



EU Taxonomy Report

30 September 2023

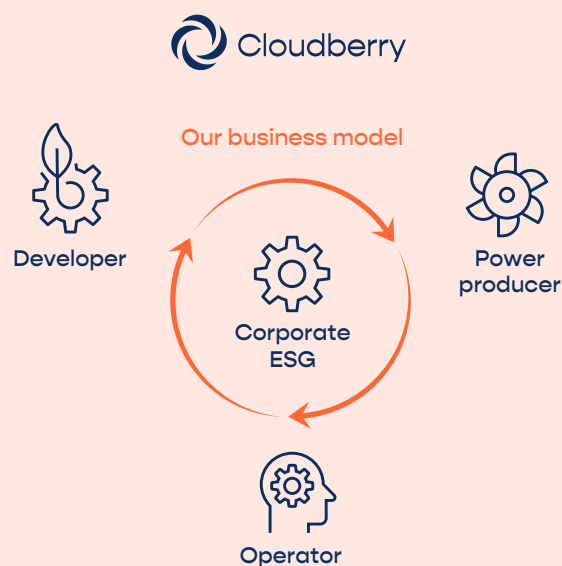
Cloudberry Clean Energy ASA

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About Cloudberry

Cloudberry Clean Energy ASA (“Cloudberry”) is a renewable energy company operating in the Nordics. We develop, own, and operate renewable energy assets in Norway, Sweden and Denmark. Cloudberry’s overarching purpose is to provide renewable energy today and for future generations and to power the transition to a sustainable future. This purpose shapes everything we do, and our long-term success is linked to operating our business in a sustainable way.



About the report

Cloudberry aims to be transparent about all the impact we have on the climate, nature, and society, as well as how we proactively work to mitigate our negative impact. Concern for environment, society and sustainability at large is at the core of everything we do. In this Taxonomy Report we describe how our activities contribute substantially to the EU Taxonomy objectives without doing any significant harm and complying to the minimum safeguards. Cloudberry is presently not obligated to adhere to mandatory EU Taxonomy reporting. However, we are undertaking voluntary reporting as part of our readiness for mandatory reporting as well as to provide our stakeholders with a transparent assessment of our alignment with the criteria related to the EU Taxonomy.

The figures in this report are reported year to date as of 30 September 2023. Cloudberry will update the Taxonomy report with the whole year of 2023 in the Sustainability Report 2023.

Our Values Be Supportive • Be Committed • Be Bold • Be Exceptional

Introduction to the EU Taxonomy Regulation

The EU Taxonomy (the “Taxonomy”) is a classification system that defines criteria for economic activities that are aligned with a net zero trajectory by 2050 and the broader environmental goals other than climate. The Taxonomy is a cornerstone of the EU’s sustainable finance framework and an important market transparency tool that helps direct investments towards the economic activities most needed for the transition, in line with the European Green Deal objectives.

In order to meet the EU’s climate and energy targets for 2030 and reach the objectives of the European Green Deal, a common language, and a clear definition of what is ‘sustainable’ is needed. Therefore, the EU defines six environmental objectives associated with the EU Taxonomy:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Economic activities that entities participate in, are assessed in accordance with the EU Taxonomy Regulation;

- which evaluates how much an economic activity contributes towards one or more of the six EU Taxonomy environmental objectives,
- does no significant harm to the remaining Taxonomy objectives,
- and complies with minimum safeguards.

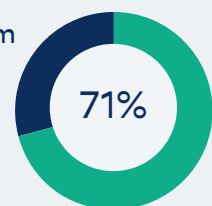
To be considered aligned to the EU Taxonomy, EU has introduced the Taxonomy Regulation and focused on a limited number of sectors and economic activities that are able to make a substantial contribution within climate change mitigation or climate change adaptation, whilst doing no significant harm to the other Taxonomy objectives and complying with the minimum safeguards.

In accordance with the EU Taxonomy, entities are to disclose how and to what extent they engage in environmentally sustainable activities as a proportion of their total economic activities. This is quantified through the key performance indicators (KPI’s) of turnover, capital expenditure (Capex) and operating expenditure (Opex).

