by the company and a notice period of 6 months if the agreement is terminated by the employee. The employee is entitled to receive unchanged salary and other fringe benefits during the period of notice, however the salary is deductable to other income.

Note 05 Interest income and interest expense and similar items

million NOK	2022	2021
Interest income, group companies	64.7	25.8
Exchange gains	0.0	-
Group contribution	116.4	89.7
Total interest income and similar profit or loss items	**181.2**	**115.5**
Interest expense	-92.2	-21.0
Interest expense, group companies	-11.8	-0.5
Exchange loss	-50.1	-1.2
Other financial expenses	-	-
Total interest expense with similar profit or loss items	**-154.1**	**-22.7**
Total financial income and expense - net	**27.1**	**92.8**

Note 06 Income tax on the profit for the year

The income tax attributable to the income before taxes differs from the theoretical amount that would have arisen from the application of the tax rate in Norway for the income of the parent company as follows:

million NOK	2022	2021
Income before taxes	-30.7	40.8
Income tax calculated using the Norwegian tax rate (22%)	6.8	-9.0
Tax effects attributable to:		
Non-deductible costs	0.0	-0.2
Deductible expenses not recognised in income statement	0.2	1.6
Total tax reported	**6.9**	**-7.6**

Unutilised tax loss carry forwards for which no deferred tax assets has been reported amount to MNOK 6.3 (1.6).

Note 07 Shares in subsidiaries and associates

Subsidiaries

million NOK	31 Dec 2022	31 Dec 2021
As of 1 January	**3 091.2**	**2 910.6**
Acquisition of subsidiaries	3 494.5	180.6
Dividend from subsidiaries	-423.1	-
As of 31 December	**6 162.6**	**3 091.2**

BEWI ASA bought three new directly owned subsidiaries in 2022. For more information about the acquisitions find information in group Note 14 - Business acquisitions.

Name	Reg. no.	Reg. office/ country	Proportion of shares held by the parent (%)	Carrying amount 31 Dec 2022	Carrying amount 31 Dec 2021
Directly owned					
BEWI Syntra Group AB	556972-1128	Solna, Sweden	100	2 487.5	2 910.6
BEWI Polska Spółka z o.o.	0000722895	Poland	100	181.7	180.6
BEWI Circular Holding AS	928 985 682	Norway	100	283.9	-
Jacobsen Holding AS	989 087 777	Norway	100	2 940.7	-
UAB Baltijos Polistirenas	160 421 364	Lithuania	100	268.8	-
Sum directly owned				**6 162.6**	**3 091.2**

Subsidary	Reg. no.	Reg. office / country	Proportion of shares held by the parent (%)
Indirectly owned			
BEWI Circular Belgium cvba	BE 0455.783.904	Belgium	100
BEWI Circular Holding Belgium	BE 0654.986.778	Belgium	100
BEWI Circular Trading Belgium cvba	BE 0875.777.582	Belgium	100
Jackon Insulation NV	HRB 558089	Belgium	100
Kemiso NV	BE 0464.536.859	Belgium	100
N.V. International Vervoer Brants Valeri	BE 0400.670.970	Belgium	100
N.V. Kem-Products N.V.	BE 0448.483.062	Belgium	100
Berga Recycling Inc.	7789815	Canada	100
Inoplas S.R.O.	27877574	Czech Republic	100
BEWI Cellpack A/S	25 85 91 54	Denmark	100
BEWI Circular Denmark A/S	41 40 69 84	Denmark	100
BEWI Denmark A/S	31 85 73 04	Denmark	100
Jackon DK A/S	20 04 79 41	Denmark	100
BEWI Cabee Oy	2083542-9	Finland	100
BEWI Moplas Oy	3506033-6	Finland	100
BEWI RAW Oy	1097427-6	Finland	100
Jackon Finland Oy	23525547	Finland	100
Jackon Insulation France S.a.r.l.	501839-N	France	100
Izoblok GmbH	HRB 508966	Germany	64.28
Jackon Application GmbH	DE318140659	Germany	100
Jackon GmbH	DE 913940934	Germany	100
Jackon Insulation GmbH	DE 259597866	Germany	100
BEWI Iceland ehf.	520818-0890	Iceland	85
Besto Verpackungsindustrie BV	5034571	Netherlands	100
BEWI RAW BV	20033648	Netherlands	100
Erteceе BV	60 91 60	Netherlands	100
Geneyad Netherlands BV	73624312	Netherlands	100
Isolbouw Systems BV	17046081	Netherlands	100
Moranplastics BV	90360197	Netherlands	100
Poreco BV	7 961577	Netherlands	75
Poreco Holding BV	8051893	Netherlands	75
Poreco Logistics BV	8090664 5	Netherlands	75
Stramit BV	7023362	Netherlands	100
Symbra BV	20680670	Netherlands	100
Symbra-Holding BV	20095683	Netherlands	100
Symbra-International BV	20095676	Netherlands	100
Symbra Propor BV	67056829	Netherlands	90
Sympredo BV	8115593	Netherlands	100
Sympredo Productie BV	30012455	Netherlands	100
BEWI Building & Industry AS	912 038 084	Norway	100
BEWI Circular AS	922 724 385	Norway	100
BEWI EPS Norway AS	928 878 090	Norway	100
BEWI Foil AS	977 051 371	Norway	100
BEWI Foocs AS	979 574 193	Norway	100
BEWI Insulation Norway AS	936 795 663	Norway	100
BEWI Norplasta AS	989 953 133	Norway	100
BEWI Norway AS	995 172 895	Norway	100
Jackon AS	913 019 334	Norway	100
Jackon Holding AS	989 987 177	Norway	100
Trondhjems Eskefabrikk AS	960 551 710	Norway	100
Izoblok S.A.	000303883347	Poland	64.28
BEWI Circular Portugal, LDA	515767832	Portugal	66
Plastimar SA	508415770	Portugal	100
Aislamientos y Envases S.L.	B63173820	Spain	86
BEWI & P Spain Holding S.L.U.	B72746423	Spain	100
Plasexpandlico SL	B36900157	Spain	100
BEWI Automotive AB	559102-5332	Sweden	100
BEWI Circular Sweden AB	556628-9178	Sweden	100
BEWI Dorotea AB	556669-9434	Sweden	100

Subsidary	Reg. no.	Reg. office / country	Proportion of shares held by the parent (%)
BEWI Insulation AB	556541-7783	Sweden	100
BEWI Packaging AB	556956-3309	Sweden	100
Gerevad Holding AB	556707-1948	Sweden	100
Jackon AB	556393-5742	Sweden	100
Norplasta AB	556649-7821	Sweden	100
Jackon Insulation Switzerland AG CH	430.3.064.347-2	Switzerland	100
Jablite Ltd	1264570	United Kingdom	100
Jackon Holding UK Ltd	10333 3	United Kingdom	100
Jackon UK Ltd	8235666	United Kingdom	100
Synbra Holding UK Ltd	3502540	United Kingdom	100
Volker Gruppe Ltd	N627429	United Kingdom	51
Jablite Group Ltd	12641 13	United Kingdom	100
Styropack Ltd	1264682	United Kingdom	100
Berga Circular Holding US Inc	6775534	USA	100
Berga Properties LLC	Delaware	USA	100
Berga Recycling USA Inc	Delaware	USA	100
Gates Holding USA Inc	Delaware	USA	100

