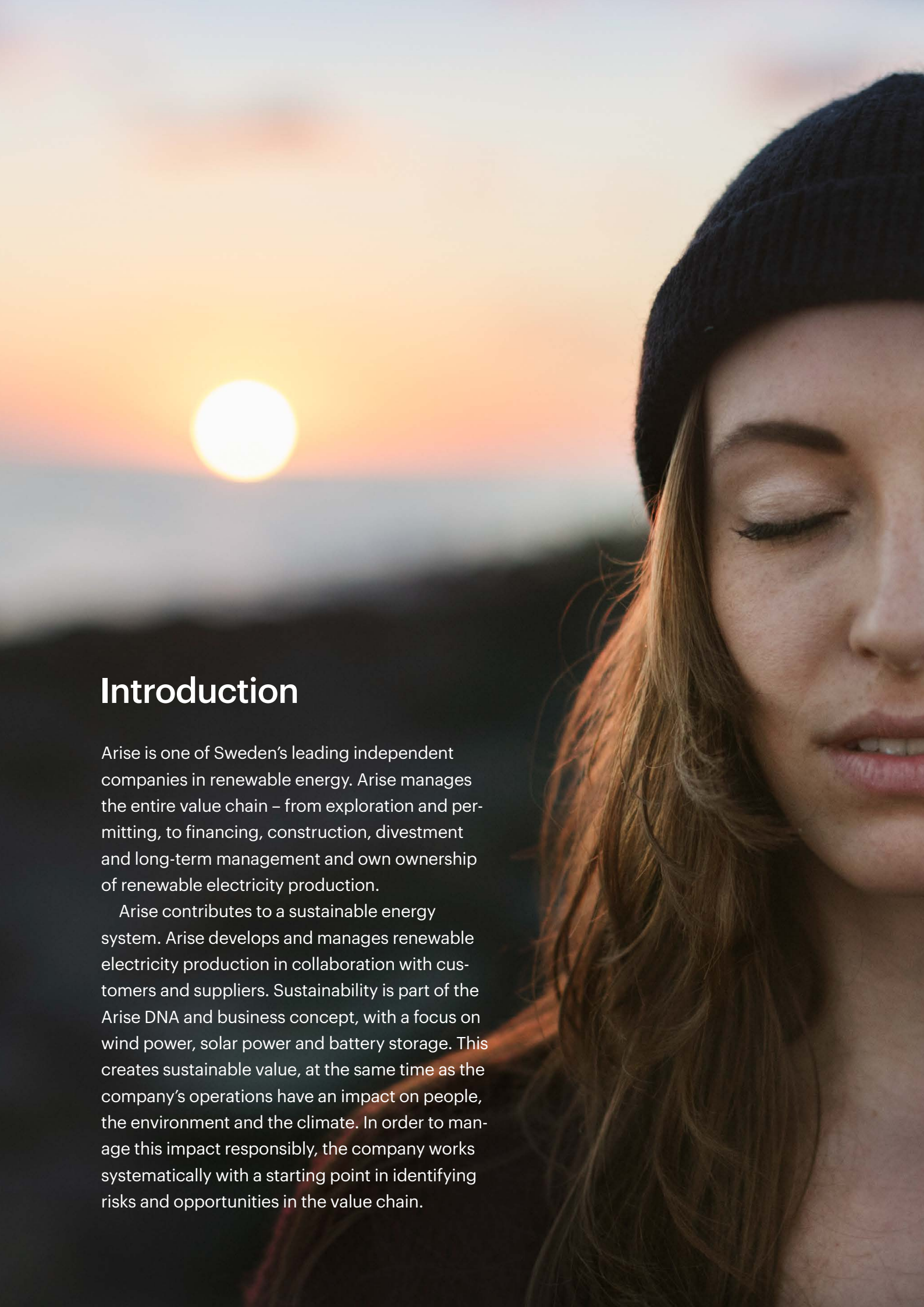




# Supplying renewable energy

2023 Green Financing Report



## Introduction

Arise is one of Sweden's leading independent companies in renewable energy. Arise manages the entire value chain – from exploration and permitting, to financing, construction, divestment and long-term management and own ownership of renewable electricity production.

Arise contributes to a sustainable energy system. Arise develops and manages renewable electricity production in collaboration with customers and suppliers. Sustainability is part of the Arise DNA and business concept, with a focus on wind power, solar power and battery storage. This creates sustainable value, at the same time as the company's operations have an impact on people, the environment and the climate. In order to manage this impact responsibly, the company works systematically with a starting point in identifying risks and opportunities in the value chain.



## Expand geographically and in terms of sustainability

Arise is growing both organically and through acquisitions. Two majority-owned companies were added to the Group in 2023, Pohjan Voima in Finland and Fenix Repower in Norway, which also has operations in Ukraine. With geographical expansion and presence in Sweden, the UK, Finland, Norway and Ukraine, new issues arise. Comments from CEO Per-Erik Eriksson.

