UN GLOBAL COMPACT

SUSTAINABILITY REPORT 2021

COMMUNICATION ON PROGRESS

BIM

Statement from CEO

To our stakeholders:

I am pleased to confirm that BIM Kemi reaffirms its support of the Ten Principles of the United Nations Global Compact, involving the areas of Human Rights, Labour, Environment, and Anti-Corruption, where we have been a member since 2018.

This sustainability report covers a Communication on Progress for the year 2021, according to UN Global Compact. The report describes our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

This year we have decided to strengthen our communication to stakeholders by adapting to the standard of Global Reporting Initiative (GRI). Thus, for the first time we provide a GRI referenced sustainability report, with extended reporting items, descriptions, and statistics. We have also developed our sustainability organisation and formed a steering group covering the three pillars of sustainability; environmental, social, and economic perspective. Other focus areas during the year have been to improve our climate accounts and to define prioritised sustainability indicators for our products, part of the Green Product Profile concept.

We are proud of our achievements, but also humble in the face of the task, which is challenging in so many ways. Through transparency and dialogue, we hope to continue to develop our business in the best possible way.

Sincerely yours,

Anders Rietz
CEO

Content

The reporting period for this sustainability report is full year 2021.
This is the first GRI referenced report from BIM Kemi.

Company profile

Organizational Profile

OWNERSHIP AND LEGAL FORM

BIM Kemi is a Swedish, privately-owned entrepreneurial chemical company supplying the pulp- and paper industry. It is 100% owned by the Wållberg family and has been so since it was founded in 1973.

We provides services and concepts all over the world through a global network of experts, production units and R&D facilities, employing 220 employees.

The BIM Kemi Group consists of the parent company BIM Kemi AB, organised under the laws of Sweden, and 11 operating companies located in Sweden, Norway, Finland, United Kingdom, Germany, Poland, Benelux, Czech Republic, Portugal, Spain, France, South Africa. There are 5 production units located in Sweden, Norway, Finland, United Kingdom, and South Africa. The headquarter is in Gothenburg, Sweden. The local operating companies are organised under local national legislations and fully owned subsidiaries to BIM Kemi AB.

PRODUCTS, SERVICES, AND MARKET

With our Green Chemistry and a customer-focused research and product development, we develop innovative, long-term sustainable products with high quality and minimal impact on people and the environment. Our specialty chemical concepts are designed to improve customer products and processes in a cost-effective and sustainable way, by e.g., streamlining and maximising their energy, water, and fibre efficiency.

Global strength, local presence. We work globally, meaning that we can provide teamwork, services, and concepts all over the world, and have customers and local representation in most pulp and papermaking countries. Secondary market industries include construction, paint & coatings, and other industries.

We have a single brand, BIM, which represents the entire company's operations, our positioning, values, and vision forward as well as our products and services.

SUPPLY CHAIN

At BIM Kemi we strongly believe that an effective supply chain management is the key to ensure sustainability of our operations and customer satisfaction. We need to consider the environmental and human impact throughout the whole supply chain, from raw materials sourcing to production, storage, delivery, and every transportation link in between.
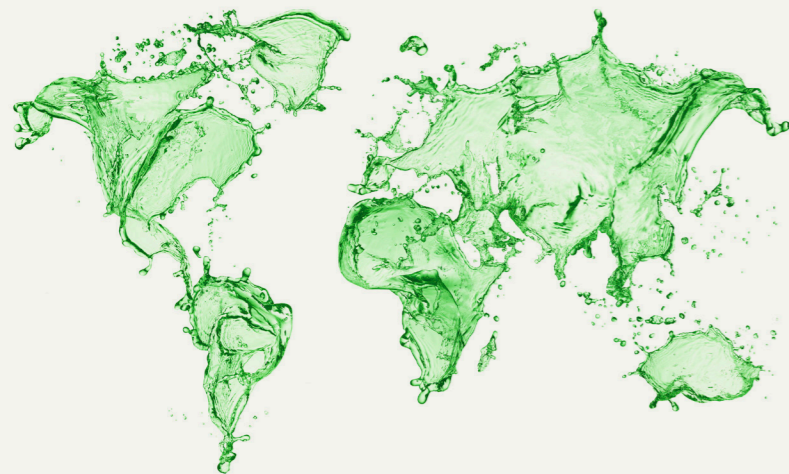
BIM Kemi has a Group Supply Chain Team consisting of representatives from our production sites and the supply chain – Purchase, Quality, Environment, Production, and Logistics. The Supply Chain Team cooperates and benchmark between the production sites to ensure that we always work according to best practice in our internal processes. The team operates as a steering group for the Logistic, Purchasing and Quality teams and takes full responsibility for all activities in the chain.

A key aspect in ensuring the sustainability of our products and business is to carefully choose our suppliers and raw materials. We believe that a strong supplier relationship man-

With our Green Chemistry and a customer-focused research and product development, we develop innovative, long-term sustainable products with high quality and minimal impact on people and the environment.

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agement and well-defined risk and compliance assessment of our suppliers are essential for sustainable sourcing.

We expect our business partners to follow our Supplier Code of Conduct. BIM Kemi's Code of Conduct for Suppliers sets requirements for suppliers and is inspired by the UN Global Compact, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

In 2021, there were several factors that affected and posed major challenges for our supply chain:

■ Brexit: When Brexit came into force, we had to restructure our handling and supply chain of direct deliveries from the UK to customers in Europe. New partners for customers clear-ance and fiscal representation were entered. We experienced extra internal administration and cost increases for customs clearance and transportation.

■ Shortage of raw materials in Europe which meant limited availability and substantial cost increases of raw materials. To manage the situation we took action to allocate raw materials between our sites, build extra safety stocks, look for alternative raw materials and suppliers.

■ Global logistics problems with freight cost increases and delays for overseas shipments increased the need for extra close dialogue with our customers, orders with longer lead times, and sharper forecasts.

Thanks to our cross-functional Supply Chain Team, we handled the challenges regarding Brexit, raw materials and transport in a good way and ensured deliveries to our customers to the greatest extent possible.

Sustainability Approach

Based on our knowledge about the development of sustainable solutions, we are committed to always trying to do more with less. Thus, we will use our expertise and imagination to be more innovative and use the world's limited resources efficiently. We will therefore continuously make real changes in the way we work, and it will involve all our employees.

BIM Kemi has based the sustainability strat-egy on the UN Global Compact Principles and UN Sustainable Development Agenda. Hence, sustainable development for BIM Kemi is defined as the "development that satisfies the needs of the present without compromising the ability of future generations to satisfy theirs".

We are specifically focusing on four of the UN SDGs that are most important to us and our stakeholders: Good health and wellbeing, Decent work and economic growth, Responsible consumption and production, Partnerships for the goals. We incorporate our climate work in the goal for Responsible consumption and production.

A responsible everyday life is important for us, and it implies developing human resources and focusing on systematic health and safety work, e.g., establishing personal plans for development, reducing accidents and incidents, and substituting hazardous and other undesired chemical substances with less harmful ones. Third party management systems for environment and quality will support our work with continuous improvement.

Resource efficiency is another important guideline in our way of working, which means that, based on a life cycle perspective, we are looking to increase the proportion of renewable resources in our products and to understand the end-of-life scenarios of our products, e.g., regarding the biodegradability and compostability of our surface products when they become part of larger concepts at the customer. We also want to take better care of our energy and waste resources.

Collaboration in the value chain is also very important for a sustainable development. As we operate in a larger context, we need to focus on partnership to increase value in the supply chain, e.g., by common interest in new innovations and alternative ways of doing things,
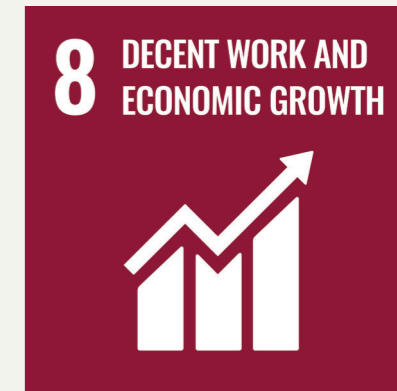
improving information flow of regulatory and product safety aspects, and increase awareness of ethical and social standards in different parts of the world.

GREEN CHEMISTRY

The focus forward is captured by our Green Chemistry concept. It is about having a life cycle perspective and sustainability focus in everything we do, from sourcing of raw materials through the product development process, manufacturing in our production sites, application at our customers, and the circularity of our products. The most important indicators of Green chemistry are identified and include:

- Increase share of non-fossil raw materials

- Reduce hazardous or other undesirable substances in our products and improve safety management

- Increase share of renewable fuel and electricity and decrease energy use in our operations

- Develop sustainable product solutions that strengthen customer value and societal eco benefits

- Incorporate our operations and products in a circular economy

This first GRI referenced sustainability report will transparently provide disclosures and targets for the coming years. The structured sustainability focus will facilitate communication with stakeholders, but also progress of internal processes such as sourcing and product development.
    The precautionary principle as defined in Principle 15 of the Rio Declaration is part of this concept, implemented in our guidelines when developing new products.
    Please see specific sections for Products and materials, Energy, and Climate accounts in this report for more information on the specific actions.

AFFIRMATIONS, ENDORSEMENTS, AND MEMBERSHIPS
We maintain a high quality in our sustainability work, and we have a continuous improvement process in place, which is strengthen by the following affirmations and endorsements:

- Certificates according to ISO 9001 and

During 2021 BIM Kemi was awarded a top 5% Gold rating for Sustainability by EcoVadis.

