

Our shared future

Sustainability Report 2016/17





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Results of the year

During 2016/17, we have developed a new sustainability strategy, with three main goals linked to the UN’s Sustainable Development Goals

Sustainable development is a long-term process. Therefore, our strategy and goals have a long time perspective. We will continually follow progress with the help of indicators to ensure that we contribute to sustainable development.

Our new sustainability strategy

We want to reduce our environmental impact and create a positive effect on society in an economic and responsible way.

Our new main goals

- We will be in Top 50 on the Universum “Most Attractive Employer” ranking by 2025
- We will be in Top 50 on the “Sustainable Brand Index” by 2025
- We will reduce our CO₂e emissions by 20 % by 2030 per m³ of product sold (base year 2014/15)

More information on our new strategy and goals can be found in Section 2 – Stakeholders, strategy and goals.

Most important results of the year

New strategy

We have launched a new sustainability strategy and goals linked to the UN’s sustainability goals.

Energy

We have reduced energy usage with 8,6 % since 2014/15

Social initiativ

We have sponsored 1,152 Solvatten containers which provide clean water for more than 7,000 people in Uganda

Sustainable Brand Index

We are now #1 on the Sustainable Brand Index™ for our industry in Sweden

CO₂e

We have reduced CO₂e emissions with 24 % since 2014/15

Employee satisfaction

Our employee satisfaction index has risen to 3.12

Financial result

Best financial result ever of 960 MSEK



Turning challenges into opportunities

Over time, the fuel industry has played an important role in people's lives. It has had a major impact on social development and democratisation across the world

Transport services have built bridges between people and between continents. But today, our industry also has a key role to play in reducing the impact of climate change. Transport is responsible for around 30 % of total CO₂e emissions, and most experts predict that this proportion will continue to rise until the year 2020.

In other words, our industry contributes to creating opportunities while at the same time being part of the problem. We must show what we have to contribute as fossil fuels are phased out and replaced by sustainable alternatives. This may be the greatest challenge ever for us but, at the same time, it is an opportunity to find new solutions.

At OKQ8 Scandinavia, we are determined to be part of the solution, and we will achieve this by taking action ourselves as well as by working in partnership with car manufacturers, fuel producers, politicians, authorities, voluntary organisations, nations – and, not least, our customers. Together, we will be an important driving force which can influence political decisions and move development forward, with the weight to implement important changes.

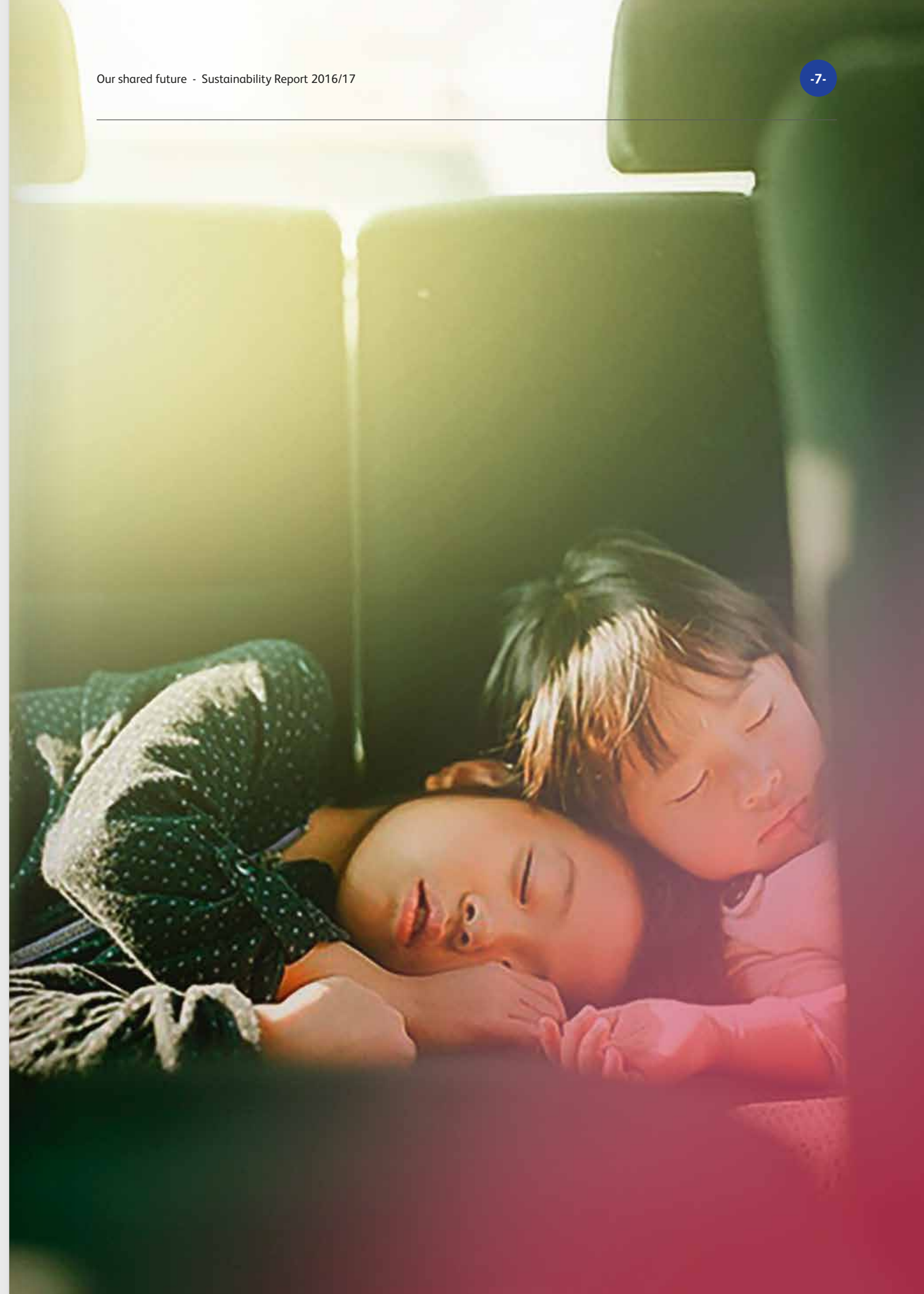
At OKQ8 Scandinavia, we regard challenges as opportunities. We can contribute to a more sustainable world while, at the same time, maintaining and developing our role in society and our position on the market. Our size enables us to encourage a large number of people to choose more sustainable alternatives, while we also have the influence to drive progress in this area. We insist on high standards from our suppliers, and demand effective and sustainable products.

Since we do not produce any products ourselves, we can refocus and adapt our offer quickly. The day we abandon fossil fuels altogether, we will find other solutions and continue to be relevant and act as an enabler for people in motion – regardless of which transport solutions the future has to offer.

But to us, sustainability means more than the climate and the environment. To remain a natural player on the market in the long term, we need a company which is sustainable in every possible way. OKQ8 Scandinavia must be an attractive employer which provides staff with an opportunity to thrive. We must offer a comfortable, pleasant workplace where staff can take pride in what the company represents and what it achieves. We must also be the natural choice for our customers. Overall, we must take a long-term approach to sustainability where the sum of all parts results in a flourishing, progressive company.

Major changes require the right political decisions. Global agreements, such as Agenda 2030 and the Paris Agreement, support and drive the development of sustainable transport. At national level, both Denmark and Sweden have adopted goals for achieving a fossil fuel-free vehicle fleet by 2050 and 2030 respectively. But much more remains to be done. Our politicians now have a unique opportunity to think big and creatively. Decisions being made now can make a huge difference and provide the foundations for a sustainable future.

In this year's Sustainability report, we want to explain how we can contribute to reducing environmental impact and contribute positively to society while, at the same time, ensuring economic growth.





OKQ8 Scandinavia – a driving force for sustainability

As a large company within the fuel industry we have a responsibility to impact the society in a positive way

As one of Scandinavia's most significant players in the fuel industry, we are part of the problem that comes with the use of fossil fuels. Our position and size mean that we have and need to accept a great deal of responsibility. But it also means that we are in a position to wield a great deal of influence.

At OKQ8 Scandinavia, we have decided to take this on board. We will help to highlight the problem, but also seek out opportunities and focus on solutions. For us, sustainability is not simply a beautiful concept but something which is essential to our survival. We have made sustainability an integral part of our business and a priority for everything we do.

Our starting point is the UN's ten principles on social responsibility (the Global Compact). This means that we practice sustainability at all levels, with our employees involved and contributing through their day-to-day work.

Goals and activities

Of the UN's 17 sustainable development goals, we have decided to focus on the following three areas: Reduced Inequalities, Sustainable Cities & Communities and Climate Action. At the same time, we have developed three new long-term goals that are linked to the three UN goals:

- We will be in Top 50 on the Universum "Most Attractive Employer" ranking by 2025
- We will be in Top 50 on the "Sustainable Brand Index" by 2025
- We will reduce our CO₂e emissions by 20 % by 2030 per m³ of product sold (base year 2014/15)

Sustainability in practice

A natural part of our approach to sustainability is to work actively to reduce ours and therefore also the world's impact on the climate. Since 2014/15, we have reduced our CO₂e



UN's three sustainability goals that we choose to focus on

emissions by 24 % per m³ of product sold, and reduced our energy usage by 8,6 % per m³ of product sold.

We are also helping to drive progress towards increased sustainability by highlighting and promoting sustainable alternatives. HVO biofuel is now in demand as an alternative fuel and, in partnership with E.ON, we are facilitating the move to electric cars by providing more charging points for our customers.

Another area of focus is our investment in social sustainability, where we strive to be an equal workplace with employees who enjoy working for us and who thrive and develop in their jobs, and where differences are valued. We want OKQ8 Scandinavia to be an inclusive company, which helps to reduce exclusion and encourages diversity.

I am particularly pleased that this year we have been able to help vulnerable refugees through initiatives such as offering internships and creating new jobs, which have helped to ease the integration for people who are new to our communities. Our Christmas donation to the Fryshuset Foundation, which operates in Copenhagen and Stockholm, is another way in which we have helped to reduce exclusion among young people.

OKQ8 Scandinavia – a natural part of the community

Our fundamental philosophy is to be an enabler for people in motion. Today, this is more important than ever, since

an increasing number of people are sharing limited space in expanding towns and cities. By adapting our business activities and our offer, we are ensuring that we will be a natural element in the urban environment, the sustainable partner who makes everyday life easier for people. A concrete example of this is the non-fuel station, which we opened in Stockholm city in summer 2016. This focuses on the urban customer who wants to hire a car, inflate their bicycle tyres or buy a freshly-prepared breakfast on the way to work.

Current and future challenges will impact our future in ways which we cannot predict. This affects OKQ8 Scandinavia's entire business strategy, and makes it imperative to continue to develop it to meet challenges such as climate change, urbanisation and mobility, a growing middle class, limited natural resources, digitalisation and electrification, as well as the phasing out of fossil fuels.

We prefer to regard major challenges as motivating opportunities. They force us to develop new operational approaches on a continuous basis. With the right attitude and the right values, and by working in partnership with our customers and employees, colleagues in the industry, researchers and politicians, we can find the answers to these challenges.

Steffen Pedersen
CEO, OKQ8 Scandinavia



Initiatives that give young people hope for the future

Jointly with the Fryshuset youth centre, OKQ8 Scandinavia has launched an initiative to reduce exclusion among young people

This initiative is one aspect of our efforts to achieve the UN's global goal of reduced inequality. As a first step, we are donating just over SEK 200,000 to Fryshuset's activities in Sweden and Denmark. This gift will be converted into concrete investments which reduce exclusion and help give young people in Sweden and Denmark hope for the future.

