Cloudberry

EU Taxonomy Report

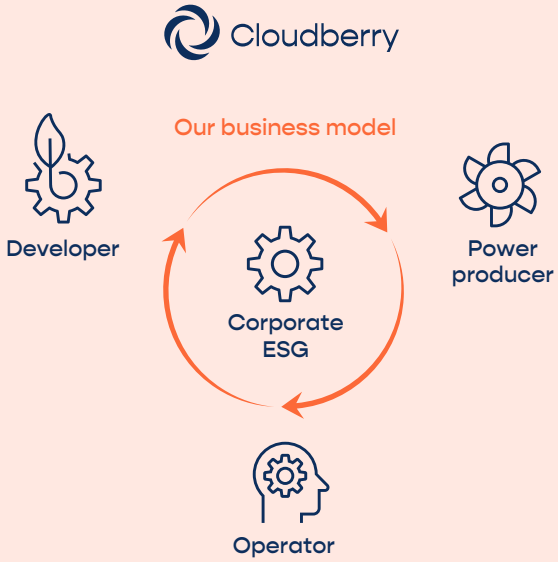
31 December 2023

Cloudberry Clean Energy ASA

Content

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. Commitment for the 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 with 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 for the full 2023 financial year ending 31 December 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

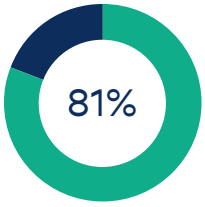
Economic activities that entities participate in are assessed following the EU Taxonomy Regulation;

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

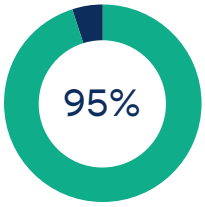
In accordance with the EU Taxonomy, entities are to disclose how and to what extent they engage in environmentally sustainable activities as a proportion of their total economic activities. This is quantified through the key performance indicators (KPIs) of turnover, capital expenditure (Capex), and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

Results Summary Full Year 2023[1]



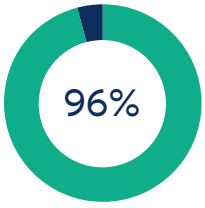
Aligned Turnover NOK 333m
2022: NOK 208m

Eligible - Taxonomy aligned 81%
Non- Eligible 19%



Aligned Capex NOK 550m
2022: NOK 324m

Eligible - Taxonomy aligned 95%
Non- Eligible 5%



Aligned Opex NOK 20m
2022: NOK 12m

Eligible - Taxonomy aligned 96%
Non- Eligible 4%

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

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

Make a substantial contribution to one or more of the Taxonomy objectives

+

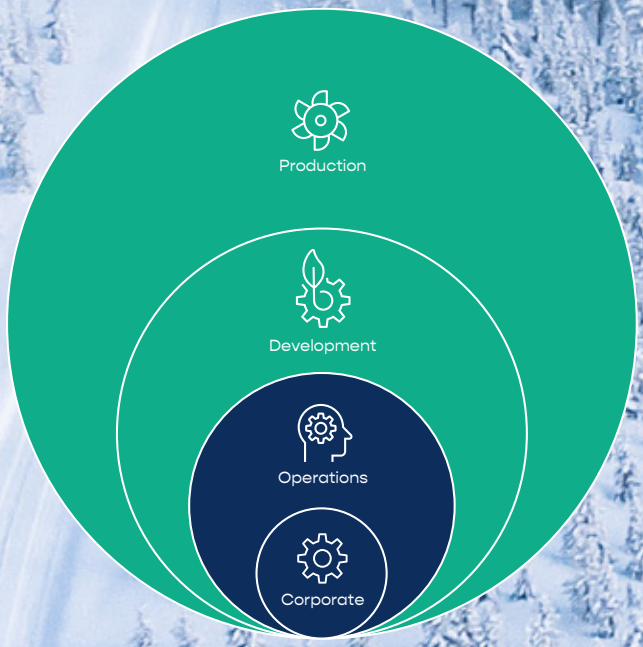
Do no significant harm to remaining Taxonomy objectives

+

Complying to minimum social safeguards

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 KPIs 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 they relate to eligible and aligned Turnover, Capex and Opex.