Associates

Name	Reg. no.	Reg. office / country	Proportion of shares held by the parent (%)
Indirectly owned			
BEWI EPS ehf	580121-1600	Iceland	49
E&D AB	556935-9297	Sweden	49.8
HIRSCH France SAS	92044	France	34
HIRSCH Porozell GmbH	FN 172553	Germany	34
Remondis Technology SP Zoo	0.34	Poland	34

Other shares and participations

Name	Reg. no.	Reg. office / country	Proportion of shares held by the parent (%)
Indirectly owned			
Polystyrene Loop Cooperatief U.A.	63399812	Netherlands	13.8
Polystyvert Inc.	N/A	Canada	3.71

Note 08 Cash and bank balances

million NOK	31 Dec 2022	31 Dec 2021
Restricted cash	0.7	0.6
Other cash and bank balances	4.8	877.1
Total	**5.5**	**877.7**

Note 09 Share capital

For information regarding the share capital, see note 22 to the consolidated accounts.

Note 10 Equity

million NOK	Share capital	Restricted equity: Additional paid-in capital	Non-restricted equity: Accumulated profit (incl net profit/loss for the year)	Total
Balance carried forward as of 31 December 2020	**148.4**	**2 815.7**	**3.3**	**2 967.4**
New share issue	8.2	215.7	-	223.9
Dividend	-	-52.0	-3.3	-55.3
Net profit for the year	-	-	33.3	33.3
Balance carried forward as of 31 December 2021	**156.6**	**2 969.5**	**33.3**	**3 159.3**
New share issue	34.7	1 633.9	-	1 668.7
Dividend	-	-177.2	-33.3	-210.5
Net loss for the year	-	-	-23.8	-23.8
Balance carried forward as of 31 December 2022	**191.3**	**4 402.4**	**-23.8**	**4 593.7**

Note 11 Receivables and liabilities

million NOK	31 Dec 2022	31 Dec 2021
Balance sheet assets		
Financial assets measured at amortised cost		
Non-current receivables from group companies	1 658.6	1 573.3
Current receivables from group companies	558.1	160.4
Total	**2 216.6**	**1 733.7**
Balance sheet liabilities		
Financial liabilities measured at amortised cost		
Bond loan	2 595.7	2 453.5
Non-current liabilities to group companies	852.6	-
Current liabilities to group companies	320.3	71.8
Total	**3 768.6**	**2 526.3**

The company has no liabilities with maturity over five years.

Bond loans

Frame	Amount outstanding	Date of issuance	Maturity/redemtion date
EUR 250 million	EUR 250 million	3 September 2021	3 September 2026

As of December 2022, BEWI ASA has one bond loan outstanding. The bond is unsecured and linked to a sustainability framework, matures on 3 September 2026, with the possibility for BEWI ASA to unilaterally decide on early redemption after 3 March 2025 of 50 percent of the bond outstanding at that date. The main term for the bond outstanding during the year is presented in the table below.

Bond loan	Interest terms	Nominal interest 2022	Average interest 2022
EUR 250 million	Euribor 3 m + 3.15%	2.58-5.12%	3.66%

Go Back

Note 12 Related parties

Christian Bekken, CEO of BEW ASA, is together with other members of the Bekken family a majority shareholder of the company through BEW Invest AS and Bekken Invest AS. More information on related party transactions is reported in note 5 in the consolidated accounts. Information on remuneration of management and the board of directors is found in note 6 in the consolidated accounts.

Note 13 Remuneration to auditors

million NOK	2022	2021
The audit assignment	-1.3	-1.0
Audit activities other than the audit assignment	-0.3	-0.6
Tax advice	-	-
Other services	-7.2	-0.8
Total remuneration to auditors	**-8.7**	**-2.4**

For 2021 and 2022 audit activities other than the audit assignment from PwC and other services mainly includes costs related to the Jackon transaction.

To the General Meeting of BEWI ASA

Independent Auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BEWI ASA, which comprise:

- the financial statements of the parent company BEWI ASA (the Company), which comprise the statement of financial position as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- the consolidated financial statements of BEWI ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2022, the comprehensive income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 29 July 2020 for the accounting year 2020.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Group continues to acquire companies and has acquired seven companies during 2022. Consequently, Accounting for business combinations is just as important for this year's audit, as it was in the previous year's audit. The acquisitions regularly lead to recognition of assets such as trademarks and goodwill. Impairment testing of goodwill and intangible assets with an indefinite useful life therefore continue to represent an important area for our audit.

Key Audit Matters	How our audit addressed the Key Audit Matter
Impairment testing of goodwill and intangible assets with an indefinite useful life Goodwill and trademark are significant assets in the Group's balance sheet. The carrying amount of goodwill and trademark amount to EUR 262.8 million and EUR 48.1 million respectively on December 31, 2022. No impairments was recognised in 2022. Impairment testing requires determination of recoverable amounts of goodwill and trademarks, which is dependent on, among other, estimated future income. We focused on this area due to the significance of the amounts involved and because the impairment test requires application of management judgement related to assumptions such as projected future revenues and costs and discount rate used. The Group's principles and methods for valuation of goodwill and trademark are described in notes 2.4, 4.1 and note 12 to the consolidated financial statements.	We obtained an understanding of management's process related to valuation of goodwill and trademark. We reviewed management's documentation for impairment testing and considered whether the valuation model applied by management contained the elements and methodology required by IFRS. We found the model to be reasonable and in accordance with the requirements. We also assessed the logical structure and tested mathematical accuracy of the model without finding material deviations. We examined how management identified cash-generating units and compared this to how BEWI follows up goodwill and trademark internally. Further we evaluated the reasonableness of the assumptions applied and management's analysis related to changes in significant parameters, which could lead to a need for impairment. We challenged management's use of assumptions related to projected future revenue and costs by comparing these against historic results and approved budgets. We found that the assumptions were aligned with historic results and approved budgets. We also found that the applied growth assumptions were reasonable. Additionally, we assessed management's forecasting abilities by comparing prior year budgets and forecasts to actual results, and found no material deviations. The discount rate used was compared to empirical data and expectations about the future return, relevant risk premium and gearing ratio. We found that the used discount rate was reasonable. We also considered whether the information provided in notes 2.4, 4.1 and 12 to the consolidated financial statements met the IFRS requirements according to IAS1.

