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|------------------------------------|--|--|--------------------------------|--------------------------------|---|--|--|--|
| <b>1</b> NO POVERTY<br>            | <b>2</b> ZERO HUNGER<br>                         | <b>3</b> GOOD HEALTH AND WELL-BEING<br>              | <b>4</b> QUALITY EDUCATION<br> | <b>5</b> GENDER EQUALITY<br>   | <b>6</b> CLEAN WATER AND SANITATION<br> | <b>7</b> AFFORDABLE AND CLEAN ENERGY<br>             | <b>8</b> DECENT WORK AND ECONOMIC GROWTH<br> | <b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE<br> |
| <b>10</b> REDUCED INEQUALITIES<br> | <b>11</b> SUSTAINABLE CITIES AND COMMUNITIES<br> | <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION<br> | <b>13</b> CLIMATE ACTION<br>   | <b>14</b> LIFE BELOW WATER<br> | <b>15</b> LIFE ON LAND<br>              | <b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS<br> | <b>17</b> PARTNERSHIPS FOR THE GOALS<br>     |  |

*This is Arise's Sustainability Report and refers to the 2021 financial year. The Board of Directors is responsible for the Sustainability Report for 2021 on pages 20–30 and that it has been prepared in accordance with the Swedish Annual Accounts Act. The Sustainability Report includes the Parent Company Arise AB (publ.) [556274-6726] and all entities consolidated in Arise's consolidated financial statements for the same period specified in Note 8, Notes to the Parent Company's financial statements. The Sustainability Report has been prepared in accordance with Chapters 6 and 7 of the Swedish Annual Accounts Act.*

# We are helping to mitigate climate change.

Wind power is continuing to increase and during the fourth quarter of 2021 more wind power was installed than in any previous quarter according to statistics from Swedish Wind Energy.

The climate issue is one of our time's most decisive issues. The science shows that ongoing climate change is caused by greenhouse gas emissions from human activities, and these emissions need to be reduced rapidly. As a project developer and producer of green electricity, we have a very important role to play here.

At Arise, we are working hard on developing new wind power projects, and we have now also expanded our business to include solar power, having presented a completely new strategy at the beginning of the year which includes solar power projects in the UK and Poland. In the UK, we have started a large-scale greenfield project where we are investigating a possible grid connection and the project has the potential to be one of the largest ever in the UK. In Poland, together with a partner, discussions are being held with a handful of smaller developers for the purpose of securing solar power projects there. Read more about our development projects on pages 16–18.

## THE SUSTAINABLE DEVELOPMENT GOALS

In September 2015, the UN General Assembly adopted a resolution setting out 17 Sustainable Development Goals (SDGs) for a better world – Agenda 2030 for sustainable development.

We continue to base our work on the global sustainable development goals of the UN's Agenda 2030:

- End poverty in all its forms.
- Reduce inequalities
- Peace and justice
- Climate action

Since the core of our business is to create renewable energy through continuous development of wind power and now also solar power, we see part of Goal 7 "Affordable and clean energy" and 13 "Climate action" as our main contribution. However, we are also working towards contributing to additional goals such as 3, 5, 8, 10, 11, 12 and 15. The big picture perspective is also important, since trade-offs between different goals may be necessary from time to time. It is therefore of great importance to us as a company, and for the expansion of renewable electricity production, that professional, objective trade-offs can be taken into account in the permit process. As a company, we can try to assist in finding practical solutions, but society's institutions must ultimately perform this key task: to ensure that we balance sustainability goals in relation to each other.



# Our focus areas

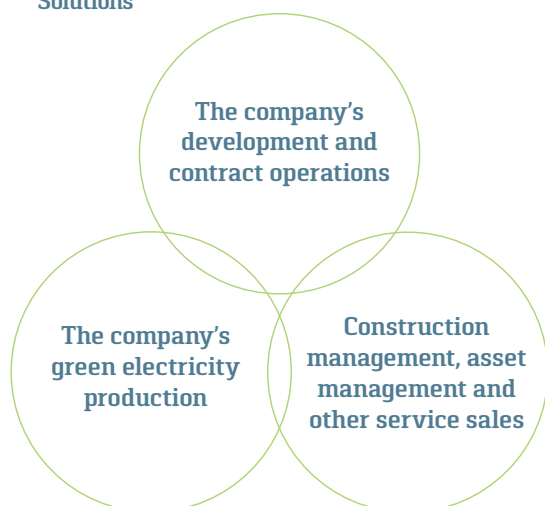
In our efforts to achieve the sustainability goals, we have divided our sustainability report into four focus areas;

## Sustainable business

“We are to be the obvious partner for investors in renewable electricity production and create added value throughout the life cycle.”

