

A large circular image showing a dramatic sky with dark, heavy clouds and a bright rainbow arching across the center. The colors are muted and painterly.

Sustainability report 2021

Cloudberry Clean Energy ASA

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What we do

We are powering the transition to a sustainable future by providing renewable energy today and for coming generations. We create value in the communities we work, together with and for our employees, customers, business partners, and shareholders.

Introduction

As a developer, owner and operator of renewable assets, sustainability is at the core of Cloudberry's business and seen as a necessity for the company's long-term achievements and value creation. The company provides renewable energy for future generations and our long-term success is linked to operating the business in a sustainable way.

In Cloudberry a long-term approach is coloured into everything we do. We treasure partnerships and work closely with our employees, business partners, shareholders, and with the landowners and the communities in which we operate. Together, we create value and share the result of our efforts fairly.

“In Cloudberry we take great pride in powering the transition to a sustainable future by providing renewable energy today and for future generations. We develop, own, and operate our hydropower plants and wind farms in a responsible manner”

Cloudberry's value statement

Our various stakeholders expect us to navigate our business according to the strongest environmental, social and governance (ESG) principles, and we expect nothing less of ourselves and from our partners and suppliers.

As a listed company on Oslo Børs, operating in a highly regulated industry, we are continuously monitored, measured, and judged by the results we achieve, and by our business practice and ethics. We thrive with this scrutiny, which inspires us to continually improve.

2021 has been a transitional year for Cloudberry and the company has grown significantly both in developing projects and in adding new assets to our portfolio. We want to be a driver for positive change and are committed to powering the transition to a sustainable future by providing renewable energy today and for coming generations. Developing new renewable assets is essential to reduce the global CO₂ emissions. We realise, however, that our growth does not come without environmental impact. Construction and production do have an impact on biodiversity, land use areas and individuals' interests. Cloudberry is conscious of the risks and seeks to understand and evaluate all aspects. We must carry out our work in a sustainable manner, and we recognize the need to continuously evolve our approach to ensure sustainability remains a key aspect in all our processes. We therefore take responsibility, knowing the choices we make underway matter, and focus on conducting our business with concern for our impact on environmental, social and governmental aspects at all times, and has set a goal to be net-zero across the value chain by 2040.

Our Values



Supportive



Commitment



Continuous
improvement



Integrity



Cloudberry seeks to understand and manage the company's impact on society as well as stakeholders' expectations. In 2020 we conducted an assessment based upon input from key stakeholders. To ensure alignment with best practice, a specialist sustainability consultancy was assigned. Considerable efforts were made to identify the sustainability topics in our value chain that are material for Cloudberry and our key stakeholders such as authorities, suppliers, landowners and neighbours in addition to financial institutions and investors. The work involved an assessment of macro trends, as well as a benchmark against peers and leaders. Confirming alignment with the expectations of our external stakeholders is pivotal to Cloudberry.

The Sustainability Report 2021 is Cloudberry's second report on environmental, social and governance concerns, and we are still in an early phase on reporting sustainability activities. Cloudberry's sustainability management has been strengthened in 2021, and we have focused on how to organize and strengthen our ESG-activities and how to disclose our ESG-performance. This year's report highlights activities conducted during 2021 and describes our plans for 2022.

Reporting standards

Cloudberry's ESG reporting and the company's approach to sustainability, is in accordance with the [World Economic Forum \(WEF\) Stakeholder Capitalism Metrix](#). At the end of this report, we have included an overview over all 21 WEF disclosures with references to pages where we disclose relevant information. The metrics include non-financial disclosures centred around four pillars; Principles of Governance, Planet, People and Prosperity, which are aligned among existing ESG standards and disclosures, e.g., Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Task Force on Climate Related Financial Disclosures (TCFD), as well as essential elements of the UN Sustainability Development Goals. We describe our approach, our ambitions and goals, activities taken place in 2021 and way forward related to the identified sustainability topics for the company according to these pillars.







In 2021 we have strengthened the assessment of our climate related financial risks and opportunities in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Financial climate-related risks and opportunities will be fully integrated into our overall risk management in 2022.

Supporting the UN Sustainable Development Goals

The development of renewable energy capacity contributes to the energy transition necessary to reach net-zero, European and national climate targets and the UN Sustainable Development Goals (SDGs). We have reviewed our sustainability strategy towards the SDGs targets to highlight which we align with. We have strengthened our approach and updated our goals and key performance indicators in 2021 to align them with indicators defined in the UN SDGs.



The following goals are considered particularly important to Cloudberry's business and how we operate:

 <p>Affordable and clean energy</p> <p>Cloudberry ensures access to affordable, reliable, sustainable, and modern renewable energy for all. This open opportunities for new economic opportunities, jobs and local value creation, and contribution to climate change.</p>	 <p>Industry, innovation and infrastructure</p> <p>Cloudberry contributes to extend the development of renewable energy in Norway and Sweden by securing investments and always develops a plan for decommissioning to restore areas back to their original condition as far as possible.</p>	 <p>Sustainable cities and communities</p> <p>Cloudberry seeks to contribute to cities and communities that are sustainable, protect and safeguard cultural and natural heritage, construct and operate powerplants with sustainable environment friendly materials and solutions, and utilize local materials where possible. We consider re-used materials and engage local suppliers.</p>
 <p>Responsible consumption and production</p> <p>In Cloudberry's development projects, the company focus on environmentally sound management of chemicals and all wastes throughout the life cycle, and efficient use of natural resources.</p>	 <p>Climate action</p> <p>Cloudberry strengthens our resilience and adaptive capacity to climate-related hazards and assesses our climate related risks and opportunities, and we secure that our assets are climate-resilient and focuses on reducing our carbon emissions on our way to become net-zero by 2040.</p>	 <p>Life on Land</p> <p>Cloudberry protects, restores, and promotes sustainable use of land areas, sustainable forest and biodiversity management, and protects and prevents threatened species, flora and fauna. We always integrate ecosystem and biodiversity values into planning in our development processes.</p>

In this report we have also set out a review of our environmental, social and governance (ESG) strategy relative to the UN Sustainable Development Goals (SDGs).

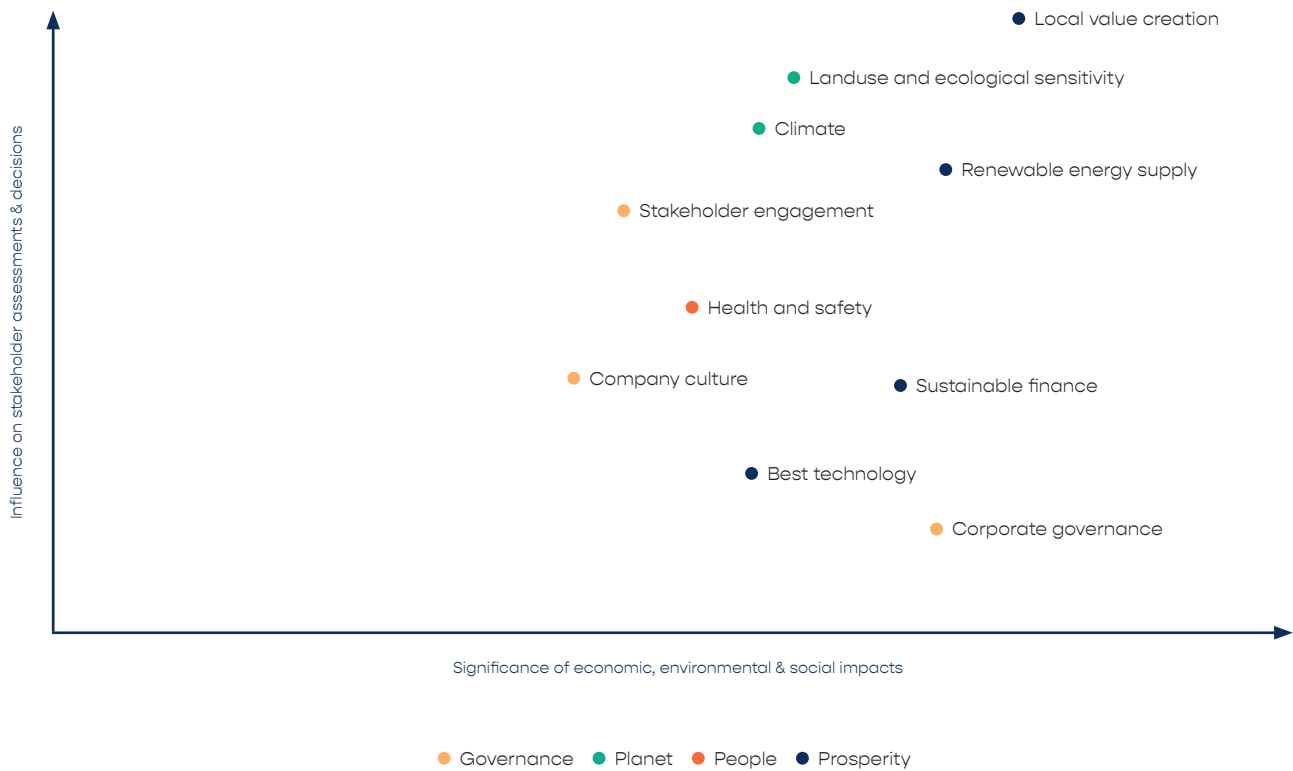
Through our materiality assessment and analysis of the underlying targets that are relevant to Cloudberry and our stakeholders, we have looked to specific SDG sub targets in our environmental, social and governance strategy.

Materiality analysis and focus areas

Cloudberry believes that identifying, understanding and managing the sustainability topics in our value chain, is of uttermost importance for future long-term value creation. The focus areas and priorities are based on the materiality analysis conducted,

and further strengthened during 2021 through stakeholder dialogue. The outcome of the analysis in our material aspects and stakeholder engagement are similar to 2020. Responsible supplier management is a natural part of our stakeholder engagement, and therefore not a separate material aspect in this year's revised material matrix. Health and safety is still an important aspect, and has been strengthened in the materiality analysis in 2021, based on dialogue with suppliers and contractors, and is also addressed in our Suppliers Code of Conduct.

The main topics are illustrated above, and the matrix gives an overview of the findings. The topics in the right corner is of most strategic importance to Cloudberry and we focus our reporting on local value creation, renewable energy supply, climate, land



use and ecological sensitivity, stakeholder engagement and health and safety. In addition, corporate governance, sustainable finance, company culture and best technology were identified as important matters for our stakeholders and Cloudberry.

Climate and renewable energy supply is at the core of our purpose. Under “Planet” in this report we have

a more comprehensive description of our work on taking climate action.

In the following Cloudberry describes its approach and activities in 2021, and ambitions and goals going forward related to the identified sustainability topics according to the Principles of Governance, Planet, People and Prosperity.

Principles of Governance	Planet	People	Prosperity
<ul style="list-style-type: none"> Strengthen sustainability into business strategy Stakeholder engagement Company culture 	<ul style="list-style-type: none"> Climate risk and opportunities Taxonomy Land use and ecological sensitivity 	<ul style="list-style-type: none"> Health and safety Human and labour rights Diversity and gender equality 	<ul style="list-style-type: none"> Local value creation Renewable energy supply Sustainable financing Best technology
Contribution to SDG targets	 	 	 





Principles of Governance

Cloudberry adheres to good governance standards and will at all times seek to ensure that the company endorses the Norwegian Code of Practice for Corporate Governance (the “Corporate Governance Code”), last revised on 14 October 2021, which is available at the web site of the Norwegian Corporate Governance Board www.nues.no. This includes disclosure and transparency in all our business to provide shareholders and stakeholders with precise and accurate information concerning all aspects regarding Cloudberry.

Performance summary		Not started	On plan	Achieved
Governance				
Strengthen sustainability into business strategy	Identify and manage ESG risks and opportunities in company operations		●	
	Establish ESG committee			●
	Review and report on ESG strategy, policies and performance		●	
	ESG Due Diligence Guideline			●
Stakeholder engagement	Stakeholder dialogue – review and update			●
	Stakeholders expectations - continuously assess		●	
	Code of Conduct - annually review			●
Company culture	Whistleblower Channel and Policy – established and rolled out			●
	Company Values - employee contribution		●	
	Report on violations of laws and regulations in accordance with whistleblower routines			●

More detailed information on Corporate Governance Code please read Cloudberry’s [Corporate Governance Report 2021](#), also available in the annual report.