In Sweden, in addition to investments in sports and music, we will also enable Fryshuset to accept more young new immigrants in its Stockholm Region operations. In Denmark, we will be an important partner in establishing Fryshuset in the country, partly through facilitating development activities which increase self-esteem among young girls.



Interview: Jacob Stahl Otte, CEO, Energy and Oil Industry Association, EOF

How will the fuel industry justify its existence in the future?

"A high degree of mobility is a precondition for modern society, and this requires large, stable and safe deliveries of energy. Today, this energy mainly consists of petrol, diesel and bio fuels. But moving forward, cars will run on different forms of energy as the industry change our energy use in a more sustainable direction. As suppliers of energy, the industry can handle almost all types of transport energy, and the suppliers have the experience and the solutions to effectively and flexibly adapt transport power supply as new forms of energy become accessible and are in demand from customers. This is true, regardless of whether it is about bio fuels, electricity, gas or something else entirely."

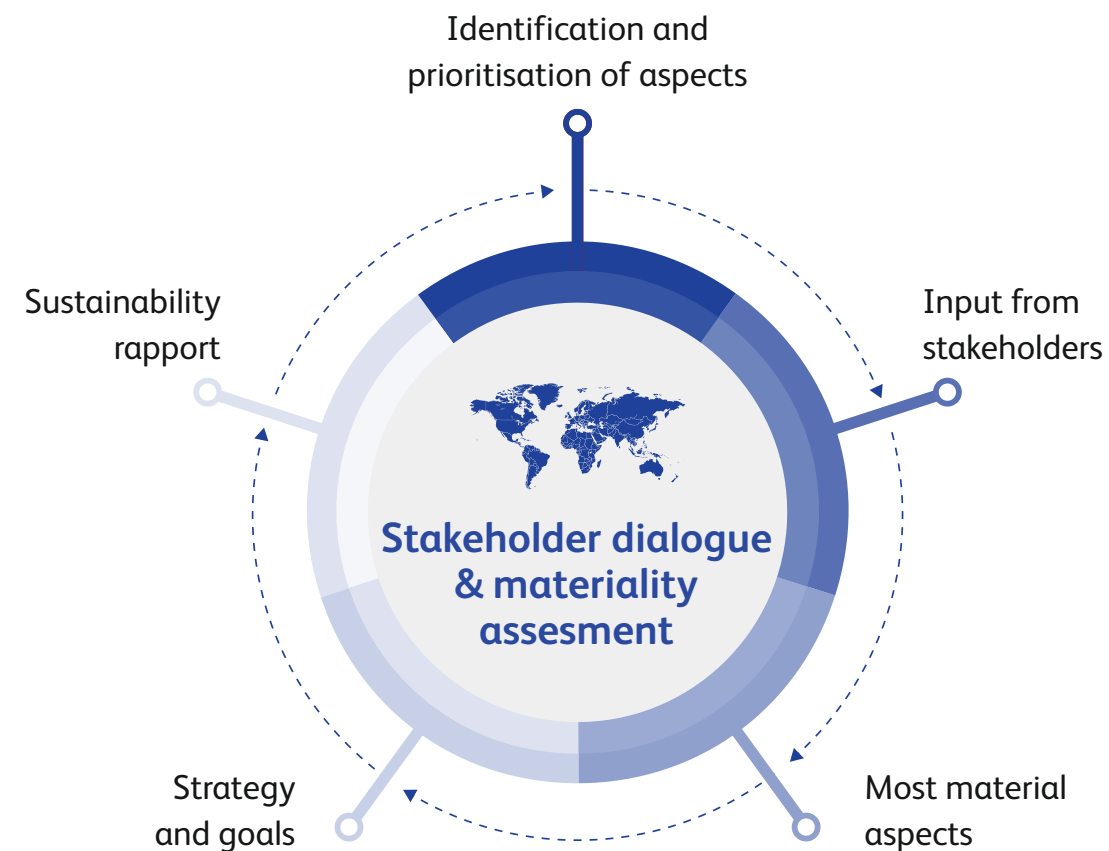
How can the fuel industry be part of the solution to major global challenges?

"Transport causes CO₂e emissions, which are a source of global warming. As fuel distributors, the industry's greatest challenge is to supply the products currently in demand while, at the same time, looking to the future and testing new, green forms of energy which can be a part of the future solution. The industry contributes to making the transition to new forms of energy and their distribution as efficient as possible. Meanwhile we also seek to participate in the debate around the overall climate objectives with the knowledge and experience that the industry represents."

"No one knows with certainty which forms of energy cars will run on in the future. But we do expect that it will be the case of a gradual transition towards new forms of energy. However, one thing is certain. The solutions of the future can only be found through collaboration across industries and country borders."



Stakeholders, strategy and goals



Our strategy for a sustainable company

OKQ8 Scandinavia's goal is to create an effective, long-term approach to sustainability which also benefits our business

We have carried out a materiality assessment on every aspect of our operations to enable us to take a holistic approach to what are, perhaps, our most important challenges.

We see our sustainability work as a complex challenge. Individual measures are not enough – sustainability must permeate the whole company and we have to consider many different factors. As well as the impact on climate change, we have to take into account the needs of stakeholders, business risks and opportunities, and trends in our field of operation. To obtain a clear overall picture of our challenges and opportunities, we have carried out an operation-wide materiality assessment with the help of internal experts. We have also obtained input from our stakeholders.

The materiality assessment will provide guidance for our approach to sustainability, e.g. by indicating whether our sustainability strategy and our goals are sufficient. It will also provide guidance in our reporting procedures.

Identification and prioritisation of aspects

We have defined the economic, environmental and social aspects of greatest concern to our operations and our stakeholders.

The materiality assessment is based on a dialogue with our stakeholders, as well as on our own internal assessment of important areas. OKQ8 Scandinavia's Sustainability Council, which consists of representatives from the whole company, has identified an initial list of aspects. This has been developed on the basis of areas which are of significance to the operation, staff, community and stakeholders.

The Sustainability Council's and stakeholders' assessment of the list has then allowed us to prioritise our most material aspects. The dialogue with our stakeholders has primarily taken the form of individual interviews with representatives from each stakeholder area. They have prioritised the aspects of greatest significance to them, and have also contributed their general views on the focus of OKQ8 Scandinavia's sustainability efforts.

Input from stakeholders

We have close dialogue with the people who affect and those who are affected by our company – our stakeholders

The dialogue ensures that our sustainability work is relevant and going in the right direction. The dialogue with our stakeholders is primarily done through individual interviews with representatives from the relevant stakeholder group. The stakeholders have prioritised the aspects which are most important to them. Furthermore they have contributed with their view on the direction for OKQ8 Scandinavia's sustainability work.

The many complex issues covered by the concept of sustainability require both a holistic perspective and focused

expertise. Consequently, we have carried on a systematic, on-going dialogue with our stakeholders who are contributing to our understanding of the company's footprint and how we can contribute to sustainable growth.

This approach ensures that all relevant views and aspects are represented and that we receive feedback on and insight into our sustainability initiatives, activities and presentations. The exchange helps us target our efforts in the right direction.

Our most important stakeholders

- Customers
- Employees
- Owners
- Business partners
- Politicians
- Industry associations



- Governments
- NGOs
- Suppliers
- Media

A few specific issues emerged in our dialogue with our stakeholders, and we will highlight and respond to these.

Question

"Operating in the fuel and oil industry and, at the same time, aiming for sustainability poses a great challenge – how are you handling this, and the future demands on a sustainable transport sector?"

Our response

"We are well aware of the impact our sector has on the world around us and, as a fuel company, we have a particular responsibility for taking steps to reduce emissions that impact the climate. At the same time, transportation is crucial to the development of our society, and the need will not diminish. To ensure that we continue to be a relevant player in the future, we have to be involved in making an active and concrete contribution to sustainable fuel development. We do this on several levels, including by working in partnership with other important players and putting pressure on our suppliers to make improvements."

Question

"What is OKQ8 Scandinavia's position in the rapid transition to fossil-free required to meet the temperature target in the Paris Agreement?"

Our response

"As a player in the fuel industry, we have a major responsibility for ensuring that the climate change target is achieved. Since we do not produce any products ourselves,

we are flexible and can quickly refocus and adapt our range for new innovations. We want to be involved, driving development and finding solutions to the challenges. But this requires that development is in phase in all areas of society, so that there are vehicles on the roads that are actually capable of using new types of fuel. If we work in partnership with different sectors, politicians, scientists and civil society, we will be able to find solutions together and achieve the temperature target."

Question

"How does OKQ8 Scandinavia enable us as customers to change to climate-smart vehicles?"

Our response

"Our aim is to offer the most sustainable alternatives possible to our customers. We do this by offering a wide range of biofuels and increasing the proportion of renewable fuels. We are encouraging a switch to fully renewable fuels, and are working in partnership with important players to achieve this as soon as possible."

Question

"Ensuring that fuel is available in the event of a disaster is a vital social responsibility – how do you do this?"

Our response

"Transport is essential for society to function, both on an everyday basis and during a crisis. We have detailed procedures for different types of crises. Provided that it is safe to do so, we will ensure access to fuel and have back-up plans for dealing with situations such as power outages."

Impacts and challenges are opportunities



Sustainable sourcing
Support the development of sustainable products



Sustainable operations
Reduce our own footprint



Sustainable solutions
Contribute to a more sustainable transport sector and create a positive impact on society



Most material aspects

The materiality analysis clarifies where we need to focus our sustainability efforts, but also what we should prioritise to ensure maximum impact

Our sustainability efforts cover areas which we can and cannot affect. We do not have control over environmental trends so instead we must find a sustainable way to cope with them. On the other hand, the impact on the climate of our operations is something which we most certainly can control.

Mega trends are among other things climate change, urbanisation and mobility, resource scarcity, growing middle class as well as digitisation and electrification.

By identifying the areas we need to focus on and prioritise, we can ensure that our approach to sustainability is effective, in line with the interest of stakeholders, helps us to manage risks and also helps us turn challenges into opportunities.

The combination of the Sustainability Council's and our stakeholders' assessments of the aspects, informs us as to where we should prioritise our efforts and set goals.