As of 1 January 2021, we have been reporting in three different segments:

- **Development**
- **Production**
- **Solutions**



### GREEN BOND FRAMEWORK

In February 2022, Arise established a green bond framework that contains criteria for investment in exclusively renewable energy. Through these investments, we aim to support the transition to a zero-carbon society. To ensure that the framework complies with the 2021 version of ICMA Green Bond Principles, Arise has obtained an external validation of the framework from Cicero Shades of Green. Cicero Shades of Green has assigned the framework a “dark green” shade. Under the green bond framework, Arise can include bonds as well as existing and future loans.

### ARISE GREEN ELECTRICITY PRODUCTION

Arise has 10 wholly owned wind farms, all located in the southern part of Sweden.

As stated in the 2020 Annual Report, we then obtained certification of a green loan under the DNB Sustainable Product Framework, dedicated to our own wind farms, as this loan meets the criteria in the category *Renewable Energy*. Production in these wind farms in 2021, and the equivalent reduction in CO<sub>2</sub> emissions, are presented in the table on the next page.

In total, we have produced 3,646,189 MW in these wind farms since our first wind farm in Oxhult was commissioned in 2009, up to and including 2021. This is the equivalent of a reduction in emissions of 3 million tonnes of CO<sub>2</sub>. To put this in perspective, it is equivalent to driving 231,000 fossil-fuel cars 100,000 kilometres each.

A large part of Arise’s business is asset management and construction management of wind farms for external

Our entire business concept is about transitioning to a sustainable energy system with reduced emissions. By doing this in a commercially viable way, we can create long-term profitability for all our investors. It is also the best way that we can take the social responsibility that our owners and society expect of us.

Thanks to reduced production costs, wind power and solar power can now compete effectively with other energy types such as nuclear power and this is without government subsidies.

#### WITH OUR PROJECTS, WE CONTRIBUTE TO THE ONGOING TRANSITION OF SWEDEN'S POWER SUPPLY

- The goal of divesting the Ranasjö- and Salsjöhöjden projects in Sollefteå Municipality, totalling 242 MW, was achieved in July. The construction of both projects is underway with Arise as the construction manager.
- In July, we announced that we had entered into a partnership with HT Skogar with the potential to develop more than 1,500 MW of wind power on land owned by HT Skogar. The project areas are strategically important areas for new wind power and mean that we can strengthen the electricity supply in a part of the country located close to the large cities of Stockholm, Uppsala, Västerås and Örebro, where the long-term electricity demand is extensive.
- After a long and challenging process, the environmental permit for our Kølvallen project gained legal force in August 2021. Kølvallen is the company's largest project to date and has excellent wind conditions. The conditions for grid connection are very good. The aim is to complete the sale of the project during the latter part of the second quarter of 2022.
- Our new strategy of diversification of geographies and technology is in progress, with solar projects in the UK and Poland.

owners. In total, we currently have more than 1,400 MW under asset management and 473 MW under construction for our customers. The chart "Production per year 2009–2021" shows the total production for the years 2009–2021 for both our own and managed portfolios.