Our sustainability strategy

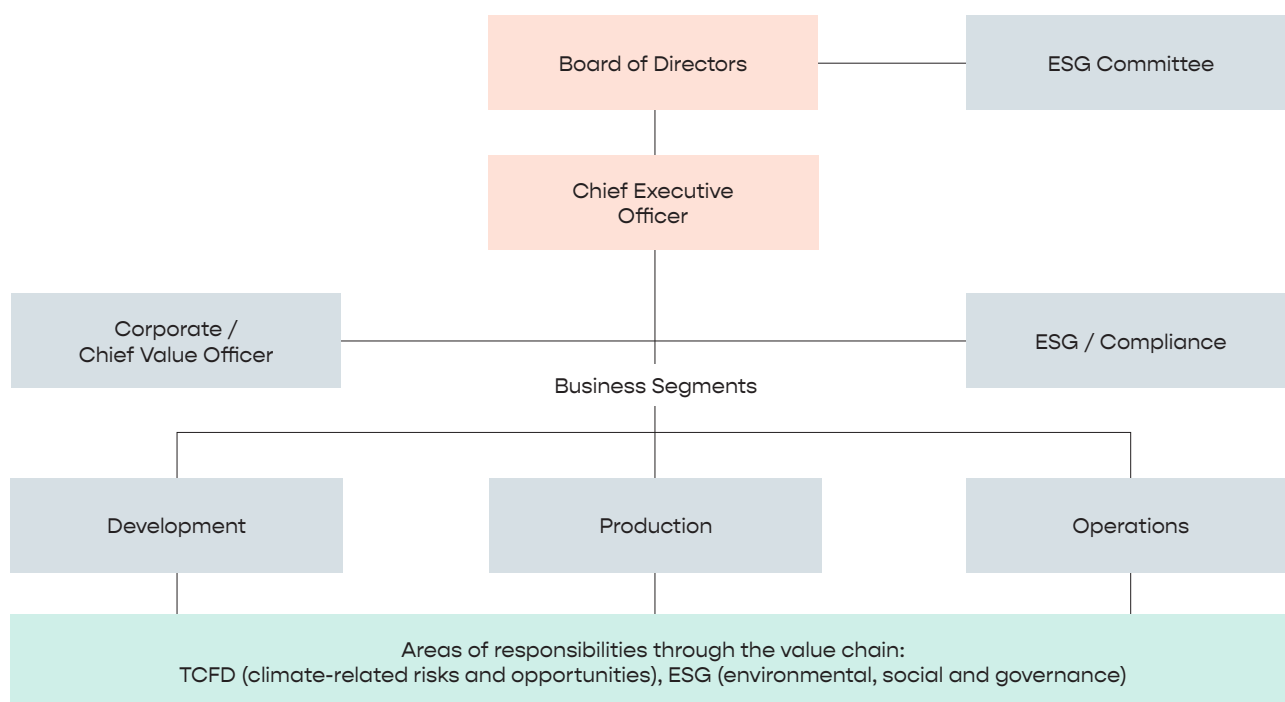
Our approach and activities

Cloudberry provides clean renewable energy for future generations, develops a sustainable society for the long term and creates value for its stakeholders. Cloudberry believes that a systematic approach towards incorporating sustainability matters in the value chain is imperative to fulfil our purpose.

Cloudberry has strengthened its sustainability strategy into the overall business strategy, and it is incorporated in development projects, producing

assets and in our overall operating business. As a part of the reporting structure, environmental, social and governance concerns are embedded. The management and Board of Directors review specific sustainability topics including procurement, stakeholder engagement, health and safety, security and environmental and social impacts in all our business units.

At the management level, the CEO monitors the implementation of the sustainability strategy and is responsible for ensuring that climate-related risks and opportunities are integrated into the company’s long-term business strategy. The CEO oversees and reports to the Board of Directors on the management’s progress related to Cloudberry’s key strategic sustainability and climate-related objectives. At the



operational level, the Chief Sustainability Officer is responsible for managing sustainability. The CEO, CVO and CSO meet twice a month to discuss and secure ESG-involvement in the daily operations, prepare matters within the ESG area for the Board of Directors and ensure progress concerning ESG initiatives and reporting.

Cloudberry assessed the potential financial impact of climate-related risks and opportunities in accordance with the recommendations of The Task Force on Climate-related Financial Disclosure (TCFD) in 2020 and have strengthened the assessment in 2021 and updated climate-related risks and opportunities related to its business development and expansion during 2021. They are addressed in the chapter Planet.

In 2021, the Board of Directors established an Environmental, Social and Governance (ESG) Committee consisting of two Board Directors and the Chief Sustainability Officer. The committee held four meetings during 2021, where the purpose was to ensure alignment with the company's sustainability strategy and to discuss and evaluate ESG concerns relevant to Cloudberry. The committee is responsible of evaluating, following up and implementing the company's ESG strategy, and to review relevant ESG initiatives. The committee will continue holding at the

minimum four ESG meetings annually and continues to review and advice on the company's sustainability performance and secure the integration of Cloudberry's ESG goals throughout the value chain.

A due diligence guideline on evaluation of environmental, social and governance aspects has been incorporated as an integral part of Cloudberry's investment decisions. The guideline takes into account a selection of ESG aspects that may have material impacts, both positive and negative, and secures mitigation plans where needed. The company also reports on number of projects rejected and underlying reason as related to environmental, social and governance issues.

A [Supplier Code of Conduct](#) has also been completed and implemented in procurement phases. Adherence with the Code is required of all suppliers, and Cloudberry expects that their policies, statements, and commitments are enforced in the operations, and throughout the value chain of suppliers and their sub-suppliers. Cloudberry will annually review its Supplier Code of Conduct to ensure incorporation of relevant developments going forward.

Cloudberry wants to be made aware of any irregularities or other concerns regarding the organization

and business. Employees and stakeholders are encouraged to ask questions and report concerns if they are suspecting breach of the [Code of Conduct](#) or other relevant policies. When employees raise concern about possible misconduct, the company is given the opportunity to remedy, improve and to protect its interests, stakeholders and society at large. To notify misconduct within the Cloudberry Group, Cloudberry rolled out its whistleblowing policy and reporting channel in 2021.

Way forward

Cloudberry will further strengthen and continue the integration of the sustainability aspects of its activities in the value chain and integrate climate related risks and opportunities in the overall company risk analysis business strategy. The company is growing and with new business units and more employees in the organisation, decisions and commitments across the company requires good business conduct and governance.

Stakeholder engagement

Our approach

Cloudberry's success depends on our ability to build trust amongst our stakeholders. It is important for us to maintain an open and transparent dialogue with our main stakeholders. It is essential that landowners lend their land to us, local communities have trust in us, people and partners want to work with us, and that investors and creditors value us. It is fundamental to the company to engage timely and openly with our stakeholders. The below illustration provides an overview of Cloudberry's key stakeholders.

For Cloudberry it is important to have local presence to understand the society and context in which we are present. We strive to have a transparent decision-making dialogue with input from main stakeholders. This provides us with valuable feedback and enables Cloudberry to continue to improve and enhance trust and reputation.

When exploring an opportunity, we evaluate landowner interest in having a power production plant on their grounds, as well as identifying the local attitude towards such an establishment. When the formal notification of a project is submitted to the authorities, public meetings are held with the local authorities to inform about the project and to identify any additional local needs that we may accommodate. Cloudberry facilitates access for individual residents to discuss any concerns they may have throughout the process.

Our activities

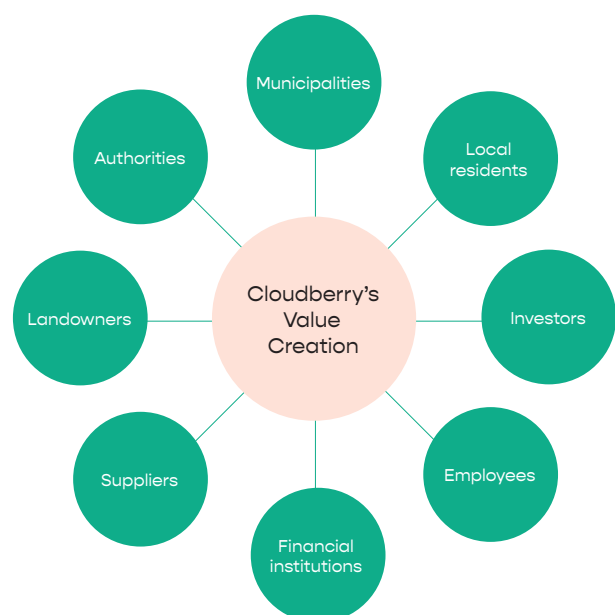
The stakeholders of Cloudberry are particularly concerned about how we handle environmental and social impact, governance, health and safety, company culture and supplier management. In the table below we describe the key activities and dialogues that have taken place in 2021 in regard to Cloudberry's development and construction projects in Norway and Sweden.

Cloudberry's business strategy is continuously evolving. In 2021, the Board of Directors and company management strengthened the sustainability aspects, ensuring continuation of the integral part it plays in our overall business strategy. The work included the development of the aforementioned new governance structures and management of key strategic sustainable and climate-related objectives.

Way forward

In 2022 Cloudberry will further systematize our ongoing engagement with our stakeholders. The input we receive is valuable and will influence our sustainability framework going forward and be reflected in our strategic priorities. On every construction project Cloudberry will distribute newsletters, update the project web site, and hold meetings for authorities, landowners and other stakeholders involved. Cloudberry maintains close dialogue with our stakeholders to understand and address their concerns.

Cloudberry's main stakeholders



External Stakeholders	Expected of the company	Areas for dialogue	Actions by the company
Landowners	Local value creation in terms of creating job opportunities, possible financial funds for locally initiatives, utilization of their forests, continuous information during the development and construction process.	Direct contact with the landowners, meetings with municipalities were local residents and landowners may attend.	<p>Information letter to stakeholders involved on progress in projects. Meetings locally starting at early phases in every development project, e.g.:</p> <p>At Hån wind farm meetings were held to give relevant information as the project progresses, frequently newsletters are sent out, a project web site with updated information on the project is in place.</p> <p>At the development project Björnetjärnsberget wind farm several stakeholder meetings were held regarding wind power understanding, legal process for environmental permit, Q&A on risks and opportunities, receiving concerns and thoughts from local hunters, local value creations and more.</p> <p>Used local business partners, when possible, for construction, operations and maintenance. Established a fund to support teams and associations in local areas.</p>
Local residents	Preserve untouched nature, establish a fund that can be used for local initiatives, information flow helping them visualize the impact, fewer and smaller wind turbines.	Meetings for residents through consultation meetings locally, neighbourhood meetings to communicate.	<p>Information letter to stakeholders on progress in projects. Several information meetings locally were held to ensure understanding regarding process, impact, risk, and opportunities, local value creation, and facilitate for Q&A sessions.</p> <p>At Hån and Björnetjärnsberget a project web site with updated information on the project was established</p> <p>At Björnetjärnsberget an open house with meetings for local stakeholders. We aim to be transparent already from the consultation phase.</p> <p>Using local business partners when possible, for construction, operations and maintenance. Established a fund to support teams and associations in local areas.</p>
Municipalities	<p>Energy supply locally, local value creation such as jobs on projects and infrastructure. Compensation to the local population as part of the development agreement.</p> <p>Open and informative dialogue with the affected population about progress in the development project. Minimize the environmental impact.</p>	Dialogue and meetings with the municipalities.	<p>The development and production of wind and hydro power is highly regulated both in Norway and</p> <p>Sweden, with stringent environmental regulations. The company maintains a continuous dialogue with authorities and local stakeholders and held several meetings with the municipalities of Hån and Björnetjärnsberget projects.</p>