Key Audit Matters	How our audit addressed the Key Audit Matter
Accounting for business acquisitions The Group's principles and methods for accounting for business acquisitions are described in notes 2.2, 2.4, and note 14 to the consolidated financial statements. During the past year, BEWI has made seven business acquisitions, of which the acquisition of the Norwegian family-owned company Jackon Holding, the Baltic company UAB Baltijos Polistirenas ("Balpol") and the remaining 51% acquisition of Jablite Group Ltd, becoming 100% owner of the company, were the most significant ones. For each business acquisition, management prepared a purchase price allocation (PPA) analysis in which the difference between the net assets in the acquired company and the purchase price was allocated to identified assets from the acquired company. Trademarks and property, plant and equipment were among the identified assets. The residual was allocated to goodwill. To determine the fair value of the identified intangible assets, management used judgement and performed calculations based on expectations about the acquired companies' future development. The distribution of values in the PPA may have a significant impact on the financial statements.	We obtained and reviewed the PPAs and obtained an understanding of how management identified assets to which the purchase price was allocated, including management's calculation of the related goodwill. We obtained and examined the acquisition agreements, evaluated the terms of the agreements, and had extensive discussions with management. We tested the agreed cash considerations against bank receipts. To challenge management's judgment, we examined the acquisition analyses with emphasis on methods and assumptions used for identifying and valuing intangible assets such as trademark. We traced the information in the PPAs to the acquired entities' financial statements. We tested the mathematical accuracy of the calculations and challenged management's allocations based on our expectations from the underlying business drivers in the acquired entities. Based on our audit procedures we found the methods and assumptions to be reasonable. We also considered if the relevant notes 2.2, 2.4 and note 14 gave proper relevant information and found the information and explanations provided to be sufficient.

Go Back

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements.

The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause

the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of BEWI ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name BEWI-2022-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Trondheim, 24 April 2023
PricewaterhouseCoopers AS

Kjetil Smørdal
State Authorised Public Accountant

(This document is signed electronically)

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Go Back

Reconciliation alternative performance measures

Alternative performance measures not defined by IFRS

million EUR	2022	2021
Operating income (EBIT)	**68.0**	**67.8**
Amortisations	9.7	7.6
EBITA	**77.7**	**75.4**
Items affecting comparability	18.3	3.4
Adjusted EBITA	**96.1**	**78.8**
EBITA	**77.7**	**75.4**
Depreciations	37.5	30.1
EBITDA	**115.2**	**105.5**
Items affecting comparability	18.3	3.4
Adjusted EBITDA	**133.6**	**109.0**
Adjusted EBITA rolling 12 months	96.1	78.8
Average capital employed	629.1	409.6
Return on average capital employed (ROCE)	**15.3%**	**19.2%**

Items affecting comparability

million EUR	2022	2021
Severance, integration and restructuring costs	-1.6	-0.9
Transaction costs	-9.2	-4.4
Capital gains/losses from sale of fixed assets	2.3	0.0
Capital gain/losses from sale of subsidiary	-3.3	1.0
Capital gain from sale of associated company	10.7	-
Recognition of negative goodwill in associate	-	0.9
Settlement agreement - European Commission	-17.2	-
Total	**-18.3**	**-3.4**

Go Back

Revenue bridge: Change in net sales from corresponding periods in 2021

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Intra-group revenue	Total net sales	%
2021	**347.9**		**195.4**		**295.6**		**24.0**		**0.1**		**-114.9**	**748.2**	
Acquisitions	12.5	3.6%	108.3	55.4%	62.2	21.0%	28.3	118.0%	-	-	-19.6	200.7	26.8%
Of which Jacken	12.5	3.6%	38.6	19.7%	10.3	3.4%	0.5	0.0%	0.0	0.0%	-7.1	53.9	7.2%
Other	0.0	0.0%	69.8	35.7%	52.1	17.6%	28.3	118.0%	0.0	0.0%	-3.5	146.7	19.6%
Divestments	-	-	-18.1	-9.2%	-	-	-	-	-	-	-	-18.1	-2.4%
Currency	-	-	-1.0	-0.5%	-0.2	-0.1%	-0.5	-2.1%	0.0	-10.3%	-1.7	-3.5	-0.5%
Organic growth	57.6	16.5%	49.2	25.2%	34.4	11.6%	11.3	46.9%	0.2	208.2%	-29.6	123.1	16.5%
Total increase/ decrease	70.1	20.1%	138.5	70.8%	96.3	32.6%	39.1	162.7%	0.2	197.9%	-41.9	302.2	40.4%
2022	**418.0**		**333.9**		**391.9**		**63.1**		**0.3**		**-156.8**	**1 050.4**	

EBITDA bridge: Change in adjusted EBITDA from corresponding periods in 2021

million EUR	RAW	%	Insulation	%	P&C	%	Circular	%	Unallocated	%	Total adjusted EBITDA	%
2021	**54.1**		**21.6**		**40.3**		**0.6**		**-7.6**		**109.0**	
Acquisitions	1.2	2.2%	4.4	20.3%	4.9	12.1%	3.6	610.9%	-0.1	1.8%	13.9	12.8%
Of which Jacken	1.2	2.2%	-0.9	-4.1%	1.4	3.4%	0.0	0.0%	-0.1	1.8%	1.5	1.4%
Other	0.0	0.0%	5.3	24.4%	3.5	8.7%	3.6	610.9%	0.0	0.0%	12.4	11.4%
Divestments	-	-	-1.4	-6.5%	-	-	-	-	-	-	-1.4	-1.3%
Currency	-	-	0.2	0.9%	0.1	0.3%	0.1	11.1%	0.0	0.0%	0.4	0.4%
Organic growth	1.8	3.3%	6.2	28.5%	3.1	7.6%	-1.8	-304.5%	2.3	-30.1%	11.7	10.7%
Total increase/ decrease	3.0	5.5%	9.5	44.0%	8.1	20.0%	1.9	317.4%	2.1	-28.3%	24.6	22.6%
2022	**57.0**		**31.1**		**48.3**		**2.5**		**-5.4**		**133.6**	

Definitions of alternative performance measures not defined by IFRS

Organic growth Organic growth is defined as growth in net sales for the reporting period compared to the same period last year, excluding the impact of currency and acquisitions. It is a key ratio as it shows the underlying sales growth.

EBITDA Earnings before interest, tax, depreciation, and amortisation. EBITDA is a key performance indicator that the group considers relevant for understanding the generation of profit before investments in fixed assets.

EBITDA margin EBITDA as a percentage of net sales. The EBITDA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.

EBITA Earnings before interest, tax, and amortisations. EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.

EBITA margin EBITA as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.

EBIT Earnings before interest and tax. EBIT is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures. Depreciations are included, however, which is a measure of resource consumption necessary for generating the result.

Items affecting comparability Items affecting comparability include costs related to the planned IPO, transaction costs related to acquired entities, including the release of negative goodwill from acquisitions, severance costs and other normalisations such as divestment of real estate, closing of facilities, unscheduled raw material production stops and other.

Adjusted (adj.) EBITDA Normalised earnings before interest, tax, depreciation, and amortisation (i.e., items affecting comparability and deviations are added back). Adjusted EBITDA is a key performance indicator that the group considers relevant for understanding earnings adjusted for items that affect comparability.

Adjusted (adj.) EBITDA margin EBITDA before items affecting comparability as a percentage of net sales. The adjusted EBITDA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.

Adjusted (adj.) EBITA Normalised earnings before interest, tax and amortisations (i.e., items affecting comparability and deviations are added back). EBITA is a key performance indicator that the group considers relevant, as it facilitates comparisons of profitability over time independent of corporate tax rates and financing structures but including depreciations of fixed assets used in production to generate the profits of the group.

Adjusted (adj.) EBITA margin EBITA before items affecting comparability as a percentage of sales. The EBITA margin is a key performance indicator that the group considers relevant for understanding the profitability of the business and for making comparisons with other companies.