14001, environmental and quality management systems, based on yearly external audits.

- Sustainability rating by the independent assessment agency EcoVadis. They assess companies globally and across several business sectors. The EcoVadis rating reflects the quality of the company's sustainability management system regarding policies, actions, and results. The last years, we have made the assessment for BIM Kemi Group and achieved gold rating.

- Membership of the UN Global Compact. We are dedicated to the ten sustainability principles, and we report our progress annually. This means that we operate in ways that meet fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.

- Members of The International Council of Chemical Associations and Responsible Care Global Charter. Responsible Care is the global chemical industry's unifying commitment to

the safe management of chemicals throughout their life cycle, while promoting their role in improving quality of life and contributing to sustainable development.

We are also part of several international and national business networks and associations, such as :

- European Pulp and Paper Chemicals Group (EPCG). EPCG represents the European Paper Chemicals Manufacturing Industry.

- Standard Solutions Group (SSG). SSG is working to make Swedish industry safer, more productive, and more sustainable by developing standards of various kinds in the form of services, standards, and courses.

- Normpack/RISE Research Institute of Sweden, Members of Normpack receive advice and education regarding rules and regulations for food contact materials.

- Innovation and Chemical Industries (IKEM). The industry and employers' organisation in Sweden, for companies working with chemistry in a broad sense, both as manufacturers, distributors, and users.

- CSR Västsverige (Western Sweden). A network for sustainable business development.

BIM Kemi is committed to conducting business in a sustainable and responsible manner – in the interest of the company, its staff, and the public.

Ethics and Integrity

BIM Kemi is committed to conducting business in a sustainable and responsible manner – in the interest of the company, its staff, and the public. As a medium-sized family-owned company, we are a part of society in all the regions in which we operate. Adherence to applicable law and regulations of the respective countries is the basis for cooperation.
    Furthermore, we respect the cultural, social, political, and legal diversity of societies and nations. Our operating values and corporate philosophy are laid down in "BIM Spirit" and

"BIM's Code of Conduct". They represent a commitment for all employees with respect to their own conduct within the company and their dealings with the outside. Our Code of Conduct was updated and approved by the Board of Directors in 2018, followed by communication and training for all employees. The effectiveness of this policy and its implementation are reviewed by our Group Management on a yearly basis.

Operating with integrity extends to preventing corruption and anticompetitive behaviour. All our operating units and employee roles undergo risk analysis related to corruption. We have identified three groups of employees that are extra vulnerable to anti-corruption: Purchase, Sales & Marketing, and Finance. Every three years adapted workshops regarding anti-corruption are held for these groups.

At BIM Kemi, we expect all our employees (including but not limited to its Board of Directors, permanent and non-permanent employees, volunteers, and representatives) to make systematic, targeted efforts to conduct their work in full compliance with our code of conduct, applicable domestic and international laws, and conventions, as well as other relevant BIM policies and directives, such as the Sustainability, Anti-corruption, and Occu-

pational Health & Safety Policy.

Our employees, partners, and other stakeholders are encouraged to report actual, potential, or suspected violations of the BIM Code of Conduct. Reports can be either in line with our regular channels of reporting and communication or the BIM Report mechanism.

Governance

BIM Kemi is governed by a six-member Board of Directors, whereof 3 members are outside directors. The Board sets our strategic direction based on the owners' vision, approves our long-term strategy, and takes appropriate action to ensure that we have the resources we need to achieve our strategic aspirations.

Our Group Management Team is responsible for implementing our strategy and growing our business and each local company is represented including HR.

We measure progress through a set of sustainability key performance indicators (KPIs) and associated targets, involving aspects of e.g., human resources, quality, health and safety, supply chain, finance, environment, and product development. The group-level key performance indicators (KPI) and targets are followed-up by the Group Management continuously.

The Coordinator of Sustainability is responsible for ensuring that relevant management processes relating to material corporate sustainability topics are being developed and implemented as part of our strategy and integrated management system. The Corporate Sustainability Steering group has members representing each sustainability area. It acts as a collaboration forum to ensure the implementation and follow-up of sustainability as part of daily business operations.

Stakeholder Engagement

Our most important stakeholders and their key needs are:

STAKEHOLDER	NEED
External customer	Right quality on time Product safety
Raw material supplier	Requirement specification and forecasts
Internal customers	Right quality on time
Employees	Clear responsibilities, routines, communication. Competence development Good work environment.
Authorities	Compliance with legal requirements and conditions Clear communication
Owners	*Owners* *Results and target fulfilment* *Culture*
Competitors	*Code of Conduct*
Transport companies	*Requirement specification and planning*
Financial – bank, insurance companies, investors	*Risk handling* *Economic stability*
Other organisations within Pulp & Paper industry	*Knowledge sharing*
Third party auditors	*Fulfilment of regulations and standards*

Source: BIM Kemi Business plan 2020 - 2022
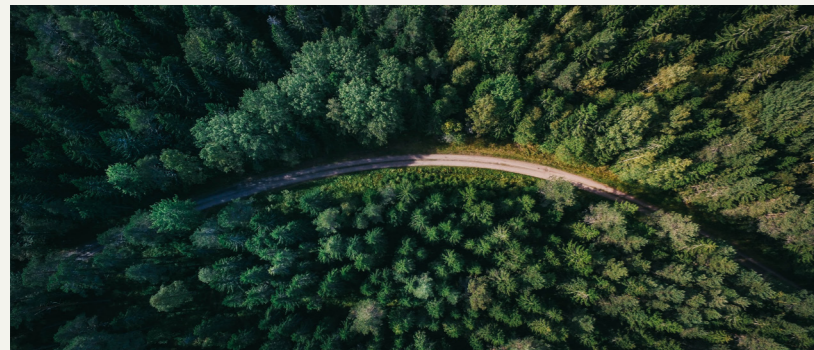
Our success is dependent on being relevant to our stakeholders. It is of great importance to receive feedback from different perspectives, which supports our ability to focus on the topics that are most important.

The stakeholders are chosen out of their importance on our business – if they affect our business or if they are affected. We have different ways to engage our stakeholders; for customers and employees, there is surveys sent out on regularly basis. The result from these surveys will be a platform for continuous improvement. For suppliers there is a yearly supplier score card to be updated and where we have a dialogue about improvement areas. For authorities, owners, financial and third-party auditors, there are regular reporting and audits.

Our success is dependent on being relevant to our stakeholders. It is of great importance to receive feedback from different perspectives, which supports our ability to focus on the topics that are most important. During winter 2021/22 a Materiality analysis survey was conducted to obtain a relevant and sufficient scope for improving our sustainability work. Twenty topics from the GRI standard, chosen by our management, were sent out to selected

stakeholders, who were supposed to prioritize the top ten topics. The result is to be seen in below graph.

Reporting Practice

The process to define the material topics for this report has been made in several steps. There is a Sustainable Steering Group established which has been responsible for the whole process. First there has been an internal work to choose which GRI disclosures that are relevant for our strategy and sustainability work, including the reporting to EcoVadis and UN Global Compact. The gross list of topics has been prioritized by the internal stakeholders and the result is what´s included in this report. As a last step there has been a survey to our external stakeholders, who should prioritize the 10 most important topics for BIM Kemi. The result is to be seen in the chapter Stakeholder engagement and will be considered in our strategic work.

The total list of material topics is presented below together with topic boundaries:

GRI TOPIC DESCRIPTION	GRI DISCLOSURE	ASPECTS	WHY THE TOPIC IS MATERIAL	PART OF VALUE CHAIN
Economic	201-1	Direct economic value generated and distributed	Owners' demand and expectation	Resources
Economic	201-4	Financial assistance received from government	Owners' demand and expectation	Resources
Economic	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	BIM Kemi Code of Conduct	Resources
Economic	205-2	Communication and training about anti-corruption policies and procedures	BIM Kemi Code of Conduct	Resources
Economic	205-3	Confirmed incidents of corruption and actions taken	BIM Kemi Code of Conduct	Resources
Environmental	301-1	Materials used by weight or volume, non-renewable and renewable.	High importance among our external stakeholders	Resources
Environmental	302-1	Energy consumption within the organization	Energy is one of BIM Kemi´s important environmental aspects	Manufacturing
Environmental	302-3	Energy intensity	Energy is one of BIM Kemi´s important environmental aspects	Manufacturing
Environmental	BIM (302-5)	Improved sustainability product profile	High importance among our external stakeholders	Customer
Environmental	303-4	Water discharge	Water consumption is one of BIM Kemi´s important environmental aspects	Manufacturing

ENVIRONMENTAL - Climate impact/ GHG emissions
ENVIRONMENTAL - Renewable and non renewable materials
ENVIRONMENTAL - Sustainable product profiles
ENVIRONMENTAL - Compliance with environmental laws and regulations
SOCIAL - Human rights compliance
ENVIRONMENTAL - Supplier environmental impact
SOCIAL - Occupational health and safety
ECONOMIC - Direct economic value generated and distributed
SOCIAL - Supplier Code of Conduct compliance
SOCIAL - Product responsibility
ENVIRONMENTAL - Energy measures
SOCIAL - Diversity and equal opportunity
SOCIAL - Customer Health and Safety
SOCIAL - Business ethics compliance & training
ENVIRONMENTAL - Waste measures
ECONOMIC - Distribution of employee wages and benefits
ENVIRONMENTAL - Water measures
SOCIAL - Training and education of employees
SOCIAL - Employment/employee turnover and parental leave
ECONOMIC - Research grants and tax relief for R&D