Our most important aspects

- Climate change
- Biodiversity, land use and origin
- Air quality
- Political decision making
- New business models
- Working environment and health of our employees and customers

Strategy and goals

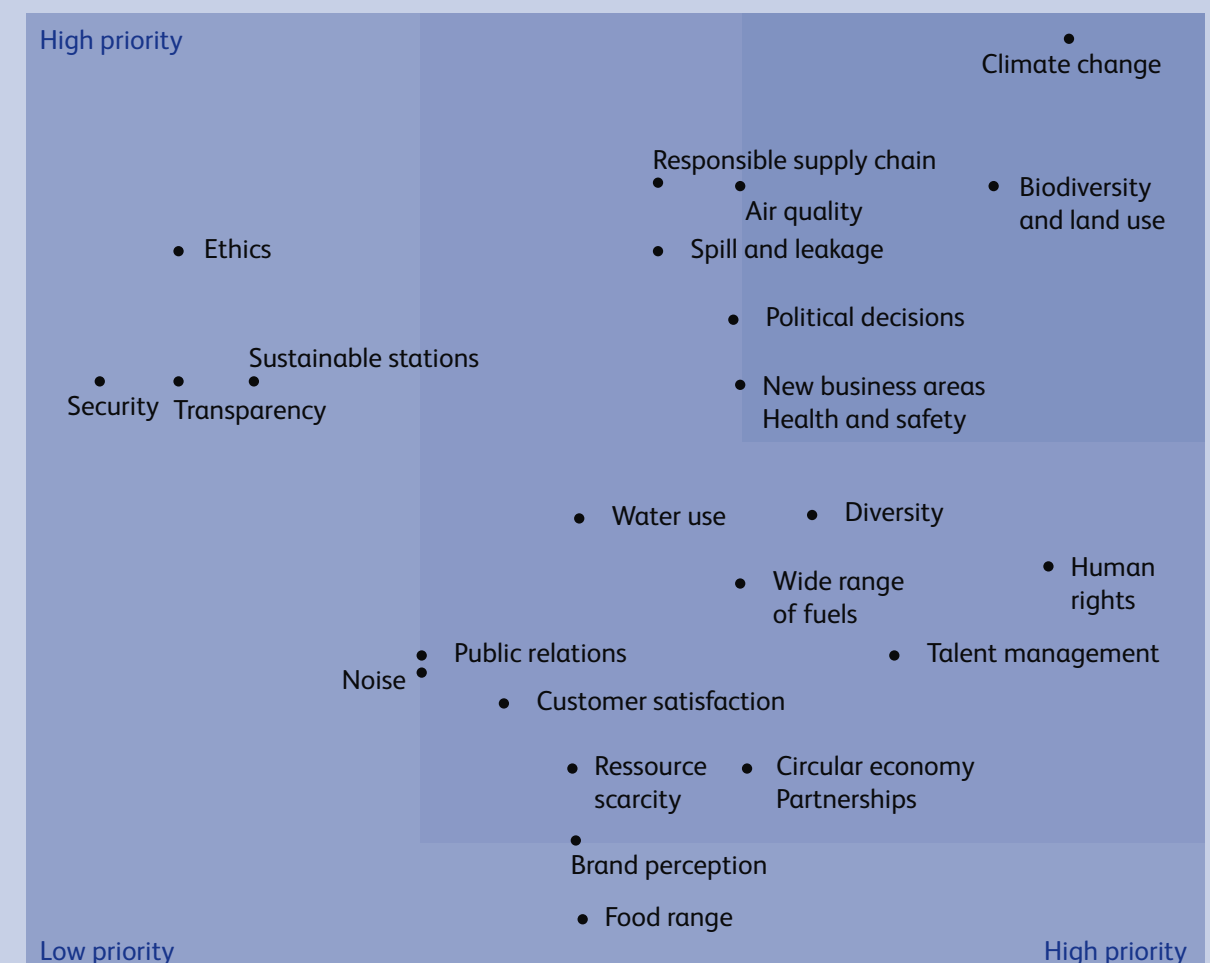
Our Sustainability Council develops recommendations for strategy, goals and activities for our sustainability efforts. The council's recommendations are based on the materiality assessment, views expressed by stakeholders, our own impact and on risks and opportunities. When a decision is made by the company's management team, goals applicable to the part of the operations certified under the ISO 14001 will also be taken into account.

The strategy and goals go hand in hand with our participation in the UN Global Compact. The 10 principles it sets out provide us with guidelines on how to deal with human rights, working conditions, environmental issues and anti-corruption measures associated with our sustainability goals. The principles reflect our own values and many of our decisions rest on them.

Materiality assessment

Our materiality assessment guides our development of sustainability strategies and goals

Stakeholders priorities



OKQ8 Scandinavia's priorities

Sustainability strategy and goals

OKQ8 Scandinavia's sustainability strategy and goals are based on extensive analysis of the company

Our aim is to be sustainable in the long term and, by leading the way, inspiring others to follow our example.

We are convinced that we, as a company in fuel and services, have an important role to play in the sustainable development of our community. In a world where people are becoming increasingly mobile, we see many opportunities to create positive values which outweigh the negatives. We want to help our customers act sustainably by offering sustainable services and products while, at the same time, reducing our own footprint across the world.

New strategic focus

During the year, we decided to adopt a new sustainability strategy with overall goals for OKQ8 Scandinavia. This

means that we will support the development of sustainable products, reduce our own footprint and contribute to a more sustainable transport sector, as well as ensure that we have a positive impact on society.

The general goals are linked directly to the UN's global sustainable development goals. We have chosen three UN goals where we believe we can make a real difference – reduce inequality, contribute to the sustainable society of the future and combat climate change.

Sub-goals have then been developed for each prioritised aspect in the materiality analysis. An overview of our sustainability goals can be found in section 8 Tables.



Strategy

We want to reduce our environmental impact and create a positive effect on society in an economic and responsible way



Challenges



Inequality within and among countries must be reduced



Cities and local society must be inclusive, safe, resilient and sustainable



Climate change and its impacts must be combated



Goals and opportunities

We will be in Top 50 on the Universum "Most Attractive Employer" ranking by 2025

We will be in Top 50 on the "Sustainable Brand Index" by 2025

We will reduce our CO₂e emissions by 20% by 2030 per m³ of product sold (base year 2014/15)

Sustainable sourcing

Sourcing of products and services at OKQ8 Scandinavia must pass through a critical and very thorough selection process

We have a number of strict criteria for both suppliers and products, with sustainability, quality and price being vital aspects in our choice.

To ensure that products and services at OKQ8 Scandinavia meet our strict requirements, we have developed a sourcing policy, which controls our sourcing and signing of contracts. Ethical as well as environmental and health & safety considerations must be taken into account in our sourcing activities.

Our sourcing policy covers

- The entire sourcing process, from planning to execution and follow-up
- Our standards on ethics in all commercial relationships
- Our social and environmental standards for suppliers (in accordance with our Code of Conduct)
- Requirements on quality, price, delivery times and other terms of delivery

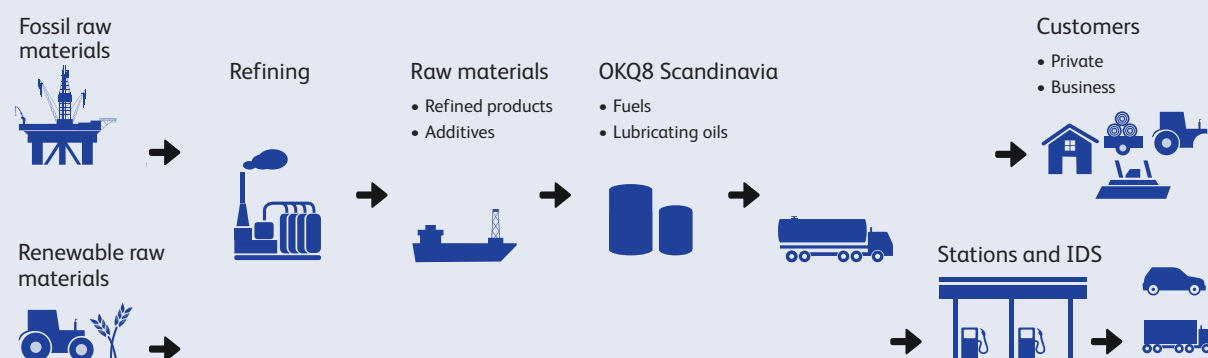
- The importance of reliable, competent and financially sound suppliers
- The importance of long-term business relationships
- The importance of taking the impact of a product or service on security, safety, health and the environment into account (in accordance with our Security, Safety, Health and Environmental management system, "How we do things". Where products or services have a significant impact on these issues, a supplier assessment will be carried out.

Focusing on our biggest impacts

Fuels represent the biggest challenge in our supply chain. Fuels also have the biggest impact on the environment, society and on the economy.

For that reason, this chapter focuses on our fuels, what we as a company do to reduce our environmental impact and how we can have a positive effect on society.

Our supply chain



The challenge of a complex supply chain

We intend to take responsibility for sustainability throughout the entire supply chain – from raw material to finished product

In order to ensure acceptable environmental and working conditions, we must know the origin of our products. From a sustainability perspective, it is primarily our fossil fuels which are responsible for a variety of risks, and that is where we are constantly focusing our efforts to improve traceability.

Our direct suppliers are based in Europe, and we work closely with them to ensure that they comply with our Code of Conduct for suppliers and the UN Global Compact. Our supply chain for fossil fuels is complex, proceeding through seven stages before the product reaches the customer. Since we do not own refineries ourselves, we enter the chain at a relatively late stage. This means that the work involved in checking suppliers is particularly comprehensive, and also particularly important.

At present, there are no clear and regulatory requirements on traceability in relation to raw materials for fossil fuels. At OKQ8 Scandinavia, however, we require that our suppliers carry out risk assessments and evaluate their subcontractors according to our Code of Conduct. Over and above our own checks, we also bring in independent third parties to audit our suppliers. We prioritise ensuring that our suppliers apply the same standards back in the chain in an effective way.

We have not yet managed to achieve full traceability in the fossil supply chain. Our suppliers can often identify the countries from which the oil comes. However, in the final product, raw materials from a number of different original sources are blended. Our suppliers primarily purchase crude oil from Russia and the North Sea.

Sustainable fuels

We intend to accelerate the process of providing more sustainable alternatives, and this means that we are working on extending the share of renewables in our fuels as far as we possibly can. The more sustainable fuels are requested and used among our customers, the greater is our reduction of CO₂e emissions and our environmental impact.

For biofuels, there are clear rules about what is considered to be a sustainable fuel ¹⁾. All our biofuel suppliers and bio-products are certified in accordance with one of the European Commission's voluntary systems or approved in accordance with one of the Member State's national systems such as ISCC (International Sustainability and Carbon Certification System). This includes, for example, a requirement that the growers of raw materials must have systems and protections in place for biodiversity as well as other environmental and social aspects.

OKQ8 Scandinavia offers four types of biofuels that are mixed in our fuels in different amounts; ethanol, RME ²⁾, HVO ³⁾ and biogas. These undergo at least eight stages before they reach the customer, and we become involved at stage five – storage at depot. Ethanol is made from plants such as wheat, maize or sugar cane, while RME is a biofuel produced from rapeseed oil. HVO is produced primarily from vegetable oils and animal fats, and biogas from waste products such as food waste, although it can also be derived from crops. We have full traceability back to the cultivated land, with the exception of slaughter waste and residue, where we have traceability back where the waste occurs, for example at the slaughter house.

1) Directive 2009/28/EC, Renewable energy directive
2) RME – Rapeseed oil methyl ester
3) HVO – Hydrotreated vegetable oil

High standards for suppliers

Ensuring that our suppliers comply with regulations on working conditions and the environment is a high priority for us and for our stakeholders

That is why OKQ8 Scandinavia demands codes of practice which go further than the regulatory requirements.

The first stage in selecting our suppliers is ensuring that they meet our basic requirements, along with the guidelines in the UN Global Compact's 10 principles on human rights, working conditions, the environment and anti-corruption. We then review any certificates, ownership, the size of the company and the extent to which we judge that the supplier can meet our high standards.

Finally, we carry out a risk assessment on the basis of country and raw material. This is a meticulous process in which our suppliers of fossil fuels go through a particularly critical examination, since they represent a high risk factor. Our contracts include our Code of Conduct for suppliers and our sustainability requirements.

Third party audits

A part from our own checks, we also use independent third party auditors with substantial experience and thorough knowledge of the fuel industry. This gives us a new angle of

approach, and the advantage that they apply even stricter standards to our suppliers in many cases.

Our completed audits indicate that the system works well. However, we have identified some risks and issues in the follow-up process on certain subcontractors, especially in respect of gaps in knowledge further back in the supply chain for fossil fuels. We are making it a priority to work in partnership with the relevant suppliers to resolve this.

Annual negotiations

We have over 10 suppliers of fuel, of whom six supply fossil fuels and five renewable fuels. As a result of our thorough, ongoing checks and audits, we have confidence in all our current suppliers. Our annual sourcing procedure gives us the opportunity to re-negotiate or terminate collaboration with any supplier in the event of failure to comply with our standards. To date, we have never had any reason to do this.