<table>
<tr><th>Eligibility Assessment</th><th colspan="3">Alignment Assessment</th><th>Calculation of KPIs</th></tr>
<tr><td rowspan="2">• 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.</td><td>Substantial contribution</td><td>DNSH</td><td>Minimum Safeguard</td><td rowspan="2">• Definition of Cloudberry's reporting principles and understanding 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.</td></tr>
<tr><td>• Examination of Substantial contribution specific screening criteria for all assets, specified between wind and hydropower plants.
• Self-assessment for evaluation of alignment with each criterion.
• Data collection and documentation for demonstration of compliance to criteria.</td><td>• Examination of DNSH-specific screening criteria for all assets, specified between wind and hydropower plants.
• Self-assessment for evaluation of alignment with each criterion.
• Carrying out physical climate risk assessments and environmental impact assessments.
• Material risk identification and documentation of adaptation solutions.</td><td>• 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 with the minimum safeguards.
• Carrying out due diligence assessments and continued review of activities in compliance with internal and external ethical guidelines.</td></tr>
<tr><td colspan="3">Development of an interpretation methodology for better interpretation and continued consultations with third-party verifiers, and legal experts.</td></tr>
</table>

Eligibility

Eligible Activities

Eligible activities are those activities that 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 therefore in both Cloudberry's Production and Development business segments.

Economic Activity	Taxonomy Sector	Taxonomy Activity	NACE Code	NACE Code Description
Hydropower production	Energy	Electricity generation from hydropower	D35.12	Production of electricity from renewable sources
Hydropower 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

Cloudberry has focused on building a robust pipeline of development opportunities across the Nordics and recently has started developing solar projects in Norway and Denmark. These projects will be included in our eligible activities and assessed against the alignment criteria when they are part of the development platform, either as permitted or as construction projects.

Non-Eligible Activities

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

Cloudberry has economic activities such as asset management services[1] - which include general administration, commercial administration and technical asset management, reporting, data management, and quality control services for wind and hydropower plants. Furthermore, Cloudberry provides digital solutions for commercial and technical management of renewable assets and computer programming with related activities. 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 KPIs, under Turnover.

Alignment

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

Cloudberry performed internal self-assessments of the consolidated producing hydropower and wind power plants to determine their alignment with the EU Taxonomy. The alignment of the hydropower plants is verified by DNV[1] (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 with the EU Taxonomy. The self-assessment for the recently acquired wind portfolio Odin has been completed, and the portfolio is deemed aligned. 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 fulfil 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 power[2],the criteria for substantial contribution to climate mitigation includes three requirements, where the hydropower 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 gCO_2e/kWh calculated with G-res tool[3] , as well as a power density above the limit of 5 W/m^2.

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

To meet the criteria for Climate adaptation, Cloudberry has conducted a 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 2022-2027[4]. 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.

DNV

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 power[1], the criteria for substantial contribution to climate mitigation has no further requirements than generating electricity from wind power. Hence, all the majority-owned wind farms 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 the 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. All 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 with the substantial contribution to climate mitigation and to the "Do no significant harm" criteria of the EU Taxonomy.

Complying with minimum safeguards for hydropower 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 with 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 the 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 Finance[1] 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 practices 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 to 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 requires 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, 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 on 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, has not been finally convicted of corruption or bribery.

ABC is one of the topics that 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, the 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 KPIs 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 31 December 2023 consolidated financial statement basis and presented in NOK (Norwegian Krone). This basis has been chosen because the consolidated statement financials are aligned with the Taxonomy guidance, whilst proportionate financials focuses on key figures[1] that are outside of the KPIs outlined in the EU Taxonomy.