Graph: Materiality Analysis, BIM Kemi stakeholders

GRI TOPIC DESCRIPTION	GRI DISCLOSURE	ASPECTS	WHY THE TOPIC IS MATERIAL	PART OF VALUE CHAIN
Environmental	303-5	Water consumption	Water consumption is one of BIM Kemi´s important environmental aspects	Manufacturing
Environmental	305-1	Direct (Scope 1) GHG emissions (combustion on site)	GHG emissions are the most important topic according to materiality analysis	Manufacturing
Environmental	305-2	Energy indirect (Scope 2) GHG emissions (electricity)	GHG emissions are the most important topic according to materiality analysis	Manufacturing
Environmental	305-4	GHG emissions intensity	GHG emissions are the most important topic according to materiality analysis	Manufacturing
Environmental	306-3	Waste generated	Waste is one of BIM Kemi´s important environmental aspects	Manufacturing
Environmental	307-1	Non-compliance with environmental laws and regulations	Basic requirement - for our business	Manufacturing
Environmental	308-1	New suppliers that were screened using environmental criteria	BIM Kemi Supplier Code of Conduct	Resources
Environmental	308-2	Negative environmental impacts in the supply chain and actions taken	BIM Kemi Supplier Code of Conduct	Resources
Human rights	401-1	New employee hires and employee turnover	Competence is a core value at BIM Kemi	Manufacturing

GRI TOPIC DESCRIPTION	GRI DISCLOSURE	ASPECTS	WHY THE TOPIC IS MATERIAL	PART OF VALUE CHAIN
Human rights	401-3	Parental leave	Competence is a core value at BIM Kemi	Manufacturing
Labor Practices and Decent Work	403-1-9	Occupational health and safety	Our emloyees health is of most importance	Manufacturing
Labor Practices and Decent Work	404-1-3	Training and education	Competence is a core value at BIM Kemi	Manufacturing
Human rights	405-1-2	Diversity and equal opportunity	BIM Kemi Code of Conduct	Manufacturing
Human rights	406-1	Non-discrimination	BIM Kemi Code of Conduct	Manufacturing
Human rights	408-1	Child labour	BIM Kemi Code of Conduct	Resources
Human rights	414-1	Supplier social assessment	BIM Kemi Code of Conduct	Resources
Product Responsibility	416-1	Customer Health and Safety	Impacts of our products can be both positive and negative Incidents of non-compliance of our products and services can be severe	Customer
Product Responsibility	417-1	Marketing and labeling	Requirement of product labeling Incidents of non-compliance concerning product and service can be severe	Customer

GRI 102-47 List of material topics, GRI 103-1 Explanation of the material topic and its boundary

The reporting period for this sustainability report is full year 2021. In some disclosures there are comparing values from earlier year, but this is clearly described. This is the first GRI referenced report from BIM Kemi, therefore GRI 102-48, 49 and -51, which referrers to earlier reports, are not valid. The reporting cycle from now will be annual. Contact point regarding this report is info@bimkemi.com.

Business

All our business decisions and steps are founded in a strong commitment to ensure we remain a long-term, value based, and innovative family-owned company.

Our focus is on the future, both for us as a company and our customers. We are aware that the decisions we make and the way we conduct business have an impact on our employees, customers, suppliers, communities, and our future.

Based on our materiality analysis, three of the ten most important areas of information to stakeholders are present in this section, Product responsibility, Supplier Code of Conduct compliance, and Direct economic value generated.

Economic Performance

MANAGEMENT APPROACH

We generate economic value from innovative, green speciality chemistry to provide sustainable solutions and expertise to our customers, enabling them to develop sustainable products and processes with high quality and a positive overall contribution to society.

We distribute the generated economic value to various stakeholders, which helps our customers to operate more efficiently and sustainably. This includes suppliers and service providers through payments for raw materials and services. Our employees are beneficiaries through compensation, benefits, and training. Our capital investors benefit from dividend and interest payment and the official public sector through taxes.
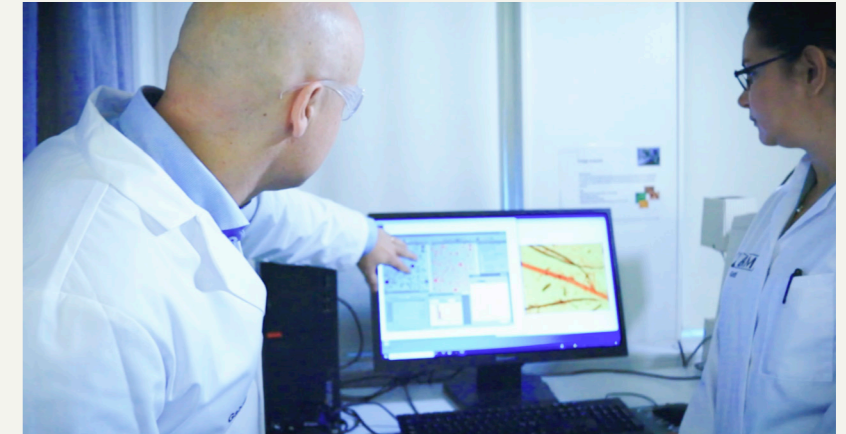
In the BIM group, we support our local communities by sponsoring associations, individuals and activities which promote social commitment, healthy living, and improved environment.

The economic value retained is reinvested in the company for capital investments and R&D to develop new sustainable products to our customers.

All our business decisions and steps are founded in a strong commitment to ensure we remain a long-term, value based, and innovative family-owned company.

DISCLOSURES
201-1 Direct economic value generated and distributed

STAKEHOLDER	FINANCIAL VALUE	2021 (MSEK)	2020 (MSEK)	2019 (MSEK)
Direct economic value generated (revenues)				
Customers	*Income from customers*	*684*	*686*	*662*
Direct economic value distributed				
Employees	*Employee wages and benefits*	*156*	*151*	*147*
Suppliers	*Supplier payments for raw materials and services*	*501*	*471*	*477*
Shareholders & banks	*Dividends, interest payments*	*7*	*9*	*8*
Government	*Corporate income taxes*	*4*	*7*	*4*
Economic value retained		*16*	*48*	*26*

The numbers are based on BIM Kemi's annual and operational report.

201-4 Financial assistance received from government
Due to the high amount of R&D-work, BIM Kemi also receives government support through reduced social taxes for persons involved in product and process development.

Sourcing

MANAGEMENT APPROACH
We believe that an effective supplier relationship management is a key aspect in ensuring the sustainability of our business. Our Purchase Team is responsible for the sourcing of raw materials to our four production sites situated in Sweden, Finland, Norway, and the UK. The purchase organisation is part of our Supply Chain Team and consists of the local purchase managers/responsible persons from the different sites and the Group Purchasing Manager. The Purchase Team operates according to a purchasing process in accordance with our local ISO 9001 certified quality management systems.

Based on our materiality analysis, three of the ten most important areas of information to stakeholders are present in this section, Human rights compliance, Supplier Environmental impact, and Supplier Code of Conduct compliance.

Our suppliers are selected and yearly evaluated based on our Supplier score card. BIM Kemi Supplier score card covers important areas such as Supply security, Business stability, Cost competitiveness, Sustainability performance, Environment and Quality aspects, Labor and Human Rights, Ethics, Innovation and Service. Based on the result from the Supplier score card, the supplier is given feedback to be able to improve weak areas identified, or maintain and develop strong areas identified. If no sufficient improvement could be made suppliers with a result below a certain rate are not chosen or a phase out plan is created for the supplier. A challenge is that there is not always existing alternatives to the current raw materials. This is a difficulty and a risk that has been identified and risk analysis and action plans are created.

During 2021 there has been a shortage of raw material in Europe which in combination with the logistic problems in the world have resulted in further challenges.

Environmental criteria are important for us, and as mentioned above, a part in the Supplier score card. For us, it is important that our suppliers work according to a environmental management system (ISO 14001), and a quality management system (ISO 9001), and that they have a procedure for corrective action in place. In general our suppliers have a good environmental standard. D

uring 2021 we initiated a closer cooperation regarding environmental questions with two of our main suppliers regarding climate data and carbon footprint improvement plans. The intention is to share information and learn from each other with the purpose to further develop. This work will continue and be further concretized during 2022.

To continue to secure a good environmental standard from our suppliers and to secure that we continue to improve and develop, BIM Kemi has during 2021 identified further improvement areas. Improved communication regarding green chemistry and increased focus on renewable raw materials are two of them. Further new more concretized targets and new KPIs will be implemented and a method to measure the environmental impacts in the supply chain will be developed during 2022.

To become a supplier to BIM Kemi the supplier needs to commit to BIM Kemi's Supplier Code of Conduct, or – if applicable and mutually agreed - an equivalent standard with the same level of protection. The suppliers are expected to work towards ensuring that their business partners and sub-contractors also recognize and adhere to these principles. The Code of Conduct aims to enhance transparency

Our suppliers are selected and yearly evaluated based on our Supplier score card. BIM Kemi Supplier score card covers important areas such as Supply security, Business stability, Cost competitiveness, Sustainability performance, Environment and Quality aspects, Labor and Human Rights, Ethics, Innovation and Service.

and facilitate a level playing field when doing business with us.