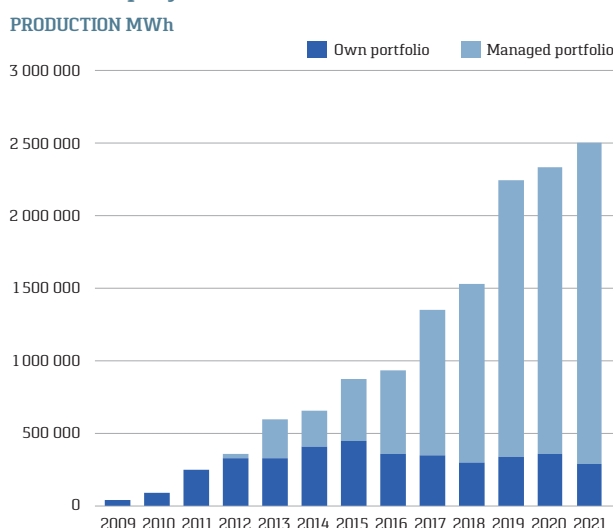
#### FINANCIAL RESPONSIBILITY

Through efficient financing, asset management, operation and project development, our overall objective is to provide shareholders with a good return on their investment in the form of dividends and growth in the share price.

We wish to make a positive contribution to the local economy through economic growth and job creation.

Wind farms	Production 2021 (MWh)	CO <sub>2</sub> tonnes
Oxhult	48,304	16,423
Råbelöv	19,539	6,643
Brunsmo	19,427	6,605
Fröslida	40,556	13,789
Idhult	32,592	11,081
Kåphult	22,630	7,694
Södra Kärra	33,071	11,244
Blekhem	29,747	10,114
Gettnabo	28,741	9,772
Skäppentorp	7,123	2,422
<b>Total</b>	<b>281,730</b>	<b>95,787</b>

#### Production per year 2009–2021



Stjärnarp wind farm

## Responsible enterprise

“When we expand renewable electricity production, we improve the environment, create jobs and local development and we do so with an eye to the best interests of the company and the community at large.”

### SOCIAL RESPONSIBILITY

#### OUR SOCIAL RESPONSIBILITY

That the climate issue is the decisive issue of our time has been mentioned earlier, and we therefore see our work to develop renewable electricity production as incredibly important to contributing to climate and renewables targets in Sweden and Europe.

To some extent, the expansion of wind power and renewable energy can also entail some inconvenience for local residents in terms of noise, flickering shadows, etc. We describe how we are working to reduce these risks in more detail on page 29.

Our wind farm activities are also monitored annually via environmental reports and through other accounting in accordance with the conditions set in the permits for operational assets.

Ahead of the construction of new projects, a consultation meeting is always held to give the local residents affected by the project an opportunity to present their views. We always strive for constructive communication with parties concerned, and we maintain a continuous dialogue with landowners, local residents' associations, and other associations, and engage with the local residents.

From some wind farms, a rural development grant is paid annually which is distributed among local projects for the purpose of promoting the development of the local community.

Thanks to our expansion, we also contribute to the local economy and jobs growth, particularly in rural areas, and we also create skilled jobs for many people over a long period of time. This is the case during construction and after commissioning, when we use transport companies, businesses, hotels, etc., and we always strive to engage entrepreneurs as close to the project as possible.

We engage reputable and experienced companies as subcontractors and we have our own project managers in the field to minimise environmental and occupational health and safety risks in the construction projects we are responsible for. We have an obvious goal that there should be no injuries and no environmental impact within the

scope of our permit conditions. We constantly strive to create the greatest possible consensus around our commissioned wind farms and our development projects.

#### SUPPLIERS AND CONTRACTORS

Our site and plant contractors are currently primarily based in Sweden, but these contractors in turn engage subcontractors from other countries. Our wind turbines are manufactured in a global, competitive market, which means that their different parts may come from all over the world. But because we have limited resources to check the entire supply chain, we have chosen to work only with large, reputable and established brands, and companies that have existed for a long time in the market. We clearly state in our Code of Conduct that we do not tolerate child labour or forced labour, or threats of violence and that freedom of association, the right to collective bargaining and contracts are to be respected.

In our Code of Conduct for Suppliers too, we require that all Arise suppliers respect the principles in the Code of Conduct and comply with these in their operations.

#### ETHICS AND MORALS

Maintaining a high standard of business ethics is as important as operating our business in accordance with the applicable Acts and provisions, which we emphasise in our Code of Conduct. We require honesty and integrity in all of the company's activities and demand the same from our customers, suppliers and collaborators.