External Stakeholders	Expected of the company	Areas for dialogue	Actions by the company
Authorities	Expectations regarding how the company affects nature and biodiversity. Positive when the company reports annually on environmental impact and carry out its own measurements e.g., on bird populations. Recommend that the company early enters into dialogue with the local community. Initiatives to contribute to local culture and nature activities.	Dialogue and meetings with the authorities.	The development and production of wind and hydro power is highly regulated both in Norway and Sweden, with stringent environmental regulations. The company maintains a continuous dialogue with authorities and local stakeholders and held several meetings with the municipalities of Hån and Björnetjärnsberget projects.
Suppliers	Focus on safety specifically and on health, safety and environment. Report on waste management.	Regular meetings with partners and suppliers.	<p>Weekly meetings during the construction of Hån wind farm with entrepreneur and other suppliers. Focus on health and safety routines and environmental and social impact. Registering incidents and mitigation plans.</p> <p>Regular meetings on health and safety management on site. Continue to update the company's routines with regards to health and safety. Health and safety is addressed in the Supplier Code of Conduct which was implemented in 2021 on procurement phases.</p> <p>Waste management on producing assets and during construction projects are reported and taken into the GHG protocol from 2021.</p>
Investors	Measuring CO ₂ emission, energy efficiency, life-cycle assessment and environmental impact. Prioritize developing windfarms in industrial areas.	Meetings (digital) with investors and analysts, company presentations.	<p>Providing renewable energy and thereby reducing climate emissions. Accessible for a broader universe of stakeholders and ESG focused investors as Cloudberry was listed on the fully regulated market Oslo Stock Exchange in 2021.</p> <p>Diversified and growing production portfolio with a highly efficient operating platform, a growing development backlog and pipeline both on- and offshore. Production capacity raised from 27 MW (2020) to 58 MW (2021).</p> <p>Reports annually on direct and indirect greenhouse gas (GHG) emissions, compensated emissions by purchasing carbon credits, assessed climate related financial risks and opportunities.</p>
Financial institutions	<p>Ensure that suppliers and partners operate in line with the company's code of conduct.</p> <p>Focus on the company's emissions and HSE routines.</p>	Meetings and presentations.	Beside reporting financially, the company is integrating environmental, social and governance in its reporting to highlight the focus on sustainability management in the company's business strategy.

Company culture

Our approach

Cloudberry sets high ethical behaviour for everyone who acts on behalf of the company. We are focused on being a socially responsible and sustainable company and has included initiatives in our daily operations as described below. We aim to reduce business risk for the company and the individuals and safeguard the company's reputation.

Our activities

2021 has been a transitional year for Cloudberry, focusing on growing the platform with new development projects and producing assets. This naturally results in an increase in the number of employees and affects company culture and the working environment. Cloudberry strives to develop a value-based culture. In 2021 we held a physical workshop for all employees where the purpose was twofold; to identify and develop our values Supportive, Commitment, Continuous improvement, and Integrity, and to anchor them within the employees. The values are pivotal to how we act and behave internally and externally, and they are paramount in our company culture especially as we are growing further.

Our [Code of Conduct](#) it sets out the key expectations to all employees, the Board of Directors, and other representatives of the company and specifies the ethical requirements for everybody who works for and on behalf of Cloudberry, including suppliers and other business partners. The Code is the basis for how we act and perform our business, it describes Cloudberry's ethical culture and behaviour, and provides general guidelines on issues such as anti-corruption, human and labour rights, health and safety, business ethics, legal compliance, insider trading and other relevant issues related to the company's operations. The Code of Conduct was reviewed, revised, and finally approved by the Board of Directors in February 2022.

A specific whistleblowing reporting channel was implemented in 2021. This system allows employees and stakeholders to report misconduct of any irregularities or other concerns regarding our organization and business. A [Whistleblowing Policy](#) sets out the framework for dealing with concerns of illegal and improper conduct.

During 2021 Cloudberry has not registered any incidents of corruption nor discovered any incidents related to previous years where the company, employees or partners have been involved. The "Corporate Governance" chapter provides further information.

Way forward

Cloudberry aims to be an attractive place to work and amongst other criteria considers a healthy and inspiring company culture of importance. It has been a challenge to gather all employees physically during the Covid-19 pandemic. Nevertheless, we have had frequent internal digital meetings throughout the year. At Cloudberry we continue to build our company culture and we have an ambition to hold at least two physically gatherings annually with all employees. For regular updates from our business units on project development, operating assets, ESG related issues, and general development in our business, we arrange digital meetings monthly attended by employees.

Cloudberry distributes its revised Code of Conduct annually to its organisation. It is mandatory for all employees to comply with the Code. During 2022 the employees of Captiva Group, acquired in January 2022, will be integrated into the Cloudberry Group and will be introduced to and expected to comply with Cloudberry's Code of Conduct. Follow up on the company's values and training in the Code is an integrated part of onboarding new employees.





Planet

The planet is at the basis of everything we do. Through the production of renewable energy, we positively impact the energy transition which addresses the climate crisis. At the same time, we impact the planet through the construction and production of our wind farms and hydropower plants. It is a high priority for Cloudberry to reduce its environmental footprint as much as possible, and further prioritise this focus in the years to come. Cloudberry's goal is to be net-zero by 2040.

Performance summary

Planet

		Not started	On plan	Achieved
Climate risk and opportunities	Net-zero by 2040		●	
	TCFD - update risk assessment according to developments of the year			●
	Incorporate climate-related risks in overall risk management according to TCFD framework		●	
	CO ₂ emissions - report annually Scope 1, 2 and 3			●
	Scope 3 – report on waste from construction site		●	
	Value chain – improve Scope 3 reporting GHG emissions		●	
	Eligible activities covered by the EU Taxonomy on Revenue, OPEX and CAPEX			●
	Alignment to the technical screening criteria with the EU Taxonomy Regulation		●	
Land use and ecological sensitivity	ESG impact – assessment prior to FID		●	
	Implement ESG due diligence assessment in all investment decisions			●

Climate risk and opportunities

Our approach

Cloudberry understands that although the company contributes to climate solutions with its development and production of renewable energy, the company itself has a responsibility to reduce its emissions and the negative impact the company has on climate and the environment.

As a result of this Cloudberry has set an ambition to be net-zero by 2040. Cloudberry is a fossil-free company and has reached net-zero emissions in its own operations (scope 1 and 2) since 2020 by removing CO₂ from the atmosphere through restoring mangrove forests. Cloudberry has further invested in restoring mangrove forests to neutralize all future emissions from its own operations and employees. The Company will complete scope 3 calculation in alignment with the GHG Protocol to determine a decarbonization pathway to reach net-zero in the value chain by 2040.

Climate changes constitute a risk and opportunity for Cloudberry. They present financial risk to the global economy, and pose risks and opportunities for businesses, now and in the future. Financial markets, creditors and investors ask for clear, consistent, and comparable, high-quality information on the impacts of climate change. The Task Force on Climate-related Financial Disclosure (TCFD) developed the TCFD disclosure recommendations to improve and increase reporting of climate-related financial information and to enhance market transparency and stability. Cloudberry strives to evaluate its relevant metrics for measuring and managing climate-related risks and opportunities at all times and in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).



Core Elements of Recommended Climate-Related Financial Disclosures

Governance

The organization's governance around climate-related risks and opportunities

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning

Risk Management

The processes used by the organization to identify, assess, and manage climate-related risks.

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

TCFD Context Index

Governance	Strategy	Risk Management	Metrics and Targets
Disclose the organisation's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy, and financial planning where such information is material.	Disclose how the organisation identifies, assesses, and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
Recommended disclosures			
a) Describe the board's oversight of climate-related risks and opportunities	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	a) Describe the organisation's process for identifying and assessing climate-related risks.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.
b) Describe the management's role in assessing and managing climate-related risks and opportunities	b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning.	b) Describe the organisation's processes for managing climate-related risks.	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Our activities

In the changing world we are living in, with rising temperatures, climate-related policy changes, and emerging technologies, both risks and opportunities are becoming more prominent. Failure to limit global warming to 1.5 °C may cause severe changes in the world’s climate, with subsequent dramatic consequences for the planet. The effect of climate change also has consequences for our operating assets that we need to consider in our business planning.

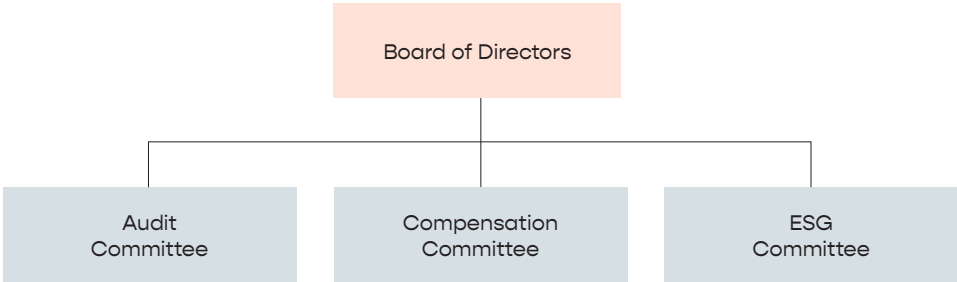
Cloudberry assessed the potential financial impact of climate-related risks and opportunities in accordance with the recommendations of the TCFD disclosures in 2020 and revisited and strengthened the assessment in 2021. The TCFD recommendations are structured around four core elements of how companies operate: governance, strategy, risk management, and metrics and targets.

2021 has been a transitional year for Cloudberry focusing on growing the platform with new development projects and producing assets. In 2021, the risk assessment was further strengthened, and actions taken are described in the tables under Strategy.

The company implemented a due diligence guideline on environmental, social and governance aspects when evaluating investment decisions, including climate-related risks and opportunities.

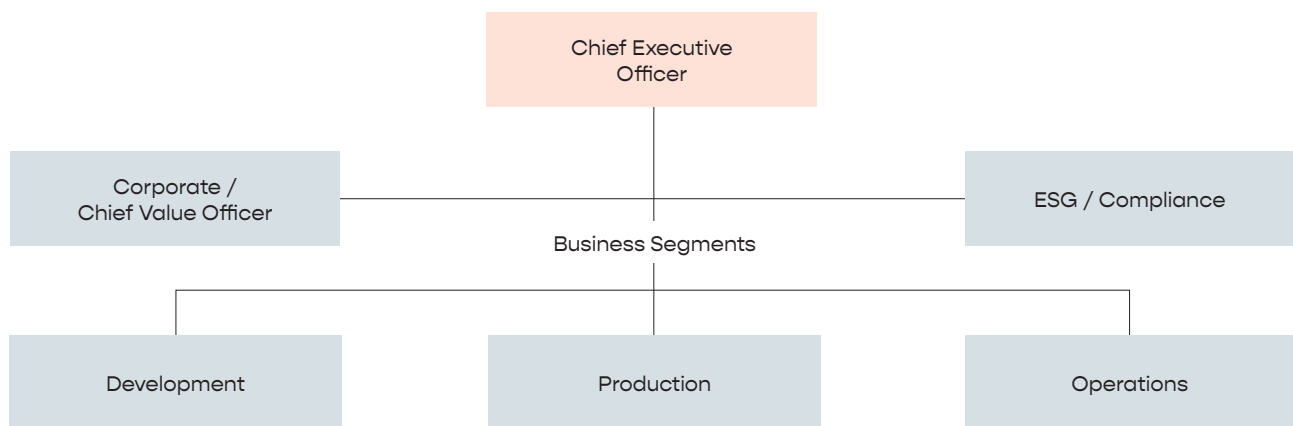
Governance
The company’s governance around climate-related risks and opportunities.

Climate-related issues are of high importance for Cloudberry and are to a certain extent integrated into Cloudberry’s overall business strategy. Prior to a project investment decision, relevant risks are assessed by the Management and an evaluation is presented to the Board of Directors where the climate-related risks are discussed and evaluated. The overall responsibility thus sits within the Board of Directors. In addition, Cloudberry’s overall risk management and all risks perceived to the company and its businesses are subject to an annual thorough review by the Board. The climate-related risks will be assessed along with all other relevant risks. The Board of Directors and its work is also described in the corporate governance section later in this report.



