



# **Sustainability Policy**

*August 2025*

## 1. Introduction & purpose

Saferoad defines sustainability as meeting present needs without compromising the ability of future generations to meet their own needs. It takes a holistic approach integrating environmental stewardship, social equity, and economic viability to achieve commercial profitability in a way that is consistent with fundamental ethical values and with respect for individuals, the environment and society.

This sustainability policy aims to guide our organization in adopting practices that contribute to a sustainable future. It clarifies roles, responsibilities, processes and structures to ensure Saferoad minimizes negative sustainability impacts and risks in our own operations and value chain, pursues opportunities to enhance sustainability principles and management in procurement, production and product development, and ensures compliance with sustainability-related regulations.

Sustainability management and improvement is an ongoing process. We recognize that our stakeholders — including employees, customers, suppliers, regulators, owners, lenders, local communities, authorities, civil society — play a crucial role in this journey. By engaging with and addressing the concerns of our stakeholders, we aim to foster collaboration, transparency, and shared responsibility in achieving our sustainability goals.

We comply with applicable laws where we operate. If local laws conflict with the principles and standards included or otherwise referenced in this policy, we comply with local laws, while seeking ways to uphold the principles and standards in this policy.

The policy is based on Saferoad's Code of Conduct and is consistent with the corporate values Care, Drive and Integrity.

## 2. Scope

This policy applies to the Saferoad Group (Saferoad Holding AS) and all its subsidiaries. It is implemented by all four Business Areas in the Saferoad Group and their underlying Business Units considering local laws where relevant.

This policy specifically addresses environmental and social sustainability. Compliance, ethics, whistleblowing and data protection are governed by stand-alone policies.

## 3. Sustainability principles

### *Nature*

Saferoad minimizes its environmental and biodiversity impact from its own operations on water, air, land and soil. All production units implement environmental management systems, including

ISO14001 Environmental Management Systems certification. We identify and implement improvements related to waste management, air pollution, water and soil contamination in line with local permits and laws, best available technology (BAT) and internal Saferoad standards.

We will seek to influence our stakeholders to uphold the same principles in Saferoad's value chain. Saferoad aims set high environmental requirements on suppliers and strive to offer customers products and services with a lower environmental impact.

### *Climate action*

Saferoad measures and reduces its negative impact from climate emissions. We have an ambition to reduce carbon emissions to net zero by 2050 for Scope 1, 2 and 3 in line with the European Green Deal and the Paris Agreement. Saferoad follows the Science Based Target initiative to set science-based reduction targets.

### *Human rights*

A core principle in Saferoad's Code of Conduct, Saferoad respects the human rights of all individuals and groups that may be affected by our operations. This includes employees, suppliers, contracted workers, business partners, communities, and those affected by the use and disposal of our products. Our commitment to respect human rights is guided by internationally recognized human rights and labour standards, including those contained in the International Bill of Human Rights and the four conventions of the ILO Declaration on Fundamental Principles and Rights at Work (Core Labor Standards).

Saferoad upholds decent working conditions at a minimum according to applicable laws and industry standards, including for working hours, terms of employment, leave of absence and compensation. We aim to uphold wages and benefits to cover basic needs and some discretionary income, as well as a family-friendly workplace.

Saferoad provides a safe and healthy workplace for employees and seeks to influence suppliers and business partners to uphold the same standards towards their employees. Our health and safety management system is anchored in our HSE procedure, which sets out requirements for risk management, safety procedures, safety training and incident management. We also seek to provide a workplace where employees can thrive through professional development and a positive working environment.

### *Due diligence*

We carry out risk-based due diligence throughout our operations and supply chain to assess, prevent and address actual or potential adverse impacts on human rights that we may cause, contribute or be linked to. Our approach is based on key frameworks that define human rights principles for businesses: UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidelines for Responsible Business Conduct, and The UN Global Compact's Ten Principles.

Human rights risk assessment is integrated in our annual Double Materiality Assessment process. Mitigating actions are included in annual sustainability improvement plans. We have processes to assess new suppliers against sustainability criteria, including human rights. Where relevant, we conduct risk-based audits and reviews of suppliers, and work to improve supplier performance through corrective action plans.