Full traceability for renewable fuels

Our suppliers of renewable fuels must also satisfy a number of our own assessment criteria, as well as the UN Global



Compact's 10 principles. For example, the fuel must be produced without any breach of human rights. We also regard it as obvious that our suppliers carry out risk assessments and evaluations on their own subcontractors in accordance with our Code of Conduct or an equivalent Code of Conduct of their own. With third-party certifications, such as ISCC (International Sustainability and Carbon Certification System), and full traceability, we have confidence in the way in which our renewable fuels are handled.

New goals for fuels

As part of the process of implementing our strategies and achieving our goals, we have developed a number of overall goals and sub goals to help us contribute to a long-term sustainable development. One of the goals that we have developed involves evaluating our fuel suppliers. This is intended to ensure that we are familiar with our suppliers' risk profiles and that we audit our identified high-risk suppliers. We are also committed to developing a process for future risk evaluation and approval of our suppliers. One part of this objective involves identifying and adopting criteria to use in our evaluations.

Goals for fuel suppliers

- We will assess fuel suppliers on the basis of our approved sustainability criteria by 2017/18
- High risk suppliers must be audited by a third party by 2018/19



Our own operations

We want to reduce our environmental impact in an economic and responsible way

OKQ8 Scandinavia's station network

OKQ8 Scandinavia's station network consists of around 1,000 stations – manned, unmanned, IDS and Franchise in Denmark and Sweden.

- 272 stations in Denmark – Q8, F24 and IDS stations
- 685 stations in Sweden – OKQ8, OK, IDS and Volvo Tanka

Goal

Installation of 30 quick chargers; 25 in Sweden and five in Denmark by 2018/19.



Our stations

We want to be an enabler for people in motion – regardless of type of transportation

Keeping a very close eye on how the world is changing and on our customers' needs will enable our stations to meet the demand. At OKQ8 Scandinavia, we carefully monitor trends in society, which affect our operations, or may affect them in the future. Using our analysis of various trends, we have developed scenarios for how people can move around in urban areas, in rural areas and between the two, with a time horizon of up to fifteen years. Not all of the future scenarios will become a reality, but this does give us important clues and a better basis for identifying the products and services, which will be in demand in the future. It also prepares us for the day when fossil fuels are no longer in demand – a development which we will welcome, and intend to be fully involved in.

A concrete example of this type of social trend is that when new construction in major cities is being carried out, the primary consideration is not cars but public transport, walking and cycling. People living in the cities will still have to move between different places, and we will continue to attract customers through a well-tailored range of products and services, which appeal to people on the move. Our urban stations offer fuel, quick chargers for electrical vehicles and carwash facilities, among other services, which can be further developed. At traffic hubs, in addition to fuel, we can offer something to eat, as well as parcel collection and grocery collection points.

During the past year, we opened the first non-fuel station, a contribution to a sustainable society, where we are adapting to the growing city and its unique conditions. The station is located in Stockholm city and offers a large car park with car hire and a cycle pump with compressed air. In addition, it offers good, basic and fresh food and refreshments for eating at home, on the move, or at the station.

We have also made significant investment for the heavier traffic to enable our customers to make informed choices and reduce their CO₂e emissions. In Kallhäll, north of Stockholm, we have opened our first station at which all of OKQ8 Scandinavia's renewable fuel alternatives for heavy vehicles are available; Diesel Bio HVO, as well as ED95 and biogas from E.ON.

OKQ8 Scandinavia's station network consists of 272 stations in Denmark and 685 stations in Sweden. We have around 26 % of the petrol market in Sweden and 15 % in Denmark. In addition, we also supply a wide range of alternative products such as heating oil, lubricants and fuel for customers in agriculture, the road transport industry, maritime transport and factories. All manned stations offer car accessories, spare parts and tyre services. Many of the stations also have workshops, indoor do-it-yourself carwash facilities, carwashes and car hire. Our shop range also includes food, refreshments and kiosk products. To meet the needs of commercial traffic, we operate and market Scandinavia International Diesel Service (IDS), with 31 stations in Denmark and 38 in Sweden.

Case story: Drip Stop

To deal with the problem of spills that occur while people are filling their vehicle tanks with diesel, DripStop has now been fitted to all our diesel pumps. This is a stop function on the nozzle which prevents the last drops from dripping onto the ground. If the last couple of drops go into the customer's tank rather than onto the ground, this will prevent at least 3,000 litres of diesel to be wasted.



Sustainable stations

We are proud to present our concept for sustainable stations, which use a 50 % less energy than traditional stations

Our sustainable stations are optimised for the least possible impact on the environment, and are an important element in our goal of reducing our CO₂e emissions by 2030. The sustainable stations offer renewable fuel and charging points for electric vehicles, however the stations themselves and their operation are also heavily influenced by sustainability in every stage. We have a total of seven sustainable stations, and the eighth is now under construction in Nykvarn, Sweden.

We are continuously implementing measures at our other stations to reduce our environmental impact. By installing new sensors in all cooling and freezing units in our Swedish operation during the year, we have achieved a 20 % saving in energy. In Denmark, a project is carried out to supply all coolers at the cash desk with lids to reduce energy losses.

On top of this, we replaced 90 % of the light fittings at our stations in Sweden with LED fittings over the past year. In Denmark, we have replaced all indoor lighting and we are carrying out ongoing replacement of the outdoor lights. We have already seen that these measures are generating substantial reductions in energy use and cost savings.

An innovation for this year is that we have installed systems to monitor the energy consumption of all our stations. This enables us to rapidly identify any parts of our operations which are using abnormal quantities of energy, and take appropriate action.

Our vision is a station which contributes to sustainable development and an attractive townscape as well as providing a meeting point for people and solving their needs.

We believe that the stations of the future will have significantly different functions depending on their location. In major cities, they can offer additional services, which facilitate people's everyday lives, such as cycle and pram/stroller repairs, as well as facilities for carpooling or grocery collection. In the countryside, stations are often gathering places for people living in the surrounding area, and are in an ideal position to offer supplementary services such as the sale of fishing permits and parcel collection points. The sketches, which we hope can become a model for the sustainable

station of the future, are being developed in collaboration with the Norwegian architectural firm, Snøhetta.

Criteria for our sustainable stations

To meet our requirements for being a sustainable station, we have several criteria. The frames are made from glulam beams, an energy-efficient and renewable material. Cold storage facilities, freezers and fast food refrigerators use carbon dioxide or propane as the refrigerant, which generates significantly less environmental impact than fluoridated refrigerants. Energy for heating is produced on-site from solar cells, solar panels, deep water and geothermal heat; the remainder comes from district heating. Sedum green roofs insulate the buildings and also help to cool down surplus heat during the summer.

Goals for sustainable stations

- In Sweden, we will build one new station that fulfils our sustainability criteria per year.
- In Denmark, stations that are undergoing refurbishment must fulfil our sustainability criteria

Reduced water use

Another priority area is to cut down on water use in our carwashes. We are in the process of testing various technologies and solutions to see which give the best cleaning effect while also saving water. This can have a substantial impact given the large number of carwashes we operate. At OKQ8 Scandinavia, we are continuously updating our carwashes, always aiming to install the most effective technology available.

Transport and storage

The greatest risk element in handling fuels is transport. Continuous training and comprehensive safety procedures are a vital priority

We have a total of ten storage depots for fuel in Sweden and Denmark, and access to additional facilities through collaboration agreements with other companies. Our logistics in Sweden are quality assured under ISO 14001. On top of that, we have adopted our own criteria to ensure that our products are always transported safely.

We carry out thorough risk assessments on the transport and storage of fuel, and prevent incidents through training and safety procedures. The transportation companies must also carry out more extensive vehicle checks at least once a month, including checking tyres, ensuring that there are fire extinguishers in the vehicle and that absorption materials are available for dealing with spillages. Despite our comprehensive safety procedures, incidents are inevitable, but these, fortunately, rarely have serious consequences.

Measures to reduce energy use

In Denmark, we have the challenge that we use heating oil to heat the depots. It is one of our priorities to reduce our energy use, and we monitor the amount of energy used on a quarterly basis.

In Århus, we have installed two hybrid heating plants and five heat pumps, which will reduce the annual use of heating oil by 30,000 litres and cut our CO₂e emissions by 100 tonnes per year. We still have a great deal left to do, but important improvement measures have been implemented.

Risk assessments at our facilities

In Sweden, we have been investigating our cooling water and fire fighting water to ensure minimal environmental impact in the event of incidents such as fires. In both Denmark and Sweden, we have carried out extensive work linked to safety risks and risk assessments at our facilities. The results have been analysed in safety reports which we have also submitted to the appropriate authorities.

Sustainable transports

To limit our environmental impact, we have asked our transport providers to train their drivers in eco driving. This involves reviewing the choice of fuel, engines, fuel consumption and optimising route planning. We follow up on the transport providers' emissions on a quarterly basis, so that we can react rapidly if these increase to an unacceptably high level.

Goals for logistic

- We will reduce CO₂e from distribution by 20 % by 2030 per km driven (baseline year 2014/15)
- We will reduce CO₂e from depots by 20 % by 2030 per m³ dispatched product (baseline year 2014/15)



The environment

It is at the final phase of our value chain, in the use of our products, that the greatest impact on the environment occurs

Our own operation constitutes only a small part of our total impact, but that is where we have most control, and can implement the most direct and significant changes. We have decided to focus on the aspects of our operations where we can achieve the most, i.e. our energy consumption and greenhouse gas emissions, CO₂e. Water consumption and waste are also important environmental aspects for us to address, where we continuously make improvements.

Environmental impact of our own operations

By far the greatest impact on the environment of our own operations involves the use of electricity and district heating at our stations, our depots and in the production of lubricating oils. Other areas which contribute to our environmental impact are distribution and business travel.

Environmental impact of waste and water use

There are many advantages in reducing waste, not least financial. In addition, legislation covering waste provides guidelines as to how we must handle our waste. We are working closely with our waste management service providers. They report on the collected waste, and how large a percentage is recycled. In respect of reducing water use, we are focusing primarily on our car washes.

Greenhouse gas emissions

In reporting greenhouse gas emissions, also called CO₂e, we use the web-based CEMAsys model. The system is based on the international auditing standard, the Greenhouse Gas Protocol.

Development of the environment impact

Since 2014/15, the CO₂e emissions from our own operations have been reduced by 24 % and energy use was reduced by 8,6 %. This significant reduction is mainly due to our efforts to reduce energy at our stations. At our depots, replacing heating oil with electricity and district heating has led to around 45 % reduction of CO₂e emissions. Another reason for the reduction of CO₂e emissions is an increase in renewable energy in Denmark and Sweden, which has meant a decrease in the emission factors.

Our starting point is that the contribution to biogenic emissions is neutral, since the quantity of emissions of biogenic origin generated during the use of the fuel is equivalent to the quantity of emissions taken up by plants and animals in the primary production.

Spills and leakage

As a significant supplier in the fuel industry, we have a considerable responsibility for our environmental impact, and we are working systematically to reduce this. Minimising spills and leakage is very much a matter of preventive action. The handling of spills and waste is governed by strict regulations and active risk assessment. Through our procedures, safety regulations, tests and compulsory training for our staff and distributors, we prevent, as far as we possibly can, spills and leakage from occurring. If any spills do take place, the stations have impermeable surface coatings which contain the liquid and channel it to

CO ₂ e emissions				
Category	Unit	2016/17	2015/16	2014/15
Direct CO ₂ e – Scope 1 ¹⁾	ton	2,841	2,891 ⁴⁾	4,047
Indirect CO ₂ e – Scope 2 ²⁾	ton	11,881	12,454	17,692
Other indirect CO ₂ e – Scope 3 ³⁾	ton	11,252	11,339	12,021
Total CO ₂ e	ton	25,974	26,684	33,761
Total CO ₂ e per sold m ³	kg / m ³	8.17	8.33	10.70

1) Scope 1: Direct CO₂e emissions from company controlled buildings and vehicles.