BIM Kemi Group is committed to conducting business in a sustainable and responsible manner – in the interest of the company, its staff, and the public. Promoting proper business ethics, respect for internationally recognized human rights, decent working conditions and environmental practices in BIM Kemi is part of our strategy to act in a socially responsible manner. Adherence to applicable laws and regulations of the respective countries as well as applicable international laws is the basis for cooperation.

To make sure that our suppliers maintain high focus on this, it was during 2021 decided that the Supplier Code of Conduct commitment should be renewed every third year. T

he Code of Conduct can be found on our website. For 2022 a training in Code of Conduct/Anti-corruption is scheduled for our Purchase Team.

From 2022 supplier audits (production quality, supply security and CSR questions) for selected suppliers will be a part of the sourcing process.

DISCLOSURES

BIM Kemi's Code of Conduct for Suppliers sets requirements for suppliers and is inspired by the UN Global Compact, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals. BIM Kemi supplier Code-of-conduct covers the areas of:

- General Principles, such as Compliance with national and international laws and regulations

- Business Ethics, e.g., Anti-Corruption & Fraud, Transparency, and Information security

- Human rights, e.g., Non-discrimination Freedom of Association and Child labor

- Health and Safety

- Environment

PRODUCTION UNIT	TOTAL # OF SUPPLIERS*	# OF SUPPLIERS FULFILLING CODE OF CONDUCT	% OF SUPPLIERS FULFILLING CODE OF CONDUCT
Sweden	43	43	100
Finland	42	42	100
Norway	17	15	88
UK	39	38	97
Total	141	138	98

Suppliers from which BIM has purchased to a sum of over 5000 Euro during 2021

PRODUCTION UNIT	# NEW SUPPLIERS	PRODUCTION UNIT	# NEW SUPPLIERS SCREENED ACCORDING TO BIM SUPPLIER SCORE CARD	%
Sweden	1	Sweden	1	100
Finland	4	Finland	4	100
Norway	1	Norway	1	100
UK	6	UK	6	100
Total	12	Total	12	100

408-1 Operations and suppliers at significant risk for incidents of child labor
In 2021, we have not identified any operations or suppliers at risk for incidents of child labour.

308-1 New suppliers that were screened using environmental criteria
All new suppliers were screened using environmental criteria as part of BIM Kemi's screening according to the BIM Supplier Score Card

414-1 New suppliers that were screened using social criteria
All new suppliers were screened using social criteria as part of BIM Kemi's screening according to the BIM Supplier Score Card

308-2 Negative environmental impacts in the supply chain and actions taken
A method to measure this will be developed during 2022.

METHODOLOGY AND REFERENCES
BIM Kemi's Supplier Code of Conduct is based on BIM Kemi's Code of Conduct. The Supplier Code of Conduct can be found on our website.

Product Responsibility

MANAGEMENT APPROACH
At BIM Kemi, product responsibility involves marketing and labelling as well as customer health and safety aspects. Customers and end users need accessible and adequate information about the positive and negative environmental and social impacts of products and services.

Access to adequate information and support helps customers to make informed purchasing choices and to handle our products in a safe way. The Research and Development (R&D) department is responsible for the product´s function, quality, and safety. They provide information about function and quality, such as technical information and product specifications.

The Environmental & Regulatory Affairs (ERA) department is responsible for the compliance and safety assessments according to applicable chemical regulations, recommendations, and standards.

ERA also serve internal and external customers with sustainability, environmental and

■ Improve internal collaboration regarding the handling of chemicals by BIM Kemi employees and external parties. This involves for example improved advice in using protection utilities, handling emergencies and non-conformities.

■ Strengthen the communication to customers in terms of documentation, information, and training.

416-2 Customer Health and Safety, incidents of non-compliance

One incident of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services has been handled during 2021;

Voluntary code - Customer H&S; incident at customer due to insufficient instructions, no serious injury. Root cause is analysed, corrective and preventative measures taken.

417-1 Requirements for product and service information and labelling

BIM Kemi provides a REACH formatted SDS for all our products, even though it is not always required by law.

The SDS contains information for a safe handling of the product. The SDS can be used to perform risk assessments, to adapt to local contexts, and identify suitable measures for a safe handling. All products are labelled in accordance with REACH and CLP.

BIM Kemi can also generate technical product information, product specifications (quality parameters) and certificates of analysis for specific batches. In addition, other product safety, environmental and sustainability information are provided, when required.

Examples of common requests involve Kosher, food contact and ecolabel statements.

Additional information could also be absence of undesirable substances of different kind or climate impact.

A current internal BIM Kemi project is to outline a Green profile sheet that can be applied for some exclusive products. It is based on a life cycle perspective and will provide the customer with sustainability information based on a LCA perspective.

BIM Kemi has defined five aspects of sustainability that are in focus for our product development, see Materials and products for further information. The Green profile dimensions are based on a materiality analysis, in dialogue with customers and other stakeholders.

417-0 Incidents of non-compliance concerning product and service information and labelling, penalties for incidents

One incident of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling, has been handled during 2021;

Voluntary code - Service; insufficient update of product information to customer. Root cause is analysed, corrective and preventative measures taken.

Anti-Corruption

MANAGEMENT APPROACH

Anti-corruption was a major focus area at BIM Kemi in 2018 and we also wrote about the subject in our code of conduct. We then created a policy regarding anti-corruption, external training with all managers and a risk assessment, identifying the roles that are extra vulnerable to corruption at BIM.

External experts were engaged and involved, both for creating the policy and performing the workshops and risk assessment. We also

A current internal BIM Kemi project is to outline a Green profile sheet that can be applied for some exclusive products. It is based on a life cycle perspective and will provide the customer with sustainability information based on a LCA perspective.

BIM Kemi has made an overall assessment of health and safety impacts for all products and services, based on internal non-conformities and benchmark.

product safety knowledge, and information, such as SDSs, statements, and certificates. The product information is based on information from raw material suppliers, laboratory analyses and/ or internal assessments and evaluations.

The Supply Chain Team manages the manufacturing, storage, distribution, and supply of the products and ensures that all relevant product safety information is included in the delivery.

Finally, the Sales department is responsible to monitor, communicate, and follow-up on customer requirements according to business agreements. Our Sales department is also responsible to ensure that the customer has all information needed for a safe use of a product or service, as well as instructions in how to

apply the product in an optimal way.

The market segment and communication teams are responsible for other marketing material.

DISCLOSURES

416-1 Customer Health and Safety, assessments of health impacts of our products

BIM Kemi has made an overall assessment of health and safety impacts for all products and services, based on internal non-conformities and benchmark. The following improvement areas are identified for the coming year:

■ Create a product responsibility policy for the BIM Kemi Group, to define important aspects in our way of working, our ambitions and focus forward.

We take the privacy of our customers seriously and are committed to complying with data privacy protection laws in the countries where we do business and the EU General Data Protection Regulation (GDPR).

identified three groups of employees that are extra vulnerable to anti-corruption: Purchase, Sales & Marketing, and Finance. Managers of those departments have also been responsible for holding adapted workshops regarding anti-corruption.

In the following years we have kept the topic in focus and decided to have workshops with the vulnerable groups every third year. Due to Covid that has been postponed to 2022.

During 2021 we updated several of the group policies, including anti-corruption and went through them in the Group Management. When launching the new intranet during 2021 we also informed all employees were to find the policies and made them easy to access on the intranet.

DISCLOSURES
205-2 Number and percentage of suppliers/ partners received communication of the anti-corruption policy.

PRODUCTION UNIT	NUMBER OF SUPPLIERS	% OF SUPPLIERS
Sweden	43	100
Finland	42	100
Norway	15	88
UK	38	97
Total	138	98

Suppliers from which BIM has purchased to a sum of over 5 000 Euro during 2021

205-3 Confirmed incidents of corruption
During 2021 we have had no confirmed incidents of corruption in the BIM Group.

Customer Privacy

MANAGEMENT APPROACH
We take the privacy of our customers seriously and are committed to complying with data privacy protection laws in the countries where we do business and the EU General Data Protection Regulation (GDPR). Our Privacy policy state how we process and ensure protection of personal and customer data. The Privacy policy is available on our Intranet and external Website.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
BIM Kemi has not identified any breaches or received any complaints of customer privacy breaches in 2021.

Environment

Environmental aspects of our operations are managed locally in accordance with our ISO 14001 certified management systems. Coordination on BIM Kemi Group level is managed by the group functions related to Environmental and Regulatory Affairs, Supply Chain and Purchase, as well as Research & Development. In this report supplier related environmental information and disclosures are presented in the section Business.

Based on our materiality analysis, four of the ten most important areas of information to stakeholders are present in this section, Sustainable product profiles, Renewable and non-renewable raw materials, Climate impact, and Compliance with environmental laws and regulations.

Materials and Products

MANAGEMENT APPROACH

To increase the sustainability profile of our product portfolio, a pilot project has been running during 2020 and 2021. The project goal has been to define significant sustainability parameters from a life cycle perspective for a selected group of our products. The result will be summarized in Green profile product fact sheets.