Results Summary: YTD Third Quarter 2023¹

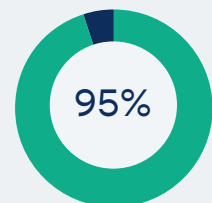
Aligned Turnover NOK 152m
(2022: NOK 208m, 74%)

■ Eligible - Taxonomy aligned 71%
■ Non- Eligible 29%



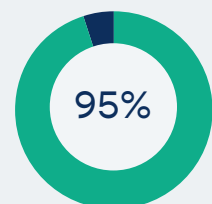
Aligned Capex NOK 436m
(2022: NOK 324m, 88%)

■ Eligible - Taxonomy aligned 95%
■ Non- Eligible 5%



Aligned Opex NOK 15m
(2022: NOK 12m, 88%)

■ Eligible - Taxonomy aligned 95%
■ Non- Eligible 5%



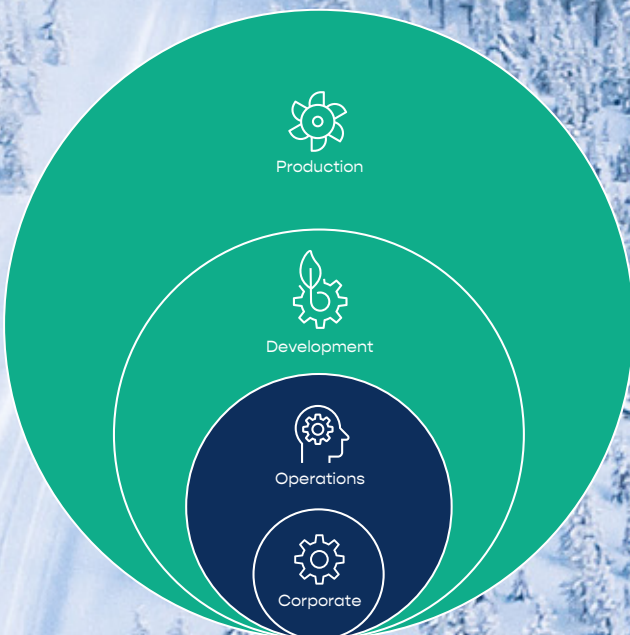
¹ See section 'Calculating KPI's' for detailed information

Criteria for financial activities to meet “alignment” definition of the EU Taxonomy



Total Economic Activities

- Eligible & Aligned Activities 74%
- Non- Eligible Activities 26%



EU Taxonomy assessment and reporting

Cloudberry operates within the renewable energy sector engaging in economic activities that include owning producing renewable energy assets, developing and constructing renewable energy assets, and providing services related to managing and operating renewable energy assets, as well as providing digital solutions to support hydro and wind energy production.

This chapter presents Cloudberry's assessments of and performance on eligible, aligned, and non-eligible economic activities on the KPI's outlined in the EU Taxonomy.

The following table outlines the overall process we have undergone to assess Cloudberry's business

activities against the eligibility and alignment criteria for the two EU environmental objectives: climate change mitigation and climate change adaptation. The analysis serves as a foundation for calculating our KPIs as it relates to eligible and aligned Turnover, Capex and Opex.

Eligibility Assessment	Alignment Assessment			Calculation of KPIs
<ul style="list-style-type: none"> Assessment of Cloudberry's definition of eligibility against the Taxonomy eligibility activities. Identification and calculation of eligible activities in the business units against the Taxonomy eligibility criteria. Consultations with industry and EU Taxonomy advisors for the evaluation of identified eligible activities. 	Substantial contribution	DNSH	Minimum Safeguard	<ul style="list-style-type: none"> Definition of Cloudberry's reporting principles and understanding of measurement of KPIs as related to Cloudberry activities. Calculation of KPIs based on the eligibility and alignment assessments performed. Continued consultations with industry and EU Taxonomy advisors for evaluation of calculation elements and interpretations.
	<ul style="list-style-type: none"> Examination of Substantial contribution specific screening criteria for all assets, specified between wind and hydro powerplants. Self-assessment for evaluation of alignment with each criterion. Data collection and documentation for demonstration of compliance to criteria. 	<ul style="list-style-type: none"> Examination of DNSH specific screening criteria for all assets, specified between wind and hydro power plants. Self-assessment for evaluation of alignment with each criterion. Carrying out of physical climate risk assessments and environmental impact assessments. Material risk identification and documentation of adaptation solutions. 	<ul style="list-style-type: none"> Assessment of Cloudberry's economic activities against identified international principles and guidelines. Assessment of eligible economic activities' performance against four core topics to ensure compliance to the minimum safeguards. Carrying out due diligence assessments and continued review of activities in compliance with internal and external ethical guidelines. 	
	Development of an interpretation methodology for better interpretation and continued consultations with third party verifiers, and legal experts.			