### The challenges of geographical expansion in terms of sustainability

“By definition, Arise’s activities are positive for the environment and society. The challenge of entering new markets is always maintaining control of the businesses that we acquire or collaborate with locally and ensuring that they live up to our expectations. This requires close dialogue with local staff, especially in the initial stages. For example, from a social perspective, we can see differences in how decision-making processes take place in different countries, which is an aspect we are continuously working to harmonise within the Group.”

### Conducting business ethically and in accordance with applicable laws and international principles

“We are careful to be clear about what we stand for and that we have policies and require legal and regulatory compliance. We are now reviewing our policy documents both internally and with our partners and suppliers. All members of the Group will undergo an online anti-corruption training course in 2024.”

### Differences in different geographical areas

“We have now established operations in several new markets, but do not perceive any major difference in how we are received. Arise has operated in this sector for a long time and has a proven track record. We also believe that Swedish companies in general have a good reputation as reliable players abroad. Ultimately, the same types of issues arise in most countries relating to local residents and politics.”

### Positive impact



“Our operations have a positive impact on the global climate and on the local community through local electricity production that creates jobs and boosts the economy. The aim is always to make a positive contribution locally and to the development of our partners.”

# Eligible project categories

Green Finance Instruments issued under Arise's Green Financing Framework will finance and refinance capital expenditures and operating expenditures<sup>1)</sup> within the following Green Project categories directed towards the development of renewable energy production and ancillary assets.

To ensure transparency and accountability around the

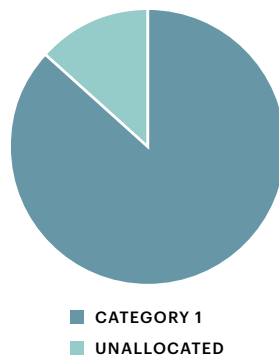
selection of Green Projects, Arise has established a Green Finance Committee ("GFC") which is responsible for the evaluation and selection process. The Green Finance Committee consists of the CEO, CFO and COO. GFC shall meet at least twice yearly, and all decisions shall be made in consensus. During 2023, GFC held two meetings.

GREEN PROJECT CATEGORY	ICMA GBPs	UN SDGs	EU TAXONOMY
<b>Renewable Energy</b> <ul style="list-style-type: none"> <li><b>Category 1</b> – Fund the development and construction of renewable energy production, i.e., wind and solar power production and ancillary storage solutions</li> <li><b>Category 2</b> – Operational costs relating to the management of renewable energy production of farms wholly or partially owned by Arise</li> <li><b>Category 3</b> – Operational costs relating to the management of renewable energy production of farms owned by an entity other than Arise</li> </ul>	<b>Renewable Energy</b>	 	<b>EU Environmental Objective: Climate Change Mitigation</b>

<sup>1)</sup> For operating expenditures, we use a maximum look-back period of three years.

## Allocation report

The nominal amount of Green Finance Instruments outstanding as of 31 December 2023 amounted to EUR 101.6 million. Net proceeds amounted to EUR 100.9 million. During 2023, the GFC has allocated additionally EUR 5 (31) million of the Green Bond to Eligible Projects, all in Green Project Category 1. The existing Green Loan has been allocated in full to Arise's own operating assets and Project Lebo, owned by Arise, that became a fully operational wind farm during Q2 2024.