The information will be used in communication with customers and as a baseline for sustainability improvements in the research and development process. During 2022 the methodology will be further extended to several other products in our product portfolio. The study is based on a materiality analysis, in dialogue with customers and other stakeholders. The five life cycle elements of our sustainability focus or Green chemistry concept are:

- Product origin – Strive for non-fossil sources, alternatively raw materials that are reused / recycled from other business activities

- Risk profile – Strive to reduce hazardous substances in our products and increase safety during handling

- Energy use in production – Strive for 100% renewable fuel and electricity at our production facilities and to decrease energy use

- The products' contribution to sustainable development when used by customers and in a broader societal perspective – Strive for sustainable solutions that increase customer value and societal eco benefits

- Environmental impact after use – Strive for the products to be reusable or recyclable

During 2021 we continued our work to increase the proportion of renewable components in our product portfolio. This work has been focused on a few selected areas where we have a true market drive and specific customer demands. One of these areas are sustainable packaging barriers for food contact applications. The process to increase sustainability is managed through our set product development process, where renewable alternative always is part of the early feasibility study of a new project. Still

To increase the sustainability profile of our product portfolio, a pilot project has been running during 2020 and 2021. The project goal has been to define significant sustainability parameters from a life cycle perspective for a selected group of our products.

the cost and product safety aspects are challenging since innovative renewable sources often lack both a competitive price and necessary safety assessment documentation.

We continuously work to improve the risk profile of our products, based on the product selection principle in our guidelines. The base line is requirements in Chemical legislations and far-reaching market demands, see section about Customer Health & Safety and Product responsibility for further information.

Regarding aspects and improvement plans for the energy use and climate impact from our production, please see section about Climate accountings for further information.

Our concepts contribute not only to functionality and quality improvements of the end products but have also an impact in other areas of interest to our customer, e.g., water and energy savings, more efficient use of the fiber starting material, less emissions to wastewater. Recently BIM Kemi has developed sustainable

concepts for the packaging industry to meet the customer need to replace plastics and fluorocarbons (PFAS) used as barriers in food containers.

An important part of our development of new concepts is focused on new software development e.g., evaluation tools to measure performance and to secure customer value and needs. A growing demand is put on packaging producers, to fulfill sustainability requirements and prove the green credentials of their products. One of them is the material being compostable.

In 2021, a new in-house laboratory scale compostability test was developed – BIM Compostability Assessment. The test is based on existing standards and will provide our customers with an assessment of the likelihood of the paper products being compostable in an industrial setting before committing to the full cost of a test at a certified laboratory. This is now an ongoing service provided our customers.

GOALS FOR THE COMING YEAR:

■ New products

In 2022, the new methodology for sustainable development of our products and concepts, described in the section Management approach, will be applied. Results will be documented to improve follow-up, measurements, and reporting.

■ Product customizations

An improvement in any of the five perspectives will be considered as a sustainability improvement and an overall increase of the sustainability profile of the product. The goal for 2022 is to develop ten products with an increased sustainability profile.

■ Renewable raw materials

To further develop new sustainable concepts based on renewable raw materials, research and collaboration is needed. We are taking part in several joint research projects with external partners involved and our goals are aligned with these:

■ To reduce the use of single-use-plastics, project R3PACK within EU program Horizon

■ To improve LCA methodology and develop biobased surfactants, project Calimero within EU program Horizon

■ To develop sustainable surfactants for the pulp and paper industry, step 2 application for Vinnova Bioinnovation project

DISCLOSURES
301-1 Renewable and non-renewable materials used

In the table below, a summary of renewable and non-renewable materials, used to produce the organization's primary products, has been compiled.

	TONS	SHARE (%)
Renewable (bio-based)	1 662	11
Non-renewable (mineral/ inorganic)	5 545	39
Non-renewable (synthetic/ fossil-based)	7 253	50

Sustainable products (BIM Disclosure)

In 2021, the goal to improve and/or develop ten formulations with an improved substantial profile was met – one product with a risk reduction substance was replaced, three products with improved product safety profile were launched and five new products with full food contact compliant status were secured. During the year a new sustainable product concept, BIM Oil-guard was introduced to the market. It has the characteristics to replace barriers of plastics and fluorocarbon-based materials.

METHODOLOGY AND REFERENCES

The data in table 301:1 is based on the sales of BIM Kemi's top 50 products in 2021. Materials from all 4 production sites are included in the calculation. The raw materials are treated as commodities, i.e., % wet material. All components in the products are included in the calculation except water used as dilution or for formulation purposes.

Energy

One important goal is to increase energy produced from renewable sources. Within our Supply Chain Team, we are working with different actions to increase our share of renewable sources of energy.

MANAGEMENT APPROACH

We have an integrated quality and environmental management system, certified according to ISO 9001 and 14001, that provides policies and procedures to achieve our environmental goals. Continuous work with energy optimization is a part of our daily work.

One important goal is to increase energy produced from renewable sources. Within our Supply Chain Team, we are working with different actions to increase our share of renewable sources of energy.

Investigations are ongoing regarding how energy consumption could be decreased, but there are no targets set in this area. When we are investing in new equipment, energy consumption is an important criterion.

During this year, main part of the diesel usage at the Swedish site will be replaced by wood pellets. This will be done by investing in a new steam boiler, which will replace/ complement the present boiler which is today using diesel as fuel. The old boiler will still be operational, to level out peaks in steam usage, but will only run at these occasions. The main source of steam will be from the new boiler. This project will be evaluated, and if successful, it can be implemented in other sites replacing diesel or gas.

There are also other initiatives, aiming to reduce the energy consumption. Trials are conducted to define whether heating and cooling could be optimized without compromising product quality. Circulating pumps has been fitted with frequency converters, LED lighs has been installed in several areas, sensors for lights has been installed in offices and meeting rooms etc.

DISCLOSURES

302-1 Energy consumption

Energy is predominantly used for production and at our four European sites there are different energy sources used depending on what is available and practically possible.

	RENEWABLE (MWH)	NON-RENEWABLE (MWH)	SHARE (%)
Diesel	-	5327	44
Gas	-	2210	18
Electricity*	3783	-	31
District heating*	244	568	7
Share (%)	33	67	

According to information from our suppliers, this is the share of electricity and district heating coming from renewable/non-renewable energy sources. No Guarantee of origin statement is provided at this date, target to collect these is set for next year, see section about Climate accounts.

302-3 Energy intensity

Total energy consumption (kWh)	12 132
Total production 2021 (tons)	53 688
Energy intensity (kWh/ton)	0,23

METHODOLOGY AND REFERENCES

In 2021, BIM Kemi had four production sites, all included in the reporting. No significant changes have been made in the company structure, size, or ownership. Usage of energy is highly dependent on production volume and product mix. High utilization will lead to a decrease in energy intensity, since there are a great portion of total energy used for keeping storage tanks and warehouses in temperature, lights, and general heating of buildings.

Figures in table 302-1 are based on invoiced consumption from energy companies used. The production volume for 2021 in table 302-3 include internal products, toll manufacturing done in house but not relabeled products, according to our operating system IFS.

Climate Accounts

MANAGEMENT APPROACH

It is the local production sites that manages energy and refrigerant systems, as well as BIM Kemi owned vehicles included in scope 1 and 2. Our joint Supply Chain Team coordinates the work, planning and following-up on actions and goals forward. ERA support the Supply Chain Team with climate calculations, based on their activity report.

To decrease the climate impact from our operations, BIM Kemi has focused on the transfer to renewable energy resources, both for electricity and stationary combustion. During 2021 we decided to invest in a pellet boiler on the site in Stenkullen, to replace the oil pan. This will lower our CO_2 emissions considerably. The installation is under construction, and it will be launched before the turn of the year. As of today, we have no biogenic carbon emissions from our stationary combustion.

Additional goals for this year have been to improve our climate accounts and to present the results officially, in our sustainability report. This year all scope 1 sources are included, also the smaller contributions from our fork-lifts and trucks, as well as leakages of refrigerants.

In addition, emission factors have been updated. Next year's reporting will also include results for market-based methods, which is expected to decrease the amount of emission.

DISCLOSURES

The table on the next page presents the GHG emissions for BIM Kemi within Europe during 2021.

During 2021 we decided to invest in a pellet boiler on the site in Stenkullen, to replace the oil pan. This will lower our CO_2 emissions considerably. The installation is under construction, and it will be launched before the turn of the year.

SCOPE	TONS OF CO2 EMISSIONS	SHARE OF TOTAL CO2 EMISSIONS
305-1 DIRECT (SCOPE 1) GHG EMISSIONS		
Stationary combustion	*1 873*	*70%*
Mobile combustion (trucks and fork-lifts)	*241*	*9%*
Refrigerant leakage	*0*	*0*
Total Scope 1	*2 114*	*79%*
305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS		
Electricity	*304*	*11%*
District heating	*276*	*10%*
Total Scope 2	*580*	*21%*
Total Scope 1 & 2	*2 694*	*100%*

Calculations are based on methodology in the GHG Protocol and a financial control scope.
For scope 2 the location-based method is applied.

305-4 GHG emissions intensity	*GHG emissions intensity ratio for BIM Kemi Group (ton CO2 e/ ton trade product)*	*0,05*

METHODOLOGY AND REFERENCES

The consolidation method for the scope 1 and 2 climate accountings is a financial control scope for the four BIM Kemi sites in Europe. BIM Kemi rents the factory in Norway but owns all equipment such as the boiler. 90% of the electricity is used for production, thus, 10% belongs to scope 3 and is not included. The Paperchem plant situated in South Africa does not share the same operating system and has not been included in the climate accounts for 2021. Sales offices belongs to scope 3, as they are home or rental offices. Company cars are leased and belongs to scope 3. BIM Kemi provides no return energy to the market and does not climate compensate.