Eligibility

Eligible Activities

Eligible activities are those activities which are described in the EU Taxonomy. Following the results of Cloudberry's assessment of its operations for alignment to the Taxonomy, Cloudberry has determined that of its operations, the below activities are eligible:

1. Electricity generation from hydropower
2. Electricity generation from wind power

The construction and production phases are described in the EU Taxonomy, and the development phase is considered as research and development (early-phase before construction and production) related to the same activities. Cloudberry includes expenses related to development in the OPEX calculation as they are non-capitalized investments and aim to increase Cloudberry's sustainable renewable activities further.

The reported eligible activities are therefor in both Cloudberrys Production and Development business segments.

Economic Activity	Taxonomy Sector	Taxonomy Activity	NACE Code	NACE Code Description
Hydro power production	Energy	Electricity generation from hydropower	D35.12	Production of electricity from renewable sources
Hydro power construction	Energy	Electricity generation from hydropower	F42.91	Construction of water projects
Wind power production	Energy	Electricity generation from wind power	D35.12	Production of electricity from renewable sources
Wind power construction	Energy	Electricity generation from wind power	F42.22	Construction of utility projects for electricity and telecommunications

Non-Eligible Activities

Non-eligible activities are those activities not described in the EU Taxonomy Regulation.

Cloudberry has economic activities such as asset management services¹ - which include general administration, commercial administration and technical asset management, reporting, data management and quality control services for wind and hydro power plants. Furthermore, Cloudberry provides digital solutions for commercial and technical management of renewable assets and computer

programming with related activity. These activities, which mainly represent Cloudberry's Operations segment, are currently assessed as non-eligible as they are not covered by the Taxonomy. The current guidance on the eligibility criteria specifies eligibility on an asset level output and is not specified for the services provided for the assets. These activities are nevertheless linked to operating wind and hydro power plants which are generating sustainable renewable energy.

¹ Please note that Cloudberry has updated the assessment of asset management services from reported eligible in 2022 to non-eligible in this report. See more information in the section Calculating KPI's, under Turnover.

Alignment

Aligned activities are those eligible activities which satisfy the requirements of technical screening of doing no significant harm to the remaining Taxonomy objectives and complies with the minimum safeguards.

Cloudberry performed internal self-assessments of the consolidated producing hydropower and wind power plants to determine their alignment to the EU Taxonomy. The alignment of the hydropower plants is verified by DNV¹ (third-party verification), and this confirms Cloudberry's self-assessment methodology. The same self-assessment methodology has been applied for the wind farms, which concluded alignment to the EU Taxonomy. The self-assessment for the recently acquired wind portfolio Odin is currently being performed. The wind power projects under development and construction, Sundby and Munkhyttan in Sweden, are concluded to be aligned to the EU Taxonomy criteria, because once the wind turbines are in operation, they are expected to be well within the EU Taxonomy criteria.

Methodology

Cloudberry adopts a bottom-up approach, involving a meticulous examination of specific screening criteria for each asset. This approach requires the collection of relevant data points and supporting documentation to demonstrate compliance to the Taxonomy. Cloudberry takes the initiative to generate additional documentation to meet the screening criteria. For example, this approach is applied to criteria related to climate-risk assessment and circularity, where we develop frameworks based on recent climate risk projections from IPCC (The Intergovernmental Panel on Climate Change) and material selection analysis to fulfill the screening criteria.

Following the collection and development of information, a self-assessment is conducted to evaluate alignment with each criterion. Certain criteria may pose interpretation challenges in determining alignment. To address this, Cloudberry has developed a methodology that interprets wording and requirements within the context of the company's specific country setting, such as concession processes.

This methodology is informed by feedback from European and Norwegian NGOs, consultations with the third-party verifier DNV, and engagement with legal experts.

Hydropower plants

For the Taxonomy activity: generation of electricity from hydro power², the criteria for substantial contribution to climate mitigation includes three requirements, where the hydro power plant must meet at least one of those. All of Cloudberry's run-of-river hydropower plants are within the substantial contribution to climate mitigation criteria, as there are no further requirements for such plants. The hydropower plant with a reservoir is well within the requirement of substantial contribution criteria of 100 gCO₂e/kWh calculated with G-res tool³, as well as a power density above the limit of 5 W/m².

In addition to the substantial contribution criteria, the EU Taxonomy has three criteria for "Do no significant harm (DNSH)" that applies to electricity generation from hydropower: Climate adaptation, Water and Biodiversity.

To meet the criteria for Climate adaptation, Cloudberry has conducted physical climate risk assessment of each hydropower plant. These assessments identify the materiality of risks, document adaptation solutions and consider the potential environmental impacts for the physical climate risk mitigation strategy.