The executive management team assesses and manages climate-related risks and opportunities, with the highest-level responsibility lying with the Chief Executive Officer and the Chief Sustainable Officer. The manager of the individual business

segment is responsible for implementing risk mitigating actions. The executive management team follows up on key mitigation plans and reports in yearly reports and presents this in annual Board meetings.



Strategy

Actual and potential impacts of climate-related risks and opportunities on the company's business, strategy, and financial planning where such information is material.

Cloudberry has proactively identified and assessed climate-related risks and opportunities. The analysis recognized and defined three physical risks and six transition risks, including regulatory and legal risks, technological risks, market risks, and reputational risks. All 9 risks were evaluated by the management in order to assess their likelihood of occurrence, time horizon, and potential financial impact.

A preliminary internal assessment concerning the likelihood of occurrence has been performed:

Time horizon	Short-term	Medium	Long-term
Years	<3	3-10	>10

The likelihood assessments, as well as the definition of financial impact and time horizon, are provisional and may be subject to change in the years to come due to further development and more accurate calculations based on scenario analysis.

The climate-related risks and opportunities related to Cloudberry's business development and expansion during 2021 has been assessed. The risks are addressed and summarised in the below tables. Cloudberry will continuously analyse and assess its climate-related risk strategy to detect other risks and opportunities.

TCFD		Risk	Like- lihood ¹	Financial Impact ²	Time Horizon ³	Description	Risk mitigation	Opportunity
Physical Risks and Opportunities	Both acute and chronic	Extreme Winds	High	Low	Long	Exacerbated wear-and-tear of wind turbines (i.e., increased service and maintenance/repair costs). Higher risks/costs during construction (e.g., wind days and delayed construction). Temporary stop in production causes loss in production time, due to extreme winds.	Cloudberry has emergency plans on-site on all our producing assets. A contingency plan including the climate risk topics is being established. The company uses certified and well-proven technology and aim for long service contracts with solid counterparts and makes sure that agreements with contractors have substantial buffers on weather-exposed operations.	Finding solutions for how future wind turbines (or upgrades of older wind turbines) can maximize production based on increased wind strength. It also opens for the opportunity to build wind parks in less sensitive areas
		Extreme rainfall	High	Low	Long	Damage and production loss to hydropower stations (higher insurance premiums), as well as lost revenue from flow over the dams.	The technical standard and capacity of our dams and pipelines are designed to withstand flooding. Cloudberry has emergency plans on-site on all its producing assets. A contingency plan including the climate risk topics is being established.	More likely to get permits for adding regulation dams to our assets for flood prevention. An opportunity to increase the company's production capacity and be able to take full advantage and be more efficient to produce more power. Overall, increased precipitation might increase revenue for the company.
		Warmer, wetter and windier	High	Low	Long	Wind farms will get more hours of production due to overall higher wind speeds, while the production of hydro plants will increase all over due to increased rainfall and fewer water-frozen days.	Position the company and its power plants to maximize the benefits of the increased production potential.	More power production (e.g., if snow is melting to a larger degree than normal, hydropower plants that previously have been water frozen during winters might be able to produce power during the winter as well).

¹ The likelihood is based on provisional internal assessments and will be further developed through scenario analyses in the years to come

² Financial impact: Low < 10 mill, Medium 10-100 mill, High > 100 mill

³ Time horizon: Short: 0-3 years, Medium: 3-10 years, Long: more than 10 years

TCFD		Risk	Like- lihood ¹	Financial Impact ²	Time Horizon ³	Description	Risk mitigation	Opportunity
Transitional Risks and Opportunities	Policy and legal	Revised regulation of new water/hydro permits	Medium	Low	Medium	Revision of existing hydropower regulation plans is considered a low risk as the concessions are perpetual. Revised regulation of new permits might be more restrictive regarding minimum water flows, reservoir level changes, etc., to better preserve natural habitats, fish spawning, etc.	Cloudberry's Chief Commercial Officer is responsible for communication and government relations. Cloudberry has established a government relations strategy and plan for staying ahead of laws and regulations in all projects as well as in regular operations by closely following political proposals and industry association's recommendations on new or revised regulations.	Stricter regulations help and force developers like Cloudberry to focus on protecting biodiversity and environmental impact under construction.
		Revised wind power permitting	High	Medium	Short	Cloudberry has up-scaled its offshore unit as a result of increased activity from the offshore wind portfolio in Sweden. In Norway NVE is likely to be working from a revised and more conservative framework when considering permits for new wind power production projects.	Cloudberry has established a government relations strategy and a plan for being proactive and with regard to public hearings and industry association's recommendations on coming regulations.	Focus on projects with low perceived conflict, seek industrial areas for developing wind projects, as opposed to hunting for the largest and most windy sites. Build industrial value chains with local stakeholders to address local opportunities with local renewable projects.
	Technology	Improved production technologies	Medium	Low	Medium	Technology related to hydro and wind generators experiences rapid improvements. Cloudberry has purchased 60% of the Captiva Group, a data-driven operator, manager, and developer of renewable energy, which delivers management services within operations and maintenance, e.g., technical and commercial digital services, and operational intelligence, visualization and reporting solutions to renewable energy projects in the Nordics.	Cloudberry will maintain a portfolio of projects employing relevant and efficient technology. Moreover, the company will invest in power plants of expected good technical standards and prioritize technical solutions that are well-proven and delivered by reputable suppliers.	Technical improvements and lower cost on e.g., turbines will improve the profitability of Cloudberry's development backlog. In general, with well-proven technical solutions, management, technical services, and repairs can be made within reasonable time and cost, and attractive insurance terms are accessible.

¹ The likelihood is based on provisional internal assessments and will be further developed through scenario analyses in the years to come

² Financial impact: Low < 10 mill, Medium 10-100 mill, High > 100 mill

³ Time horizon: Short: 0-3 years, Medium: 3-10 years, Long: more than 10 years



TCFD	Risk	Like- lihood ¹	Financial Impact ²	Time Horizon ³	Description	Risk mitigation	Opportunity
Transitional Risks and Opportunities	Market	Medium	High	Long	Cloudberry cautiously follows the market fundamentals and power price forecasts in the short- and long-term. It is difficult to predict power prices in the short- term (e.g., 2020 weather conditions led to a production surplus that affected power prices, and in 2021 we experienced the opposite with all-time high power prices). Power prices may rise from increased CO ₂ prices or higher electricity demand, or they might fall from an expanded renewable supply.	Positioning Cloudberry's production portfolio so that the company is not dependent on one price area nor to one production technology, as a hedge towards locked-in whether depressed prices. Cloudberry has a well-developed overall risk management strategy were including price hedging of electricity, and a small portion of the portfolio with PPA to secure some fixed income in the short- and medium-term.	40% expected increase in Nordic power consumption by 2040, largely due to the electrification of power-intensive industries, as well as data expansion, etc. Ambitious climate goals will lead to a reduction in fossil fuel consumption. Interconnectors between Norway and Northern Europe. 50% of European power production is expected to come from solar PV and wind by 2040.

¹ The likelihood is based on provisional internal assessments and will be further developed through scenario analyses in the years to come

² Financial impact: Low < 10 mill, Medium 10-100 mill, High > 100 mill

³ Time horizon: Short: 0-3 years, Medium: 3-10 years, Long: more than 10 years

TCFD		Risk	Like- lihood ¹	Financial Impact ²	Time Horizon ³	Description	Risk mitigation	Opportunity
Transitional Risks and Opportunities	Reputation	Opposition to wind power	High	Medium	Medium	In Norway, Cloudberry is likely to receive opposition from anti-wind power organisations for possible new wind farms (e.g., due to visibility and impact on nature). In Sweden, municipalities have a right to accept or deny a project late in the permission process, the so called "veto" which might affect Cloudberry.	Cloudberry will develop projects in areas where potential conflicts may be mitigated. The company has established an offshore wind team with ambitions to develop offshore wind in Sweden with strong focus on local stakeholders and local value creation. Furthermore, develop projects near industrial areas, or in areas where there is local support, and have strong focus on local value creation.	Wind power is the best source for new clean power in the Nordics.
		Increased focus on corporate carbon footprints	Medium	Medium	Medium	Carbon footprint and environmental impact has a strong focus from investors and other stakeholders. As a renewable energy company, Cloudberry is an important part of the green transition. However, it is just as important to have focus on reducing direct- and indirect emissions and move towards net-zero in the whole value chain of Cloudberry, both in terms of material use and of conserving biodiversity on locations.	Cloudberry will establish a plan for preserving biodiversity, reducing carbon emissions in its value chain, and by this also assisting others to reduce their carbon footprint (by providing green energy). The company has expanded its scope 3 carbon reporting and will report more emissions in scope 3 going forward. We have also invested in carbon removal projects to ensure we can be net-zero in own operations while we further calculate and minimize our scope 3 emissions to reach net-zero in the value chain by 2040. Cloudberry has implemented its Supplier Code of Conduct which expects suppliers and business partners to be committed to environmental sustainability.	Environmental and social commitment in the Cloudberry business strategy and reporting structure execute climate action and increased transparency for risks and opportunities posed by climate change. The commitment shapes confidence from stakeholders and attracts the best workforce and talents who seek a purpose in their career.

¹ The likelihood is based on provisional internal assessments and will be further developed through scenario analyses in the years to come

² Financial impact: Low < 10 mill, Medium 10-100 mill, High > 100 mill

³ Time horizon: Short: 0-3 years, Medium: 3-10 years, Long: more than 10 years



Risk management

How the organisation identifies, assesses, and manages climate-related risks.

Cloudberry assesses its risks and opportunities from a short-, medium-, and long-term strategic and financial perspective, and have set threshold values for financial impact. The company identifies the potential financial impact from the risks and opportunities' and their significance for Cloudberry. The financial impact is defined as low when less than NOK 10 million, medium when between NOK 10 and 100 million, and high when higher than NOK 100 million. Moreover, Cloudberry has defined a time horizon where short is within the next three years, medium spans from three to ten years, and long is more than ten years.

Financial Impact	Low	Medium	High
MNOK	<10	10–100	>100
Frequency	<3 years	3-10 years	>10 years

In 2021 the company's due diligence guideline on environmental, social and governance aspects was incorporated as an integral part of evaluation of investment decisions. Prior to a final investment decision, identification of risks is a part of all development, engineering, project finance, procurement and construction phases. The guideline sets out the climate-related risks and opportunities related to a project and are discussed and assessed by the management before they are introduced to and evaluated by the Board. As a part of integrated risk management, the Board of Directors reviews and determines how to respond to different climate-related risks including regulatory, legal, and market risks, as well as the physical risks to our assets. The Board of Directors oversees the expected progress towards the set goals and the plans of action related to the defined climate-related risks and opportunities. Cloudberry's climate-related risks will be further integrated into overall risk management structure.

Metrics and targets

Metrics and targets are used to assess and manage relevant climate-related risks and opportunities where such information is material.

Cloudberry's Carbon Emissions

Cloudberry reports annually on its carbon emissions in accordance with the Greenhouse Gas (GHG) Protocol. Cloudberry started calculating in 2020 and calculates all three scopes. The company strives to improve its GHG accounting routines by expanding categories in Scope 3 to cover emissions in the value chain. Minimizing our environmental impact and the CO₂ emissions is at the core of our business.

Cloudberry's carbon inventory is divided into the three main scopes of direct and indirect emissions, and in 2021 Cloudberry's reported carbon emissions from Scope 1, 2 and 3 were 203 tonnes CO₂e (tCO₂e).