Emission factors applied in the climate accounts are listed in the table below. The production volume for 2021 is 53 688 tons and this figure include internal products, toll manufacturing done in house but not relabeled products, according to our operating system IFS.

CATEGORY	EMISSION FACTOR (G CO2 E/KWH)	REFERENCE
Stationary combustion, Liquid fossil; Gas, Diesel oil (Swe, Fin, No)	267,6	Results 2021 Stationary combustion tool, version4-1, Greenhouse Gas Protocol[1]
Stationary combustion, Gaseous fossil, Natural gas (UK)	267,6	Results 2021 Stationary combustion tool, version4-1, Greenhouse Gas Protocol
Mobile combustion in UK, on-road diesel fuel	265,4	Transport tool, version 2-6, Greenhouse Gas Protocol
Mobile combustion in the Nordic countries, work machine, diesel	251, 8	Swedish Environmental Protection Agency, Tool for calculating the climate impact from transportation[2]
Mobile combustion in the Nordic countries, vehicle gas mixture	87,9	Swedish Environmental Protection Agency, Tool for calculating the climate impact from transportation
Local-based emission factor, Nordic electricity mix	69,6	Nordic electricity mix: 69,6 ton CO2 e/kWh, Emissionsfaktor för nordisk elmix med hänsyn till import och export, IVL Svenska Miljöinstitutet i samarbete med Naturvårdsverket, Report Nr C 619, 2021[3]
Local-based emission factor, UK electricity mix	212,3	UK electricity mix: 212,3 CO2 e/kWh, Greenhouse gas reporting on conversion factors for 2021, UK government[4]
Local-based emission factor, District heating in Finland	340	District heating in Finland, Combined Heat and Power (CHP): 340 CO2 e/kWh, Fingrid (Finnish electricity network company), Conversion factors 2020[5]

1. https://ghgprotocol.org/calculation-tools 2. https://www.naturvardsverket.se/ 3. https://www.ivl.se/download/18.556fc7e17c75c84933f392/1635759400558/FULLTEXT01.pdf
4. https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021 5. https://www.fingrid.fi/en/electricity-market/electricity-market-information/
real-time-co2-emissions-estimate/

Water and Effluents

MANAGEMENT APPROACH

Water is used as raw material in our products and the source is municipal water. Water is also used for cooling, normally in closed circuits. In one of the sites, there is no recirculation system for cooling water, which is one of the major tasks to solve forward, to bring down the consumption of water.

Several actions are taken to bring down the usage of water in production when it comes to discharged water. Cleaning of tanks is now done by steam instead of water in several places, and product/condensate is collected in separate containers.

The containers are sent to our waste supplier for destruction by combustion. Further, cooling temperatures are investigated to bring down the quantity of cooling water being discharged, cleaning of floors are done by using cleaning machines instead of using high pressure water hoses etc.

No concrete targets for water discharge per produced ton are set for next year, but efficiency work will continue, and suitable targets discussed within the Supply Chain Team.

DISCLOSURE

Two sites have internal water treatment facilities, two have not. Discharged water is going to municipal wastewater treatment plant in all cases.

303-4 Water discharged from the production process	*13 173 m³*
303-5 Water used in production	*17 839 m³*

METHODOLOGY AND REFERENCES

In 2021, BIM Kemi had four production sites in Europe, all included in the reporting. No significant changes have been made in the company structure, size, or ownership. Usage of water is highly dependent on production volume and product mix. Sanitary water from offices etc. is not considered in the report.

Water usage in production is calculated from production statistics while water discharged is from invoiced quantity from municipal wastewater treatment plants.

Waste

MANAGEMENT APPROACH

We have an integrated quality and environmental management system, certified according to ISO 9001 and 14001, that provides policies and procedures to achieve our environmental goals. One of our main targets for 2021, was to reduce the quantity of waste going to landfill.

During 2021 a general view on waste management within the BIM Kemi group has been established. Continuous work with improvements within the waste hierarchy will be monitored within the Supply Chain Team, where experiences, best practices etc. will be shared. Several local initiatives have been identified to move upwards in the waste hierarchy, such as further sorting of waste, reuse of packages, minimizing cleaning of storage tanks to decrease the quantity of water used, but also to reduce the quantity of products and water that ends up as waste.

At the site in Sweden, a new supplier is now being used for handling most of our waste. This gives us better possibilities for follow-up of statistics, but also improves the final treatment of the waste. Some fractions previously ending up as landfill are now incinerated to produce energy.
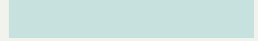
Several actions are taken to bring down the usage of water in production when it comes to discharged water. Cleaning of tanks is now done by steam instead of water in several places, and product/condensate is collected in separate containers.

DISCLOSURE

Waste fractions for BIM Group are presented in below table.

306-3 Waste generated

WASTE CLASS					FRACTIONS	
	Non-hazardous (tons)	*Hazardous (tons)*	*Total (tons)*	*Share*	*Non-hazardous*	*Hazardous*
Reuse	*920,4*	*0,0*	*920,4*	*60,7%*	*Packages for cleaning and reuse, Reworked products*	*-*
Recycle	*203,1*	*1,1*	*204,2*	*13,5%*	*Glass, paper, wood, metal, plastics*	*Batteries, electronics*
Energy recovery	*370,0*	*8,6*	*378,6*	*25,0%*	*Mixed waste for incineration, waste products and sludge*	*Waste products, oil*
Landfill	*13,0*	*0,0*	*13,0*	*0,9%*	*Waste products*	*-*
Total	*1506,5*	*9,7*	*1516,3*			
Share	*99,4%*	*0,6%*		*100%*		

METHODOLOGY AND REFERENCES

In 2021, BIM Kemi had four production sites, all included in the reporting. No significant changes have been made in the company structure, size, or ownership.

Compliance with Environmental Laws and Regulations

MANAGEMENT APPROACH

We are committed to strict compliance to environmental regulations and standards, as well as internal guidelines. There is a continuous work establishing a company-wide compliance culture with undisputed standards. The Environmental & Regulatory Affairs (ERA) department in the head quarter defines group-wide management and control systems and monitors compliance with internal guidelines and overall legal regulations, while the sites and legal entities implement these requirements locally with regard to national conditions and requirements.

The products we manufacture are subject to statutory chemicals regulations. We are bound by the relevant regional and national chemicals regulations, which continue to grow in number worldwide. Examples include REACH, CLP and BPR in the European Union, and UK REACH, GB CLP and GB BPR in the United Kingdom.

ERA work closely together with various networks and experts to ensure that we monitor updates and complies with applicable regulations. Our policies and requirements are continuously developed, and we maintain a good dialog with government institutions, business associations, international organisations, and other stakeholders.

We monitor compliance with regular audits in accordance with ISO 14001. According to our quality management system, we have a Non-Conformance Report (NCR) tool where we register risks and incidents and follow-up with root cause analysis, corrective, and preventative measures. Further, compliance and NCR reporting is a standard item on the regular management team meeting agenda.

DISCLOSURE

307-1 Non-compliance with environmental laws and regulations

During the reporting period, BIM Kemi have not had any fines or other non-monetary sanctions for non-compliance with environmental or chemical laws and regulations.

We are committed to strict compliance to environmental regulations and standards, as well as internal guidelines. There is a continuous work establishing a company-wide compliance culture with undisputed standards.

People

Our people are the key to our success. At BIM Kemi, our employees are the most important key to reaching our goals and being the successful, entrepreneurial knowledge-based company that we want to be.

We are committed to providing our employees within the group with good working conditions, a safe and healthy work environment, and possibilities for personal training and development consistent with our ambition as a knowledge company.We can also see from our materiality analysis that Occupational Health & Safety and Human rights are important issues for our stakeholders and are scored top 10 in the priority list.

Employment

MANAGEMENT APPROACH

The employees are our most valuable asset. Our skilled, motivated and engaged employees make all the difference and the future for BIM lies in our capability to make them feel seen, heard and well provided for.

When recruiting, we are focused on a competence based process where we strive to find skilled, competent and motivated people through a non-discriminative way of working. Our experience is that the way we work with sustainability and green chemistry has had an impact on our employer brand as well and made recruitment easier.

In order to get feedback for improvements and also to get information of the reasons why employees choose to leave BIM Kemi we conduct exit interviews when people leave.

The interviews are conducted by HR in Sweden and Norway, by external consultant in Finland and by the responsible manager in the UK and Continental Europe. We measure the turnover monthly in each country in an excel sheet but the purpose is to get all countries up and running in the tool Qlik during 2022 in order to more easily measure most of the HR KPIs

DISCLOSURES

401-1 New employee hires and employee turnover
See next page.

401-3 Parental leave

PARENTAL LEAVE BY GENDER	TOTAL NUMBER
Females	4
Men	3

At BIM Kemi we encourage all our employees to take parental leave and want them to have a good work life balance. We also try and see to that there is a plan for when they return, already before the go on leave, so that they will feel motivated and welcome when coming back. If necessary and if there have been some changes that they need update on when returning, we do an onboarding plan with special parts for when they return.

We follow up the number that has taken parental leave each year.