2) Scope 2: Indirect CO₂e emissions from electricity and heat produced by another company.

3) Scope 3: Other indirect CO₂e emissions that are not Scope 1 and 2.

4) The large reduction of scope 1 emissions is due to the fact that we no longer distribute fuel with own trucks in Sweden.

CO ₂ emissions from activities				
Category	Unit	2016/17	2015/16	2014/15
Stations and IDS	ton	11,822	12,473	17,329
Distribution – CO ₂ e	ton	10,868	11,005	12,786
Production of lubricating oils – CO ₂ e	ton	953	1,006	1,188
Depots – CO ₂ e	ton	363	448	616
Business travels	ton	1,850	1,633	1,633
Offices	ton	117	120	209

Energy use				
Category	Unit	2016/17	2015/16	2014/15
Non-renewable energy	kWh	52,491,566	55,691,415	62,408,990
Renewable energy ¹⁾	kWh	78,986,734	84,480,785	80,291,410
Total energy use	kWh	131,478,300	140,172,200	142,700,400
Renewable proportion of energy	%	60	60	56
Total energi use per m ³ sold product	kWh / m ³	41.35	43.74	45.23

1) Includes renewable from electricity and district heating

oil separators. In addition, our personnel have the training and equipment to handle minor spills.

In spite of safety measures, some spills which are difficult to contain do occur, for example during deliveries to forestry machines or at other locations where it can be more difficult to deal with the spillage. During 2016/17 we had one significant spill in Kolding, Denmark totalling 315 litres of oil products, but a full decontamination was carried out with no damage to the environment. For a spill to be counted as significant a quantity exceeding 159 litres must reach the natural environment and the subsequent decontamination must require methods such as mechanical excavation, pumping and/or chemical treatment. The decontamination

response varies, depending on the size of the spill and where it occurred. In the event of a major incident, we contact the emergency services and also report it to the municipality's environmental service. In these cases, we liaise closely with the appropriate authorities to work out a joint plan for the decontamination work.

Minor spills (under 159 litres) amounted to a total of 1,700 litres, of which 91 litres reached the environment. Full decontamination was carried out and there was no damage to the environment. 91 litres is a generous estimate, since the precise number of litres reaching environment is not always specified, so the actual figure may well be lower but will not be higher.



Sustainable solutions

Our ambition is to achieve economically, socially and environmentally sustainable development, and our intention is that every part of our operation will have a positive impact on society

Our shops

In our shops, we have found two influential social trends, sustainability and health. Well-prepared, high-quality and healthy food, as well as certifications, optimised handling of food waste and an inclusive selection are key concepts in our offer.

We believe that delicious, high-quality products enhance the customer's total experience and increase our attractiveness. "Quick to go" is our concept for well-prepared and healthy food, much of which we prepare ourselves.

With fresh ingredients, newly-baked bread, cakes and organic coffee, "Quick to go" adds that extra touch of excellence to the customer's visit. During the year, we have expanded the concept to 55 new stations, and all the stations we operate ourselves now offer "Quick to go".

Reduced food waste

One challenge we faced during the establishment phase of "Quick to go" is that it generated more food waste than is desirable. In response, we have been working intensively to find the correct stock levels in our shops, and to increase our knowledge about our customers. As a result, we have now achieved an acceptable level, where food waste has been reduced from 12 to 8 %, a reduction of 33 %. But we want this number to be even lower, so we are continuing our efforts to reduce food waste.

A range for everyone

We are proud that we offer a range for all tastes and dietary requirements. No matter whether you are gluten intolerant,

vegetarian, do not eat pork or have any other food issues. It is important to us that we can offer something for everyone.

Certification for health and the environment

Where possible, we favour the various certifications in selecting products for our range. The ones we primarily use are FairTrade, EU organic, KRAV-label, Ø-label, Whole grain label, Rainforest Alliance, Keyhole and the Swan. We have observed that our customers are not always aware of certifications. For that reason, we will now put greater effort into labelling our organic and environmentally-approved products to help our customers make more sustainable choices.

Standards set for oil products

Where oil products are concerned, we have set strict standards for consistent quality, and we are constantly working to add sustainable alternatives to our range. This has included developing a number of products in the hydraulic fluid, chain oil and outboard motor oil categories which are biodegradable or have a high level of biodegradability. Our natural degreasing agent is Swan-labelled.

It is particularly our largest oil customers who are demanding sustainable alternatives, and our ambition is that more of our customers will choose these. For that reason, we are now reviewing both labelling and packaging to give customers clear guidance to make more informed choices.

Our fuels

As a fuel supplier, we have a major responsibility to contribute to a more sustainable transport sector, particularly by developing and increasing the proportion of renewable fuels

Increasing the proportion of renewable fuels is an important step towards fossil independence, and is something we prioritise. At the same time, diesel and petrol-fuelled vehicles are expected to dominate the market for some time yet.

Renewable fuels

OKQ8 Scandinavia supplies different biofuels: ethanol, RME (rapeseed oil methylester, HVO (hydrogenated vegetable oil) biogas and electricity for charging. Ethanol, RME and HVO are mixed with fossil fuels in different amounts. In 2016, the proportion of liquid biofuels were 13 % of our total amount of fuel sold in Sweden.

Our diesel in Sweden contains up to 40 % renewable diesel, which is estimated to generate approximately 35 % less CO₂e emissions compared with 100 % fossil fuel. HVO is produced from waste and residues can reduce CO₂e emissions by up to 90 % compared with traditional diesel.

High demand for HVO

HVO has made a major breakthrough as a fuel during this year. It has rapidly become a popular alternative for many of our customers as it is a product, which the majority of diesel vehicles can use, while at the same time offering many environmental advantages.

The increased demand for HVO is a very positive trend from an environmental perspective. However, it presents a challenge to the whole industry given that access to the raw materials used in its production is limited. Consequently, it means that we have decided to change the requirements towards our suppliers about which waste products HVO is based on in Sweden. In order to handle the delivery of HVO in 2017, up to 50 % of all HVO we sell will be based on slaughterhouse waste and up to 50 % will be based on certified PFAD (Palm Fatty Acid Destillate).

PFAD is classed as a waste product by the Swedish Energy Agency, and is a by-product of palm oil production for the food industry. PFAD comprises only around 5 % of the raw palm oil extracted, and it commands a significantly lower price than crude palm oil. As it is a waste product, PFAD does not itself lead to increased palm oil production, since the

core business is still the production of palm oil for the food industry.

Quota obligation in Denmark

In Denmark, there is a mandatory blend for biofuels of 5.75 % energy of the total amount of fuel sold for road transportation. In 2020, this proportion will increase to 10 %. The blending process largely involves adding ethanol to petrol and FAME (Fatty Acid Methyl Ester) to diesel. A small percentage of HVO is also used to meet the blend requirement. This HVO is produced from abattoir waste and palm oil, which is certified in accordance with the ISCC (International Sustainability and Carbon Certification System) and RSPO (Round Table of Sustainable Palm Oil) standards. Some of our Danish customers are increasingly demanding biogas, and this could become an important alternative to conventional diesel.

Tax exemption in Sweden

In Sweden, biofuel is tax-exempt, and this has resulted in a much higher quantity of biofuel compared with Denmark. The Swedish government has proposed a new regulation for a reduction obligation aimed at reducing greenhouse gas emissions from petrol and diesel by mixing biofuels. The proposal will be effected by 1 July 2018.

The tax exemption will cease at the end of 2018, and this will, in all likelihood, involve the introduction of some form of mandatory blend, similar to the Danish system.

More electricity charging points

Another exciting area which we are taking a closer look at is electric vehicles. Over the past year, we have signed collaboration agreements with E.ON on rapid chargers, with 5 of these currently in place in Denmark and 25 in Sweden. E.ON will also take over the operation of the 7 charging stations which we already have installed. This enables us to offer charging stations for long-distance travel. Our ambition is to be an enabler for everyone in motion. We are proud of the fact that we can support our customers who choose renewables, and we are committed to inspiring more people to take the same route.





Our social responsibility

Despite the relatively low levels of unemployment in Scandinavia, there are two groups of people who find it more difficult than others to find a job: young people and new immigrants

OKQ8 Scandinavia is committed to helping reduce exclusion by offering work experience programmes, with the possibility of employment. Break Youth Unemployment Now! and Youths On Their Way are initiatives aimed at strengthening young people's confidence and reducing youth unemployment. Through Break Youth Unemployment Now! in Denmark, a total of 50 young people between the ages of 15 and 30 have attended Boot Camps to gain an insight into how the labour market operates. The proportion of participants who move on to education, work experience programmes or get a permanent job is high, normally more than 70 %. In North Zealand, the corresponding figure is 90 %.

In Sweden, young people under 25 are offered a three-month work experience placement with mentoring. At our customer service centre in Avesta, the project has been a success so far – about one third of the young people involved get a job after the completion of the programme, either with us or with another company. The project has also been

successful in Södertälje, where a 93 % obtained a job after completing the work experience training. We have a great deal of faith in this initiative and so far it has delivered great results. We are now in process of starting a similar project in Gothenburg, and we are very hopeful that this will be a success as well.

Focus on newly arrived academics

In May, we expanded the work experience programme to include new immigrants with university qualifications, through the "Short way" project. This is a new target group for us, but we were convinced that we could help reduce exclusion, while gaining access to expertise which might otherwise be lost. The project is a joint venture involving Academicum, the Swedish Public Employment Service, Uppsala University and KTH Royal Institute of Technology. During a pilot phase, we offered six work experience placements, but the aim is for the programme to become permanent, and we will offer more placements in the future.



Interview: Petra Wadström, founder and CEO of Solvatten

During 2016, Petra Wadström received several awards, the latest being the International Society For Neglected Tropical Disease (Water Prize). She was also nominated for the Ocean Exchange Awards in the USA.

What does OKQ8 Scandinavia's support mean for you?

"We know we have a level of support and commitment that goes much further than purifying and heating water. It also covers other positive consequences for the families in Uganda that we reach through our work with the UN's 17 global goals for sustainable development."

What you have in the pipeline for the future?

"In the past year, we have been contacted by representatives from various African countries who want to know more about Solvatten, and we are following this up. We have also set up a collection trust in the USA to achieve greater distribution, and several American companies have expressed an interest in working with us."

Sustainable collaboration

As part of our social responsibility, we collaborate with Solvatten and Vi-Skogen to support their crucial efforts to provide clean water and fight poverty

Solvatten

By linking the innovative Solvatten project with our carwash offer, we contributed to the distribution of 1,152 solar water containers during the year, providing clean water to more than 7,000 people in Uganda. A Solvatten solar water container holds 10 litres of water, and can purify up to 30 litres of water per day using sunlight alone. No batteries or chemical additives are required.

Since the Solvatten container heats the water up to 75°C and it also reduces the need to heat, boil and light fires. This is really good for the environment, but also represents a substantial saving in time and physical burden, particularly for girls and women, who spend a lot of their day fetching firewood and water.

Increasing awareness of water shortage

In Stockholm, World Water Week is used to highlight water shortages across the world. In connection with this, OKQ8 Scandinavia launched a children's book in August, aimed at increasing awareness of the lack of clean water. In the book, the children follow the superhero, Fu-Ture,

who explains how the innovative Swedish product, the Solvatten solar water container, provides families in Uganda with clean water. The book was handed out to carwash customers at selected stations.



Vi-Skogen

OKQ8 Scandinavia supports Vi-Skogen's work with planting trees and fighting poverty in East Africa. We do this by collaborating with the recycling company, Returpack, to increase the recycling of metal cans and PET bottles found along Sweden's roads. In 2016, 375,000 cans and bottles were collected.