To meet the criteria for Water, Cloudberry has implemented all feasible and ecologically relevant minimum water flow measures and all feasible and ecologically relevant measures to protect or enhance habitats. Additionally, Cloudberry has established monitoring plans for these measures, including those described in the water management plans for 2022-2027⁴. All measures are in compliance with the provisions of Directive 2000/60/EC.

To meet the criteria for Biodiversity, Cloudberry has conducted Environmental Impact Assessments (EIA), and documented the implementation of mitigation and compensation measures for protecting the environment.

¹ DNV: Det Norske Veritas

² The EU Taxonomy criteria are summarized in table 1 in the appendix

³ <https://g-res.hydropower.org>

⁴ See table 1 in the appendix

Cloudberry's self-assessment concluded that Cloudberry's run-of-river hydropower plants were aligned to "the substantial contribution to climate mitigation" and to the "Do no significant harm" criteria. Furthermore, the majority owned (controlled) producing hydropower plants were confirmed aligned to the EU Taxonomy criteria by the third-party verifier DNV. A verification statement has been issued for each hydropower plant.



EU TAXONOMY ALIGNMENT VERIFICATION

A verification statement has been issued for each hydropower plant.

Wind power plants

For the Taxonomy activity: generation of electricity from wind power¹, the criteria for substantial contribution to climate mitigation has no further requirements than generating electricity from wind power. Hence, both the majority owned wind farms Røyrmyra and Hån are complying with the substantial contribution criteria.

In addition to the substantial contribution criteria, the EU Taxonomy has four criteria for "Do no significant harm (DNSH)" which apply to electricity generation from wind power: Climate adaptation, Water, Circular economy, and Biodiversity.

To meet the criteria for Climate adaptation, a physical climate risk assessment has been conducted for each wind farm. This assessment highlights material risks related to climate change and mitigation measures to minimize the identified risks.

The criteria for Water, applies to construction of offshore wind farms. Both of Cloudberry's wind power plants are located onshore and therefore the EU Taxonomy criteria is not applicable.

To meet the criteria for Circular economy, an assessment of the durability and recyclability of the materials and components at each wind power plant has been conducted.

To meet the criteria for Biodiversity, environmental impact assessments have been conducted as part of the concession process. Cloudberry has implemented all identified mitigation and compensation measures for protecting the environment at each wind power plant. Both wind farms are onshore installments, and none are located near biodiversity-sensitive areas.

Cloudberry's self-assessment concluded that the wind power plants are aligned to the substantial contribution to climate mitigation and to the "Do no significant harm" criteria of the EU Taxonomy.

Complying with minimum safeguards for hydro power plants and wind power plants

Article 18 of the EU Taxonomy regulation has established a set of minimum safeguards. Businesses must assess their economic activities against the following international standards and guidelines to ensure compliance to the minimum safeguards:

1. The OECD Guidelines for Multinational Enterprises;
2. The UN Guiding Principles on Business and Human Rights;
3. The principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work; and
4. The International Bill of Human Rights.

Activity labelled as "Taxonomy-aligned" and therefore sustainable, does not violate basic social and governance criteria. To evidence compliance with minimum safeguards, performance of the eligible activities must be assessed against four core topics:

- Human rights, including workers' rights,
- Bribery and corruption,
- Taxation, and
- Fair competition.

¹ The EU Taxonomy criteria are summarized in table 2 in the appendix

In absence of any official EU Commission or Norwegian authority guidance on the application of minimum safeguards, Cloudberry has relied on the Final Report issued by the Platform on Sustainable Finance¹ for guidance on reporting compliance with minimum safeguards. The Platform is an advisory body to the European Commission but does not bind the Commission on any decision. Therefore, best practice for reporting on minimum social safeguards may develop as the Commission considers the advice from the Final Report.

Alignment with minimum safeguards to ensure human rights and workers' rights

The carrying out of human rights due diligence in accordance with the OECD and UNGP Guidelines, as well as adherence with the International Labor Organization "ILO's" core conventions on Fundamental Principles and Rights at Work and the International Bill of Rights is at the heart of compliance with the minimum social safeguards. Compliance with these rights and guidelines first require undertakings to avoid infringing on human rights. Therefore, any final judgement, order or determination from national authorities establishing breach of human rights or labor law will mean non-compliance with the minimum safeguards. The same applies to any company failing to engage with the OECD National Contact Point or the Business and Human Rights Centre during a process where these bodies are assessing allegations of breach.