The employees are our most valuable asset. Our skilled, motivated and engaged employees make all the difference and the future for BIM lies in our capability to make them feel seen, heard and well provided for.

NUMBER OF NEW HIRES	SWEDEN	UK	NORWAY	FINLAND	CONTINENTAL EUROPE	BIM GROUP
New hires	7	12	2	2	3	26
New hires by age group						
>30	1	9				10
30-50	4	2		1	2	9
>50	2	1	2	1	1	7
New hires by gender						
Females	4	2	1	0	0	7
Men	3	10	1	2	3	19

Number of new hires in BIM Group 2021

NUMBER OF TURNOVERS	SWEDEN	UK	NORWAY	FINLAND	CONTINENTAL EUROPE	BIM GROUP TOTAL	BIM GROUP %
Total turnover	3	8	1	2	3	17	8%
Turnover by age group							
>30		2				2	9%
30-50		2		2	3	7	7%
>50	3	4	1			8	8%
Turnover by gender							
Females	1	1	1		1	4	7%
Men	2	7		2	2	13	8%

Number of turnovers in BIM Group 2021

Occupational Health and Safety

MANAGEMENT APPROACH

Health and Safety is a strategic and prioritized task within BIM Kemi, and we aim for a workplace that all employees find safe, developing and stimulating. To reach an accident-free workplace, it is of most importance to work proactive.

BIM Kemi has no certification according to any Health & Safety management system but follows the local work environmental regulations in each country. However, the application of the regulations is to examine, analyse, act and follow up in a systematic way, like in the management systems.

BIM Kemi has a group-common policy for health and safety, which includes all employees including hired and temporary personnel. All employees are encouraged to report every risk, the managers have responsibility to analyse and mitigate the risks, and top management will monitor the effects by following up certain KPI:s.

Heinrich Triangle for 2021

To ensure the proactive work, BIM Kemi is using a Safety Index, which is the quota of risks and near accidents divided by accidents. This index will also be viewed in a Heinrich triangle to make sure the risk reporting will always outweigh the near accidents and accidents.

2021 has been a special year due to the covid-19 pandemic. In long periods BIM Kemi workers have been encouraged to work from home in order to protect our production personnel, who are the most critical at BIM Kemi. However the employees have quickly adopted new technology both for internal meetings and externally when interacting with customers. The HR department has provided instructions sent out to all employees with things to think about when working from home, when having digital meetings, and when having the yearly performance reviews digitally. A guide for those who are managing employees working from home has also been sent out to all managers at BIM Kemi.

At BIM Kemi Sweden a local Crisis Team has been active, following the pandemic since the start in 2020. Meetings have been held at least once a month in order to put in restrictions, lift restrictions, see to that all the employees have prerequisites to do their job, advice, conduct infection tracking etc. Due to this we have been able to prevent the infection to spread internally at BIM Kemi Sweden productions site.

DISCLOSURES

403-2 Hazard identification, risk assessment, and incident investigation

Identification of hazards and risks is a regularly activity from management, by conducting safety walks together with worker representatives. Chemical risks are monitored in a special chemical group. Also, as mentioned above, every employee has the responsibility and possibility
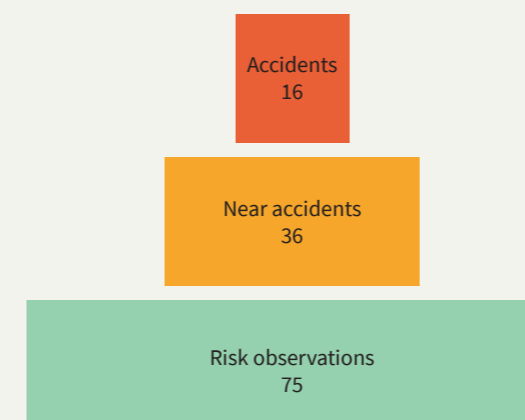
We ensure that we have knowledge of risks as well as clear procedures for critical operations. Each job has a risk assessment carried out, these are designed to lower risk to workers, the assessments are reviewed annually.

403-4 Worker participation, consultation, and communication on occupational health and safety

There is a Health & Safety committee on each site that meets on quarterly basis. The committee consists of both management and worker representatives. The tasks are among others, reporting of sick leave, accidents, dangerous substances, and need of improvements.

Beside this we have health and safety tours several times a year, with representatives of the department management and workers. At some sites we conduct 5S audits where the workers are involved.

Communication of health and safety is done both by our intranet, notice boards, and at internal meetings. If needed direct and focused information is made for target groups, both as e-mail or directly at department meetings. There is also a formal report to local management and top management. This reporting is done on monthly basis.

403-5 Worker training on occupational health and safety

For new employees an introduction is held about safety routines. Every manager and worker´s health & safety representatives will been trained in the legal requirements of health and safety.

Regularly training is held for firefighting and first aid, and there are also possibility to join online safety training which covers a wide range of safety related matters. There are of course le-

to report risks that are found in their working area. Every site has its own reporting system which is available for all employees.

The managers has the responsibility to investigate risks, near accidents and accidents/injuries. For risks we are working with risk assessment made in order to evaluate the necessary actions. For accidents a root cause analysis should be made to find out the most effective preventive actions.

Risks and accidents are discussed at regularly meetings, like weekly production meetings but also at quarterly health and safety committees. Severe accidents will be reported to the work safety authority in respective country.

We ensure that we have knowledge of risks as well as clear procedures for critical operations. Each job has a risk assessment carried out, these are designed to lower risk to workers, the assessments are reviewed annually.

KEY PERFORMANCE INDICATORS	2021	2020	2019
TRI - Total Recordable Injuries[1]	6	7	13
Total Accidents	16	16	21
Fatalities	0	0	0
Safety Index[2]	6,5	9,3	6,2
TRIR3	15,2	21,1	34,7

1. Total Recordable Injuries is any work-related case that causes fatality, lost time accident or injury that requires treatment. 2. Safety Index is the quota of risks and near accidents divided by total accidents. TRIR measures how many TRI-incidents the company experiences per million hours worked.

gal safety courses on regularly basis like forklift card and certain dangerous work.

403-6 Promotion of worker health

Through BIM Kemi's wellness work, we stimulate and create the conditions for our employees to influence their mental and physical health through their lifestyle and participation in various wellness activities with their own power.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

There has been an improvement work done for the Sales organisation in Central Europe during 2021. A survey was sent out about knowledge and reporting of risks and also what kind of support they need from BIM Kemi group level regarding work safety.

As a result of the survey, rules and regulations regarding work safety were mapped in the different countries where we have employees, and clearer reporting paths both externally and

internally were created and published at the Intranet. As a result of this, the Central Europe organisation is now part of our Safety Index follow up.

403-9 Work-related injuries

BIM Kemi has been lucky not to have any fatalities during 2021, and not even at all since the start of the company. The number of Total Recordable Injuries has decreased during the last three years, even if the total numbers of accidents is on the same level as 2020. When looking at the TRIR value, there has been a positive trend. When analyzing the Safety Index, there has been a lower result for 2021, and that is an indication of that we must promote risk reporting in a more extensive way.

METHODOLOGY AND REFERENCES

The reported incidents are picked from the different Health & Safety system at the local units. Working hours, which is included in the TRIR calculation has been reported from HR department.

The number of Total Recordable Injuries has decreased during the last three years, even if the total numbers of accidents is on the same level as 2020. When looking at the TRIR value, there has been a positive trend.

Training and Education

MANAGEMENT APPROACH

BIM Kemi is a company that has knowledge, research and development in its core DNA. To be in the frontline of our field of work it is important for us that all employees have the opportunity to have regular training and education. That goes for all roles and positions, and we are constantly striving towards being high performance teams.

DISCLOSURES

404-1 Average hours of training per year per employee

At BIM Kemi, the number of conducted training is followed up in excel sheets for each country and logged in a way so that you can measure the number of training conducted regarding gender and age group.

AVERAGE TRAINING HOURS/EMPLOYEE	2021
Sweden	13
Finland	6
UK	14
CE	6
Norway	0

404-2 Programs for upgrading employee skills and transition assistance programs

At BIM Kemi we have had leadership training as a general focus on a group level for 2021 with several external programs. On a local level there have been a lot of training hours focused on increasing the level of role based competens. Due to covid a lot of face to face training was cancelled.

We have contiuned the work with increasing the competence regarding communication and conflict management with training conducted both in the laboratory of BIM Kemi Sweden and with all managers at BIM Kemi Sweden.

As a result of a survey done in BIM Kemi Sweden in 2020 about equal opportunities to do career at BIM, we created a process for job-rotation to increase the chances for employees to do an internal carrier and to give the employees opportunities to try another job internally. The job rotation program became reality during 2021 and we had two employees, one in the ERA department and one in the Laboratory, that swopped jobs with each other for 6 months.

404-3 Percentage of employees receiving regular performance and career development reviews

BIM Kemi has set a target to carry out yearly performance reviews with all employees. To increase the number of performed reviews, we have intensified the support to all managers, for example by developing instructions and checklists. The target was to have 100% performed reviews by the end of March 2021. The reached number was 97% for the group and we saw that the rest of the reviews were performed shortly after in April. The increased number of performed reviews shows us that the effort we made with support and new material payed off.

