



Creating renewable energy

2022 ANNUAL & SUSTAINABILITY REPORT



This is Arise's Sustainability Report and refers to the 2022 financial year. The Board of Directors is responsible for the Sustainability Report, 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. *)

Adaptation has begun of the year's Sustainability Report to the future EU legislation within the framework of the Corporate Sustainability Reporting Directive (CSRD) adopted in November 2022. An overall plan was prepared with the objective of achieving full reporting in accordance with the CSRD in the year that Arise is subject to the legal requirements. During the year, stakeholders and risks in the value chain were analysed. As a consequence, Arise's focus areas were adapted to the results of the analyses, see page 10. The Auditor's Report on the Sustainability Report is on page 25. The Report is unaudited.

Sustainability Report Arise

Sustainability is part of the Arise DNA and business concept, by which renewable energy is created using the wind or the sun. The value created is sustainable, but all operations affect people, the environment and the climate. To avoid negative effects and make use of positive opportunities, well-conceived work is required, based on risks identified in the value chain. The Arise Sustainability Report for 2022 follows here.



*) The requirement to prepare a sustainability report, and the provisions in content and the companies subject to the requirement, are contained in Ch. 6, paragraphs 10–14 and Ch. 7, paragraphs 31 a – 31 c of the Swedish Annual Accounts Act (1995:1554).

Sustainability in everyday work



Arise CEO, Per-Erik Eriksson, regards the integration of sustainable considerations into everyday operations as a key feature of sustainable business.



“Arise has a business concept that is based on supplying renewable energy. In which area could Arise make a further contribution?”

Our contribution to the climate is generally positive by definition, but we are also conscious that our operations affect people and the environment. In the construction of our energy facilities, there is an unavoidable environmental impact and there are risks for health and safety. Arise makes sure to engage large, reputable suppliers for sensitive phases, such as site preparation and the construction of the production facilities. These suppliers have documented effective sustainability work in terms of environmental and climate issues, as well as social conditions. We regard a workplace without danger to health and safety as an absolute minimum requirement for our own employees, contractors and sub-contractors.

“What drives your intensified focus on sustainability?”

Arise is a modern, listed company that must live up to the high level required. Investors seek dark green investments and Arise, which has such a highly positive environmental impact, can meet the demands for dark green investments, which is confirmed by the validation made when we established our green financing framework. We also see the importance of having healthy relationships with local stakeholders as a requirement for successful results. The better the communication we have with the local community, the better the reception for the operations. Sustainable business has better conditions for being profitable in the long term.

“How does Arise ensure sustainable business?”

We already have well-established procedures for health and safety and for environmental issues during construction. We will continue with these and also further develop them. We have established a Sustainability Council with representatives from all areas of the company. The intention is to have internal acceptance in the organisation's processes and progress in the sustainability work that is adapted to the company's conditions. I regard training and skills-enhancing measures for all employees as a success factor. We will take a sustainable approach to all areas in which we operate.

Arise helps to mitigate climate change

Arise's overall objective is to provide its shareholders with good returns on their investment through effective financing, project development and management. The business concept is to offer renewable energy and sustainable facilities for energy production, thereby contributing to society's transition to a sustainable energy system. Arise also wishes to make a positive contribution to the local economy through economic growth and job creation, as well as offering an attractive workplace.