In line with the Code of Conduct, there should be no bribery and this has not taken place. This is why every form of compensation to advisors, suppliers and partners is strictly on the basis of confirmed products and services only. We are highly restrictive with respect to gifts to or from suppliers and business partners. All employees must avoid conflicts of interest between private financial matters and the company's business operations.

#### CONTRACTS

Arise's site and plant contractors are currently primarily located in Sweden and we only engage large, reputable players in the industry. Before establishing a new wind farm, these are the requirements we place on our contractors.

The contractor must:

- have a quality management system that complies with SS-EN ISO 9001.
- have an environmental management system that complies with SS-EN ISO 14001.
- provide a person to be responsible for environmental matters.

- fulfil our requirements in respect of waste management and comply with the ecocycle guidelines from Kretsloppsrådet for the environmentally sound management of waste at the workplace.
- draw up an environmental plan to be approved by Arise before beginning work at the site. The environmental plan also applies to subsuppliers and subcontractors.
- supply documentation and take part in quality and environmental audits periodically conducted by Arise. The audit is to be documented in writing.
- perform internal quality and environmental audits in accordance with the quality and environmental management systems. The account must be documented in writing and reported to Arise.
- have a plan for the management of excavated material, fill and shipments.
- have an emergency response plan.
- demonstrate a plan of measures for reducing CO<sub>2</sub> emissions, for example, the use of cement in the project.

In the projects we worked on during 2021, no deviations from the above requirements were noted.

## Attractive employer

*"We want to offer our people the right conditions for working in a good and safe work environment."*

One of our most important resources in our development and our work with renewable energy is our fantastic people.

To provide a good and safe work environment is an important strategic issue for Arise, as is stated clearly in our Occupational Health & Safety Policy.

Our aim is to create a healthy workplace where our employees can grow and develop and where they feel highly motivated.

### OCCUPATIONAL HEALTH AND SAFETY

2021 turned out to be yet another year very much affected by the COVID-19 pandemic. We have followed the restrictions and recommendations of the Public Health Agency of Sweden at all times, and many of our employees have worked from home for most of the year. Our digital infra-



## Ola Ylikiiskilä

*Project development and Environmental issues, employed in 2021*

*"Sweden's welfare system was built on good access to electricity through the expansion of hydroelectric power. Wind power is extremely important for meeting future needs for increased electricity consumption while maintaining the high standards we have in Sweden. It is therefore very satisfying to be working with the realisation of several wind farms and increased electricity generation in Sweden. And it's a privilege to be working at Arise, which takes a holistic approach and develops projects from start to finish."*



## Magnus Larsson

*GIS coordinator, employed since 2008*

*"I didn't know anything about Arise when I was asked to start working as a GIS coordinator at the company. I wasn't actually thinking about changing jobs, but I did and I've stayed. That was more than 13 years ago now. Varied and challenging tasks, pleasant and highly skilled colleagues are part of my reasons for staying so long. And like the icing on the cake, I'm working with renewable energy. That's a combination that is hard to beat."*

structure has worked very well and most meetings have been conducted online, and still are. Great creativity has been shown in finding new ways to socialise during this year, which has included many pleasant online gatherings featuring some fun pranks. This has helped to keep our sense of community alive despite being far apart. Of course, we hope that in 2022 we will be able to return to more normal forms of socialising and activities that we are used to.

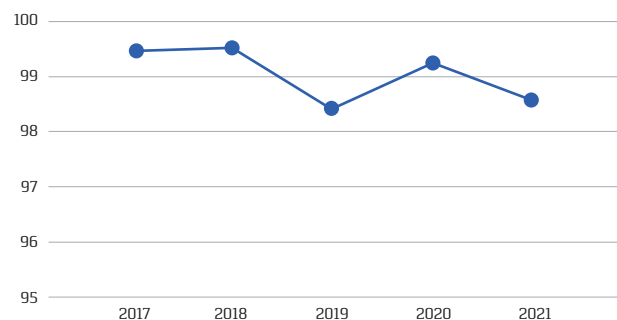
One goal we had for 2021 was to resume our training focusing on behaviour and group dynamics. Unfortunately, this was not feasible since the restrictions remained in place much of the year and the spread of the infection increased again at the end of the year. We are now looking forward again and hope that 2022 will give us new opportunities.