To not only measure the quantity of performed performance reviews we have also continued the work with improving the quality of our yearly performance reviews. We have therefore created a KPI that consist of an average score of the questions regarding the quality

QUESTIONS REGARDING PERFORMANCE REVIEW	SE	UK	CE	FI	NO	AVERAGE
The quality of my latest performance review was high	80	63	67	70	96	75
Together with my immediate manager I set clear objectives for my work	78	65	83	71	89	77
I feel motivated and engaged by the goals set in my performance review	73	58	80	74	93	76
I and my immediate manager follow up the objectives we have set for my work	73	65	83	58	96	75
Average 2021	76	63	78	68	94	76
Average 2020	73	58	70	70	88	72

of the form and content of the yearly performance reviews in order not only to measure that they are done but also to ensure that they are made with quality. The goal is to have an average score of 80 and in the employee survey in 2021 the average score was 76 which is a rise compared to the average in 2020 that was 72.

Diversity and Equal Opportunity

MANAGEMENT APPROACH

At BIM Kemi, we work actively with the matters of gender equality, diversity, and inclusion, and it is in our culture to be an inclusive company. Everyone at BIM Kemi has the right to be respected – no matter gender, age, sexual orientation or identity, religion, ethnicity, or disability.

We have a zero-tolerance approach for discrimination, harassment, sexual harassment and bullying.

DISCLOSURES

405-1 Diversity of governance bodies and employees

During the last years BIM Kemi has worked with creating a plan for equal treatment to counteract discrimination, harassment, and abusive treatment. Everyone who works at BIM Kemi must promote respect for the equal value of all people, equality, and solidarity between people. The plan investigates the level of equality at BIM Kemi regarding the areas sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, age. If the investigation leads to the conclusion that BIM must do more in that specific area to reach equal treatment, there are goals set which are followed up at a yearly basis.

We try to recruit women in roles that have male dominance in numbers but for example in production and sales there are fewer female candidates and sometimes even no female applicants at all.

In BIM Kemi Sweden 50% of all managers are women, in the UK 40% of all managers are women, in Finland 25% of the managers are women and in Continental Europe and Norway none of the managers are women.

TOTAL EMPLOYEES	SWEDEN	NORWAY	FINLAND	CONTINENTAL EUROPE	UK	BIM GROUP	BIM GROUP %
Total number	68	11	49	20	52	220	
>30	6	1	2	2	9	22	10%
30-50	25	5	28	10	22	100	45%
>50	37	5	19	8	21	98	45%
Female	29	2	12	1	12	57	26%
>30	3	0	0	0	1	4	
30-50	14	1	7	0	5	27	
>50	12	1	5	1	6	26	
Men	39	9	37	19	40	163	74%
>30	3	1	2	2	8	18	
30-50	11	4	21	10	17	73	
>50	25	4	14	7	15	72	
Total number white collar	62	5	41	20	30	178	81%
Total number blue collar	6	6	8	0	22	42	19%

	2021
Group Management	
Total	7
Female	1
Men	6
Age group	
>30	
30-50	1
>50	6
Board of directors	
Total	6
Female	2
Men	4
Age group	
>30	
30-50	
>50	6

COUNTRY	PAY RATIO SALARY WOMEN/MEN
Sweden	97%
Norway	96%
Finland	98%
UK	99%
Continental Europe	49%
Group average	88%

405-2: Ratio of basic salary and remuneration of women to men
In BIM Kemi Sweden we also do yearly mappings of salaries compared between genders and also compared between employees who have the same roles. The result of the mapping of 2021 was that no differences in salaries due to gender was found.

When analyzing the pay ratio for women compared to men, we can see that we almost have equality in salary between gender in all companies. In Continental Europe there has only been one woman working during 2021 and she had a different role then the men working in Continental Europe, hence the difference in pay ratio.

202-1 Ratios of standard entry level wage by gender compared to local minimum wage
100% of all salaries in BIM Group are above local minimum wages. The nature of our business requires that all our employees have competence and roles that have salaries above local minimum wages. This is independent of gender.

We have a zero-tolerance for discrimination. In order to find out if our employees are being exposed to discrimination, either at work at BIM or when working with clients or suppliers, we have several questions regarding the topic in our employee survey.

Non-Discrimination

MANAGEMENT APPROACH

We have a zero-tolerance for discrimination. In order to find out if our employees are being exposed to discrimination, either at work at BIM or when working with clients or suppliers, we have several questions regarding the topic in our employee survey.

In the employee survey for 2021, 10% (17 people) in the BIM Kemi Group answered yes to the question if they had been subjected to any kind of physical or verbal negative discrimination, harassment, threats, and violence or bullying over the past year. 63% (11 people) answered that they had been submitted to physical or verbal negative discrimination.

This was followed up in a Group Management level and in Finland and Sweden actions were taken both in a meeting with all staff members and then the question was raised in all departments. In the meetings with all staff members the policy regarding unequal treatment, discrimination, and harassment and also the routine regarding unequal treatment, discrimination, and harassment were presented. This was followed by general discussions about the subject and then there were also specific discussions about the climate regarding these questions in the specific departments. In the UK there have only been discussions about the subject in the different departments.

DISCLOSURE
406-1 Incidents of discrimination and corrective actions taken

COUNTRY	NUMBER OF INCIDENTS OF DISCRIMINATION	ACTIONS TAKEN
Sweden	*3*	*2*
Finland	*4*	*2*
Norway	*0*	*0*
UK	*4*	*1*
Continental Europe	*0*	*0*
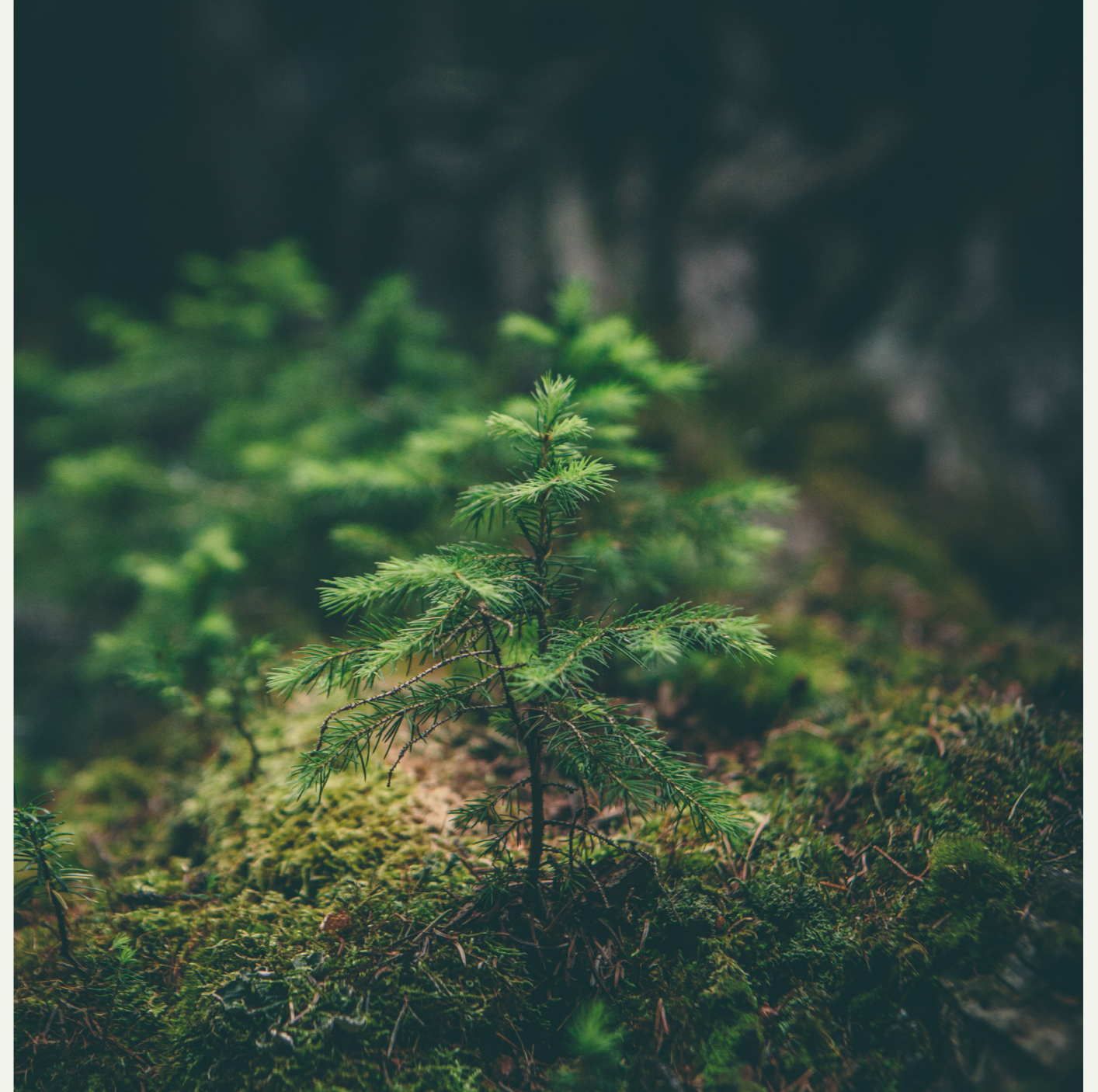
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This is the first GRI referenced sustainability report for BIM Group.
It is also our Communication of Progress in accordance with our
membership in UN Global Compact.

More information and digital copy of this report is available at
www.bimkemi.com

Your feedback and questions are welcome, please contact us at
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