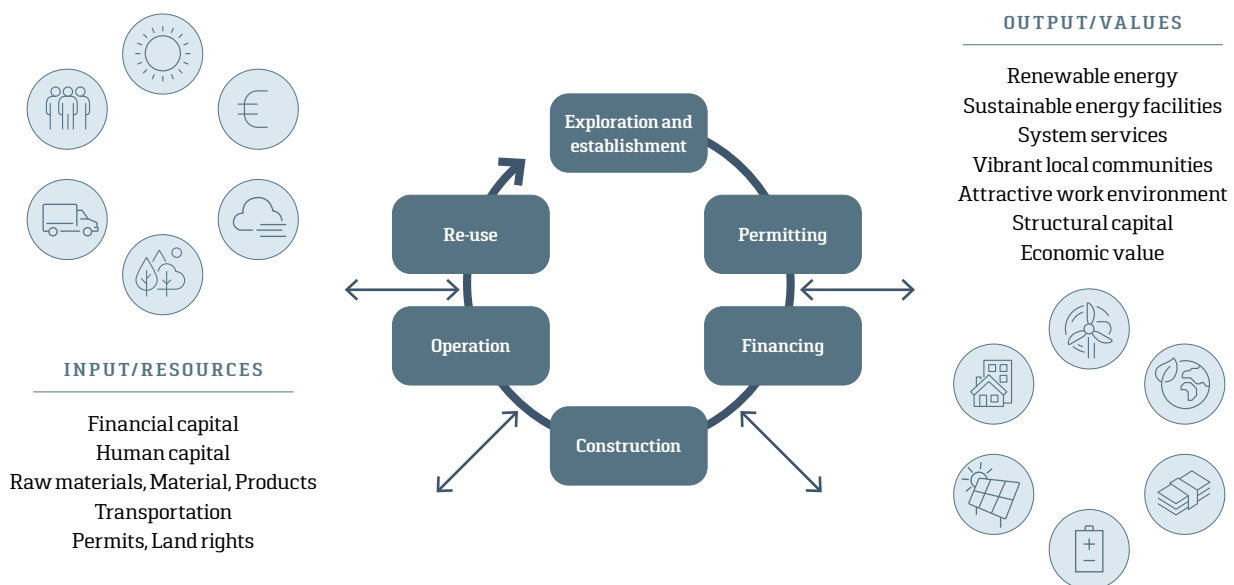
The operations are organised in three segments: Development, Production and Solutions. Arise has production at its own facilities in Sweden. New facilities are under construction in Sweden and at an early stage of planning in the UK. Arise also provides management in Sweden, Norway and Finland. Arise has its background in wind power, but has begun project development in solar power and battery storage in recent years.

Arise manages all phases of an energy facility's life cycle. Development commences with exploration, permitting and financing. After this, the construction phase can begin and once the facility is put into production, a long operating phase commences. When the energy facility is approaching the end of its lifetime, various measures are implemented to extend the operating phase and ultimately, decisions are made on the re-use or recycling of material. Sale or acquisition of various projects can occur in all phases.

To realise its business concept and achieve its goals, Arise is dependent on skilled employees and partners. Arise has several cooperative partners for product deliveries, construction and financing, who all contribute their particular skills.

For more information on the Arise strategy and business operations, see pages 6–21 of the [Annual Report 2022](#).

Arise's value chain



“We shall be the obvious partner for investors in renewable electricity production and create added value throughout the lifecycle.”

Stakeholders

Arise conducts continuous dialogues with its stakeholders on various current issues. To identify the requirements and expectations that apply to Arise's sustainability work, targeted communication was conducted in 2022 with customers, owners, investors and employees using questionnaires and verbal dialogue. In the early autumn, a questionnaire was

sent to investors, owners and customers, and sustainability issues were discussed at meetings. During the autumn, Arise employees participated in sustainability discussions in small groups, which was followed up by a questionnaire.

Below is a compilation of identified stakeholder groups, key issues and paths of communication.

STAKEHOLDER GROUP	EXAMPLES OF STAKEHOLDERS	KEY ISSUES	COMMUNICATION CHANNELS
Owners and investors	Shareholders, analysts, Nasdaq.	Long-term profitability, strong brand.	External reports, questionnaires and meetings, monitor regulations.
Local community	Local residents, municipal residents, indigenous population, local interest groups, opposition groups, contractors and companies.	No disruptive noise or light pollution, preservation of the local environment, biodiversity, reindeer herding, returns for the municipality and the district.	Information meetings, study visits, press releases.
Employees	Employees, safety representative, Board of Directors/management, contract workers, students, potential employees.	Safe work environment, reasonable remuneration and workload. An employer with a positive reputation and sustainability as a core issue.	Performance reviews, employee surveys, information for schools.
Business partners	Customers, suppliers (products, construction services, grid service, service and maintenance), recycling companies, landowners.	Workplace health and safety, clear agreements.	Meetings and negotiations, questionnaires, reports.
Financial partners	Investors (project owners), financiers (banks, shareholders).	Long-term profitability, sustainable solutions, responsible business, meeting the market's expectations for sustainability.	Meetings and negotiations, questionnaires, reports.
Regulators	Global community, (UN, EU), legislation in markets where Arise is active, municipalities, regions, county councils and regulatory authorities, other authorities, auditors.	Legal compliance, transparency.	Monitor regulations, reporting in accordance with permits.
Industry	Industry and lobby organisations, competitors, media, politicians, analysts, trade and industry, researchers, advisors, brokers.	Access to objective information.	Business intelligence, press releases, external reports, trade fairs and exhibitions.

Sustainability risks

In the autumn of 2022, Arise conducted a risk analysis of the company's impact on the environment, climate and society. At the same time, an analysis was initiated of how the company is affected by climate change and its effects.

The purpose of the risk analysis is to identify important areas to focus on in order to reduce the risk of negative effects and to promote the possibilities of positive, sustainable development.