ROCE Return on average capital employed. ROCE is a key performance indicator that the group considers relevant for measuring how well the group is generating profits from its capital in use. ROCE is calculated as rolling 12 months adjusted EBITA as a percentage of average capital employed during the same period. Capital employed is defined as total equity plus net debt, and the average is calculated with each quarter during the measurement period as a measuring point.

Net debt Interest-bearing liabilities excluding obligations relating to employee benefits minus cash and cash equivalents. Net debt is a key performance indicator that is relevant both for the group's calculation of covenants based on this indicator and because it indicates the group's financing needs.

Appendix

Go Back

Appendix 1 **GRI index**

Statement of use BEWI ASA has reported the information cited in this GRI content index in reference to the GRI Standards for the period 01.01.2022 to 31.12.2022.

GRI 1 used GRI 1: Foundation 2021

GRI standard	Disclosure	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	17, 72, 93, 102
	2-2 Entities included in the organization's sustainability reporting	30, 102
	2-3 Reporting period, frequency and contact point	30, 102, 197
	2-4 Restatements of information	191
	2-5 External assurance	29, 30
	2-6 Activities, value chain and other business relationships	14-29, 74-83
	2-7 Employees	3, 91, 185, 186
	2-8 Workers who are not employees	186
	2-9 Governance structure and composition	35-36, 73
	2-10 Nomination and selection of the highest governance body	73, 75, 78
	2-11 Chair of the highest governance body	59, 76-77
	2-12 Role of the highest governance body in overseeing the management of impacts	35-36
	2-13 Delegation of responsibility for managing impacts	35-36
	2-14 Role of the highest governance body in sustainability reporting	35-36
	2-15 Conflicts of interest	75, 77
	2-16 Communication of critical concerns	35-36, 61-62
	2-17 Collective knowledge of the highest governance body	-
	2-18 Evaluation of the performance of the highest governance body	75, 77
	2-19 Remuneration policies	78, 80-81

Transaction ID: [illegible] Signed: 05.04.01, 07.04.02, 05.04.03

Go Back

GRI standard	Disclosure	Page
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	76-80
	2-21 Annual total compensation ratio	186
	2-22 Statement on sustainable development strategy	4-8, 14-15, 17
	2-23 Policy commitments	35-36, 55-69
	2-24 Embedding policy commitments	35-36
	2-25 Processes to remediate negative impacts	35-36, 55-56, 61-69
	2-26 Mechanisms for seeking advice and raising concerns	35-36, 55-61, 68
	2-27 Compliance with laws and regulations	35-36, 72-74
	2-28 Membership associations	29
	2-29 Approach to stakeholder engagement	33-34
	2-30 Collective bargaining agreements	137
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32-34
	3-2 List of material topics	32
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	55-56, 68
	205-2 Communication and training about anti-corruption policies and procedures	35-36, 68
	205-3 Confirmed incidents of corruption and actions taken	35-36, 68

Transaction ID: [illegible] Signed: 05 Jul, 22, 08:43

Go Back

GRI standard	Disclosure	Page
Anti-competitive behavior		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	61-62
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 301: Materials 2016	301-1 Materials used by weight or volume	44-46, 133-134
	301-2 Recycled input materials used	44-46, 133
	301-3 Reclaimed products and their packaging materials	44-46, 134
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 302: Energy 2016	302-1 Energy consumption within the organization	39-40, 132
	302-2 Energy consumption outside of the organization	39-40, 132
	302-3 Energy intensity	133
	302-4 Reduction of energy consumption	132-133
	302-5 Reductions in energy requirements of products and services	-

Go Back

GRI standard	Disclosure	Page
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47-48
	304-2 Significant impacts of activities, products and services on biodiversity	47-48
	304-3 Habitats protected or restored	-
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	36-39, 182-183
	305-2 Energy indirect (Scope 2) GHG emissions	36-39, 182-183
	305-3 Other indirect (Scope 3) GHG emissions	36-39, 182-183
	305-4 GHG emissions intensity	183
	305-5 Reduction of GHG emissions	39, 182-183
	305-6 Emissions of ozone-depleting substances (ODS)	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	45-46, 183
	306-2 Management of significant waste-related impacts	45
	306-3 Waste generated	45, 183
	306-4 Waste diverted from disposal	45, 183
	306-5 Waste directed to disposal	45, 183

Go Back

Transaction ID: [illegible] Signed: 05 Feb 25, 02:42:45 GMT

GRI standard	Disclosure	Page
Supplier environmental assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	54-56, 187
	308-2 Negative environmental impacts in the supply chain and actions taken	54-56, 187
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	185
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-
	401-3 Parental leave	183
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	50-51
	403-2 Hazard identification, risk assessment, and incident investigation	50-51
	403-3 Occupational health services	50-51
	403-4 Worker participation, consultation, and communication on occupational health and safety	50-51
	403-5 Worker training on occupational health and safety	50-51
	403-6 Promotion of worker health	50-51
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	50-51
	403-8 Workers covered by an occupational health and safety management system	50-51
	403-9 Work-related injuries	50-51, 185
	403-10 Work-related ill health	50-52

GRI standard	Disclosure	Page
24-25		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	52-53
	404-2 Programs for upgrading employee skills and transition assistance programs	52-53
	404-3 Percentage of employees receiving regular performance and career development reviews	52-53
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	52-53, 87-88
	405-2 Ratio of basic salary and remuneration of women to men	80-81
Freedom of association and collective bargaining		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	54-56
Child labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	54-56

Transaction ID: [illegible] Signed: 05 Feb 25, 12:42:45 GMT

Go Back

GRI standard	Disclosure	Page
Forced or compulsory labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	54-56
Local communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 413: Local communities 2016	413-1 The reporting organization shall report how it manages local communities using disclosure 3-3 in GRI 3: Material Topics 2021	54-59
	413-2 Operations with significant actual and potential negative impacts on local communities	46-53
Supplier social assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	35-36
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	54-56, 137
	414-2 Negative social impacts in the supply chain and actions taken	54-56, 137

Go Back

Appendix 2 **Transparency act index**

The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

Disclosure description		Page
a)	General description of the company's organization, operating area, guidelines and routines for handling actual and potential negative consequences for basic human rights and decent working conditions	p. 14-28, 32-36, 54-56, 66, 83-84
b)	Information about actual negative consequences and significant risk of negative consequences that the business has uncovered through its due diligence assessments	p. 54-56
c)	Information about measures that the business has implemented or plans to implement to stop actual negative consequences or limit significant risk of negative consequences, and the result or expected results of these measures.	p. 54-56

Public account of due diligence assessment according to the Norwegian Transparency Act will be found on BEWI's webpage.