Carbon Accounting	Unit	2020	2021
Scope 1 Total	tCO ₂ e	-	-
Scope 2 Total Location-Based	tCO ₂ e	1	7
Scope 3 Total	tCO ₂ e	186	196
Total	tCO₂e	187	203

- Scope 1 covers all direct emission sources, including all use of fossil fuels for stationary combustion (predominantly diesel generators) and transportation. Cloudberry does not own company cars and there are no other direct greenhouse gas emissions to report in scope 1.
- Scope 2 includes indirect emissions related to Cloudberry's purchased energy (i.e., electricity and heating/cooling). This includes purchased energy for Cloudberry's offices in Oslo, Norway and in Karlstad, Sweden, as well as the energy used at the sites. The purchased energy at our Swedish office in Karlstad is 100% renewable energy. In 2021, Cloudberry reported a total of 226 MW and the emissions from electricity were 7 tCO₂e in scope 2 from a location-based perspective.
- Scope 3 comprises the reported indirect emissions resulting from parts of Cloudberry's value chain activities:

Category 1 (purchased goods and services): Cloudberry reports 749 m³ consumption of concrete in 2021, which accounted for 173 tCO₂e. The concrete was used for the construction of the hydropower plants Steinbergdalen and Flatestøl (Skåråna

Kraft) in Norway. The emissions from the concrete accounts for 85.4% of Cloudberry's total GHG emissions (Scope 1, 2 and 3). In category 1, Cloudberry also reports the kilometers between service providers' location and the location of corresponding hydro plants and wind farms that received service. This was a total of 89 100 km and accounted for 15 tCO₂e.

Category 5 (waste management): In 2021 Cloudberry started reporting on waste management. This includes waste management from the operating powerplants, the inhouse project Hån wind farm in Sweden which is under construction, and waste from Cloudberry's offices in Oslo and Karlstad. This amounted to a total of 2 194 kilos and accounted for 0.9 tCO₂e.

Category 6 (business travel): Cloudberry reports emission from air travel, rental cars and mileage allowance, which in total accounted for 4.6 tCO₂e.

Category 15 (investments): Cloudberry reports the electricity used in the hydropower plants in Forte Energy Norway AS, where the company has a 34% ownership.

The total registered emissions from Scope 3 were 196 tCO₂e. Cloudberry will continue to evaluate and include more aspects of emissions from its value chain activities in 2022, particularly from Scope 3.

GHG Emissions 2020-2021

Scope	Unit	2020	2021
Scope 1	tCO ₂ e	-	-
Scope 2 (Location-Based)	tCO ₂ e	1.4	7
Scope 2 (Market-Based)	tCO ₂ e	9.1	56.1
Scope 3 (Purchased Goods and Services)	tCO ₂ e	183.7	188.4
Scope 3 (Waste Management)	tCO ₂ e	-	0.9
Scope 3 (Business Travel)	tCO ₂ e	1.6	4.6
Scope 3 (Investments)	tCO ₂ e	-	2.1
Total GHG emissions	tCO₂e	186.7	202.9
Total Energy	MWh	34.6	226

Principles on reporting emissions

In-house development projects: Cloudberry reports emissions on in-house developing projects from final investment decision (FID) and starting point of the construction.

Projects under construction: Where Cloudberry is the initiator to the construction, the company will report emissions from construction start. On projects under construction where Cloudberry is the legal owner, Cloudberry reports emissions during construction phase. On assets under construction where Cloudberry has entered into an agreement to buy the power plant, and is the legal owner after the construction is completed and commission period is approved, Cloudberry reports emissions from take-over.

Producing assets: Cloudberry reports its emissions on producing assets and from take-over (additional-principle).

Beyond Value Chain Mitigation

To reach net-zero in our value chain by 2040, and in support of the Paris Climate Agreement and UN Sustainable Development Goals, Cloudberry compensates its carbon emissions. By investing in climate offsets from projects that are certified and aligned with the SDGs for societal and environmental enhancement to remove emissions, it moves society in the right direction to reach a low-carbon economy.

Carbon removal is the neutralization when CO₂ is removed from the atmosphere and sequestered for long periods of time. Cloudberry purchases carbon removals from the VCS project Thor Heyerdahl Climate Park in Myanmar. The project, which is planting and restoring mangrove forests, has numerous positive impacts on the climate, the environment, and local socio-economic conditions. In addition to

strengthening the livelihood of local communities, mangrove forests foster biodiversity and are crucial habitats for otherwise threatened and endangered animal and plant species. The trees also protect against storms and cyclones and create local jobs and income for the local population. The compensation includes Cloudberry's registered emissions of 203 tCO₂e from the carbon accounting (Scope 1, 2 and 3), and emissions of 297 tCO₂e from all employees in the organisation. Scope 2 has been additionally neutralized from carbon credits for the 7 tCO₂e as reported in 2021 to be net-zero from controlled sources in the company.

CO₂ Reduction in the grid

In 2021, Cloudberry produced 117 GWh of renewable energy, which is equivalent to reducing 29 133 tCO₂e, relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2021).

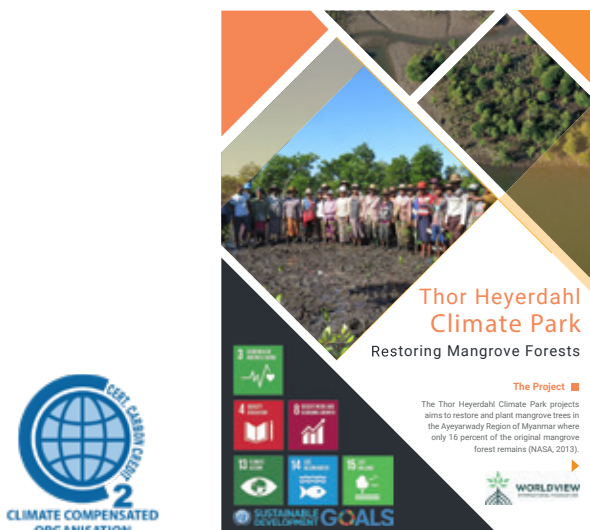
After taking into account the total greenhouse gas emissions of 203 tCO₂e from Cloudberry's carbon emissions accounting (Scope 1,2 and 3) and carbon emissions from all employees in Cloudberry, the reduction of greenhouse gas emissions from Cloudberry's operations is 28 633 tCO₂e.

Targets

Cloudberry has a scalable platform and is positioned for valuable growth, both in terms of energy production and in-house development backlog and pipeline. Cloudberry's strategy is to continue its sustainable growth organically and inorganically in the Nordic market. Areas of our business will have residual carbon emissions, which we will neutralize, while minimizing our footprint as much as possible. To limit global warming to the 1.5 degree scenario, Cloudberry will further calculate the total emission in Scope 3 and determine a decarbonization pathway to do our part for society to become a low-carbon economy.

Way forward

On our way towards net-zero by 2040, Cloudberry will monitor national and international climate politics and their potential impact on our strategy and business. We strive to ensure that the company makes the right decisions and assessments on how climate risks might affect us. We have strengthened our risk strategy by including the topics identified in the materiality assessment where climate and renewable energy are core topics. The climate-related risk



Transitioning to a low-carbon society



Net-Zero

Net-Zero 2021

Net-Zero by 2040

Scope 1 and 2 ¹

Scope 3

¹ Cloudberry is a fossil-free company and has reached net-zero emissions in its own operations by removing CO₂ from the atmosphere through restoring mangrove forests for Scope 2.

assessment will be expanded in accordance with the TCFD framework, and the identified climate-related risks will be incorporated into our general risk management and reporting.

Going forward Cloudberry will expand its climate accounting reporting on indirect emissions in our value chain (Scope 3) such as for aluminium and steel. This will be aligned with the reporting criteria in the EU Taxonomy, analyzing life cycle greenhouse gas (GHG) emissions from Cloudberry's development and operating power projects and assets.

The Taxonomy

Activities

Cloudberry is in the process of assessing the company's alignment with the EU Taxonomy Regulation. In accordance with the EU Taxonomy requirements for the reporting year 2021, qualitative information and information on the proportion of taxonomy eligible activities in relation to total activities set out in the Delegated Act must be disclosed.

In 2021 Cloudberry assessed its eligible activities covered by the EU Taxonomy and technical screening criteria and its proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities in its total turnover, capital and operational expenditure.

Inventory of the eligible activities covered by the Taxonomy in Cloudberry's business units:

1. Electricity generation from wind power. NACE code D35.11 (Production of electricity) and F42.2.2 (Construction of utility projects for electricity)
2. Electricity generation from hydro power. NACE code D35.11 (Production of electricity) and F42.2.2 (Construction of utility projects for electricity)

Basis and principles

Cloudberry is reporting on proportion of Taxonomy-eligible activities on electricity generation from wind power and electricity generation from hydro power on consolidated units (IFRS).

Units that are power-producing at year end are classified within “producing”, while other units that are under construction, ready for construction or is in concession process, (project inventory in the consolidated balance sheet) are classified within “construction”. Corporate overheads (OPEX) are allocated to the respective activities based on the proportionate value of assets directly related to the Taxonomy-eligible activity.

Eligible turnover include the sale of products generated from wind or hydro electricity production or sales closely related to this activity. Closely related turnover may e.g., origin from sale of el-certificates or insurance settlement income (other income) due to a loss on a construction project of a wind farm. The denominator of the turnover KPI is “total revenue” (Note 12 in the Consolidated Group financial statements in the 2021 annual report).

Eligible capital expenditures are investments in property plant and equipment, investment in associated companies or share in subsidiaries which have activities that are EU Taxonomy eligible.

The denominator of capital expenditures is the CAPEX KPI and includes total additions to Intangibles and Tangibles (including capitalised leases), including those from business combinations and investments in associated companies. (Notes 5, 17 and 20 in the Consolidated Group financial statements in the 2021 annual report).

Eligible operating expenses, include any of the following types of spend; cost of goods sold, salary and personnel expenses for employees working within eligible activities or within group overhead, other operating expenses directly related to the eligible activities or related to the group overhead.

The denominator of the operating expenditure, OPEX KPI is “Operating expenses”, (Note 13 and 14 in the Consolidated Group financial statements in the 2021 annual report).

100 per cent of Cloudberry’s turnover, operating expenses and investments are EU Taxonomy eligible in 2021. The table shows the turnover, CAPEX and OPEX per activity and the proportionate share of the Group’s total reported figures.

Consolidated units: Fully owned assets under construction and in production

Economic Activities	NACE Codes	Turnover (NOK)	Revenue proportion	CAPEX (NOK)	CAPEX Porportion	OPEX (NOK)	OPEX Porportion
A: Taxonomy eligible activities							
Electricity generation from wind power – Production of electricity	D35.11	2.8	7%	-	-	-2.9	3%
Electricity generation from wind power – Construction of utility projects for electricity	F42.2.2	5.8	14%	-452.4	55%	-48.0	54%
Electricity generation from hydropower – Production of electricity	D35.11	32.3	79%	-297.9	36%	-35.8	40%
Electricity generation from hydropower – Construction of utility projects for electricity	F42.2.2	-	-	-78.8	10%	-2.1	2%
Total A: Taxonomy eligible activities		40.9	100%	-829.1	100%	-88.9	100%
B: Taxonomy non-eligible activities							
		-	-	-	-	-	-
Total A and B		40.9	100%	-829.1	100%	-88.9	100%

Way forward

Cloudberry continues its assessment of economic activities in accordance with the EU Taxonomy. Assessments are carried out to evaluate Cloudberry’s alignment to the technical screening criteria in the EU Taxonomy. Internal analysis and estimates of life cycle greenhouse gas (GHG)

emissions from Cloudberry’s producing hydro power assets indicate emissions significantly below the threshold set out in the EU Taxonomy (100g CO₂e/kWh). Reporting on Lifecycle GHG emissions, Power Density of the Electricity Generation Facility (above 5 W/m²), Do No Significant Harm (DNSH) and Minimum Safeguard principles will be assessed going forward

and Cloudberry is prepared to report in accordance with the EU Taxonomy requirements on its hydro- and wind energy assets, and will strive to ensure that the activities meet the criteria. Cloudberry's goal is to have 100% alignment in the forthcoming years. It is crucial for the society, to become a low-carbon economy and reach net-zero. Cloudberry will ensure that its organization reduces emissions while the activities contribute to lower emissions in third parties.

Land use and ecological sensitivity

The development, construction and operations of renewable energy plants may have several environmental impacts. Wind farms have an impact on both off- and onshore land areas, and hydropower plants impact river systems. At wind power plants, among other things, there is an environmental impact both under construction and in operation. For onshore wind energy, the first and foremost environmental impact relates to visibility in the landscape, shadows and noise. For offshore wind, the impact is similar to onshore wind although the visibility and noise is less if the turbines are put far from shore. There are specific environmental impacts to address when constructing an offshore wind farm to protect the wildlife at sea. Hydropower plants impact the water flow, fish and sediment load.