Second, undertakings must address any adverse impacts on human rights with which the undertaking is involved. To meet these expectations, undertakings should establish a due diligence process to continuously identify, prevent, and mitigate, track and account for actual and potential adverse impacts on human rights in their own operation, supply chains and other business relationships. These obligations are aligned with the Norwegian Transparency Act.

Cloudberry respects human- and labor rights and has not been subject to governmental or other investigations or decisions regarding the breach of such rights. We have developed the following guidelines for responsible business practices:

1. Guidelines for Responsible and Sustainable Investments
2. Code of Conduct

3. Supplier Code of Conduct
4. ESG due diligence guidelines
5. Whistleblower Policy
6. Health and Safety Plan for the Work Environment at our construction sites

The standards Cloudberry adheres to in our own operations, are embedded in the organization's Code of Conduct (CoC). The CoC requires that anyone who acts on behalf of Cloudberry, must conduct themselves in compliance with human- and labor rights.

The same expectations are set out for our suppliers through Cloudberry's Supplier Code of Conduct (SCoC). The SCoC is an integral part of our supplier contracts, and states that we expect our business partners and suppliers to establish the same requirements in their relationships with their suppliers and sub-contractors, mirroring the expectations Cloudberry has of them. The SCoC also obliges our suppliers to carry out due diligence assessments in accordance with the OECD guidelines. To monitor our supply chain's human- and labor rights risks, Cloudberry has integrated a supplier screening process in all our tendering processes through a supplier declaration form and will conduct risk-based audits in our supply chain. The declaration form encompasses sustainability topics such as regulatory requirements, governance, quality, employee rights and HSE, with a specific focus requesting the suppliers to provide documentation outlining their procedures for the safeguarding of fundamental human rights and decent working conditions in their value chain. Cloudberry expects suppliers to demonstrate willingness and ability to improve their operations to positively impact people, society, and the environment.

Cloudberry conducts a strategic due diligence assessment to monitor our compliance and progress on an annual basis. We implement mitigating measures on an ongoing basis and report on actual and potential adverse impacts on human rights that we are involved in. For a more detailed account of Cloudberry's human rights due diligence, the risks we have identified and our mitigating measures, please refer to our [The Transparency Act 2022 Report](#) that is published on our website.

¹ https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf

Alignment with minimum safeguards to ensure non-involvement with bribery and corruption

To align with minimum safeguards in respect of anti-bribery and corruption ("ABC"), it is required that:

1. An undertaking has developed and adopted adequate controls, ethics and compliance programs, or other measures preventing and detecting bribery and corruption,
2. The undertaking or senior management, including senior management of its subsidiaries, have not been finally convicted of corruption or bribery.

ABC is one of the topics which is discussed and assessed by the senior management on an annual basis in the risk management process in Cloudberry. Cloudberry's Code of Conduct is the basis for how we act and perform business. It sets out expectations that all employees, board of directors and other representatives act in a highly ethical manner when conducting their work for the company. Our Code of Conduct gives guidance on anti-corruption, anti-money laundering and how to act in respect of gifts, hospitality, and conflicts of interest.

Cloudberry has zero tolerance for corruption and bribery and neither the company nor senior management have been suspected of or finally convicted of corruption or bribery.

Compliance with ABC standards is monitored through internal control activities and Cloudberry's Whistleblower Reporting Channel, which all employees and stakeholders are encouraged to use. Reports can be made anonymously, and Cloudberry handles any report according to the principles of confidentiality, a fair and objective process, protection of the rights of the person receiving allegations of misconduct and an adversarial process and protection of the whistleblower against retaliation.

Alignment with minimum safeguards to ensure tax-compliance

To align with minimum safeguards to ensure tax compliance, undertakings are required to:

1. Treat tax governance and compliance as important elements of oversight and implement tax risk management strategies and processes,
2. The company not having been found guilty of tax evasion.

The Finance department of Cloudberry is responsible of always ensuring tax-compliance, and to monitor relevant changes in tax laws. The company is not guilty of any tax-evasion and is tax-compliant. Further, Cloudberry's Code of Conduct outlines the principle of financial integrity and emphasizes the importance of maintaining accurate financial records and compliance with taxation laws and regulations. Cloudberry has a zero tolerance for fraud, falsification of documents and other misrepresentation of facts, transactions, or financial data.

Cloudberry's employees and other stakeholders are encouraged to report any misconduct through our Whistleblowing Reporting Channel, including financial fraud and tax evasion.

Cloudberry has not been found guilty of tax evasion and we therefore assess that we fulfil the minimum social safeguards in relation to tax.