## **4. Sustainability management**

Saferoad's sustainability management consists of five pillars, described below. As we develop our sustainability management, we continuously improve and refine our approach.

### ***Strategy & prioritization***

Saferoad prioritizes focus areas, called sustainability (ESG) priorities, based on the Double Materiality Assessment. The sustainability priorities together provide the strategic direction for Saferoad's sustainability management and improvements. The prioritization takes place at least every three years.

A Double Materiality Assessment is carried out regularly in line with the latest regulatory requirements and best practices. All material topics are confirmed annually, with focused reassessments conducted where significant changes in impacts, risks, opportunities, or context have occurred, such as new acquisitions, ensuring the assessment remains relevant and responsive to evolving stakeholder expectations and business developments.

Sustainability and the sustainability priorities is integrated in the Group strategy processes. All BAs conduct a BA specific Double Materiality Assessment to help support and drive the BA's annual Strategic Planning.

### ***Execution***

An annual action plan is developed by Group and by the Business Areas. The action plan is based on the sustainability priorities, incorporating findings and mitigating actions from the Double Materiality Assessment, along with other improvements.

Business Areas report on progress at least quarterly in the Business Area Sustainability Update. Progress on the Group action plan and updates on the sustainability priorities are reported to the Board in line with Board expectations and annual calendar.

### ***Reporting & transparency***

Saferoad seeks to be transparent about its sustainability performance. We report annually on our sustainability performance, developments and material impacts, risks and opportunities in our

Integrated Annual Report. We also follow the external reporting standards required by other commitments.

All Business Areas and Business Units report the sustainability data and information required according to the established internal processes and deadlines.

Newly acquired entities report the sustainability data and information required in the year of closing, at a minimum from financial reporting integration and in line with regulatory requirements. Divestments follow the same approach.

### ***Stakeholder engagement***

We engage with stakeholders to inform our Double Materiality Assessment and in general guide and evaluate our sustainability management, improvements and effectiveness of actions.

### ***Internal controls***

Saferoad ensures internal controls for sustainability reporting are implemented in line with Saferoad's organizational structure. Group controls reporting from the Business Areas and the Business Areas control reporting from the Business Units.

## **5. Sustainability governance**

The *Board of Directors* holds the highest level of accountability for sustainability in Saferoad. The Board ensures that sustainability is embedded in Saferoad's strategic planning and management and approves Saferoad's sustainability priorities. This includes oversight of the sustainability priorities and management.

The *Group Management Team* oversees the implementation of Saferoad's sustainability priorities and management in daily operations. This team makes tactical and operational decisions to ensure the alignment of sustainability with business objectives.

The *Chief People and Sustainability Officer*, as part of the Group Management Team, is specifically tasked with ensuring that the sustainability priorities are managed effectively across the organization.

The *Head of Group Sustainability* leads the integration of sustainability into Saferoad's strategic planning and management, and collaborates with key leaders in areas such as procurement, HR, and legal to drive sustainability across the Business Areas, in accordance with section 4 of this policy. This entails developing Saferoad's sustainability management, including policies, standards, processes, structures, and the Group annual action plans, to ensure a sound management of material impacts, risks, and opportunities. The role is responsible for running the Double Materiality Assessment process and to monitor regulatory developments related to sustainability. The role may support Business Areas with implementing strategic sustainability priorities if they benefit the Group.

Head of Group Sustainability reports progress on the Group action plan and updates on the sustainability priorities to the Board of Directors.

The *Business Areas* are responsible for implementing sustainability priorities and management in accordance with section 4 of this policy, and all decisions made by the Board of Directors and the Group Management Team in daily operations.

The *ESG Coordinators* lead the implementation of sustainability priorities and management in accordance with section 4 of this policy in their respective Business Areas, including developing and managing Business Area annual action plans, and ensuring effective reporting processes and good data quality from the Business Area and its Business Units.