Go Back

Appendix 3 **TCFD summary and index**

Theme	Recommended disclosures	BEWI summary	Page
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	The board of directors is the highest authority to oversee the integrity of the work with climate risks and opportunities. The board of directors is responsible for ensuring that BEWI has internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The board shall annually review the company's most important areas of risk exposure and the internal control of risks identified.	p. 35-36, 77-78
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	The executive management team is responsible for ensuring the integration of managing climate-related risks and opportunities in the organisation. Their responsibilities include taking a proactive role in understanding climate related risks and opportunities, reviewing and monitoring the assessment of the work done from the operational management team (CEO, CTO, CSO, CPO, CRO, BA).	p. 35-36
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	BEWI will finalise the assessment of risks and opportunities over the short, medium and long term in 2023.	p. 38-41, 44-47
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	The final assessment of risks and opportunities together with the financial disclosure of the scenario assessment will inform the strategy and financial planning going forward.	p. 42-43
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	In 2022, BEWI conducted a scenario assessment in line with the TCFD recommendations. The company will finalise the work with financial disclosures for the risks and opportunities identified in 2023, that will inform the organisations strategy and financial planning going forward.	p. 42-43
Risk management	a) Describe the organization's processes for identifying and assessing climate related risks.	BEWI is in the process of integrating climate risk into the company's risk management system. The work will be finalized in 2023.	p. 35-36, 42-43, 77-78, 80
	b) Describe the organization's processes for managing climate related risks.		
	c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management.	The outcome of identified climate-related risks and opportunities will be a risk matrix showing all key risks defining potential impacts. The matrix will be presented to the executive management team by the Chief Risk Officer (CRO) and to the board of directors annually where new risks, deprioritization of existing risks are presented.	p. 77-78
Metrics and targets	a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Metrics used by BEWI to assess climate related risks and opportunities are GHG emissions for scope 1, scope 2 and scope 3 and GHG intensity (revenue and raw material consumption). The company is in the process to implement metrics regarding financial impact (amount and percentage) of identified transition and physical risks and climate related opportunities, amount and share of CAPEX deployed towards climate-related risks and opportunities.	p. 38-40
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	BEWI reports its Greenhouse gas emissions in accordance with the Greenhouse Gas (GHG) protocol including scope 1, scope 2 and relevant scope 3 greenhouse gas emissions.	p. 38-40
	c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	BEWI is in the process of developing a climate reduction plan in line with the SBTi standard including scope 1, scope 2 and scope 3.	p. 40-43, 46, 48

Go Back

Appendix 4 **Taxonomy revenue**

Economic activities	Codes	Absolute turnover	Proportion of turnover
A. Taxonomy-eligible activities			
Manufacture of energy efficiency equipment for buildings (RAW)	3.5	17 275	2%
Manufacture of energy efficiency equipment for buildings	3.5	230 367	25%
Collection and transport of non-hazardous waste in source segregated fractions	5.5	31 883	3%
Material recovery from non-hazardous waste	5.9	6 863	2%
Turnover of Taxonomy-eligible activities		456 388	49%
B. Non-eligible activities			
Turnover of non-eligible activities		472 907	51%
Total (A+B)		929 295	100%

Go Back

Appendix 6 **Taxonomy CAPEX**

Economic activities	Codes	Absolute CAPEX	Proportion of CAPEX
A. Taxonomy-eligible activities			
Manufacture of energy efficiency equipment for buildings (RAW)	3.5.	4 574	12%
Manufacture of energy efficiency equipment for buildings	3.5.	4 658	12%
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	2 000	5%
Material recovery from non-hazardous waste	5.9.	75	0%
CAPEX of Taxonomy-eligible activities		11 307	29%
B. Non-eligible activities			
CAPEX of non-eligible activities		28 032	71%
Total (A+B)		39 339	100%

Go Back

Appendix 7 Taxonomy accounting policies

BEWI's taxonomy-eligible share of revenue in 2022 was 49%, which is similar to what was reported in 2021. BEWI's taxonomy eligible share of CAPEX was 29% and is related to the company's investment towards the production of energy efficiency equipment for buildings (20%) and BEWI circular (5.3%).

Accounting policies

BEWI has applied the climate change mitigation technical screening criteria when assessing its economic activities. Taxonomy- eligible activities identified were:

- 3.5 Manufacture of energy efficiency equipment for buildings.
- 5.5 Collection and transport of non-hazardous waste in source segregated fractions.
- 5.9 Material recovery from non-hazardous waste.

BEWI's process for determining taxonomy-eligible activities has followed a three-step approach:

- Assessing whether identified activities are covered by the economic activity descriptions included in the EU Taxonomy Climate Delegated Act.
- Ensuring that identified activities comply with technical screening criteria for the identified activity.
- Allocating revenue, and CAPEX according to the company's overall assessment.

The taxonomy-eligible activities have been calculated as:

- Taxonomy-eligible revenue activities = eligible revenue/total revenue
- Taxonomy-eligible Capex = eligible Capex/total Capex

Go Back

Appendix 8 **Sustainability strategy progress**

Strategic pillars	Strategic goal	Our Key Performance Indicators	Baseline 2020	Status 2021	Status 2022	Target 2030
Becoming circular	To be lean	% - renewable raw materials	4%	7%	12%	50%
		% - renewable energy sources	17%	19%	21%	50%
		% - renewable transportation	3%	6%	5%	50%
		% - production facilities ISO 14001 certified	47%	50%	60%	100%
	To keep	% - recyclable products	95%	99%	99%	100%
		% - raw material consumption going to products for reuse	1%	1%	2%	3%
	To close	% - cut-off waste from production	2%	2%	2%	0%
		% - waste sorted out for material recycling	35%	61%	58%	80%
		% - collected materials	18%	33%	54%	100%
Actively engage in partnership	Enhance policies and industry standards for circular solutions	% - membership in industry association	30%	100%	100%	100%
	Team up to create joint value	% - suppliers meeting environmental requirements*	-	-	65%	100%
	Increase knowledge and innovation to enable circularity and an inclusive society	No. - project supported	0	1	1	1
Contribute to inclusive societies	Be a responsible employer	% - employees with a development plan	40%	44%	61%	100%
		No. - accidents	40	26	54	0
	Be a responsible partner	% - suppliers meeting human and labour rights requirements*	-	-	65%	100%
		No. - concerns of corruption or misconduct raised	0	0	2	0
	Be a responsible neighbour	% - production facilities with community engagement	45%	61%	74%	100%
		No. - deviation to environmental management systems	6	19	31	0