The development and construction of power plants utilize land areas, fauna and flora, and degrade and change habitats, which may affect biodiversity. In a development project on a wind-farm in Sweden in 2021, Cloudberry decided not to proceed with the project because of the bird life in the area. Cloudberry always conducts additional mapping of bird life to gain a better understanding of how the project affects its surroundings and strives to do its utmost to get a full environmental overview with assessments and considerations.

To understand and prevent deterioration, conducting impact assessments is crucial, and we implement mitigation measures to minimise impacts and safeguard biodiversity.

Development, construction and production of wind and hydropower is highly regulated both in Norway and Sweden, with stringent environmental regulations. Cloudberry maintains a continuous dialogue with authorities and local stakeholders. We aim to minimize the environmental footprint in our projects and to maximize local value creation.



Åmotsfoss

At Åmotsfoss Kraft hydropower plant, we have built a fishing route to protect the biodiversity around the power plant. This is in accordance with the regulations, but nevertheless an important aspect for us to secure environment protection in our projects.



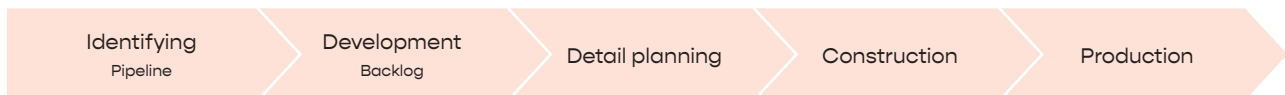
Björnetjärnsberget

At the wind development project Björnetjärnsberget in Sweden, Cloudberry has set off a larger area for birdwatching, nature studying and culture investigation to research and get as much information and awareness as possible about the area. In this way the project collects factors that may impact negatively, and Cloudberry may address challenges related to biodiversity, nature, fauna and flora.

Our approach and activities

Cloudberry always considers the environmental and social impacts prior to final investment decisions (FID), and this is integrated in Cloudberry's ESG due diligence guideline for all our development and construction projects.

Below we describe our value chain and examples on how we assess sustainability topics within each stage of the process.



The Identifying stage “Pipeline”

In this stage, the opportunities for a windfarm or a hydropower plant in specific areas are explored and involves assessing the power grid capacity. Our policy is to seek locations where impact evaluations on nature have already been performed in order to limit the size of the area impacted.

When identifying new areas for wind power, Cloudberry focuses on “low impact areas”, and we also prefer to find “high need areas”. In Björnetjärnsberget, both these aspects are fulfilled. The area is identified in the municipality's plan as potentially suitable for wind power, which means that they have already conducted several pre-studies in the area and concluded that it is a low impact area regarding nature, culture, and social impact. For Cloudberry, this gives a solid base to continue the environmental assessment of the development work including bird, other animals, nature, and culture studies.

Close to Björnetjärnsberget, there is a local sawmill which is an important employer in the area. The sawmill suffers from several power outages annually and needs a better grid connection. Together with Björnetjärnsberget, Cloudberry cooperates on the grid connection in order to find a solution that fits both. The area is therefore also identified as a high need area of power.

Furthermore, we evaluate the landowner's interest for having a power production plant on their grounds, as well as identifying the local political view towards such an establishment. In Sweden, municipal plans for wind power are already in place. Cloudberry seeks to minimize the visual impact and aims to build larger, but fewer turbines to reduce

land use and noise level on the ground whilst seeking to balance the size of the shade area and potential ice throw during cold weather. Wind power plants and surrounding infrastructure may also impact the conditions of fauna and flora, animals and birdlife and may change their conditions of life.

Further studies relating to the environment, nature and wildlife are carried out to identify potential negative consequences of the project. These studies need to conclude on an acceptable risk level prior to progressing to the next step, which is negotiating and entering into an agreement, the “procurement”, with landowners and possibly other parties.

The Development stage “Backlog”

In the development stage, the formal notification with a description of the project is submitted to the authorities. Public meetings are held to inform stakeholders. In Norway, The Norwegian Water Resources and Energy Directorate (NVE) handles both wind and hydro power applications, whilst in Sweden, the County Administrative Board handles onshore wind power, and the Land and Environmental Court handles offshore wind power.

Necessary environmental impact assessments (EIA) are carried out and describe any negative environmental consequences e.g., on biodiversity, caused by the construction and operation of the power plant. The EIAs are performed by specialist consultants. The benefits of the project must exceed the perceived negative environmental impact. If the environmental impacts are acceptable and within regulatory requirements, the final application is prepared and submitted to the authorities and the development of the project can proceed.

Stenkalles Grund

For the grid connection at the Stenkalles Grund project at Vänern in Sweden, it is planned for an existing land-based substation to be expanded as opposed to constructing an additional offshore substation. We will also be using an existing logistic port and storage area for most of the project's works, storage and logistics minimises the use of land area.



For Cloudberry, it is important to be transparent and available for the local stakeholders. During the development phase at Björnetjärnsberget, we held several meetings in the area to open up for a solution-oriented and honest dialogue with local stakeholders, such as hunting groups, neighbours and the politicians of the municipality.

The Detail Planning stage “Construction Permit”

When a project has been approved, the detailed planning begins. This includes descriptions and drawings of the design of the wind power plant, road sections, foundations, cable trenches, crane sites, dam, and more. In the planning phase, it is imperative to consider environmental impact in the construction phase. This is also an integral part of the negotiations with the suppliers who commit to operate in accordance with the Supplier Code of Conduct. A detailed plan must be approved by the authorities before the actual construction begins.

Once the permit is obtained, Cloudberry needs to fulfil several specified environmental conditions in the construction and production phase. For an onshore wind project this may be to establish a follow-up plan on environmental impact during construction. At Hån wind power project, the planning phase included negotiation work with the suppliers to conclude on a just-in-time installation procedure. Planning for one large component storage area instead of storage areas by each turbine, reduces

the need for hardened areas, which reduces the total environmental impact.

For a hydropower plant this may involve monitoring the area around the power station to identify any changes and needs for risk reducing initiatives. Cloudberry may adopt additional voluntary actions, such as reducing waterflow and installing fish ladders. At the same time, hydro dams also have positive impacts such as limiting the risk of flooding during extreme weather and may also reduce erosion of rivers and streams.

The Construction stage “Under Construction”

Cloudberry endeavour to minimise our negative impacts. We focus on maximising local benefits as much as possible and prioritise dialogue with stakeholders on our projects.

Local value creation is of high importance for Cloudberry. In the construction phase, Cloudberry seeks to engage local entrepreneurs and suppliers. In connection with the Hån wind farm project Cloudberry will publish a database for suppliers and local business partners, an online platform for them to offer their construction and maintenance services to the Hån project.

At Hån Cloudberry rents two construction offices from existing local business partners and thereby avoids having to construct an area for temporary



offices that would have been torn down after construction period.

Local hiking areas are considered when building roads and tracks. At Hån we are connecting roads and cycling tracks from the Swedish side of the boarder to the Marker windfarm on the Norwegian side.

During the construction phase Cloudberry leverages on existing infrastructure when possible and reuse excavated masses for roads. At Hån the project is planned with just in time transports for blades, which reduces the need for approximately 10 000 sqm area in total for the five turbine locations, instead of having blade storage at each turbine location. Transport optimization at the logistic area comes down to 3 000 sqm instead of 4 500 sqm originally planned for logistics and component preparation. After construction the landowners take over the logistics area to use as a part of their local business.

The area at Hån wind farm is a former landfill. Cloudberry entered into a collaboration with Marker

municipality and is collecting rubbish along the cable route while construction is ongoing. The waste is being returned to the municipality for recycling.

Health, safety, and environment are of high priority for Cloudberry. We set requirements towards our suppliers and expect compliance with laws and regulations in the construction phase. Our standards and policies are communicated to our employees and suppliers, and weekly meetings are held on-site with contractors. We work towards zero injuries to personnel, material, and environment. We seek to restore the area to the original condition after the construction is completed.

Areas close to birds are “no-work zone” during the breeding season. . Similarly, in our nearshore project, spawning sea- sons for certain fish types are accounted for in the planning. Furthermore, in our offshore wind project, Cloudberry may compensate fishermen for their loss of income when they are not able to fish in the area during construction.

The Production stage “Production”

Cloudberry has an operational model focusing on efficiency and cost flexibility as well as compliance to meet all regulatory and environmental requirements. The model is based on long term contracts with strategic partners. Each powerplant has three key roles with formal responsibility for respective areas:

- Plant supervision and internal control including environmental matters
- Dam and Penstock
- High Voltage

These roles are filled by persons with necessary approval and authorisations given by governmental bodies. In addition, there are agreements in place for local inspections and general follow up of the plants, normally being one of the landowners. Local inspectors go through special training programs. There is also an agreement in place for 24/7 surveillance of all power plants. Power sales and balancing is handled through a third-party service provider. Risk and contract management, bank financing and portfolio management is handled by internal resources in Cloudberry.

Dismantling

Dismantling is the last phase in the value chain of wind power plants. Once the turbine is out of service, the work of dismantling the turbine must be handled, including transportation from erection area to the final disposal site. Areas are required to be restored back to their original condition as far as possible, e.g., cleaning up and replanting. Recycling and depositing of components, components and recovering other material such as lubricant oil. Some of the materials has a second-hand benefit, e.g., at the Kafjärden wind project in Sweden, Cloudberry included second-hand turbines in the evaluation of choice of wind turbine suppliers.

Before granting a concession, the relevant regulatory body carries out a thorough and comprehensive evaluation process as mentioned above. Local biodiversity input from local authorities and the local public are taken into consideration. The regulatory authorities will also consider the need and demand for new stable renewable energy. Normally the authorities would not grant concession if a

power plant were to be located to adjacent or in a protected area, or if the power plant would have a negative effect on biodiversity.

None of Cloudberry's power plants are located in, or adjacent to, protected areas. There have been observations of rare species in the areas around our power plants and necessary actions have then been taken.

Way forward

Renewable energy projects and construction of power plants may cause unfortunate, and unavoidable, environmental and social impacts. Cloudberry will establish a plan for mitigating measures and endeavour to minimise our negative impacts.

Cloudberry is developing offshore wind energy projects in Sweden with the fully permitted Stenkalles Grund project in the Lake of Vänern, and a portfolio of early-stage projects in the Baltic Sea.

The Stenkalles Grund project is at a pre-construction phase with the aim to reach operation by 2024. The procurement process started early 2021 and will reach a financial investment decision (FID) during 2022. The detailed planning includes environmental issues and requirements as described in the permit. For example, the company consults the County Board, the Swedish Maritime Administration and the Swedish Transport Agency about necessary protective measures. An example is the early start of the quality program to monitor the impact of foundation and cable works and how to perform these operations in order to minimize environmental impact.

For the onshore wind project Munkhyttan in Sweden, Cloudberry plans to construct a new type of low impact roads. This in order to minimise the impact on the hydrology in the area and to secure the existing butterfly habitat.

For all projects, our focus will be maintained on conducting environmental mapping and analysis in the early stages of development. It is also imperative to have good cooperation with the host municipality as well as other local stakeholders to ensure transparency and involvement from Cloudberry.



People

Born and bred and operating in the Nordic in accordance with local tradition, Cloudberry's corporate culture is closely aligned with the Nordic model, and its principles of multi-level collective bargaining based on the economic foundations of social corporatism.

Performance summary

People

		Not started	On plan	Achieved
Health and safety	Zero injuries in our construction projects and operating assets		●	
	Continuously improve reporting on routines and structure (SHA-plans)		●	
	Provide training to employees on risk activities to follow up suppliers		●	
	Health, safety and wellbeing initiatives for employees		●	
Diversity and gender equality	Diversity and foster inclusion in the workplace		●	
	Employers activity duty	●		
	Zero tolerance for discrimination and harassment		●	
Human and labour rights	Eliminate social dumping in the construction industry		●	
	Norwegian Transparency Act - alignment	●		
	Principles in SCoC - follow up suppliers	●		
	SCoC integrated in procurement phase			●

Our responsibility towards our employees is our top priority, and for the impact on the societies where we operate. We take an active approach and report transparently in our annual and sustainability reports about our achievements and performance towards diversity and inclusion.