Employees and customers

3,786* Employees



Sweden 57 %



47 %

53 %

Denmark 43 %



49 %

51 %

* Includes fulltime, parttime and hourly paid employees

Employee categories

Board of Directors

33 % (2) women and 67 % (4) men in the Danish Board of Directors

25 % (2) women and 75 % (6) men in the Swedish Board of Directors.

Management

71 % women / 29 % men (5 women and 2 men)

Middle management

37,5 % women / 62,5 % men

Other managers

35,8 % women & 64,2 % men

Station managers

42,2 % women / 57,8 % men

Other employees

54 % women / 46 % men



Our employees

At OKQ8 Scandinavia our employees are a major contributing factor in our success

Our employees are our ambassadors, the people who drive the company forward, who protect and improve our brand. Our employees are our most important resource and the reason why customers choose us.

Our values are intended to create a culture that enables our employees to enjoy their work, respect each other and be proud of working for OKQ8 Scandinavia. We believe that this is the best way to attract and retain competent people, which is the key to our long-term brand building strategy. But in a values-driven company, it is important that word and action go hand in hand, and that we fulfil our promises. Consequently, our Code of Conduct must permeate everything we do in the company, and all our employees must be familiar with and comply with its content.

Our values are open and honest, customer focus, competence, quick and flexible and they affect our daily work. The work on our values is ongoing, and our constant ambition is to improve – this is part of our corporate strategy.

Naturally, sustainability forms a substantial part of this and is one of our absolute priorities. We are proud and pleased that so many of our employees are committed to this and want to help. Together we can make a difference by being part of OKQ8 Scandinavia's commitment to helping create a more sustainable world.

Employment

We want to be regarded as a modern and attractive employer. To be able to attract, retain and motivate competent and ambitious employees, we offer excellent terms and benefits. We do this by focusing on four areas: development and talent, brave leaders, flexible work place, and family and leisure. For example during the year, we have focused particularly on increasing the healthy lifestyle subsidy, as well as developing a new course for sustainable

employees, opening our new activity-based offices on Sveavägen, and on developing leadership in a digital world.

We practice fair and non-discriminatory wage setting on an equal basis throughout the company. It must be clear which principles the wage setting is based on. The wage must motivate our employees to perform well and be committed to their work.

The terms of employment at OKQ8 Scandinavia vary depending on form of employment, position and area covered by the agreement. Some of the benefits for employees are pension, group life insurance, extra compensation for parental leave, sickness insurance, preventive healthcare subsidy and subsidised meals.

Recognition

We have a Scandinavian bonus system for our managers, as well as for employees who have a clear impact on profits and sales. Some of the goals in the bonus system are sustainability-related SSHE goals. The SSHE bonus targets for 2016/17 have for example been training hours, safety training and an index on fuel spills. Offering rewards enables us to recognise and encourage extraordinary work performance.

Employees can also be rewarded by a nomination for Excellence Recognition Awards, which is an annual award programme developed by KPI Top Management. The purpose of the programme is to recognise and provide additional reward for important successes in the company, stimulate qualitative initiatives and visualise and highlight outstanding performance. Employees can be nominated for successes/projects in four different areas: SSHE and Sustainability, Innovation/Cost Optimization, Customer Satisfaction and Project Implementation.



'Life at OKQ8 Scandinavia'

Our employees are our most important resource. We want the work to be a natural part of life – not the most important part, but a reliable partner who can provide support outside work as well, in a hectic life.

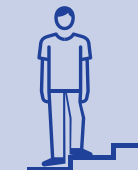
We want to make it possible for our employees to combine family life and an active leisure with a career. During the year, as part of this, we will carry out an extensive project called 'Life at OKQ8 Scandinavia'.

We will be focusing on four areas where we believe we can make a difference to the wellbeing of our employees: **Family & Leisure, Development & Talent, Flexible working hours and Brave leaders.**

We want to apply new perspectives and approaches to developing our role as an employer and creating an attractive workplace.



Family & Leisure



Development & Talent



Flexible working hours



Brave leaders

Employee engagement

At OKQ8 Scandinavia, we believe in transparent and clear career planning, which means that our employees are motivated to stay on and develop within the company

We are keen to ensure that our employees feel good with us, progress in their roles and grow with their responsibilities. That is why we were pleased and proud that our Employee Satisfaction Index rose to the highest level ever during this year. 548 employees from our offices responded to the questions and the satisfaction level was 3.12 on a scale of 1-4. This is an improvement from the last measurement where the value was 3.09. The goal for 2016 was 3.1, and we will be aiming for 3.2 in 2017. There are many reasons why our employees are happy at work, but it is clear that we have become better at working together across departments and sharing our experiences. Good well-being at work also makes us more innovative, productive and better at exceeding our customers' expectations.

For the employees at our stations, the latest NMI was in 2016 and the next survey is scheduled for September 2017.

Training makes for stronger individuals

We aim to ensure that our employees are offered the opportunity to improve their competence level within the company. To support this, we offer a number of training courses suitable for every person's individual goals and needs. A relatively new feature is OKQ8 Scandinavia's own management training programme. In 2016, we also started an internal mentor programme for which the goal is that 60 % of participants will have reached a more advanced position within two years after completing the programme.

As part of our training portal, we offer various online courses and training modules in the area of security, safety, health and environment. These are SSHE-related and participation may be either compulsory or voluntary. Exercises are registered and form the foundation for our training index of 3.8, which exceeded our target of 3.7.

Activity-based daily work in Stockholm

During the year, we refurbished our office on Sveavägen in Stockholm and are now working in an activity-based environment. Rather than traditional offices, we now

share resources and areas. We have more meeting places and rooms adapted to various needs where it is easier to exchange information and meet colleagues. There are, of course, also areas suitable for people who want to work undisturbed.

Measures to combat stress

We regard a flexible working life as an important component for the wellbeing of our employees. Employees should be able to change station, location or country if they so wish. We also encourage the use of remote meetings to limit travel, and are developing digital tools intended to make day-to-day work easier. Stress-related illness is increasing in society as a whole, and OKQ8 Scandinavia is not immune to this. Consequently, we will make efforts to focus on this issue during 2017. An important part of this is creating the opportunity for a healthy work/life balance.

Goals for employees

- **LinkedIn:** We will have 10,000 followers on LinkedIn in 2017/18
- **Employee satisfaction index – NMI:** We will increase NMI to 3.4 by 2020



Values for an equal society

OKQ8 Scandinavia is committed to helping build an equal, inclusive society where every person has the same value and rights

The starting point is our Code of Conduct which is a summary of the values we expect all of our employees to comply with and promote.

At our company, it is indisputable that everyone must feel safe and included, and we will never isolate anyone. We aim for even gender distribution and apply principles of equality when recruiting, in relation to employee development and in wage setting. Our organisation must be characterised by openness and honesty, and this includes treating each other with respect and not discriminating on grounds such as gender, skin colour, religion or sexual orientation.

Through annual wage surveys and close collaboration with the trade union, we can identify and deal with any unreasonable wage differences within the organisation. Employee surveys provide us with information about

everything from how people feel at work to working conditions. On the basis of these, our managers will follow up and, if necessary, draw up action plans to deal with any problems. In our view, however, responsibility for creating a workplace which people enjoy and where they feel great rests not only with our managers but with all employees.

We expect our leaders to act as role models and show the way for the values set out in our Code of Conduct. They achieve this by observing key words such as open and honest, customer focus, competence and quick and flexible. As leader at OKQ8 Scandinavia, they are also expected to encourage employee development by having the courage to delegate and allocate responsibility. All of our employees have individual development plans and the internal career paths are transparent.



Heath and safety

It is important that our employees feel safe and secure at their working place

To minimise the number of incidents, we have adopted a preventive approach and share our experiences.

We believe that adopting preventive measures will enable us to avoid many incidents. For this reason, we carry out continuous risk assessments on our operations. OKQ8 Scandinavia's shared incident system, 'Oops & Ouch', ensures that we rapidly become aware of problems in the work environment. It is mandatory that all employees report incidents, so that we can detect any patterns. Is the incident an isolated event at a specific location, or does it happen at other stations as well? Incidents involving customers or external suppliers are also reported in the system, and this provides us with a good overall picture.

For other work-related injuries and accidents, we remain at a low and steady level. Incidents involving customers are also at a low level, and primarily involve stumbling and slipping. We follow a five-year plan to reach our targets, and are improving year on year. We believe that our systematic work, inspired by ISO 18001, is the reason for these low levels. Part of this is that we prioritise tidiness and cleanliness at our stations, have clear checklists and we aim to implement the same safety procedures at all stations. Every year, we review our system and assess procedures and resources.

Safety walks and audits

We also carry out annual "safety walks" at all our stations, where the managers responsible review the operation and correct any flaws. In 2016/17, we completed 2,565 safety walks, which exceeds the target of 2,000. This is a signal to our employees that we take safety seriously and that it is always in our minds.

Every year, we carry out audits in accordance with our audit plan. Audits can be carried out by ourselves, our owners or by an external company as a certification audit. The purpose of these audits is to assess whether our management systems are adhered to and whether they add value and are effective.

Health & safety committee

In both Denmark and Sweden, we have a health & safety committees, which are composed so that all employees are represented. The committees meet twice a year to discuss work-related issues and events, and to decide what work-related activities will be carried out during the year.

Development of health and safety

Based on our management system "How we do it", we work to continuously improve our workplace environment. We have a specific focus on improving the psychological work

Incidents

	Own employees				Contractors			
	Number of incidents		Incident index*		Number of incidents		Incident index*	
Type of incident	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Crime	243	306	12.6	15.7	24	14	2.76	1.34
Personal injuries	85	113	4.41	5.79	42	32	4.83	3.07
Near misses	242	302	12.6	15.5	136	138	15.6	13.3
Fatalities	0	0	0	0	0	0	0	0
Customer incidents	29	31	1.51	1.59	7	10	0.81	0.96

*Incident index: Number of accidents x 200,000 per amount of worked hours

Employee accidents with lost working days

	LWC ¹⁾			LWC Severity rate ²⁾		
	2016/17	2015/16	2014/15	2016/17	2015/16	2014/15
Own employees	41	215	50	2.13	11.01	2.49
Contractors	43	114	1	4.95	10.95	0.09

1) LWC (Lost workday cases) – Lost working days per employees accident

2) LWC Severity rate – Lost working days per employees accident x 200,000 per number of hours worked

environment, as it is here that our biggest challenge lies, in terms of having a tough social climate, where perhaps the biggest challenge is in relation to a tougher social society.

In terms of number of reported incidents in 2015/16 (946 pcs) and 2016/17 (808 pcs), the trend is declining for own employees in all categories.

For Contractors, on the contrary, the trend is increasing in all categories except for near misses and customer incidents which declined. It is important to keep in mind that near misses can have a direct impact on the decreased number of reported incidents.

Absence due to illness

During the year, efforts have been made to reverse the trend of absence due to illness. In Sweden, absence due to illness rose by 0.2 %, while in Denmark, the same figure fell by 1.2 %.

The main reasons for absence due to illness lie outside the operation. The service, "Illness and recovery reporting with advice" (only available in Sweden), provides employees with support in the form of advice during illness or when suffering the symptoms of illness. The advice also covers the employee's family, which is particularly appreciated by

parents. When reporting illness, a follow-up is also carried out to ascertain whether there is any perceived link to work. The follow-up showed us that 97.4 % of the reasons have nothing to do with work.

In Denmark, we carried out comparison interviews about absence due to illness, and the proportion is believed to be the same there. These figures show that we must prioritise efforts to ensure that employees have a healthier lifestyle. For that reason we invested in a substantial increase in the preventive healthcare subsidies for our employees.