The *ESG Functional Team*, comprising of the ESG Coordinators, meets at least quarterly to support and coordinate sustainability priorities and management.

The *Business Area Sustainability Update* serves as the forum for the CEO, Chief People and Sustainability Officer, and Head of Group Sustainability to review the sustainability performance of the Business Areas quarterly.

The functions *Procurement, HR, IT and Legal* manage material impacts, risks, and opportunities related to their subject matter expertise, including driving improvements.

The function *Communication* ensures Saferoad is well-positioned on sustainability towards relevant stakeholders. The function also oversees the use of sustainability references in marketing and ensures compliance with sustainability marketing requirements.

## 6. Sustainability initiatives

To help guide and improve our sustainability principles, priorities and management, we have committed to the following initiatives:

- *UN Global Compact's 10 Principles*
- *Science Based Target initiative*
- *UN Sustainable Development Goals*

## 7. Internal references

The following internal governing documents complement this policy:

- *Saferoad Code of Conduct*
- *Saferoad Supplier Code of Conduct*
- *Third-party risk management Procedure*
- *Anti-corruption Compliance policy*

- *HSE Procedure*
- *HSE Handbook*
- *Data Protection Policy*
- *Whistleblower Policy*
- *Procedure for handling reported issues of concern*
- *Sanctions Compliance Policy*
- *Sanctions Compliance Procedure*
- *Guidelines for doing business in conflict-affected areas*
- *Guide to avoid greenwashing*

# Appendix



## Documentation requirements for the use of renewable energy certificates in Saferoad's GHG accounting

### *Background*

Under the Corporate Sustainability Reporting Directive, Saferoad is required to follow the accounting rules of the GHG Protocol when developing our annual GHG accounting. The GHG Protocol sets out specific requirements for applying renewable energy certificates in our Scope 2 market-based accounting.

Scope 2 market-based accounting is independent from the Scope 2 location-based accounting most commonly used in Saferoad. We measure decarbonization reduction towards Scope 2 location-based, not Scope 2 market-based. Nevertheless, both Scope 2 market-based and location-based must be reported according to the GHG Protocol.

If the purpose of the renewable energy certificate is *not* to reduce Scope 2 market-based emissions (for instance, acquiring renewable energy certificates may be a customer request), the requirements below do not apply. However, make sure other expectations, such as customer expectations, are met.

Renewable energy certificates are also sometimes called "Guarantee/Proof of Origin".

### *Requirements*

To be allowed to apply a renewable energy certificate against our Scope 2 market-based accounting, a renewable energy certificate must include the following information:

- Name of the energy provider
- The energy technology used to produce the energy (e.g., renewable energy such as hydropower, wind, or solar, bioenergy, nuclear energy etc.) and the amount (e.g., 100% renewable energy). Keep in mind that if the certificate is not for renewable energy, it's technically not a renewable energy certificate, but an "x" energy certificate.
- Name of the certificate receiver/client/customer (which Saferoad company)
- The amount of energy covered by the certificate (preferably in MWh; as a last resort a statement that it covers 100% of the certificate receiver's purchased energy)
- The time period for which the certificate applies
- A reference to national legislation that transposes the EU Renewable Energy Directive (REDII) and that guarantees the origin, and that the energy is only redeemed by the certificate receiver. Optionally, a reference to the EU Renewable Energy Directive (REDII) or the AIB's European Energy Certificates System (EECS).

For faster turnaround, it is also recommended to ask for the certificate to be in English.

If existing renewable energy certificates do not meet these requirements, contact the energy provider to ask for the missing information in writing. Some energy providers can share a statement from the

energy producer at the end of the certificate period, proving the certificate is “cancelled”/”no longer useable”.

All documentation related to the renewable energy certificate being applied to the Scope 2 market-based accounting must be uploaded to CemasyS.

### Examples





### Cancellation Statement

This cancellation statement provides the proof of origin for 22 434 MWh consumed energy.

This cancellation statement proves that 22 434 Guarantees of Origin has been cancelled in the Norwegian Energy Certificate System (NECS).

