

# INDEPENDENT ASSURANCE STATEMENT

## FIVEN SUSTAINABILITY LINKED BONDS 2023 PERIOD

### Introduction

DNV Business Assurance Norway ('DNV') has been commissioned by the management of FIVEN ASA ('FIVEN') to carry out an independent review of their sustainability performance targets ('SPTs'). These SPTs are specified in FIVEN sustainability-linked bonds ("SLB") terms set out in the FIVEN Sustainability Linked Bond Framework (the "Framework") dated 09<sup>th</sup> of June 2021. The SPTs are quantified by three Key Performance indicators ('KPIs') related to emissions to air:

- KPI 1: CO<sub>2</sub> emissions - total CO<sub>2</sub> emissions (in tons) per ton produced silicon carbide
- KPI 2: SO<sub>2</sub> emissions - total SO<sub>2</sub> emissions (in tons) per ton produced silicon carbide
- KPI 3: Water withdrawal - total volume of water withdrawal (in m<sup>3</sup>)

FIVEN has sole responsibility for preparation of the data and external reports provided to DNV. DNV, in performing our assurance work, is responsible to the management of FIVEN. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including FIVEN.

### Scope of Assurance

The scope of work agreed with FIVEN includes the following:

- Discussions with FIVEN management.
- Review of FIVEN's methodology to calculate CO<sub>2</sub> and SO<sub>2</sub> emissions and measure absolute water withdrawal.
- Review of FIVEN's Consolidated Environmental Reporting for 2023, with KPI performance calculations<sup>1</sup>.
  - Spot checks on underlying documentation for determining the performance for each KPI, including:
  - **SiC production:** Annual industrial reports documenting 2023 SiC crude production in Lillesand and Barbacena on a month-by-month basis.
  - **CO<sub>2</sub> and SO<sub>2</sub> emissions:** Methodology and documentation for CO<sub>2</sub> and SO<sub>2</sub> emissions from SiC production at Lillesand and Barbacena. For Lillesand, this includes documentation on carbon factors for CO<sub>2</sub> from SiC and carbon factors for light fuel/diesel, as well as sulphur content for petroleum coke used in the SiC production process. For Barbacena, this includes a check of underlying documentation for month-on-month carbon and sulphur contents in petroleum coke feedstock, as well as consumption of diesel.
  - **Water withdrawal:** Documentation on meter measurements for week-on-week water withdrawal at Lillesand, Arendal and day-on-day water withdrawal at Barbacena has been checked.

### Level of Assurance

We performed a limited assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised)*, issued by the International Auditing and Assurance Standards Board. This

<sup>1</sup> Consolidated corporate level defined as the full FIVEN Group operations in Norway, Belgium and Brazil, excluding FIVEN's Venezuelan plants

standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being an error is reduced, but not reduced completely.

### Assurance Methodology

DNV is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries. In that respect, the environmental footprint inventories have been evaluated against the following reporting criteria:

- ISO 14064-1:2018, ISO 14064-3:2019

DNV uses a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both FIVEN and its stakeholders. The following methods were applied during the assurance of FIVEN's SPTs, the data that supports them as they relate to the SLB and as presented by the company:

- Review of documentation, data records and sources relating to the Sustainability linked Bonds KPI and SPT performance assertions.
- Performed sample-based audits of the processes for generating, gathering, and managing the data.

### Data Verified

DNV reviewed independent reports related to the performance of verification and assessment activities for the SPTs including:

- General:
  - Fiven consolidated environmental calculations.
  - Overview of total crude production in 2023 for Norway
  - Overview of total crude production in 2023 for Brazil
- KPI 1:
  - Overview of carbon factors for CO<sub>2</sub> from SiC for 2023 and carbon factors for light fuel/diesel for the Norwegian plants for 2023
    - Screenshot of underlying database provided by Circle K (provider) on Diesel and light fuels consumed in January 2023.
  - Monthly emission calculations including carbon content in feedstock and diesel for the Barbacena plant.
    - Datasheet for diesel consumption for March and September 2023
  - Recycling the slurry from the furnaces

- Lab results showing the content of the recycled slurry from the furnaces for at 17.10.23.
- KPI 2:
  - Estimated SO<sub>2</sub> emissions intensity calculation for Lillesand plant.
  - Monthly sulphur content in feedstock for the Barbacena plant.
    - Datasheet of monthly sulphur contents of the petcoke for 2023.
- KPI 3:
  - Calculations of water consumption in Norway
    - Raw data for weekly water consumption for 2023 – for the Lillesand and Arendal plant
  - Day to day water consumption for the Barbacena plant

## Findings

DNV's findings for FIVEN's SLB KPI performance are as follows:

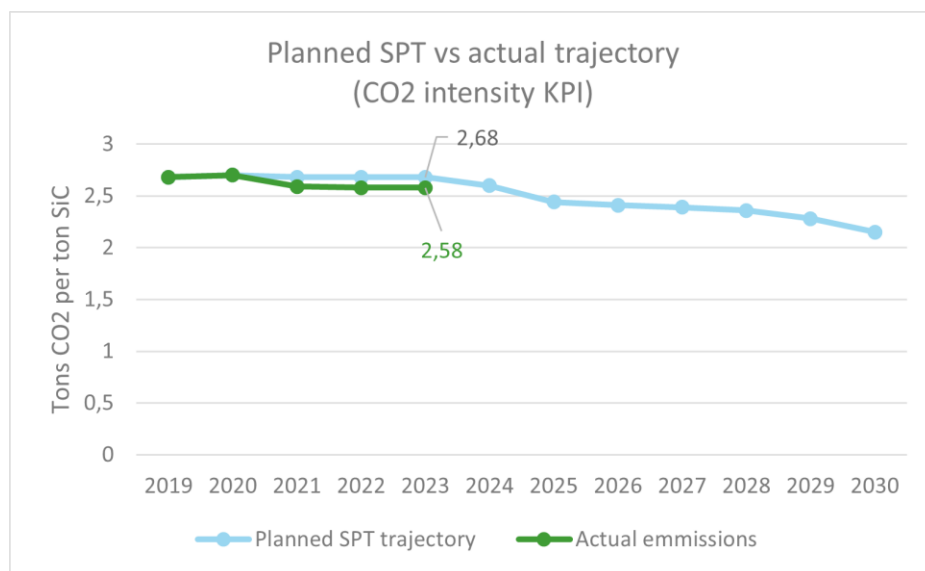
- The 2023 crude production in Norway was made for testing and small-scale production, therefore the SO<sub>2</sub> emission level for 2023 was calculated by assuming that the SO<sub>2</sub> emission intensity was the same as 2022. The SO<sub>2</sub> intensity was reported to the Norwegian Environmental Authorities on 01/03/2024.
  - DNV notes this as sufficient clarification for using the same SO<sub>2</sub> intensity as 2022.
- The use of biogenic content in the furnaces increased in 2023. FIVEN assumes zero Scope 1 CO<sub>2</sub> emissions from the use of biogenic content. FIVEN has provided sustainability certificates of the used charcoal, ADA certification. In addition, Fiven has provided documentation for planting.<sup>2</sup>
  - DNV notes this as sufficient clarification for not including the CO<sub>2</sub> emissions from the charcoal in the CO<sub>2</sub> emissions calculations.
- The recycling of slurry waste increased during 2023. FIVEN assumes that the carbon in the slurry does not undergo further reaction as it has already been through the furnace. It is therefore not a part of the Scope 1 CO<sub>2</sub> emissions.
  - DNV notes this as sufficient clarification for not including it in the CO<sub>2</sub> emissions calculations.

---

<sup>2</sup> Environmental Declaratory Act, "Ato Declaratorio Ambiental – ADA (Law 9,393/96)" and Proof of planting registration "Comprovante de cadastro de plantio"

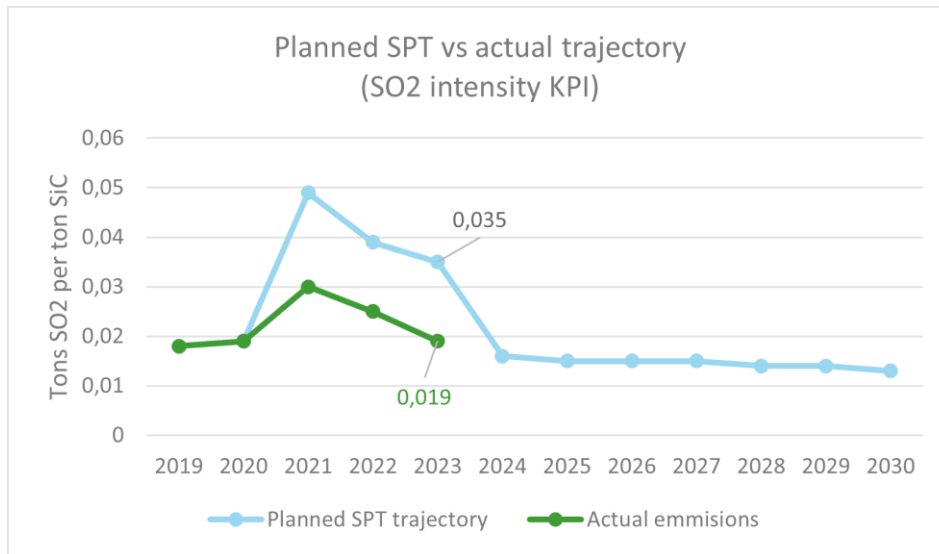
## KPI 1: CO<sub>2</sub> emissions

Reporting Year ('RY')	Sustainability Performance Targets	Reported Performance
RY 4 (ending December 2023)	<ul style="list-style-type: none"> <li>- 9% reduction in emissions from baseline year (2019) 2019-2025.</li> <li>- 20% reduction 2019-2030.</li> <li>- 2023 target – 2.68 tons of CO<sub>2</sub> (per ton of SiC)</li> </ul>	<ul style="list-style-type: none"> <li>- In line with KPI</li> <li>- No decrease in emissions compared to last year.</li> <li>- FIVEN is 4% ahead of target with 2.58 tons of CO<sub>2</sub> (per ton of SiC produced) emitted.</li> </ul>