Nor have we been able to carry out any joint fitness activities as we have done in the past. However, we have an active staff and most people have maintained their own individual forms of physical exercise, and taken advantage of the health promotion grants that the company provides, a total of SEK 3,000 per year and employee.

As in the past, employees have also had regular health checks through our occupational health service and also surveys customized for those working at high heights have been conducted. We also offer health insurance so that staff can rapidly access the help or health care they require.

Despite the pandemic, our staff have managed to stay relatively healthy and sick leave has also been relatively low this year. During the year, the staff attendance rate was 98.6 (99.2).

### Health and safety index



### GENDER EQUALITY, DIVERSITY AND HUMAN RIGHTS

Our equal opportunity policy and Code of Conduct clearly state that we do not discriminate on the basis of gender, age, ethnicity, religion, sexual orientation or other factors. Sexual harassment can never be acceptable.

The Board has adopted a Diversity Policy which aims to promote diversity on the Board and in the management team. According to this policy, the Board is to be characterised by diversity and the composition of the Board is to com-

ply with item 4.1 of our Code of Conduct. Efforts are also being made to achieve an even gender distribution on the Board.

**Composition of the Board of Directors, management, employees as of 31 December 2021**

	Number	Gender distrib.		Age distrib.		
		Women	Men	<29	30-50	>50
Board of Directors	4	1	3			4
Group management	2		2		1	1
Employees	30	11	19	1	18	11

As described above, Arise’s operations are based on the UN Sustainable Development Goals as they relate to sustainable enterprise. This includes human rights, labour law, the environment, and anti-corruption. Arise supports and respects international human rights. We will identify and mitigate our impact on human rights wherever necessary and take action if there are any violations of human rights. We use our policies to support us in this work, such as the Code of Conduct and the Code of Conduct for Suppliers.