Our construction and operation partners have safety policies and report on a variety of measures to safeguard the workplace during development projects and ongoing operations. These measures may be training for employees and contractors, procedures for notification of accidents, registration and reporting of nonconformities, whistleblowing etc.

Cloudberry has 14 employees representing various backgrounds and competence from the renewable energy sector.

Eight of our employees work out of the main office in Oslo, Norway, and six employees work out of the Karlstad office, Sweden. Two new employees onboarded in the beginning of 2022 in our recently opened office in Gothenburg, and three new employees will onboard during second quarter to grow our offshore wind team further.

In 2021 Cloudberry employed two men and three women. The average age is 42.9 years. We are fostering collaboration and inspire all our colleagues to share ideas and contribute to an open and inclusive working environment.

A strong focus on gender equality and diversity is a part of the company's DNA and manifested in policy documents. Ensuring knowledge and adherence to all company regulations and guidelines are integral to the onboarding process for new employees.



“The Cloudberrys” onsite one of our development projects.

Cloudberry believes that diversity contributes to new perspectives and ideas by our employees and spark innovation and further development in the company. The commitment to diversity and inclusion relates to all aspect of diversity i.e., gender, functional ability, sexual orientation, gender identity and expression, religion and belief, ethnicity, nationality, educational background, age and mindset. We are all committed to equal treatment and have zero tolerance for discrimination and harassment.

Cloudberry foster health and wellbeing in the workplace by providing a culture founded by openness, respect, and care. As Cloudberry is growing and the number of employees is increasing, it is even more crucial for the company to focus efforts on initiatives to provide more diversity, company culture integration, development of employees and secure governance. The company has set targets going forward such as performance development goals for all employees and become even more transparent about goals and results. During 2022 Cloudberry will measure and compare gender balance in the

organization, fostering transparency and motivating actions to key aspects of gender qualities. Furthermore, in 2022 we will implement processes for integration of Captiva Group into Cloudberry. Both Cloudberry and the Captiva Group will benefit from synergies arising from the merger of the two companies, both with regards to digitalization and power plant development and operation, but also with regards to industry competency and diversity in our employee body.

Following the merger with Captiva Group and an increased workforce, Cloudberry will prepare to report in accordance with the extended Norwegian “Activity and reporting duty” (Aktivitets- og redegjørelsesplikten). Norwegian companies are obliged to work actively, targeted and systematically to promote equality and prevent discrimination through a four-step working method. Through a risk assessment in 2022, Cloudberry will lay the foundation for the work to ensure equal opportunities for all employees.

Health and Safety

Care for, and the safety of people working for or on behalf of Cloudberry is of paramount importance to us. Our employees are predominantly office-based with low health and safety risks. Our largest health and safety risks are amongst our suppliers and contractors, therefore we are reliant on our partners to have implemented solid health and safety management systems. It is our responsibility to have good routines in place to follow up suppliers working on behalf of Cloudberry.

Our approach

We work continuously towards our goal of zero injuries. We expect our suppliers to follow standards that are in line with, or better, than our own. Our construction and operation partners have health and safety policies in place and report on a variety of measures to safeguard the workplace during the construction phase. These measures may be training for employees and contractors, procedures for notification of accidents, registration and reporting of nonconformities etc. We have a zero tolerance if workers onsite

our projects and powerplants do not comply with the company's safety rules and routines.

Our activities

The health and safety risks in Cloudberry's construction projects, operations and maintenance of our power plants will increase, as the company grows.

Cloudberry has safety and health guidelines for work environment ("SHA-plans") on every development project and is continuously improving our framework and reporting routines. On our projects, we have weekly construction meetings and health and safety management on site is part of our regular supplier dialogue to ensure that routines are followed.

During 2021 no incidents causing harm to people's health was recorded neither on construction projects nor on our producing assets. Of the recordable work-related injuries none were classified as serious injuries but involved handling of tools and construction equipment.



At the Hån construction project, Cloudberry recorded some incidents: a truck with concrete slipped into a shallow ditch, during casting a small amount of concrete sprinkled into the face of a worker, during a rock blasting a protection cover was lifted and rocks hit surrounding vegetation, and during the handling of blasted masses a rock slid down and hit one machine. During blasting work, Cloudberry enhanced safety by using blasting mats to a larger extent than is required in surrounding areas, to secure health and safety, as well as limiting environmental impact.

At Nessane hydropower plant, parts of the stone lining that strengthen the riverbanks were damaged in connection with heavy storms and high-water flow. The issue did not qualify as a serious material damage and was quickly rectified and repaired.

In 2021 the sick leave was 1.06% amongst our 14 employees.

Way forward

Cloudberry aims to prevent incidents and is committed to a workplace without injury or harm. In our view our largest health and safety risks are at our assets and involves both our staff and partners. The likelihood of injuries caused by work-related accidents increases as our company develops and expands. We take responsibility with mitigating measures to avoid personal injury and material damages. We continue to update our routines and reporting structures with regards to health and safety policies, and have high priority on contractor safety, monitoring and regular risk assessments.

Health and safety is also addressed in the [Supplier Code of Conduct](#) to safeguard a mutual commitment between Cloudberry and our suppliers and contractors, and training and awareness is required in our agreements with contractors. We continue to encourage employee engagement and strengthen our focus on risk activities and preventive measures, such as providing relevant training to build the required competence.

Human and Labour Rights

Our approach and activities

Cloudberry complies with high ethical standards, applicable laws and regulations. In line with the new Norwegian Transparency Act (Åpenhetsloven) in Norway, Cloudberry will develop its approach to human rights due diligence in our operations in accordance with the OECD guidelines for Multinational Enterprises and the United Nations Guiding Principles for Business and Human Rights. This involves; conducting risk assessments to identify potential negative impact on people, society, and the environment and to stop, prevent and reduce such impact.

Cloudberry is obliged to work with its suppliers and business partners to mitigate any possible human rights violations or negative effects on decent working conditions in our supply chain. We expect our suppliers and business partners to follow ethical standards in line with our own, and in 2021 Cloudberry developed and implemented a [Supplier Code of Conduct](#) (SCoC). When Cloudberry enters into agreements with business partners and suppliers, we consider compliance with the SCoC, and commitment to operate in accordance with responsible, ethical, and sound business manners, including governance, labour and human rights risks, health and safety, and environmental and nature management.

Way forward

The Norwegian Transparency Act (Åpenhetsloven) will enter into force on 1 July 2022. The purpose of the Act is to ensure that organisations comply with fundamental human rights and decent working conditions, and to grant public access to information on how the companies address identified adverse impacts in their supply chain. Cloudberry will assess existing human rights due diligence process against the Transparency Act to comply with the Act going forward.





Prosperity

Our purpose is to provide renewable energy for future generations and powering the transition to a sustainable future. Our long-term success is linked to operating our business in a sustainable way.

Performance summary		Not started	On plan	Achieved
Prosperity				
Local value creation	Ensure local value creation in all projects		●	
	Publish examples of local value creation annually			●
	Number of local employment and suppliers on projects and assets	●		
Renewable energy supply	Report MW/GWh of renewable energy produced annually per power plant			●
	Report on reduced GHG emissions from EU energy mix		●	
Sustainable financing	Listing Oslo Børs – making Cloudberry accessible to more shareholders			●
	Gain access to a broader universe of investors			●
	Green bond loans – alternative funding structure	●		
Best technology	BAT in development projects and producing assets		●	

We treasure partnerships and develop our projects and our business with a long-term perspective. We create value for stakeholders involved in our projects and share the result of our efforts fairly. Cloudberry is building its business with a long-term perspective in mind.

Prosperity relates to Cloudberry's role in contributing to a societal value creation. We contribute to economic growth by providing employment, local value creation and secure renewable energy supply in the ongoing energy transition. We report transparently and consistently about employment, economic contribution, investments, and taxes paid in our annual reports.

Local value creation

Providing renewable energy enables the necessary energy transition. We seek to do this in a sustainable manner. We have a long-term growth strategy as a local business partner, that rests upon our ability to create value for stakeholders.

Even through windfarms and hydro power plants contribute to the necessary renewable energy

transition, every development project has an impact on nature. We take this very seriously and always conduct thorough investigations to minimise the negative impact on nature and society. It is vital for Cloudberry to conduct dialogue with all stakeholders locally and listen and taking into account their expectations and concerns before moving further with a project.

Our approach

Cloudberry aims to be seen as a good neighbour in the communities where we operate. We pay tax to local municipalities, we establish and respect balanced commercial arrangements with landowners, and we engage with local partners and suppliers when possible and relevant for construction, operations, and maintenance of our projects and plants. For the broader society, we provide renewable energy and contribute to reduce climate emissions from fossil fuels and thereby contribute to meeting the SDGs and the Paris Agreement.

When developing projects, we seek to identify local stakeholders' needs and to accommodate these in our plans. It is also important for us to minimise our

environmental impact, for instance by using existing infrastructure. We seek to create financial value for our local stakeholders.

The development team focus on developing projects close to our offices if possible. This provides easy access to project facility. Local presence makes it easier to cooperate with local stakeholders such as municipalities, politicians, landowners, and local industry.

Our activities

Local value creation is important for Cloudberry in all its developing, construction and operating projects. We seek to identify local stakeholders' needs and try to accommodate these in our plans.

Cloudberry seeks to create value for local communities. Instead of using an external painting company, we engaged the local ski community, Bromma Idrettslag, to stain the power plant building as a part of the maintenance at our hydro power plant Finnesetbekken in Norway. Such initiatives and activities benefit children and youth, culture, and sports, and is of high priority for us.

The Norwegian Odal wind power plant has established a fund. This will contribute to growth and well-being in the local community. The fund will support local teams and associations annually. An initiative for a local ski resort on Songkjølen is already being planned in detail. The roads and infrastructure make the whole area more accessible for anyone who wants to go hiking and have access to the surrounding nature.

On the boarder to Norway, Hån windfarm located in Sweden, we collaborate with the municipality in Norway to develop a cycling path across the border Sweden/Norway, on the roads which are originally intended for power cables. The road will also provide landowners with easier access to their forests which will improve their forest management. Cloudberry is in process of establishing a database for suppliers and local business partners. This is an online platform for our partners to offer their construction and maintenance services in connection to construction and operating Hån windfarm.

At the Björnetjärnsberget wind development project in Sweden, Cloudberry has a good cooperation

with the local sawmill company. We look into solutions of finding synergies for the grid connection. Development of wind power will ensure power supply to the sawmill and provide an opportunity to increase production with sufficient access to electricity. At the same time, new roads through the forest will create easier access to extract timber. The sawmill is an important employer locally.

The local communities around some of our hydro power plants, experience that the quality of the drinking water has improved, and the plants contribute to a more secure water supply.

Cloudberry is open to discuss the number of turbines being constructed, as well as height and location of the turbines, as we focus on cooperating with our stakeholders and to perform our business in a sustainable manner.

As Cloudberry is growing further, we have increased the number of employees in our offices in Oslo and Karlstad. We have established an office in Gothenburg where we are onboarding employees to the offshore wind team. The company has a growth strategy of new renewable and sustainable energy projects in the years to come, and we value local skilled employees with the right competence and experience.

In June 2021 Cloudberry uplisted from Euronext Growth to Oslo Børs Stock Exchange. We believe the listing on a fully regulated market to be a sustainable finance activity. The listing on Oslo Børs makes investing in renewable energy accessible to all people beside governmental and institutional investors and increases the availability for Cloudberry to access capital from a broader universe of investors.

Way forward

Cloudberry treasures partnerships and develop our projects and our business with a long-term perspective. We work closely with our stakeholders, landowners, and the communities where we operate, and they are important to us. Our goal is to create value together and share the result of our efforts fairly.

In the years to come it will be important for us to both evaluate and calculate how our local value creation initiatives has succeeded and are perceived by local stakeholders. By taking stakeholders opinion

¹ <https://sweden.se/climate/sustainability/energy-use-in-sweden>

² <https://www.regjeringen.no/en/historical-archive/solbergs-government/Ministries/kld/news/2020-nyheter/norge-forsterker-klimamalet-for-2030-til-minst-50-prosent-og-opp-mot-55-prosent/id2689679/>

and expectation into account and focusing on a transparent and open stakeholder dialogue we will succeed in delivering value that meet expectations from identified stakeholders in every project. We will make it even more accessible by providing transparent information to identified stakeholders around every step in our development and construction phases.