The risk model is structured with support of the risk

areas in accordance with the EU's recently adopted CSRD and the future ESRS legislation. The analysis of risks was conducted through discussions in Arise's Sustainability Council and with Group management. The data for the analysis was sourced from, for example, stakeholder dialogues with investors, owners, customers and employees. The risk assessments are a balance of the probability of the risk arising and the consequence for the area.



IMPACT ON: ■ ENVIRONMENT AND CLIMATE ■ SOCIAL ISSUES ■ GOVERNANCE

AREA	POTENTIAL RISKS	ASSESSMENT
Greenhouse gas emissions within Arise (GHG Scope 1-2)	Emissions from electricity consumption, such as the operation of our own turbines, electricity for IT equipment, heating of office premises, business travel using Arise vehicles.	Low
Greenhouse gas emissions in the supply chain (GHG Scope 3)	Emissions from the extraction of raw materials, manufacturing of products, transportation, work vehicles, employee business travel, IT servers at external suppliers.	High
Reduced carbon sinks	Reduced CO ₂ uptake caused by tree felling and land preparation at energy facilities or in the manufacture of products.	Low
Pollution	Use of environmentally hazardous material or chemicals in construction and operation or in the manufacture of products by suppliers.	Medium
Water impact	The impact on wetlands and water courses during the construction phase, operating phase or in product manufacturing.	Low
Biodiversity and ecosystem services	Negative impact on birds, insects, mammals and vegetation during the construction phase, operating phase and restoration phase.	Low
Use of resources	Unnecessarily high amounts of material used, transportation becomes too long or excessively large areas of land are used.	Medium
Waste	Components, products, chemicals, etc., used in the construction or operation of energy facilities that cannot be reused or recycled.	High
Work conditions	Shortcomings in work conditions, freedom of expression in work life, reasonable remuneration, career opportunities, workload, equality or diversity for own employees, contracted workers, contractors.	Medium
Health and safety	Workplace accidents, traffic accidents, use of hazardous materials for own employees, contracted workers and contractors.	Medium
Human rights	Violation of human rights in raw materials extractions or product manufacturing. Violation of the indigenous population's rights to land use.	Medium
Impact on the local community	Noise and light pollution in operation. Changes in surroundings during transportation and construction. Perceived injustices. Change in property value. Impact on local business.	High
Governance	Lack of regulatory compliance, authorisations and internal control. Lack of effective control systems.	Low
Security	Security risks at energy facilities, IT security, infringement.	Medium
Corruption	Unethical terms in agreements and different forms of compensation.	Medium
Ethics and values	Transactions with players with values that differ from those at Arise, trade with regimes under sanctions.	Low

IMPACT ON: ■ ARISE

Climate risks	Extreme weather conditions, such as heat, drought or wind, can lead to damage, poorer performance, production disruptions, transportation disruptions.	Medium
Climate opportunities	Business opportunities through increased demand for renewable energy.	High
Political processes and external risks	Political processes do not support renewable energy. Permit processes obstruct the establishment of new facilities. Business environment events such as war and unrest have a negative impact on operations.	High

Focus areas and sustainability goals

UN Sustainable Development Goals

In September 2015, the UN General Assembly adopted a development agenda setting out 17 Sustainable Development Goals (SDGs) for a better world – Agenda 2030 for sustainable development. Arise supports the UN's work with the SDGs.

The core of Arise's operations is to generate renewable energy by developing wind power, solar power and other sources of renewable energy. The UN goals to which Arise mainly contributes through this is **Goal number 7 – Affordable and clean energy** and **Goal number 13 – Climate action**.

Arise has the ambition of contributing to more UN goals, such as numbers 3, 8, 9, 12, 15 and 16.

Focus areas

Arise has identified its focus areas and assigned priority to sustainability aspects through risk analysis and stakeholder dialogues. During 2022, in-depth risk analysis was conducted

by the newly established Sustainability Council in collaboration with Group management. In support of the analysis, stakeholder dialogues were held with both external and internal stakeholders. See more in the "Stakeholders" and "Sustainability risks" sections.

Three focus areas have been identified with a total of nine prioritised sustainability aspects. See table below. Work continues on risk minimisation in all sustainability aspects and risk areas.