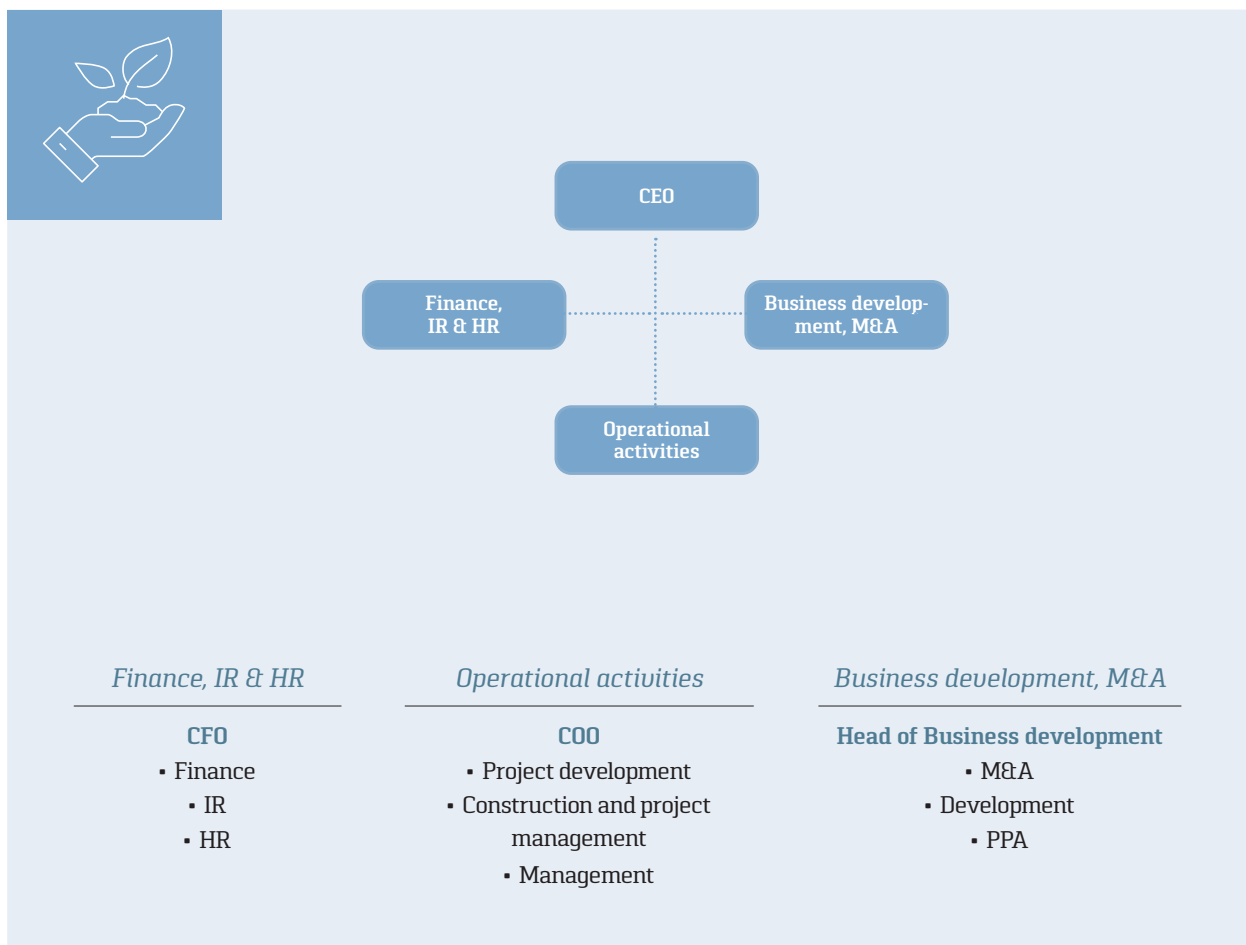
**OFFICE ENVIRONMENTS**

We work continuously with sustainability issues in our day-to-day office environment and sorting at the source of office paper, batteries, plastic, glass, etc., is working well. We also try to reuse or dispose of old or used equipment as far as possible.

In today’s digitalised world, there are major threats to many companies and organisations in terms of information security. This also applies to Arise. The company therefore continuously analyses these risks in order to reduce our vulnerability. Staff are regularly reminded of the risks that may exist and how to act in a variety of contexts. Various courses and exercises are conducted to keep everyone up to date.

Arise’s internal guidelines, formal work plans, instructions and manuals to guide employees are made available via the staff portal. New employees are always given a thorough introduction to the company at the start of their employment and are given copies of the company’s various guidelines and formal work plans.

**OUR ORGANISATION**





## Environment and climate-smart solutions

“With our climate-smart solutions, we create renewable energy for a sustainable future.”

### ENVIRONMENTAL RESPONSIBILITY

We develop renewable energy for a sustainable future! Our entire business and our focus is on delivering sustainable energy solutions in the work to achieve 100% renewable energy. Our most important contribution for the environment is to work with developing and pursuing projects in this area.

We develop wind power projects for our customers, who are often global financial institutions, who are working

to generate returns for people's pension savings and to reduce climate-changing emissions.

Arise has an attractive project portfolio that currently amounts to 2,600 MW in Sweden, Norway and Scotland.




### NEW AND COMMISSIONED PROJECTS

Both new and commissioned wind farms are a positive injection of renewable energy, but still have some effect on their surroundings.

Our work is always based on the most sustainable solutions possible for our projects. In Skaftåsen, we were able to apply the following measures during the year:

- Local office establishment with water and sewage connections, and connection to the grid.
- Establishment along the approach road with mobile wastewater solutions, transportation of water, and power plants for electricity.
- It has been possible to use local water from a lake approximately 800 m from Turbine 1. This has saved transport to the nearest town, a distance of roughly 35 km.

## Conditions for locating wind turbines

	Impact from wind farms	What do we do?	Results
	<b>Noise</b>	Noise measurements in existing wind farms	Verify that we are not exceeding the limit values
	<b>Flickering shadows</b>	Estimates of the effects of flickering shadows	Where necessary, the turbines are equipped with flickering shadows mitigation
	<b>Landscape profile</b>	Planning the location of wind farms	Sensitive areas are avoided
	<b>Wildlife and nature</b>	Inventories of birds, bats and natural values	Thorough planning to minimise disturbances of wildlife and nature
	<b>Cultural environment and archaeology:</b>	Archaeological inventories	Minimisation of the impact on ancient remains

- Erected 18 rock-anchored foundations (the wind farm comprises a total of 35), which is a saving of about 325 cubic metres of concrete per turbine compared to gravity foundations.