Alignment with minimum safeguards to ensure fair competition

To align with minimum social safeguards to ensure fair competition, undertakings are required to:

1. Promote employee awareness of the importance of compliance with all applicable competition laws and regulations and train senior management in relation to competition issues.
2. The company's senior management, including the senior management of its subsidiaries, has not acted in violation of competition laws.

Cloudberry's Code of Conduct expects all employees, board of directors and other representatives of the company to respect anti-trust laws and regulations to protect free enterprise and prohibits behavior that limits trade or restricts fair competition. Cloudberry is committed through its Code of Conduct to compete fairly and in compliance with applicable laws. The Code of Conduct is reviewed and updated on an annual basis.

As none of our senior management, including senior management of our subsidiaries have acted in violation of competition laws, we consider our business to be aligned with the minimum safeguards.

Calculating KPIs

Reporting principles

In accordance with the Taxonomy, the KPI's shall be reported based on a company's International Financial Reporting Standards (IFRS) consolidated figures. Cloudberry reports on two reporting principles: group consolidated financial statements in accordance with IFRS and supplementary proportionate financials. Information in this report will be provided on the 30 September 2023 consolidated financial statement basis (year-to-date third quarter reported figures) and presented in NOK (Norwegian Krone). This basis has been chosen as the proportionate financials focus on key figures¹ that are outside of the KPIs outlined in the EU Taxonomy, whilst the use of the consolidated statement financials is aligned with the Taxonomy guidance.

This entails the disclosure of turnover, Capex and Opex related to economic activities of companies that Cloudberry Clean Energy ASA controls and therefore does not include figures from joint ventures (JVs) and associated companies.

Note that we have reassessed the definitions of the KPIs and revised the calculations for these indicators since the previous reporting in the 2022 Sustainability Report. As a result, this Taxonomy Report will present recalculated figures for the 2022 annual year for comparability.

In calculating the EU Taxonomy KPIs, Cloudberry will report on those figures that are derived from activities that are eligible and aligned to the Taxonomy. The calculations are defined as follows:

Turnover

Cloudberry's turnover to be disclosed in compliance with the Taxonomy, will be the net turnover from the sale of electricity from wind and hydro energy, and sale of EI-certificates and guarantees of origin (GoOs) originating from hydro and wind generated electricity. Please note that Cloudberry has updated its assessment of asset management services, and the net turnover figure will therefore exclude amounts derived from the provision of asset management services to external customers. This differs from the turnover definition included in the

Sustainability Report 2022 which included sales revenue from asset management services on the basis that these services were closely related to eligible activity and reported as part of it. Whilst these services were initially considered eligible (and aligned) in the 2022 reporting, Cloudberry has now reassessed and reclassified them as non-eligible activities, awaiting additional developments and guidance in the application of the Taxonomy in relation to such activity.

Numerator:	Revenue from eligible and aligned activities	=	Eligible & aligned Turnover %
Denominator:	IFRS 15 Sales Revenue		

Capital Expenditure (Capex)

Cloudberry's Capex to be disclosed in compliance with the Taxonomy, will be the total expenditure for additions to property, plant, and equipment (PPE), intangible assets and right of use assets directly associated with Taxonomy eligible activities and those activities part of a plan to expand or allow Taxonomy eligible activities to be realized. These additions mainly relate to the purchase or construction costs of power plants and exclude any capitalized development costs incurred on internal employee salaries, external development costs and interest costs relating to funding for projects in our backlog or pipeline.

Numerator:	Capex on eligible and aligned activities	=	Eligible & aligned Capex %
Denominator:	Total additions for PPE and Intangible assets		

Operating Expenditure (Opex)

Cloudberry's Opex to be disclosed in compliance with the Taxonomy, will be the total expenditure for direct non-capitalized costs that relate to research and development (greenfield development), maintenance and repair, project costs (greenfield development) and any other direct expenditures incurred for

¹ Key figures for proportionate financials are revenue and other income, EBITDA, and power production.