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 electricity certificates and guarantees of origin (GOs) 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 the day-to-day servicing and continued functioning

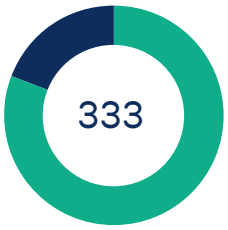
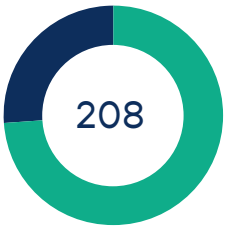
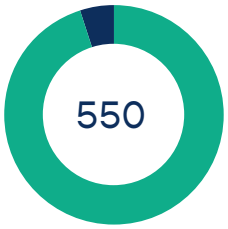
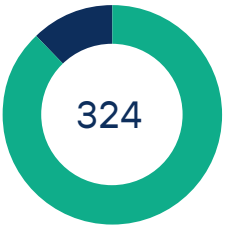
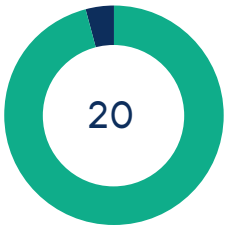
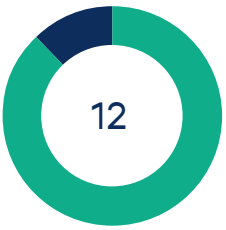
[1] Key figures for proportionate financials are revenue and other income, EBITDA, and power production.

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 2023 vs 2022

	Full year 2023 NOK million	Full year 2022 (revised) NOK million	KPI comparison (percentage points to Prior Year)
Turnover	 Eligible - Taxonomy aligned 81% Non- Eligible 19%	 Eligible - Taxonomy aligned 74% Non- Eligible 26%	+7%
Capex	 Eligible - Taxonomy aligned 95% Non- Eligible 5%	 Eligible - Taxonomy aligned 88% Non- Eligible 12%	+7%
Opex	 Eligible - Taxonomy aligned 96% Non- Eligible 4%	 Eligible - Taxonomy aligned 88% Non- Eligible 12%	+8%

Analysis

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

In 2023, the Group's turnover amounted to NOK 333m, with 81% derived from Taxonomy eligible and aligned activities, marking a 7% increase in percentage points from the assessed turnover for the year 2022. This growth can be attributed to the expansion of the Group's production portfolio, primarily the acquisition of the Odin portfolio, which added 51 wind turbines meeting the eligibility criteria. Currently, non-eligible turnover represents the revenue generated by asset management and consultancy services, as these activities are not yet directly covered by the Taxonomy.

Total Capex for the Group has increased in absolute and proportional terms, totalling NOK 550m, with 95% representing eligible capital investment. This 7% increase in percentage points from 2022 is primarily due to ongoing construction projects of the two wind farms Sundby and Munkhyttan during 2023. In 2022, the majority had been 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 (NOK 20m) and proportional terms (96%). This 8% increase in percentage points is mainly due to increased greenfield development of renewable projects, particularly off-shore and early-phase development, leading to higher direct non-capitalized costs.

Full Year 2023

NOK million	Turnover		Capex		Opex	
	Amount	% total turnover	Amount	% total Capex	Amount	% total Opex
A: Eligible- Taxonomy aligned	269	81%	524	95%	20	96%
B: Non-eligible	64	19%	26	5%	1	4%
Total A and B	**333**	**100%**	**550**	**100%**	**20**	**100%**

Full Year 2022 (revised)

NOK million	Turnover		Capex		Opex	
	Amount	% total turnover	Amount	% total Capex	Amount	% 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 milllion

Economic Activities	NACE Codes	Amount	Turnover proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	192	58%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	2	1%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	75	22%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		269	81%
Non-Eligible Activities		64	19%
Total		**333**	**100%**

Table 2: Capex

NOK milllion

Economic Activities	NACE Codes	Amount	Capex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	6	1%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	517	94%
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		524	95%
Non-Eligible Activities		26	5%
Total		**550**	**100%**

Table 3: Opex

NOK milllion

Economic Activities	NACE Codes	Amount	Opex proportion (%)
Eligible- Taxonomy aligned			
Electricity generation from wind power- production of electricity from renewable sources	D35.12	2	11%
Electricity generation from wind power- Construction of utility projects for electricity and telecommunications	F42.22	15	74%
Electricity generation from hydropower- production of electricity from renewable sources	D35.12	2	11%
Electricity generation from hydropower- Construction of water projects	F42.91	0	0%
Total Eligible Activities		20	96%
Non-Eligible Activities		1	4%
Total		**20**	**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 regularly undergoes updates and includes additional criteria.