* Percentage of procurement spend from suppliers above 50 000 EUR

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Go Back

Appendix 9 ESG progress

Environmental progress

	Unit	2020	2020 M&A	2020 total	2021	2021 M&A	2021 total	2022	Change 2021-2022
Energy consumption									
Renewable (direct) fuel consumption	1,000 kWh	1 056	0	1 056	1 248	0	1 248	1 366	+9% ↑
Non-renewable (direct) fuel consumption	1,000 kWh	264 106	112 815	376 924	292 109	107 562	399 671	379 741	-5% ↑
Electricity consumption	1,000 kWh	82 305	15 385	97 689	95 069	15 478	111 546	109 091	-2% ↑
Heating consumption	1,000 kWh	18 279	0	18 279	18 635	0	18 635	18 858	+1% ↓
Steam consumption	1,000 kWh	31 342	0	31 342	33 360	0	33 350	30 334	-9% ↑
Renewable energy consumption (direct+indirect)	1,000 kWh	86 126	5 262	91 388	105 431	4 252	109 683	111 490	+2% ↑
Share of renewable energy consumption (direct+indirect)	%	22%	4%	17%	24%	3%	19%	21%	+6% ↑
Total energy consumption	1,000 kWh	396 790	128 200	524 990	441 891	123 039	564 931	539 422	-5% ↑
Total energy consumption	TJ	1 428	462	1 890	1 591	443	2 034	1 942	-5% ↑
Greenhouse Gas Emissions									
Scope 1	Tonnes CO_2eq	27 238	10 474	37 712	30 843	8 603	39 452	43 995	+12% ↓
Scope 2 - Location-based	Tonnes CO_2eq	42 251	8 859	51 109	49 026	9 445	58 470	45 774	-22% ↑
Scope 2 - Market-based	Tonnes CO_2eq	18 540	8 859	27 398	20 563	9 445	30 007	23 652	-21% ↑
Scope 3 - total	Tonnes CO_2eq	536 503	9 452	606 055	620 681	15 920	636 600	642 463	+1% ↓
Category 1 - Purchased goods and services	Tonnes CO_2eq	595 802	9 465	605 268	589 615	9 008	598 623	608 799	+2% ↓
Category 2 - Capital Goods	Tonnes CO_2eq	-	-	-	-	-	-	-	-
Category 3 - Fuel- and energy-related activities	Tonnes CO_2eq	0	0	0	0	0	0	0	0
Category 4 and 9 - Upstream and Downstream transportation and distribution	Tonnes CO_2eq	-	-	-	25 466	6 567	32 033	32 041	+0% -
Category 5 - Waste generated in operations	Tonnes CO_2eq	-	-	-	4 631	325	4 955	341	-93% ↑
Category 6 - Business travel	Tonnes CO_2eq	37	12	49	97	20	117	324	+178% ↓
Category 7 - Employee commuting	Tonnes CO_2eq	-	-	763	-	-	872	959	+10% ↓
Category 8 - Upstream leased assets	Tonnes CO_2eq	0	0	0	0	0	0	0	0
Category 10 - Processing of sold products	Tonnes CO_2eq	-	-	-	-	-	-	-	-
Category 11 - Use of sold products	Tonnes CO_2eq	0	0	0	0	0	0	0	0

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Go Back

	Unit	2020	2020 M&A	2020 total	2021	2021 M&A	2021 total	2022	Change 2021-2022
Category 12 - End-of-life treatment of sold products	Tonnes CO2eq	-	-	-	-	-	-	-	-
Category 13 - Downstream leased assets	Tonnes CO2eq	0	0	0	0	0	0	0	0
Category 14 - Franchises	Tonnes CO2eq	0	0	0	0	0	0	0	0
Category 15 - Investments	Tonnes CO2eq	0	0	0	0	0	0	0	0
Total GHG emissions (scope 1, 2, and 3) Location-based	Tonnes CO2eq	667 958	28 811	696 768	702 756	33 967	736 723	732 233	-1% ↑
Total GHG emissions (scope 1, 2, and 3) Market-based	Tonnes CO2eq	644 246	28 811	673 057	674 293	33 967	708 260	710 711	+0% ↓
Climate accounting KPIs									
Energy intensity ratio	MJ/kg raw materia	4.59	109.13	6.9	4.75	111.81	6.03	6.96	+15% ↓
GHG emissions intensity ratio	kg CO2/kg raw materia	2.06	6.82	2.16	2.04	8.84	2.13	2.69	+23% ↓
Materials									
Renewable materials	Tonnes material	36 782	3 316	40 100	30 809	331	31 140	34 434	+11% ↑
Non-renewable materials	Tonnes material	313 982	4 248	318 230	332 442	3 992	336 434	274 226	-18% ↑
Share renewable materials	%	11%	7%	11%	8%	8%	7%	11%	+55% ↑
Recycled materials	Tonnes material	32 452	12	32 464	5 588	26	5 613	3 851	-31% ↓
Non-recycled materials	Tonnes material	274 978	4 214	279 193	317 521	3 933	321 454	269 337	-16% ↑
Share recycled materials	%	11%	0%	10%	2%	1%	2%	4%	+105% ↑
Water consumption	1,000 Litres	765 350	77 556	842 907	672 266	101 026	773 293	890 502	+15% ↓
Waste									
Waste sorted for recycling	Tonnes waste	-	-	-	12 065	-	12 065	11 356	-4% ↑
Waste sorted for reuse	Tonnes waste	-	-	-	0	-	0	102	
Waste sorted for incineration	Tonnes waste	-	-	-	5 051	-	5 051	5 054	-16% ↑
Waste sorted for landfill	Tonnes waste	-	-	-	1 266	-	1 256	273	-78% ↑
Production cut-off waste recycled	Tonnes waste	-	-	-	8 625	4	8 629	8 044	-7% ↑
Production cut-off waste sent to incineration	Tonnes waste	-	-	-	1 530	199	1 729	1 088	-37% ↑
Share internal recycling production cut-offs	%	-	-	-	85%	2%	83%	88%	+6% ↑
Total waste generated	Tonnes waste	-	-	-	19 382	527	19 909	16 950	-15% ↑

	Unit	2020	2020 M&A	2020 total	2021	2021 M&A	2021 total	2022	Change 2021-2022	
Collected materials										
Expanced PolyPropylene (EPP)	Tonnes material	-	-	-	5	111	116	247	+113%	↑
Expanced PolyStyrene (EPS)	Tonnes material	-	-	-	19 868	18 904	37 772	32 629	-14%	↓
PolyPropylene (PP)	Tonnes material	-	-	-	0	935	1 935	4 518	+135%	↑
PolyEthylene (PE)	Tonnes material	-	-	-	106	30	136	12 935	+12206%	↑
Plastics (other)	Tonnes material	-	-	-	1 054	14 755	15 808	16 914	+7%	↑
Cardboard/paper	Tonnes material	-	-	-	2 692	52 032	54 725	51 032	-7%	↓
Total collected materials	Tonnes material	10 975	75 150	86 125	19 725	96 026	115 755	117 857	+2%	↑
Biodiversity and Ecosystems										
Environmental deviations	Number of environmental deviations	6	-	6	19	-	19	31	+63%	↓
ISO 14001 Certification	Number of sites ISO 14001 certified	19		19	19	2	21	27	+28%	↑
Operation Clean Sweep (OCS) - implemented	Number of sites with fully implemented OCS	0	0	0	0	0	0	7		
Operation Clean Sweep (OCS) - in progress	Number of sites started implementation of OCS	0	0	0	9		9	21	+133%	↑
Production facilities with very high local climate risk	<1 km from protected nature area	-	-	-	-	-	-	10		
Production facilities with high local climate risk	>1 km & <2.5 km from protected nature area	-	-	-	-	-	-	6		
Production facilities with medium local climate risk	> 2.5 <m & <5 km from protected nature area	-	-	-	-	-	-	12		
Production facilities with low local climate risk	> 5km from protected nature area	-	-	-	-	-	-	26		