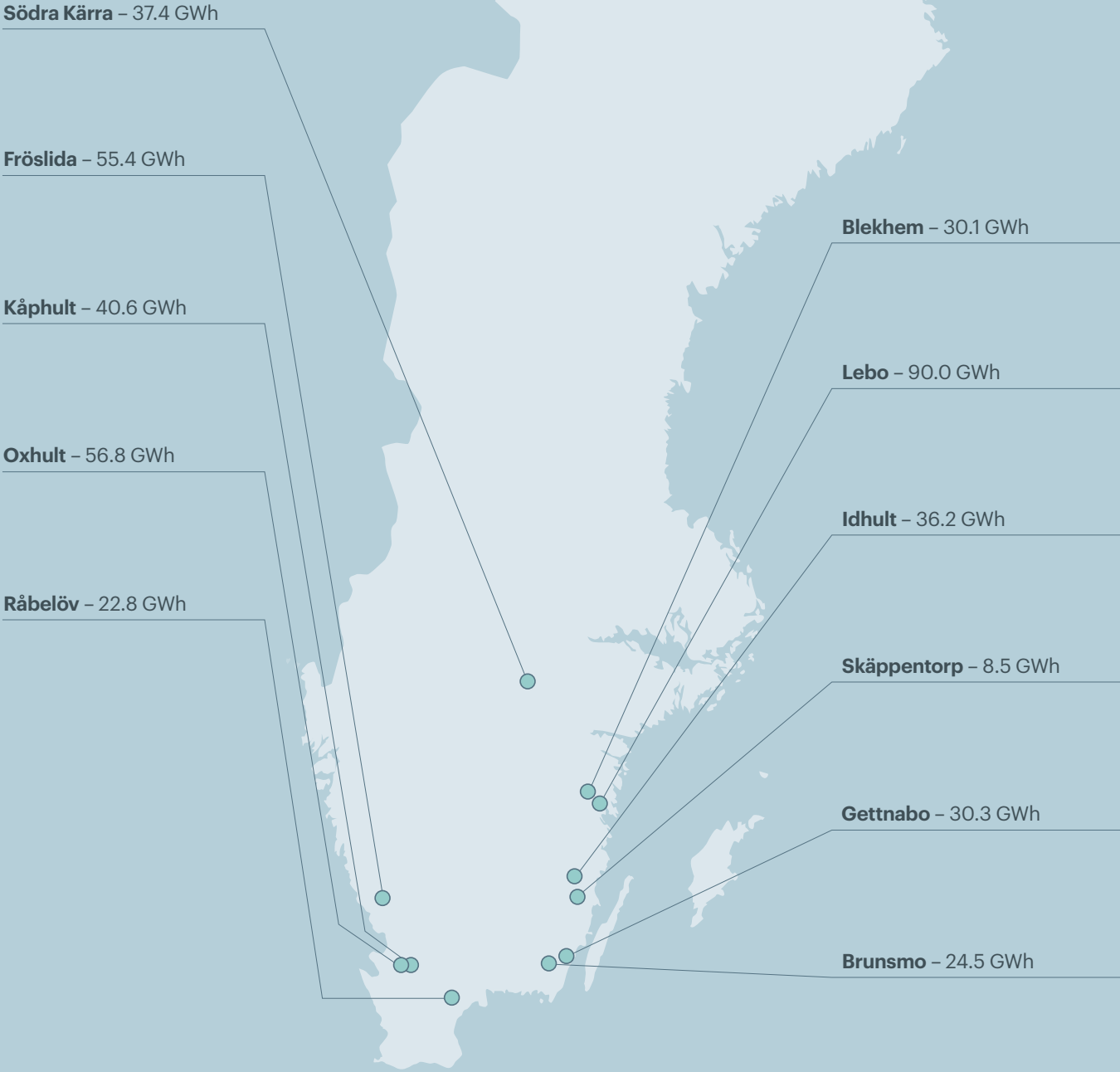


INSTRUMENT	NOMINAL AMOUNT
Green Loan	EUR 51,600,000
Green Bond	EUR 50,000,000
<b>NET PROCEEDS</b>	<b>100,925,000</b>
Category 1	-87,355,894
Category 2	0
Category 3	0
Unallocated	13,569,106

ELIGIBLE PROJECT	GREEN PROJECT CATEGORY	TECHNOLOGY	PHASE	INSTRUMENT
Operating assets	Category 1	Wind	Production	Green Loan
Lebo	Category 1	Wind	Construction	Green Bond/Loan
Kölvallen	Category 1	Wind	Construction	Green Bond
HT Skogar	Category 1	Wind	Development	Green Bond
Tormsdale	Category 1	Wind & Storage	Development	Green Bond
Finnåberget	Category 1	Wind	Development	Green Bond
Persson Invest	Category 1	Wind	Development	Green Bond

# Example of eligible project – own operating assets

As of 31 December 2023, Arise owned 10 operational wind farms, located in Southern Sweden. The wind farms were commissioned in 2009-2012 and has an average remaining lifetime of approximately 17 years. Project Lebo, with a capacity of 33MW and located in price area 3, became a fully operational wind farm during Q2 2024. The 10 wind farms are financed by the Green Loan at a nominal amount of EUR 34 million and Lebo is financed by the Green Loan at a nominal amount of EUR 18 million as well as the Green Bond at a nominal amount of EUR 16 million.



# Impact report



Lebo wind farm  
Västervik, Sweden

Of the Eligible Projects where Green Financing has been allocated, only Arise's own operating assets were commissioned at year-end 2023. The operating assets have a total capacity of 139 MW and are located in SE3 and SE4. The expected annual generation amounts to 343 GWh and as

of 31 December 2023, the operating assets had generated a total of more than 4 TWh. Other Eligible Projects where Green Financing has been allocated are expected to be commissioned during 2024–2030.

ELIGIBLE PROJECT	TOTAL GENERATION	EXPECTED ANNUAL GENERATION	ANNUAL GENERATION 2023
Operating assets	>4 TWh	343 GWh	288 GWh
Lebo	n.a.	92 GWh	n.a.
Kölvallen	n.a.	933 GWh	n.a.
HT Skogar	n.a.	>4 TWh	n.a.
Tormsdale	n.a.	-180 GWh	n.a.
Finnåberget	n.a.	-500 GWh	n.a.
Persson Invest	n.a.	-1 TWh	n.a.



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