At the Hån wind farm project, electricity supply from Sweden will be transferred to Norway through an underground cable. This collaboration contributes to the realization of a common infrastructure for the wind power project and for outdoor purposes.

At Hån windfarm Cloudberry considers installing chargers on-site during construction, as an option for business partners and suppliers. The local community may serve the chargers after the construction period. This encourages increased use of electric transport by suppliers and eventually by locals. Charger options are considered on other development projects.

At Odal windfarm the fund continues to allocate financial support annually and will create value for children, youth, culture, and other local initiatives.

We continue to seek opportunities for cooperation with local stakeholders and communities to create value for them when we develop, construct, and operate our assets. Cloudberry will strive to engage politicians and other stakeholders locally through meetings and on-site visits. We believe in transparency, engagement, and long-term dialogue and cooperation locally to be successful on projects. We listen and learn from every project and aim to further develop local value creation in a systematic way. To meet the renewable energy demand and to achieve competitive conditions, we need to discuss and perceive risks and opportunities in the renewable energy sector, and act.

Renewable energy supply

Our approach

Renewable energy production contributes to conserving natural resources and reaching the ambitious climate goals the world has agreed upon. Providing renewable energy is our business, and we contribute to securing renewable energy supply for society. This supports Sweden's¹ goal of producing

100% renewable energy by 2040 and Norway's² target to reduce emissions by 55% by 2030 compared with 1990 levels, with a further reduction down to net-zero by 2050. Renewable energy is a priority area for Norway's and Sweden's enhanced climate policy efforts.

Our activities

During 2021, Cloudberry increased its total output of renewable energy in the Nordics from 21 GWh to 117 GWh (proportionate), which is equivalent to a CO₂ reduction of 29 133 tCO₂e (relative to baseline emissions from the European electricity mix (EU-27 electricity mix, IEA 2021)). Cloudberry completed several hydro projects, purchased new hydro projects, started construction of Hån windfarm, increased ownership in Odal windfarm, and established a new offshore team to develop offshore projects. Cloudberry's current portfolio consists of 26 hydro power plants and three wind power assets.

Cloudberry has kicked off 2022 with two late-stage wind development projects, securing two new hydro projects and adding an operating segment through the purchase of 60% of Captiva Group. The annual production will increase considerably in 2022. With the current projects under construction, Cloudberry expects to reach an annual production slightly above 500 GWh going forward.

Way forward

We are powering the transition to a sustainable future by providing renewable energy today and for future generations. We will continue to develop our portfolio and ensure timely and safe completion of projects.

Cloudberry sees many opportunities in the Nordic market. In line with our business strategy, we continue to grow, focusing on further development and acquisitions of renewable energy projects and operating power plants, contributing to the European energy transition and net-zero emission society.

Sustainable Finance

Our approach

To ensure that we meet our ambitions, Cloudberry has built a robust, scalable platform for sustainable growth. We see increase in Nordic power consumption, faster development of infrastructure, electrification, and data centre expansion, and this demands



more renewable energy production. Businesses are shifting their strategies towards net-zero carbon emissions, and this will increase going forward. The ambitious climate goals in the Nordics and the EU will drive a transition from fossil fuels to renewable energy. Combined with expected higher power prices in the near future, this is likely to provide supportive fundamentals for value creation and long-term cash generation in the company.

We seek to have an optimised capital structure, taking both return and risk into consideration. We have several long-term alternatives available for financing, depending on project size, transaction type and counterparty, including existing cash and cash flow generation, green bond financing, and farm down and carry arrangements, share consideration and new equity.

Our activities

There was significant corporate activity in 2021. The company listed on Oslo Børs' Main list, raised NOK 1 700 million in equity, and increased the debt facility to NOK 1 400 million. The listing makes investment in renewable energy accessible to all stakeholders and

increases the availability to capital from a broader universe of investors. It also positions us for building the company to take a position as the leading independent power producer (IPP) in the Nordic.

Cloudberry has a strong balance sheet with low debt, strong cash position, and is fully funded and capitalized for all its construction projects and funding for further growth of more than 290 MW.

Way forward

Cloudberry has delivered on its targets and has carried out several transactions in 2021. The company has high ambitions, and the scalable platform is positioned for valuable growth, both in terms of energy production and our in-house development backlog and pipeline. Cloudberry's strategy is to continue to grow both organically and by merger and acquisitions in the Nordic market.

Cloudberry considers the opportunities for green bonds loans to finance and refinance investments in existing and new projects going forward. This may be an alternative to further finance our ambitious growth targets and attract green investors.

Best technology

Our approach

Cloudberry optimises its energy production as well as utilize new technology and digitalization to drive efficiency across the entire value chain whilst causing minimal environmental impact. The choice of the best technologies will be done in close cooperation with our suppliers and partners and our approach will be explored and developed going forward.

Our activities

Technology related to wind generators is experiencing rapid improvements. Cloudberry seeks to maintain a portfolio with relevant and efficient technology and has this as a criteria when entering into partnerships with suppliers of turbines etc on projects to be constructed. When acquiring power plants in production, we invest in assets expected to have good technical standards and prioritize technical solutions that are well-proven and delivered by reputable suppliers.

For the Björnetjärnsberget wind power project in Sweden Cloudberry will apply for a permit allowing us to build turbines up to a height of 300 meters. This in order to stay ahead of potential technical developments. The technical development is rapid, and the wind turbines have steadily increased in size the last decades. Applying for higher turbines offers Cloudberry flexibility in order to maximize the production of renewable energy.

Best technology solutions reduce maintenance cost and potential increased insurance cost. Components arriving from Europe (EU) instead of countries farther away, simplifies processes and it reduces risks. Cloudberry is considering prioritising European suppliers in the future, to stabilize and secure deliveries.

Way forward

Early in 2022 Cloudberry entered into an agreement for the acquisition of the Captiva Group, a data-driven operator, manager, and developer of renewable energy in the Nordics. Captiva delivers management services within operations and maintenance, development, and construction, technical and commercial, and finance and accounting services to renewable energy projects. One of the subsidiaries delivers digital services to renewable energy projects with operational intelligence, visualization,

compliance and reporting solutions. With this acquisition, Cloudberry not only strengthens its position as a leading Nordic independent power producer (IPP) but will provide technical solutions and renewable power for generations to come.

The company is closely following the rapid technology improvements. To secure the company's profitability and financial position, we prioritise always securing the best technology.

Covid-19

The market situation has been challenging with the risk and potential consequences of the global pandemic. The Covid-19 pandemic has affected more or less all businesses in some way. During 2021, Cloudberry has seen some adverse impacts of the pandemic, such as travel and entry restrictions, absence due to lockdowns and mandatory quarantine. Mainly, the impacts are related to government approvals or disruptions in our supply chain as a result of delayed deliveries from suppliers.

At Odal Vind, entry restrictions for key personnel and logistical challenges in the global supply chain have created some challenges and delays. By the end of January 13 of 34 Siemens turbines are fully installed and first power was delivered to the grid in December. Odal is expected to be in full operation before the end of June 2022.

At Hån windfarm, it was a priority to secure precautionary routines and procedures together with the contractors, especially after the omicron was discovered in November. Nevertheless, in January 2022 there was an outbreak in one of the work teams, but it had minimal impact and the construction is progressing as planned.

Cloudberry has grown significantly, and despite many restrictions during 2021 due to Covid-19, the company has delivered all projects without significant deviations from budget and time schedule.

Cloudberry continues to assess risks related to the Covid-19 situation. The pandemic will influence the markets and supply chain disruptions, and there is a risk that the pandemic will result in increased costs related to supply chains. Nevertheless, the company expects the pandemic to have limited overall impact on its projects.

WEF Metrics

WEF Metric: Governance

Theme	Metric	WEF Criteria	GRI-indicator	Reference chapter
Governing Purpose	Setting purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	GRI: (102-26)	CEO letter, Sustainability
Quality of Governing Body	Board composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	GRI: (102-22) (405-1a)	BoD, annual report
Stakeholder Engagement	Impact of material issues on stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	GRI: (102-21) (102-43) (102-47)	Materiality assessment
Ethical Behaviour	Anti-corruption	<ol style="list-style-type: none"> Total percentage of governance body members, employees and business partners who have received training on the organisation's anti-corruption policies and procedures, broken down by region; <ol style="list-style-type: none"> Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; (Total number and nature of incidents of corruption confirmed during the current year, related to this year; Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption. 	GRI: (205-2) (205-3)	Company culture
	Protected ethics advice and reporting mechanism	<p>A description of internal and external mechanisms for:</p> <ol style="list-style-type: none"> Seeking advice about ethical and lawful behaviour and organisational integrity; Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity. 	GRI: (102-17)	Company culture
Risk and Opportunity Oversight	Integrating risk and opportunity into business processes	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	GRI: (102-15)	Our sustainability strategy, climate risk

WEF Metric: Planet

Theme	Metric	WEF Criteria	GRI-indicator	Reference chapter
Climate Change	Greenhouse Gas (GHG) emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tons of carbon dioxide equivalent (tCO ₂ e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	GRI: (305 1-3)	Cloudberry's Carbon Emissions
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most 3 years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement - to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.		Climate risk
Nature Loss	Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or Key Biodiversity Areas (KBA).	GRI: (304-1)	Land use and ecological sensitivity
Fresh water availability	Water consumption and withdrawal in water-stressed areas	Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.		Not relevant
Solid waste	Impact of solid waste disposal	1. Report wherever material along the value chain: estimated metric tons of single-use plastic consumed. Disclose the most significant applications of single-use plastic identified, the quantification approach used, and the definition of single-use plastic adopted. 2. Report wherever material along the value chain, the valued societal impact of solid waste disposal, including plastics and other waste streams.		Not relevant

WEF Metric: People

Theme	Metric	WEF Criteria	GRI-indicator	Reference chapter
Dignity and Equality	Diversity and inclusion (%)	Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	GRI: (405-1 (b))	People
	Pay equality (%)	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	GRI: (405-2)	Not relevant
	Wage level (%)	<ol style="list-style-type: none"> 1. Ratios of standard entry level wage by gender compared to local minimum wage. 2. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO. 		Not relevant
	Risk of incidents of child, forced or compulsory labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to a) type of operation (such as manufacturing plant) and type of supplier or b) countries or geographic areas with operations and suppliers considered at risk.	GRI: (408-1 (b)) (409-1)	Health and safety
Health and Well-Being	Health & safety (%)	<ol style="list-style-type: none"> 1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. 2. An explanation of how the organisation facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. 	GRI: (403-9 (a&b)) (403-6 (a))	Health and safety
Skills for the Future	Training provided (#,\$)	<ol style="list-style-type: none"> 1. Average hours of training per person that the organisation's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees). 2. Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees). 		Incomplete

WEF Metric: Prosperity

Theme	Metric	WEF Criteria	GRI-indicator	Reference chapter
Employment and Wealth creation	Absolute number and rate of employment	<ol style="list-style-type: none"> 1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region. 	GRI: (201-1) (201-4)	People
	Economic contribution	<ol style="list-style-type: none"> 1. Direct economic value generated and distributed (EVG&D) – on an accruals basis, covering the basic components for the organisation's global operations, ideally split out by: <ol style="list-style-type: none"> a. revenues, b. operating costs, c. employee wages and benefits, d. payments to providers of capital, e. payments to government, and f. community investment. 2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period. 	GRI: (201-1) (201-4)	Annual report
	Financial investment contribution	<ol style="list-style-type: none"> 3. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. 4. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders. 		Annual report
Innovation of Better Products and Services	Total R&D expenses (\$)	Total costs related to research and development.	GRI: (201-1)	Incomplete
Community and Social Vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.		Annual report

Cloudberry Clean Energy ASA
Frøyas gate 15
0273 Oslo, Norway

contact@cloudberry.no
www.cloudberry.no