Sick leave

	2016/17	2015/16	2014/15
Denmark	2.11 ¹⁾	3.3	2.7
Sweden	5.9	5.7	4.9

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

Customer expectations and customer service

OKQ8 Scandinavia's goal is to be an enabler for people in motion

A customised product range, as well as competence and the best customer service on the market enhance the overall experience for the customer during a visit.

To ensure that we live up to our customers' expectations, we carry out regular customer satisfaction surveys. We use Mystery Shoppers at stations – individuals who pretend to be customers and who observe how the shop and the employees deal with customers. We also carry out random surveys based on a Customer Satisfaction Index, NKI. This covers a total of 420 manned stations, with a total of 2,108 responses collected. We are very happy to note that both surveys are producing the highest figures ever.

Customer service, as well as our intention to identify and adapt to customer needs quickly, are the most important factors in customer satisfaction. In the category "friendly and welcoming employees", 97 out of 100 asked were satisfied with their experience.

Short waiting times

During the year, we have also worked on shortening the waiting time for anyone calling our telephone support line. We have experienced problems with this during holiday

periods, but due to a number of efficiency-enhancing measures, waiting times during June and July have been cut substantially, from 8 to 1.5 minutes. For the whole year, waiting times have fallen by just over a minute. This may not sound a lot, but anyone waiting at the other end of the phone line will really notice a big difference.

We have also focused on improving the customer service on the telephone support line. This has primarily taken the form of active listening-in and coaching by our group managers. During the year, we listened in on around 1,000 conversations.

Better customer experience in shops

We have upgraded all terminal systems at our stations, which means that we can handle transactions and payments more quickly. The new system makes it easier to tailor the messages and offers to our cardholders.

There are still areas where we can improve, e.g. acknowledging our customers by making eye contact more quickly. Our aim is, at all times, to be tuned into our customers' needs to maintain, and earn, their trust.

Interview: Moa Zeidlitz, customer at OKQ8 Bromma in Stockholm

What makes you choose OKQ8 Scandinavia and what did you buy from us today?

"I am a customer here for several reasons. Partly because it is close to my home, and I prefer to support and preserve local businesses, and partly because there are OKQ8 stations all over the country. Mostly I fill up the car with fuel, use the carwash and buy refreshments when we travel with the family."

What will you buy from us 10 years from now?

"I will still be buying the products I need on the move, but I would like to see much more focus on the environment. I hope that electrical power really takes off, and that I will be charging my own electric car. But I also hope that other non-fossil fuels, which are more efficient, will be available at the stations. It would also be great if customers like myself were encouraged to be more environmentally friendly, through incentives such as better terms and conditions."



Our company

OKQ8 Scandinavia is an energy and oil company as well as a retail chain that is working for sustainable solutions

We are driven by our commitment and by concern for our customers, colleagues and shareholders and the world in which we live.

Our values guide us when handling both every day and unexpected events. They make our day-to-day work easier, aid flexibility and enable us to make quick changes when necessary.

Vision & values

Vision

We want to be an enabler for people in motion.

Our values

- Open & honest
- Customer focus
- Competence
- Quick & flexible

Our vision and sustainability management

The directive from our shareholders is clear – we must aim to be a socially, environmentally and financially sustainable company. This must permeate all our business activities.

The fact that we have a clear mandate from our shareholders to work sustainably means that we treat sustainability as an integral part of the business and as a

process, not as a separate issue. Our environmental aspects and impact are managed by a Sustainability Council consisting of representatives from the company. The Council makes recommendations to senior management regarding sustainability strategy, goals and activities. The senior management team then make decisions about the work before it is decentralised into the organisation via the Council. The Chair of the Council is our Director of Sustainability & Communication.

As a step in our systematic sustainability activities, we carry out internal audits to ensure that our procedures work in practice and not just on paper.

Our values

During the merger in 2012, we realised that there was a need for a shared set of values. This became the start of a process where we examined our raison d'être. Through this, we found that we have always been an enabler for people in motion. Rather than regarding ourselves primarily as a fuel company, our starting point must be that we exist to help people in motion, regardless of their means of transport. This gives us the freedom to avoid being bound to any certain type of products and offers. As a values-driven company, we want to create an emotional connection among our customers. We can achieve this by taking what we refer to us as "The friendly approach", i.e. that everyone should feel welcomed by us. We must be easy to understand and we must be open.

To ensure that this approach is practised throughout the entire organisation, all our employees have taken part in seminars and courses to ensure that they have a deep understanding of the concept and how it applies to their day-to-day work. The fact that we have more satisfied employees and customers than ever before is proof of its success.



”

I am pleased that, after four years of hard work, we have managed the integration. We are now working as one company on a Scandinavian market as colleagues, across departments and, not least, countries.

We share good examples, and inspire and challenge each other. Of course there is more to be done, but we act and

communicate jointly as one OKQ8 Scandinavia. This helps to strengthen our work of making the operation even more sustainable.

Steffen Pedersen
CEO, OKQ8 Scandinavia



Ownership and organisation

OK-Q8 AB is jointly owned by OK ekonomisk förening and Kuwait Petroleum International, with each having a 50 % stake in the company

OK-Q8 AB owns Q8 Danmark A/S. OK ekonomisk förening is the largest of seven OK cooperative associations in Sweden, with almost one million members. Kuwait Petroleum International is based in the Netherlands and is owned by Kuwait Petroleum Corporation, which is owned by the State of Kuwait. In 1999, OK ekonomisk förening and Kuwait Petroleum International entered into a joint venture.

On 1 August 2012, OKQ8 Sverige and Q8 Danmark joined forces to form one of Scandinavia's largest fuel companies, OKQ8 Scandinavia. We have around 1,000 stations in Denmark and Sweden, offering a committed, inclusive and customer-focused workplace with around 3,780 employees in total.

Organisation

We are an enabler for people in motion – with a warm and welcome approach. The focus is on our impact on the environment, climate, social issues and economy. We believe that our sustainability work is the way to success. We have shared goals, values and leadership, but work under different brands in Denmark and Sweden. We believe in mobility and the driving force of being on the move.

Our sustainability activities are aimed at making movement possible with minimal negative impact on people and the environment, and at making us a welcomed neighbour who contributes to social progress.

Economy

The stability of our finances enables us to adopt a long-term approach to social and environmental responsibilities

Our combined profit for 2016/17 amounted to SEK 960 million.

We are investing heavily in renewing our station network, so depreciation remains higher than in previous periods. Our profit for 2016/17 is the result of satisfactory fuel margins, along with increased earnings from our services offer. External factors that have affected the result have been the increases in fuel taxes, the rise in employer fees and, above all, the oil price.

The global market prices for fuel rose during the year, so the fuel we had in stock has had a positive impact on the net profit for the year.

The prices of our fuels are affected by many external factors over which we have no control, including the economic cycle and the supply. These are, in turn, affected by world politics, natural phenomena and political unrest. Fuel prices on our sales markets are also affected by the rules applying to renewable fuels and how fuels are taxed.

OKQ8 Scandinavia is committed to a number of projects aimed at having a positive impact on the environments and communities in which the company operates, including Solvatten, Fryshuset and Vi-Skogen, which is described in section 5 Sustainable solutions.

We have not had significant environmental investments or costs in 2016/17.

Economic result			
Economic value – generated and distributed (MSEK)	2016/17	2015/16	2014/15
Revenue	31,868	32,293	36,436
Operating costs	-14,935	-16,832	-21,381
Salaries and benefits	-725	-721	-695
Point taxes - Sweden	-11,644	-10,909	-10,419
Point taxes - Denmark	-3,380	-3,428	-3,525
Corporation tax - Sweden	-191	-100	-129
Corporation tax - Denmark	-35	5	85
Net Financial income	5	11	7
Donations	-3	-2	-2
Result	960	317	377



External commitments

We want to be a responsible company which supports several voluntary standards and principles

In line with our efforts to act with social responsibility, OKQ8 Scandinavia supports several voluntary standards and principles.

- Global Reporting Initiative (GRI)
- The UN Global Compact
- Agenda 2030 and the 17 UN Sustainable Development Goals

We must always avoid actions and situations which may lead to conflicts of interest or which may otherwise give rise to doubts about our independent status. As a company, we must remain politically neutral and not provide financial support for political parties or other political groups.

UN initiatives

OKQ8 Scandinavia supports the UN Global Compact's principles on human rights, labour rights, the environment and anti-corruption, as signed in 2014. It is important to us that we are part of the large, influential group which supports this global standard.

These principles are in line with our own Code of Conduct, our sustainability activities and our policy. Similarly, we support the UN's 17 Sustainable Developments Goals in the development of our three new sustainability goals.

Our awards

During the year we have received many awards and prizes we are proud of. This tells us that we are on the right track with our sustainability efforts

Kuwait Petroleum (KPI) Excellence Recognition Award

OKQ8 Scandinavia brought home five awards when the winners of the KPI Excellence Recognition Award (ERA) were announced. The five winners are:

- Drip stop – prevents the last drops of diesel from landing on the ground
- The environmental fuel plant in Kallhäll – bio fuel for professional transport operators
- The Södertälje project – further expansion and improvement of our work experience programme, Youths On Their Way
- Work-force management – reduction of waiting times in Customer Service
- Q8 Low RisQ – unique car insurance

Sustainable Brand index

Industry Leader 2016 in the Sustainability Index in Sweden for the fifth time in six years.

Sustainable Brand Index™ is the biggest Brand survey in the Nordic countries with a focus on sustainability. Based on interviews with 32,000 consumers, the largest companies in the Nordic countries are assessed in relation to sustainability. The survey is based on the ten principles of the UN Global Compact, supplemented by the consumers' expectations of the companies.



Compliance

In line with Danish legislation, we have had a financial whistleblower scheme in place in OKQ8 Scandinavia since 2014

This scheme was implemented in collaboration with the law firm Kroman Reumert, and is intended to ensure that our employees are able report incidents regarding corruption and money laundering. In 2017/18 we will work to implement a voluntary whistleblower scheme, which will cover all of our activities in both Denmark and Sweden.

More specifically, this means that all employees at OKQ8 Scandinavia will be able to anonymously report serious incidents such as violations of human rights and other aspects covered in our Code of Conduct. This whistleblower scheme will ensure that OKQ8 Scandinavia's ethics, organisational culture and brand are upheld.

Reporting

This report is our third Scandinavian sustainability report

The report covers the financial year 1 March 2016 - 28 February 2017. This is the third shared sustainability report for the group. The report is developed on the basis of the Global Reporting Initiative framework, GRI-G4 at 'Core' level. The report has been reviewed by an external auditor, who has declared that the report is in compliance with the identified GRI indicators.

In order to get a sense of the extent of the report, we have used our value chain as a starting point and included the areas, which we see as relevant for us. We have then assessed which of the GRI indicators we will cover in the report. We have also carried out a thorough materiality assessment with input from internal experts and selected stakeholders. The purpose of this is to ensure that our sustainability work is relevant and effective.

Health and safety

The data reported on work environment covers all OKQ8 Scandinavia's own activities and employees. The data also covers employees at stations, which are run on a franchise basis under our brand. This means that Volvo Tank is not included in the reporting. Our distributors, who transport our products to customers and stations, are also covered by the report.

Social and economic data

The reported social and economic data cover all OKQ8 Scandinavia's own activities and employees. Some of the economic data for 2015/2016 and 2014/15 have been updated so that they no longer correspond to previously reported data.

Environmental data

The reported environmental data covers all OKQ8 Scandinavia's own activities. The environmental data also includes our distributors, who transport our products to our customers and stations. Our data covers energy use and emission of greenhouse gases (CO₂e), as these constitute our biggest environmental impacts.