Transaction ID: [illegible] Signed: 05.Apr, 9:[illegible], 05.Apr, 15:03

Go Back

Social progress

	Unit	2020	2021	2022
Health and Safety				
Total no of accidents	Number	41	25	54
Frequency rate	Number	0.0001	0.0001	0.000
Severity rate	Number	0.0011	0.0006	0.00
No of working days lost	Number	359	311	536
Employees		-	-	-
Headcount women	Number	-	515	542
Headcount men	Number	-	1296	1526
FTE women	Number	345	433	464
FTE men	Number	1386	1152	1445
Diversity of governance bodies and employees (headcount)				
Female under 30 years	Number	-	-	84
Female 30 to 50 years	Number	-	-	264
Female over 50 years	Number	-	-	195
Male under 30 years	Number	-	-	236
Male 30 to 50 years	Number	-	-	680
Male over 50 years	Number	-	-	605
New employee hires in the reporting period (headcount)				
Female under 30 years	Number	-	-	40
Female 30 to 50 years	Number	-	-	35
Female over 50 years	Number	-	-	14
Male under 30 years	Number	-	-	127
Male 30 to 50 years	Number	-	-	112
Male over 50 years	Number	-	-	84

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Go Back

	Unit	2020	2021	2022
Employees that left their employment in the reporting period (headcount)				
Female under 30 years	Number	-	-	25
Female 30 to 50 years	Number	-	-	46
Female over 50 years	Number	-	-	17
Male under 30 years	Number	-	-	98
Male 30 to 50 years	Number	-	-	112
Male over 50 years	Number	-	-	80
Parental leave (headcount)				
Total number of employees that took parental leave	Number	-	-	-
Female	Number	-	-	40
Male	Number	-	-	39
Total number of employees that returned to work in the reporting period after parental leave ended	Number	-	-	-
Female	Number	-	-	20
Male	Number	-	-	35
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Number	-	-	-
Female	Number	-	-	8
Male	Number	-	-	45
Total number of employees due to return to work after taking parental leave	Number	-	-	-
Female	Number	-	-	12
Male	Number	-	-	23
Total number of employees returning from parental leave in the prior reporting period(s)	Number	-	-	-
Female	Number	-	-	4
Male	Number	-	-	26
Workers who are not employees				
Total number of workers who are not employees and whose work is controlled by the organisation (heads)	Number	-	224	243
Annual total compensation ratio				
The ratio of the annual total compensation of the organisation's highest-paid individual to the median annual total compensation of all employees. Highest compensation divided by median compensation.	Percentage (%)	-	789%	-

Transaction ID 77... Signed ... Go Back

	Unit	2020	2021	2022
Collective bargaining agreements				
The percentage of total employees covered by collective bargaining agreements.	Percentage (%)	-	83%	-
For employees not covered by collective bargaining agreements, report whether the organisation determines their working conditions and terms of employment based on collective bargaining agreements that covers other employees or based on collective bargaining agreements for other organisations.	Percentage (%)	-	17%	-
Human rights				
Number of suppliers	Number of suppliers	-	2500	7500
Number of new suppliers	Number of suppliers	-	-	19
New suppliers that were screened using social criteria	Number of suppliers	-	-	12
New suppliers that were screened using social criteria	Percentage	-	-	6.32%
Supplier social assessment				
Suppliers assessed for social impacts	Number of suppliers	-	0	220
Suppliers assessed for social impacts	Percentage	-	0%	293%
Suppliers with negative social impacts	Number of suppliers	-	0	6
Suppliers with negative social impacts	Percentage	-	0%	273%
Suppliers with negative social impacts with improvements implemented	Number of suppliers	-	0	0
Suppliers relationships terminated as a result of assessment	Number of suppliers	-	0	0
Supplier environment assessment				
Suppliers assessed for environmental impacts	Number of suppliers	-	0	220
Suppliers assessed for environmental impacts	Percentage	-	0%	293%
Suppliers with negative environmental impacts	Number of suppliers	-	0	29
Suppliers with negative environmental impacts	Percentage	-	0%	13.18%
Suppliers with negative environmental impacts with improvements implemented	Number of suppliers	-	0	0
Suppliers relationships terminated as a result of assessment	Number of suppliers	-	0	0
Suppliers assessed for social and environmental impacts	Percentage of procurement spend from suppliers above 30 000€	-	-	65%

Go Back

	Unit	2020	2021	2022
Local communities				
Total number of sites	Number of sites	-	38	43
Sites with local initiatives and community engagements	Number of sites	-	19	32
Sites with local initiatives and community engagements	Percentage	-	50%	74.42%
Environmental deviations	Number of environmental deviations	6	19	3

Governance progress

	Unit	2020	2021	2022
Corruption and business ethics				
Operation assessed for risk related to corruption	Number	-	-	-
Risk related to corruption identified	Number	0	0	0
Communication and training of anticorruption policies and procedures to governance body members	Number	-	-	-
Communication and training of anticorruption policies and procedures to relevant employees	Number	-	215	255
Communication of anticorruption policies and procedures to business partners	Number	-	-	-
Anti-competitive behaviour				
Number of legal actions pending or completed	Number	0	0	2

Go Back

Appendix 10 **ESG accounting policies**

	Accounting comments
Greenhouse Gas Emissions	
Scope 1	Direct GHG emissions from BEWI's production facilities, offices, and warehouses including fuels used for energy production and fuels used for BEWI-owned vehicles. Emissions are calculated using fuel-specific CO_2-emission metrics that convert the reported unit (kWh) into kg CO_2-equivalents. When reporting was done using other metrics than kWh, conversions factors from e.g. liter or m^3, into kWh were also used.
Scope 2 Location-based	Energy-related indirect GHG emissions (e.g., electricity, district heating) for BEWI's production facilities, offices, and warehouses based on location-specific GHG emission factors. Emissions for electricity-use from the national grid were calculated using country-specific CO_2-emission factors converting the kWh used into kg CO_2-equivalents.
Scope 2 Market-based	Energy-related indirect GHG emissions (e.g., electricity, district heating) for BEWI's production facilities, offices, and warehouses based on market-based GHG emission factors. Emissions for electricity from green contracts were based on operational energy production emissions, i.e., zero-emission for wind energy and hydropower.
Scope 3 (total)	Sum of other indirect GHG emission categories within scope 3 linked to BEWI's activities.
Category 1 - Purchased goods and services	Indirect GHG emissions related to purchased goods and services used for trading and the production or packaging of BEWI's products. Emissions were calculated using CO_2-emission metrics based on the type of goods or services that were purchased and converted reported kg of goods/services into kg CO_2-equivalents.
Category 2 - Capital Goods	Indirect GHG emissions from the production of capital goods that BEWI acquired during 2022. For 2022, BEWI has not yet included the emissions related to this category in its climate account.