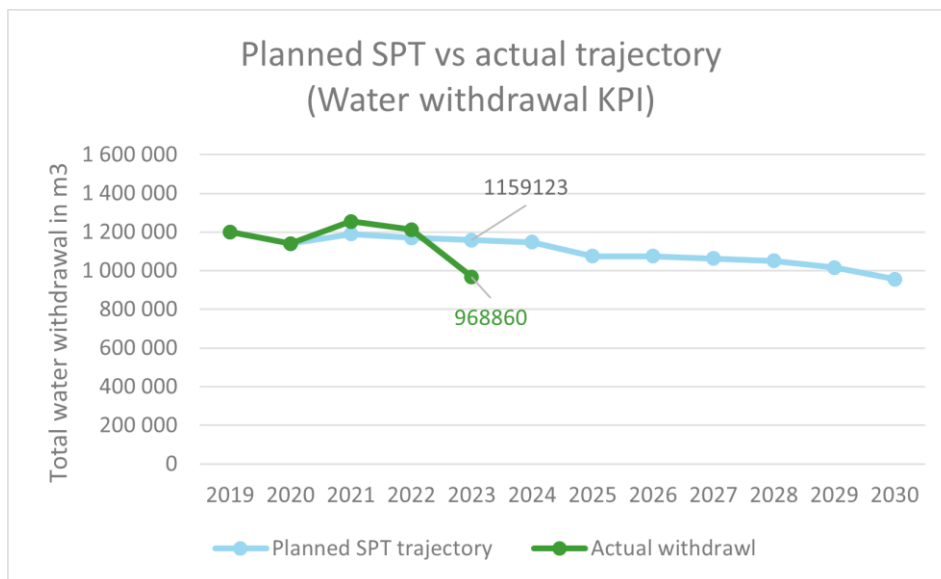
## KPI 2: SO<sub>2</sub> emissions

Reporting Year ('RY')	Sustainability Performance Targets	Reported Performance
RY 4 (ending December 2023)	<ul style="list-style-type: none"> <li>- 15% reduction in emissions from baseline year (2019) 2019-2025.</li> <li>- 30% reduction 2019-2030.</li> <li>- 2023 target – 0.035 tons of SO<sub>2</sub> (per ton of SiC)</li> </ul>	<ul style="list-style-type: none"> <li>- In line with KPI</li> <li>- Decrease in emissions of 24% compared to last year.</li> <li>- FIVEN is 46% ahead of target with 0.019 tons of SO<sub>2</sub> (per ton of SiC produced) emitted.</li> </ul>



### KPI 3: Water Withdrawal

Reporting Year ('RY')	Thresholds	Reported Performance
RY 4 (ending December 2023)	<ul style="list-style-type: none"> <li>- 10.45% reduction in water withdrawal from baseline year (2019) 2019-2025.</li> <li>- 20.40% reduction 2019-2030.</li> <li>- 2023 target – 1,159,123 m<sup>3</sup> water withdrawal.</li> </ul>	<ul style="list-style-type: none"> <li>- In line with KPI</li> <li>- Decrease in water withdrawal of 20% compared to last year.</li> <li>- FIVEN is 16% ahead of target with 968,860 m<sup>3</sup> of water withdrawn.</li> </ul>



Role	Name
Project Manager	Roel Jouke Zwart
Verifier	Ine Solsvik Vågane
Quality Assurance	Jerus D'Silva

### Assurance Opinion

Based on the processes and procedures conducted with limited assurance of the GHG emissions (KPI 1 – CO<sub>2</sub> and KPI 2 – SO<sub>2</sub>) and water withdrawal (KPI 3), nothing has come to DNV's attention that causes us to believe that FIVEN's actual KPI performance for 2023 is incorrect. DNV also opines that FIVEN's methodology to calculate CO<sub>2</sub> and SO<sub>2</sub> intensity per ton of SiC produced, as well as measure absolute water withdrawal, is consistent with the purpose of FIVEN's KPIs as defined in its Framework.

## Independence

DNV was not involved in the preparation of any part of FIVEN data. We adopt an independent approach towards all stakeholders when performing our evaluation.

**DNV Business Assurance Norway.**  
**Oslo, Norway**  
**22 March 2024**



**Ine Solsvik Vågane**  
**Verifier**



**Jerus D'Silva**  
**Quality Assurance**