The Ranasjö- and Salsjöhöjden projects started in the latter part of the year and will comprise a total of 39 turbines once construction is completed. Our goal is that 27 of these turbines will be constructed with rock-anchored foundations. The project has also set targets for installing charging points for electric vehicles at the transformer substations. We will certainly have reason to return to this in forthcoming reports.

The activities involved in the planning of new wind farms and the operation of commissioned wind farms are controlled to a very high degree by current legislation and permit conditions. The environmental permit conditions governing the location of the wind turbines, flickering shadows, and noise, as well as the impact on wildlife, natural values, the cultural environment and archaeology, are key in this work. How we comply with these conditions is presented in the section "Conditions for locating wind turbines."

As in the past, we are also participating in a number of research programmes on the effect of wind power on people, nature and the environment such as Vindval and VindEI, where the programme aims to contribute to the transition towards a sustainable and renewable energy system through research on and the development of technologies, systems, methods and issues related to wind power.

Together with several other players in our industry, we are now also part of a project group, Rekovind2. The project's goal is to create reuse opportunities for end-of-life wind turbines and recycling of them.

### TRAVEL, ETC.

Since our asset management assignments are spread across the country, this also means that we have employees in several different locations in Sweden. In addition to our Head Office in Halmstad and office in Stockholm, we have smaller offices in Delsbo, Sundsvall and Östersund. During ongoing projects, we set up temporary offices close to the project.

Due to the ongoing pandemic, travel in 2021 has also been considerably less extensive than under normal circumstances.

*CO<sub>2</sub> emissions in tonnes from business travel*

	2021	2020	2019
Car	20.0	17.8	21.2
Flights	9.9	7.8	24.0
<b>Totals</b>	<b>29.9</b>	<b>25.6</b>	<b>45.2</b>

We have decided to offset the CO<sub>2</sub> emissions caused during 2021 through a Gold Standard project.

We strive to replace our fleet with electric cars, travel eco-efficiently and offset our CO<sub>2</sub> emissions according to Gold Standard.

**ELECTRICITY CONSUMPTION**

Arise has no own production activity other than the production of renewable energy. The CO<sub>2</sub> emissions from our own wind farms amount to about 4.62 grams per kWh and come from our own power consumption in the wind farms to keep control systems, lubrication pumps, obstruction lights, etc., running at certain times.

Other electricity consumption is that consumed in our offices.

Our sustainability goals!

- 1 We will develop 3–5 TWh of renewable energy by 2025
- 2 We strive to reduce scope 1 emissions by replacing our fleet with electric cars, travel eco-efficiently and offset our CO<sub>2</sub> emissions according to Gold Standard
- 3 We strive to reduce scope 2 & 3 emissions through efficient resource utilisation in our projects, for example by reducing transports, optimising the layout with regard to routing new roads in project areas and using rock foundations to the maximum extent possible. We also require sub-contractors in our projects to submit a plan for reducing their CO<sub>2</sub> emissions before and in connection with the project development

In order to define further relevant and measurable sustainability targets, a Sustainability Council has been set up which reports directly to the Group management.



Skogaby wind farm

**AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY REPORT**

*To the General Shareholders' Meeting of Arise AB (publ), Corporate Identity Number 556274-6726*

**Engagement and responsibility**

The Board of Directors is responsible for the Sustainability Report for 2021 on pages 20–30 and that it has been prepared in accordance with the Swedish Annual Accounts Act.

**Focus and scope of the audit**

Our examination was conducted in accordance with FAR's auditing standard RevR 12, The Auditor's report on the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

**Opinion**

A statutory sustainability report has been prepared.

Gothenburg, 25 March 2022  
Öhrlings PricewaterhouseCoopers AB

**Ulrika Ramsvik**  
*Authorised Public Accountant*