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.

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 developing and operating wind, hydropower plants and eventually solar projects, and by that generating sustainable renewable energy.

The Group awaits the assessments for the eligibility and alignment criteria to extend beyond the asset level and to include services for assets generating sustainable renewable energy. This broader perspective would likely result in improved KPI assessment, as it would include the entire Cloudberry platform.

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.

Contact person for this taxonomy report:

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[1] Rexonomy is a service delivered by Captiva Asset Management AS (part of Cloudbery 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	The activity complies with either of the following criteria: 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		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. (all details can be found here)
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.

Turnover

Economic Activities	Code (2)	Absolute turnover (MnOK)	Proportion of Turnover (%)	Substantial Contribution Criteria: Climate Change Mitigation (5)	Substantial Contribution Criteria: Climate Change Adaptation (6)	Substantial Contribution Criteria: Water (7)	Substantial Contribution Criteria: Pollution (8)	Substantial Contribution Criteria: Circular Economy (9)	Substantial Contribution Criteria: Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Adaptation (12)	DNSH criteria ('Does Not Significantly Harm'): Water (13)	DNSH criteria ('Does Not Significantly Harm'): Pollution (14)	DNSH criteria ('Does Not Significantly Harm'): Circular Economy (15)	DNSH criteria ('Does Not Significantly Harm'): Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned prop. of tot. turnover, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		MNOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			81%																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	D35.12	192	58%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	58%	0%	0%
Electricity generation from wind power	F42.22	2	1%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	1%	0%	0%
Electricity generation from hydropower	D35.12	75	22%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	22%	0%	0%
Electricity generation from hydropower	F42.91	0	0%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0%	0%	0%
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		269	81%	81%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	81%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
N/A		0	0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																
Total (A.1+A.2)		**269**	**81%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		64	19%																
Total (A+B)		**333**	**100%**																

Capex

Economic Activities	Code (2)	Absolute Capex(MnOK)	Proportion of Capex (%)	Substantial Contribution Criteria: Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned prop. of tot. Capex, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		MNOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			95%																
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	D35.12	6	1%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	1%		
Electricity generation from wind power	F42.22	517	94%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	94%		
Electricity generation from hydropower	D35.12	1	0%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0%		
Electricity generation from hydropower	F42.91	0	0%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		524	95%	95%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	88%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
N/A		0	0%																
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																
Total (A.1+A.2)		**524**	**95%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		26	5%																
Total (A+B)		**550**	**100%**																

Opex

Economic Activities	Code (2)	Absolute OPex (MnOK)	Proportion of Opex(%)	Substantial Contribution Criteria: Climate Change Mitigation (5)	Substantial Contribution Criteria: Climate Change Adaptation (6)	Substantial Contribution Criteria: Water (7)	Substantial Contribution Criteria: Pollution (8)	Substantial Contribution Criteria: Circular Economy (9)	Substantial Contribution Criteria: Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Adaptation (12)	DNSH criteria ('Does Not Significantly Harm'): Water (13)	DNSH criteria ('Does Not Significantly Harm'): Pollution (14)	DNSH criteria ('Does Not Significantly Harm'): Circular Economy (15)	DNSH criteria ('Does Not Significantly Harm'): Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned prop. of tot. Opex, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		MNOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			96%																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from wind power	D35.12	2	11%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	11%	0%	0%
Electricity generation from wind power	F42.22	15	74%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	Y	Y	Y	74%	0%	0%
Electricity generation from hydropower	D35.12	2	11%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	11%	0%	0%
Electricity generation from hydropower	F42.91	0	0%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0%	0%	0%
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		20	96%	96%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	58%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
N/A		0	0%																
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																
Total (A.1+A.2)		**20**	**96%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		1	4%																
Total (A+B)		**20**	**100%**																

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