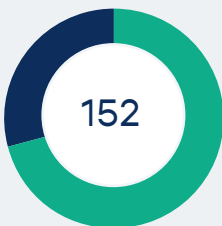
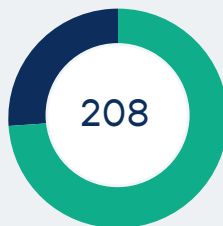
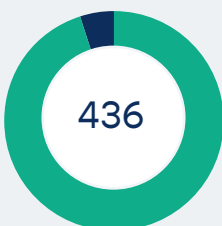
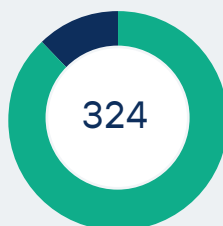
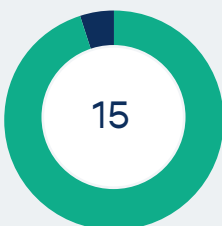
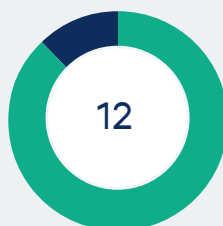
the day-to-day servicing and continued functioning of hydro and wind power plants utilized in the carrying out of hydro and wind power production.

Cloudberry updated its calculation of the total Opex from which to determine the proportionate eligible Opex from that disclosed in the Sustainability Report 2022. The total Opex previously reported was “Other operating expenses” as per Note 13 of the 2022 Consolidated Group financials. This has been reassessed to be the total Opex from direct non-capitalised expenses incurred to ensure continued and

effective functioning of wind and hydro assets, excluding management costs and all other are non-essential costs to the running of these activities.

Numerator:	Opex on eligible and aligned activities	=	Eligible & aligned Opex %
Denominator:	Total direct non-capitalized costs		

Detailed Summary of Results: Turnover, Capex and Opex 2023¹ vs 2022

	YTD Third Quarter 2023 NOK million	Full Year 2022 (revised) NOK million	KPI comparison
Turnover	 <p>152</p> <p>■ Eligible - Taxonomy aligned 71% ■ Non- Eligible 29%</p>	 <p>208</p> <p>■ Eligible - Taxonomy aligned 74% ■ Non- Eligible 26%</p>	-3%
Capex	 <p>436</p> <p>■ Eligible - Taxonomy aligned 95% ■ Non- Eligible 5%</p>	 <p>324</p> <p>■ Eligible - Taxonomy aligned 88% ■ Non- Eligible 12%</p>	+7%
Opex	 <p>15</p> <p>■ Eligible - Taxonomy aligned 95% ■ Non- Eligible 5%</p>	 <p>12</p> <p>■ Eligible - Taxonomy aligned 88% ■ Non- Eligible 12%</p>	+8%

¹ YTD 2023 calculations have excluded figures from the Odin portfolio as these assets are currently under assessment for alignment to the Taxonomy. For 2023, this primarily affects turnover and opex calculations. Cloudberry expects the Odin wind farm portfolio to be reported on in the sustainability report 2023.

Analysis

Overall, the majority of Cloudberry's activities are eligible and aligned according to the EU Taxonomy.

The turnover KPI has decreased with three percentage points for year-to-date as of 30 September 2023, compared with Full year 2022. The decrease is due to significantly lower average power prices in 2023 compared with 2022, which affects the eligible and aligned turnover. The non-eligible turnover from operations asset management and consultancy is not exposed to the same power price variation in its revenues. We also expect that when the assessment of the Odin portfolio (newly acquired wind power production in Denmark) is complete, this will increase the reported Taxonomy eligible (and aligned) turnover and increase the proportion.

The aligned Capex has increased in absolute terms and for reported KPI share due to the ongoing construction projects of the two wind farms Sundby and Munkhyttan during 2023. In 2022 the majority was related to the construction of Hån wind farm. The non-eligible Capex is mainly related to investments in intangible assets which are IT systems developed for renewable assets.

The aligned Opex has increased in absolute and proportional terms. This is mainly due to increased greenfield development of renewable projects not capitalized (mainly offshore and early phase development), leading to an increase in direct non-capitalized costs.

Year to date as of 30 September 2023 Results:

NOK million	Turnover		Capex		Opex	
	Amount (mNOK)	% total turnover	Amount (mNOK)	% total Capex	Amount (mNOK)	% total Opex
A: Eligible- Taxonomy aligned	108	71%	416	95%	14	95%
B: Non-eligible	45	29%	20	5%	1	5%
Total A and B	152	100%	436	100%	15	100%

Full Year 2022 (revised) Results:

NOK million	Turnover		Capex		Opex	
	Amount (mNOK)	% total turnover	Amount (mNOK)	% total Capex	Amount (mNOK)	% total Opex
A: Eligible- Taxonomy aligned	154	74%	285	88%	11	88%
B: Non-eligible	55	26%	39	12%	2	12%
Total A and B	208	100%	324	100%	12	100%

Table 1: Turnover

NOK million

Economic Activities	NACE Codes	Amount	Turnover proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	41	27%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	1	0%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	66	43%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		108	71%
Non-Eligible Activities		45	29%
Total		152	100%