	Accounting comments
Category 3 - Fuel-and energy-related activities	Indirect emissions related to the production of fuels and energy purchased and consumed not included in scope 1 & 2. BEWI had no emissions in this reporting category during 2022.
Category 4 & 9 - Upstream and Downstream transportation and distribution	Indirect GHG emissions related to purchased transportation for upstream and downstream. Calculations based on expenditure on transportation in euros coupled with a unit tCO_2 per unit spent on transportation (based on train, boat, truck (fossil and non-fossil)).
Category 5 - Waste generated in operations	Indirect GHG emissions related to the handling of waste that was generated in BEWI's operations. Emissions were calculated using location-specific metrics per waste handling method that converse kg of waste in to kg CO_2-equivalents. Reported numbers were based on data received from the waste-handling companies.
Category 6 - Business travel	Indirect GHG emissions related to all business travel by plane. Emissions were based on full GHG emission reports from travel agencies when available and were otherwise based on average emission factors per flight type (national, European, intercontinental).
Category 7 - Employee commuting	Indirect GHG emissions related to all employee commuting for all of BEWI's employees. To ensure that private employee information was not used, the emissions from employee commuting were calculated using average commuting distances coupled with employee numbers and emission factors per transport type (car, bus, train, walking, cycling). The average commuting distances were based on country-specific statistical sources found in online literature research.
Category 8 - Upstream leased assets	Indirect emissions from the operations from lease assets that are not already included scope 1 and/or scope 2. BEWI had no additional emissions in this reporting category during 2022.

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Go Back

	Accounting comments
Category 10 - Processing of sold products	Indirect GHG emissions related to the further processing of products sold by BEWI. For the raw materials that BEWI produced and used internally, this was accounted for in the internal climate accounting for the downstream production facilities in BEWI. Emissions for further processing by external parties were not yet included in BEWI's climate account for 2022.
Category 11 - Use of sold products	Indirect emissions coming from the use of sold goods and services. BEWI had no emissions in this reporting category during 2022.
Category 12 - End-of-life treatment of sold products	Indirect GHG emissions from the disposal and final treatment of products produced by BEWI in 2022. For 2022, BEWI has not yet included this category in its climate account.
Category 13 - Downstream leased assets	Indirect emissions from the operation of assets owned and leased by BEWI that are not included in scope 1 and 2. BEWI had no emissions in this reporting category during 2022.
Category 14 - Franchises	Indirect emissions from the operation of franchises not included in scope 1 and 2. BEWI had no emissions in this reporting category during 2022.
Category 15 - Investments	Indirect scope 3 emissions associated with BEWI's investments. BEWI had no emissions in this reporting category during 2022.
Total GHG emissions (scope 1, 2, and 3) Location-based	Sum of the total scope 1, scope 2 location-based, and scope 3 emissions.
Total GHG emissions (scope 1, 2, and 3) market-based	Sum of the total scope 1, scope 2 market-based, and scope 3 emissions.

Climate accounting KPIs

Energy intensity ratio	Energy use per unit of raw material used in the production of BEWI's products excluding purchased packaging. Calculations were done using the total energy consumption within BEWI.
GHG emissions intensity ratio	GHG emissions per unit of raw material used in the production of BEWI's products excluding purchased packaging. Calculations were done using emissions from all three scopes.

	Accounting comments
Category 10 - Processing of sold products	Indirect GHG emissions related to the further processing of products sold by BEWI. For the raw materials that BEWI produced and used internally, this was accounted for in the internal climate accounting for the downstream production facilities in BEWI. Emissions for further processing by external parties were not yet included in BEWI's climate account for 2022.
Category 11 - Use of sold products	Indirect emissions coming from the use of sold goods and services. BEWI had no emissions in this reporting category during 2022.
Category 12 - End-of-life treatment of sold products	Indirect GHG emissions from the disposal and final treatment of products produced by BEWI in 2022. For 2022, BEWI has not yet included this category in its climate account.
Category 13 - Downstream leased assets	Indirect emissions from the operation of assets owned and leased by BEWI that are not included in scope 1 and 2. BEWI had no emissions in this reporting category during 2022.
Category 14 - Franchises	Indirect emissions from the operation of franchises not included in scope 1 and 2. BEWI had no emissions in this reporting category during 2022.
Category 15 - Investments	Indirect scope 3 emissions associated with BEWI's investments. BEWI had no emissions in this reporting category during 2022.
Total GHG emissions (scope 1, 2, and 3) Location-based	Sum of the total scope 1, scope 2 location-based, and scope 3 emissions.
Total GHG emissions (scope 1, 2, and 3) market-based	Sum of the total scope 1, scope 2 market-based, and scope 3 emissions.
Category 11 - Use of sold products	Indirect emissions coming from the use of sold goods and services. BEWI had no emissions in this reporting category during 2022.
Category 12 - End-of-life treatment of sold products	Indirect GHG emissions from the disposal and final treatment of products produced by BEWI in 2022. For 2022, BEWI has not yet included this category in its climate account.
Category 13 - Downstream leased assets	Indirect emissions from the operation of assets owned and leased by BEWI that are not included in scope 1 and 2. BEWI had no emissions in this reporting category during 2022.

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Go Back

Appendix 11 **Restatements of information**

Topic	Reason for restatements	The effect of the recalculation
Waste fraction recycled	Calculations for the fraction of recycled waste as part of the total waste production were changed in 2022 to include the production waste/cut-offs being recycled. To allow for the right comparison of numbers, the same calculation method was used to recalculate the numbers for 2020 and 2021.	For 2021, the effect of the recalculation resulted in an increase to 66% from 37% in the overall progress towards 80% waste sorted out for recycling.
Scope 2 market-based	The calculation of the market-based emissions for scope 2 for 2022 were done using the emission factors provided in the green contracts for the relevant sites. For 2020 and 2021, an average emissions factor based on the type of green electricity was used. To allow for good comparability, the numbers for 2020 and 2021 were recalculated using the same method used for the 2022 numbers.	The recalculations resulted in an approximate decrease of 12% for the market-based emissions.
Scope 2	For the scope 2 emissions for 2021, an error was discovered in the calculations where the indirect energy source categories other than electricity where not included in the final emissions number. This was corrected for in the 2022 report.	The recalculations resulted in an approximate increase of 20% for market-based emissions and approximately 7% for location-based emissions.
Scope 3 purchased goods and services - Chipboard	For the scope 3 emissions for 2021, an error was discovered where chipboard was not included in the calculation of the scope 3 - purchased goods and services emissions. This was corrected in the 2022 report.	The added emissions from chipboard resulted in an increase of 1% for the scope 3 - purchased goods and services emissions for 2021.
Scope 3 purchased goods and services	The 2022 climate account has higher data quality on scope 3 - purchased goods and services where more types of materials were included than in previous years. This resulted in higher scope 3 emissions mainly from the inclusion of PS, ATH adhesives, and cardboard.	In total, the larger scope for the scope 3 - purchased goods and services, resulted in a 26 kton (4% of total emissions) increase in emissions for 2022 that are explained only by the increased data quality.
Category 2 - Capital Goods	Indirect GHG emissions from the production of capital goods that BEWI acquired during 2022. For 2022, BEWI has not yet included the emissions related to this category in its climate account.	

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Go Back

BEWI

for a better everyday

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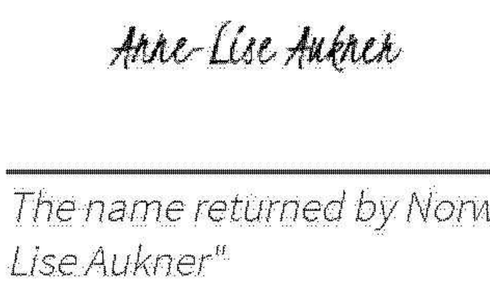
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