We have developed and implemented the webbased system CEMAsys, which is based on the Greenhouse Gas Protocol standard. The system is based on conversion rates, which are recognised in both Denmark and Sweden. This means that we can ensure a higher level of credibility of our data, as the rates are automatically updated by the system owner. All data from the reporting year 2014/15 have been entered into the system. This means that exclusively data from CEMAsys has been used for this year's report and that data from the reports of the previous two years should not be taken into account.

Assurance

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

This is the translation of the auditor's report in Swedish

To OKQ8 Scandinavia

Introduction

We have been engaged by the Executive Management of OK-Q8 AB and Q8 Danmark A/S (OKQ8 Scandinavia) to undertake a limited assurance engagement of OKQ8 Scandinavia's Sustainability Report for the year 2016/17.

Responsibilities of the Executive Management for OKQ8 Scandinavia's Sustainability Report

The Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on the page 52, that are the parts of the Sustainability Reporting Guidelines (published by The Global Reporting Initiative (GRI)) that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on OKQ8 Scandinavia's Sustainability Report based on the limited assurance procedures we have performed.

We conducted our limited assurance engagement in accordance with ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by IFAC. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures.

Stockholm, 23 May 2017

KPMG AB

Tomas Gerhardsson
Authorized Public Accountant

The procedures performed in a limited assurance engagement vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The performed procedures in a limited assurance engagement do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Executive Management as described above. We consider these criteria suitable for the preparation of OKQ8 Scandinavia's Sustainability Report.

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

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that OKQ8 Scandinavia's Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Executive Management.

KPMG Statsautoriseret Revisionspartnerselskab

Jon Beck
Authorized Public Accountant

Goals and results

The Sustainability Council assesses our goals and our development at least once a year

The Sustainability Council assesses our goals and our development at least once a year. If necessary, the goals are adjusted and renewed. All goals must be linked to aspects identified in the materiality assessment and which

we have given the highest priority to, and must reflect our sustainability strategy. The following table shows our current goals and goal compliance.

	Goal	Year	Base line	Progress
Overall goal	We will be in Top 50 on the Universum "Most Attractive Employer" ranking	2025	Not relevant	New goal
LinkedIn	We will have 10,000 followers on LinkedIn	2017/18	Not relevant	In March 2017, we had 7,941 followers
Social initiatives	Short way – We will employ 10 interns	2017/18	Not relevant	During 2016/17, we employed 7 interns
	Youths On Their Way – We will employ 60 interns	2017/18	Not relevant	During 2016/17, we employed 56 interns
	Break Youth Unemployment Now! – We will complete 5 Boot Camps	2017/18	Not relevant	During 2016/17, we completed 7 Boot Camps
Employee satisfaction (NMI)	We will increase NMI-index to 3,4	2020	Not relevant	In February 2017, we achieved an index of 3,12
Work environment	We have a vision of zero job related incidents with sick leave	Ongoing	Not relevant	During 2016/17, we had 12 incidents with sick leave

	Goal	Year	Base line	Progress
Overall goal	We will be in Top 50 on the "Sustainable Brand Index"	2025	Not relevant	New goal
Sustainable stations	In Sweden, we will build one new station each year according to our criteria for sustainability	Ongoing	Not relevant	New goal
	In Denmark our reconstructed stations must live up to our criteria for sustainability	Ongoing	Not relevant	New goal
Fuel	We will assess our fuel suppliers using established sustainability criteria	2017/18	Not relevant	New goal
	High risk suppliers must be audited by third party	2018/19	Not relevant	New goal
Electric chargers	We will install 30 quick chargers; 25 in Sweden and 5 in Denmark	2018/19	2016/17	New goal
Partnership	We will support the Solvatten project with 1 kroner per car wash in Denmark and Sweden	2017/18	Not relevant	In 2016/17, we donated 2,497 MSEK to Solvatten

	Goal	Year	Base line	Progress
Overall goal	We will reduce our CO ₂ e by 20 % per m ³ sold product sold	2030	2014/15	CO ₂ e emission was reduced by 24 %
Total energy use	We will reduce energy use from own operation by 20 % per m ³ sold product	2030	2014/15	Energy use was reduced by 8,6 %
Logistic	We will reduce CO ₂ e from distribution by 20 % per driven km	2030	2014/15	CO ₂ e emission was reduced by 3,9 %
	We will reduce CO ₂ e from depots by 20 % per m ³ driven product	2030	2014/15	CO ₂ e emission was reduced by 43 %
	We will reduce energy use from depots by 20 % per m ³ dispatched product	2030	2014/15	Energy use was reduced by 10 %
Lubricating oils	We will reduce CO ₂ e from Petrolia by 20 % per m ³ product produced	2030	2014/15	CO ₂ e emission was reduced by 22 %

UN Global Compact

Princip	Page
Human rights	
Principle 1 The company should support and respect the protection of international human rights within its sphere of influence	9,20,38,41,26,27,50
Principle 2 The company should ensure that they do not participate in the violation of human rights	9,20,38,41,26,27,50
Labour rights	
Principle 3 The company should maintain the freedom of association and effectively recognise the right for collective bargaining	22,41,57
Principle 4 Support the elimination of all forms of forced labour	22,41,57
Principle 5 Support effective abolition of child labour	22,41,57
Principle 6 Eliminate discrimination in respect of employment and occupation	9,38,41
Environment	
Principle 7 The company should support a precautionary approach to environmental	20,21,50,57
Principle 8 Undertake initiatives to promote greater environmental responsibility	20,21,26,28,50
Principle 9 Encourage the development and expansion of environmentally friendly	26-28
Corruption	
Principle 10 The company should work against all forms of corruption, including extortion and bribery	22,38,50,52

GRI index

Indicator	Description	Comment	Page
G4-1	Statement from the CEO about the relevance of sustainable development		8-9
Organisation			
G4-3	Name of the organisation	OK-Q8 AB, Q8 Danmark A/S and subsidiaries	
G4-4	Primary brands, products and services	IDS, OK-Q8 AB, Q8 Danmark A/S, Q8 Oils, F24, OKQ8 Minipris, OKQ8 Visa	Backside
G4-5	Location of the organisation's headquarters	Copenhagen and Stockholm	
G4-6	Countries where the organisation operates	Denmark and Sweden	
G4-7	Nature of ownership and legal form		48
G4-8	Markets served by the organisation	Private and business customers in Denmark and Sweden	Backside
G4-9	Scale of the organisation		24,36,46,49
G4-10	Employment data	We do not report by gender. We only report on the total number of employees incl. parttime and hourly paid employees.	36
G4-11	Percentage of total employees covered by collective bargaining agreements	The majority of our hourly paid employees are covered by a collective agreement.	
G4-12	The organisation's supply chain		20-21
G4-13	Significant changes during the reporting period	No significant changes.	
G4-14	Description of how the precautionary principle is addressed	The precautionary principle is incorporated into Swedish legislation in Miljöbalken, the Swedish Environmental Code. In Denmark there are similar requirements in the Danish Environmental Protection Act. We consider the precautionary principle when purchasing goods and materials.	
G4-15	External regulations, standards or principles that the organisation follows or supports		50
G4-16	Memberships of associations	Swedish Petroleum and Biofuels Institute (SPBI), On the Road to Climate Neutral Freight Transportation (KNEG), Danish Oil Industry Association (EOF), Danish Central Stockholding Entity, Danish Industry (DI), Employer Association KFO	
Materiality			
G4-17	Business units included in the financial statements	All parts of the of the organisation are included in the sustainability report	
G4-18	Process for defining report content and delimitation of aspects		12-19
G4-19	List of essential aspects		16-17
G4-20	Delimitation of the essential aspects within the organisation.	All aspects are material to the organisation.	
G4-21	Delimitation of the essential aspects outside the organisation		16-17
G4-22	The effect of changes and restatements of information provided in previous reports	No significant changes	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	This year's materiality analysis has resulted in some redistribution of the aspects.	
Stakeholders			
G4-24	List of stakeholder groups engaged by the organisation		14
G4-25	Basis for identification and selection of stakeholders		14
G4-26	Approach to stakeholder engagement, including the process of sustainability reporting		13-14
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns		15

Indicator	Description	Comment	Page
Reporting			
G4-28	Reporting period	Financial year March 2016 – February 2017	
G4-29	Date of most recent previous report	May 2016	
G4-30	Reporting cycle	Annual	
G4-31	Contact person for questions regarding the report or its contents	Alexandra William-Olsson, Head of Communication or Annette Hansen, Head of SSHE and Sustainability	
G4-32	GRI index		56-57
G4-33	Policies regarding external assurance for the report		53
G4-34	Governance structure		13,46,54
G4-56	Values, principles and codes of conduct		38-41,50-52
Economy			
G4-DMA	Economic management		48-49
G4-EC1	Direct economic value generated and distributed		49
Environment			
G4-DMA	Environmental management		6,12-19,26-29
G4-EN5	Energy intensity		4,9,28-29,52,55
G4-EN6	Reduction of energy consumption		26-29
G4-EN7	Reductions in energy per sold product		4,28-29,55
G4-EN18	Greenhouse gas (GHG) emissions intensity		4,9,28-29,52,55
G4-EN22	Total water discharge	To be included in our sustainability reporting 2017/18	26
G4-EN24	Significant spills		28-29
G4-EN29	Value of significant fines and non-monetary sanctions with environmental laws and regulations	None	
G4-EN31	Environmental protection expenditure and investments		49
G4-EN32	Screening of suppliers		20-23,27-28
G4-EN34	Grievances about environmental impacts	None	
Labour rights			
G4-DMA	Management of labour practices		38-39,41
G4-LA1	Workforce and employee turnover	We do not report employee turnover.	36
G4-LA2	Benefits		38-39
G4-LA5	Health and safety committees		42
G4-LA6	Injuries, sick leave, lost work days, absence and work-related fatalities	We do not report by gender.	43
G4-LA9	Hours of training per year per employee	We do not report by gender.	40
G4-LA11	Performance and career development reviews	All employees participate in yearly employee conversations with goals and career development reviews	
Human rights			
G4-DMA	Management of human rights		12-19, 22-23, 38-39,41
G4-HR3	Incidents of discrimination	None	
G4-HR4	Suppliers rights to exercise freedom of association and collective bargaining		22-23
G4-HR12	Grievances about human rights	None	
Society			
G4-DMA	Management of society		12-19,34-35
G4-SO3	Percentage of operations assessed for risks related to corruption		22-23,52
G4-SO4	Communication and training on anti-corruption		41,52
G4-SO5	Confirmed incidents of corruption	None	
G4-SO8	Significant fines non-monetary sanctions for non-compliance with laws and regulations	None	
Product responsibility			
G4-DMA	Management of product responsibility		12-19,31
G4-PR2	Incidents of non-compliance with laws and codes concerning health and safety	None	
G4-PR7	Incidents of non-compliance with laws and codes concerning marketing communication	None	

OKQ8 Scandinavia

Together, OKQ8 Sweden and Q8 Denmark make up one of Scandinavia's largest oil companies. We are an engaged and customer oriented organisation with around 3,780 employees in Denmark and Sweden. Our values are Open and Honest, Customer focus, Competence, Quick and Flexible, and these values characterise our day-to-day work. Our employees all have something unique to offer, and through our values we can grow and develop.

We have approximately 1,000 stations in Scandinavia, from which we supply products and services to people in motion. We offer fuels, a high level of service, accessibility and a large selection of vehicle related products, as well as fresh food and 100 % Fairtrade coffee. We are actively working to drive forward the development of more climate- and environmentally friendly fuels and products. Read more about us at www.okq8.se and www.q8.dk