Table 2: Capex

NOK million

Economic Activities	NACE Codes	Amount	Capex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	0	0%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	415	95%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	1	0%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		416	95%
Non-Eligible Activities		20	5%
Total		436	100%

Table 3: Opex

NOK million

Economic Activities	NACE Codes	Amount	Opex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	1	9%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	11	72%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	2	14%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		14	95%
Non-Eligible Activities		1	5%
Total		15	100%

Way forward

The EU Taxonomy for sustainable activities serves as a dynamic classification system aimed at clarifying environmentally sustainable investments. Given its dynamic nature, it continually evolves with updates and the incorporation of additional criteria.

Cloudberry has established internal processes to identify and evaluate any revisions to the EU Taxonomy and the criteria set out in the Disclosures Delegated Acts, including the Climate Delegated Act and the Environmental Delegated Act. The objective of these processes is to determine their possible effects on the currently defined eligible and aligned activities, and also on the non-eligible activities. All of Cloudberry's activities are linked to operating wind and hydropower plants and by that generating sustainable renewable energy.

To ensure alignment with the EU Taxonomy, Cloudberry will utilize a digital platform named [Rexonomy](#)¹, developed inhouse by the Operations segment. This tool serves as a platform and a reporting solution to assess the company against the criteria, collect and structure data and input, and provide an interface for organizing and analysing data.

Cloudberry is committed to full alignment with the EU Taxonomy across all its eligible economic activities. Furthermore, attain the highest level of transparency and reporting, with a clear dedication to sustainability and responsible business practices.

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¹ Rexonomy is a service delivered by Captiva Asset Management AS (part of Cloudberry Group).



Appendices

Table 1: Electricity generation from hydropower – Substantial contribution to Climate change mitigation

Construction or operation of electricity generation facilities that produce electricity from hydropower.

Sustainability goal	Substantial contribution criteria	Do no significant harm criteria
Climate change mitigation	<p>The activity complies with either of the following criteria:</p> <ul style="list-style-type: none"> a. the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; b. the power density of the electricity generation facility is above 5 W/m²; c. the life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100gCO₂e/kWh. The life-cycle GHG emissions are calculated using Recommendation 2013/179/EU or, alternatively, using ISO 14067:2018(162), ISO 14064-1:2018(163) or the G-res tool(164). Quantified life-cycle GHG emissions are verified by an independent third party. 	
Climate change adaptation		A physical climate risk assessment has to be performed and in line with Appendix A .
Sustainable use and protection of water and marine resources		<p>The activity complies with the provisions of Directive 2000/60/EC, in particular with all the requirements laid down in Article 4 of the Directive.</p> <p>(all details can be found here)</p>
Transition to a circular economy		N/A
Pollution prevention and control		N/A
Protection and restoration of biodiversity and ecosystems		An environmental impact Assessment has to be performed and in line with Appendix D .

Table 2: Electricity generation from wind power – Substantial contribution to Climate change mitigation
Construction or operation of electricity generation facilities that produce electricity from wind power.

Sustainability goal	Substantial contribution criteria	Do no significant harm criteria
Climate change mitigation	The activity generates electricity from wind power.	
Climate change adaptation		A physical climate risk assessment has to be performed and in line with Appendix A .
Sustainable use and protection of water and marine resources		In case of construction of offshore wind, the activity does not hamper the achievement of good environmental status as set out in Directive 2008/56/EC of the European Parliament and of the Council(158), requiring that the appropriate measures are taken to prevent or mitigate impacts in relation to that Directive's Descriptor 11 (Noise/Energy), laid down in Annex I to that Directive, and as set out in Commission Decision (EU) 2017/848(159) in relation to the relevant criteria and methodological standards for that descriptor.
Transition to a circular economy		The activity assesses availability of and, where feasible, uses equipment and components of high durability and recyclability and that are easy to dismantle and refurbish.
Pollution prevention and control		N/A
Protection and restoration of biodiversity and ecosystems		An environmental impact Assessment has to be performed and in line with Appendix D . In case of offshore wind, the activity does not hamper the achievement of good environmental status as set out in Directive 2008/56/EC, requiring that the appropriate measures are taken to prevent or mitigate impacts in relation to that Directive's Descriptors 1 (biodiversity) and 6 (seabed integrity), laid down in Annex I to that Directive, and as set out in Decision (EU) 2017/848 in relation to the relevant criteria and methodological standards for those descriptors.

[illegible]

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