#### Performed by

Account Holder Name **Entelios AS**  
 Account Holder Code **08XS37AD2G**  
 VAT Number **N0819449392**  
 Account **707052300000102058**  
 Domain **Norway**  
 Street **Kjøita 18**  
 Postal Code **4630**  
 City **Kristiansand**  
 Country **Norway**

#### On behalf of

Name of Beneficiary  
 Consumption Start **2023-01-01**  
 Consumption End **2023-12-31**  
 Country of Consumption **Norway**  
 Location of Beneficiary **Norway**  
 Usage Category **Disclosure**  
 Type of Beneficiary **End Consumer**

#### Transaction Information

Transaction Date **2024-02-29 12:25**  
 Transaction Number **2024022902321**  
 Cancellation Purpose **Cancellation for 2023 consumption for X - Hydro power plants younger than 15 years**  
 Volume Cancelled (sum) **22 434**

This cancellation statement acts as a receipt of the cancellation of the certificates listed and for the purpose shown. With this Cancellation Statement, released on the 2024-02-29, the indicated certificates are no longer tradable.

Onward sale of this Cancellation Statement is prohibited. The environmental qualities of the associated energy have been consumed and this Cancellation Statement and these certificates may not be transferred to any party other than the energy supplier or end-consumer specified above.

Oslo, 2024-02-29

Ole Jacob Høyland  
 Director, market operations  
 Statnett SF

[View cancellation statement here.](#)

## Recalculation policy for base year emissions and for SBTi targets

### *Purpose*

This policy defines when a recalculation of the base year emissions and the Science-Based Targets initiative (SBTi) targets is necessary for the Saferoad Group. The policy is in accordance with the requirements of Chapter 5 of the Greenhouse Gas (GHG) Protocol Corporate Standard and the "Recalculation and target validity" criteria of the SBTi Corporate Net-Zero Standard Criteria and SBTi Corporate Near-Term Target Criteria.

The aim is to ensure that Saferoad Group's SBTi targets remain accurate, credible, and aligned with the latest climate science, and that the Group's base year emissions accurately reflect organizational changes and methodological updates.

The Group's base year is 2023. The SBTi targets were established in 2024.

### *Recalculating base year emissions*

We will recalculate the Group's base year emissions in the circumstances described below, once the threshold is met. All recalculations shall be documented and transparently reported.

#### **a. Significant structural changes**

- Mergers, Acquisitions, or Divestitures: Any changes that significantly alter the Group's organizational boundary.
- Reorganizations or outsourcing: Any major changes to operations that affect the organizational boundary (this excludes new capital investments).

#### **b. Calculation updates, improvements and errors**

- Improved accuracy: Improved emission factors or activity data.
- Improved calculation methods: New methods for calculating emissions or new accounting rules.
- Discovery of errors: Significant calculation or estimation errors.

Threshold for recalculation: In general, individual circumstances may be small in impact. However, a cumulative impact across any or several of the circumstances of more than 5% of either

- the total GHG inventory (Scope 1, 2 and 3) of the base year OR
- a shift of emissions between GHG inventory Scope 1, 2 and 3

will trigger recalculation. Once a base year recalculation has been performed, the cumulative impact threshold resets.

Timing of recalculation: Once the threshold has been met, the base year emissions recalculation shall take place at the end of the financial year and be reflected in the Integrated Annual Report of the same financial year.

We will use an “all-year” approach for acquisitions. This means that the full-year emissions from the acquired company will be included in the first Integrated Annual Report, along with the full year emissions dating back to the base year, regardless of when the acquisition happened during the year.

### *Reviewing SBTi targets*

If a recalculation of the base year emissions is triggered, a review of the SBTi targets using the SBTi target setting tools is also triggered. If, after the recalculation, targets no longer meet SBTi criteria, then they shall be updated and revalidated.

In any case, the SBTi targets shall be reviewed every five years. If, after the review, targets no longer meet SBTi criteria, then they shall be updated and revalidated.

SBTi targets shall be reviewed and potentially resubmitted no later than six months after the base year emissions have been recalculated.