FOCUS AREA	MATERIAL ISSUES
ENVIRONMENT AND CLIMATE-EFFECTIVE SOLUTIONS	
Climate	Maximise production of renewable energy. Identify sources of greenhouse gas emissions, create and work on the basis of a long-term reduction plan.
Biodiversity	Address risks of reduction in biodiversity at facilities.
Resource efficiency	Efficient use of resources in construction. Circular principals as guidance in choices of materials.
SOCIAL RESPONSIBILITY	
Work environment	Attractive workplace, employee well-being, reasonable workload, fair conditions for own personnel and those in the supply chain.
Health and safety	Health and safety at energy facilities and in transportation. Demands on suppliers regarding health and safety.
Impact on the local community	Communication with the local community and other stakeholders in the area. Create favourable conditions for parties involved.
RESPONSIBLE BUSINESS	
Governance	Ensure corporate governance, control systems, documents, procedures and follow-up of effective control of sustainability issues.
Business ethics	Reduce risk of corruption and unethical action.
Sustainable business	Promote long-term profitability and a strong brand. Green financing.

Governing Arise's sustainability activities

Organisation

The Board of Directors has ultimate responsibility for Arise's sustainability work. In 2022, Group management appointed a Sustainability Council, with representatives from the operations' various areas who conduct the work. The Sustainability Council is headed by a project manager who reports to Group management. Sustainability issues are addressed and resolved on at Group management meetings and reported at the company's Board meetings. Governing documents are revised by the Board or by the CEO once a year or more often if required.

In 2022, the Sustainability Council's assignment was to prepare the Sustainability Report for new rules and guidelines that are expected from the EU and, with support from stakeholder dialogues and risk analyses, to verify the company's focus areas for sustainable business. During 2023, the Sustainability Council is assigned to integrate sustainability in the company's processes based on

identified measures from risk and stakeholder analyses.

The Sustainability Council comprises representatives from the areas of the operations to reflect various perspectives and to work on the integration of the sustainability perspective throughout the business.

Control tools

The company's Code of Conduct outlines and sets the tone for the sustainability work. It was developed on the basis of the UN Global Compact's 10 principles for human rights, labour, environment and anti-corruption..

A number of governing documents and procedures guide the everyday work. Detailed instructions and procedures are prepared for construction projects. When a project is managed in collaboration with external owners and investors, plans and control tools are developed in consultation with them.

GOVERNING DOCUMENTS AND PROCEDURES

AREA	POLICY DOCUMENTS	CONTROL SYSTEMS AND PROCESSES - EXAMPLES
Climate and environment	Environmental policy	HSE procedures (health, safety, environment) and reporting within the project and during production. Environmental Impact Assessment and permit application prior to construction.
Work environment, health and safety	Occupational Health & Safety Policy Personnel Policy Equality Policy Personal Data Policy Code of Conduct for Suppliers	HSE procedures (health, safety, environment) and reporting within the project and during production. Work environment plan Emergency plan Safety committee Fire safety procedures
Human rights	Code of Conduct Code of Conduct for Suppliers	
Business ethics, anti-corruption and values	Code of Conduct Code of Conduct for Suppliers	
Sustainability in the supply chain	Code of Conduct for Suppliers	
Governance	Code of Conduct Benefits Policy	Risk management Internal control
Communication and information management	Policy for external communication Information Policy Insider Policy IT Policy	

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

■ FOCUS AREA

Environment and climate-effective solutions

By producing renewable energy, reducing emissions of greenhouse gases, operating a resource-efficient business and protecting biodiversity, Arise contributes to the UN Sustainable Development Goals Number 7 – *Affordable and clean energy* and Number 13 – *Climate Action*.

Arise's business is to deliver sustainable energy solutions for renewable energy. Arise's most important contribution to the climate is to work with developing and pursuing projects in this area. The business also has risks in the areas of environment and climate, such as greenhouse gas emissions, the risk of disrupting biodiversity and the risk of inefficient use of resources. Arise focuses on managing these risks, while the operations are developed.

Arise develops renewable energy for a sustainable future

The operations are recognised in three segments: Development, Production and Solutions. Arise develops and constructs new facilities, owns its own facilities and manages facilities for customers. The customers are often global

financial players who endeavour to generate returns by investing in renewable energy. Accordingly, offering a complete solution is a key feature in reducing the barriers to new investors.

Through the production of renewable energy, Arise contributes to reduced emissions of greenhouse gases. Arise's overall production of renewable energy and corresponding savings of CO₂ equivalents are shown in the table on page 14.

Wind energy contributed approximately 19.5% and solar energy of approximately 1.2% to Sweden's total energy production in 2022, according to preliminary statistics from the Swedish Energy Agency and Statistics Sweden. The corresponding figure for the UK for 2021 was 26.1% wind energy and 1.8% solar energy, according to statistics from National Grid Group. According to forecasts from Swedish Wind Energy based on project planning, the production of wind energy will increase by approximately 56% from 2022 through 2025.

The climate changes in the world risk having a certain negative impact on Arise. The scope has not been fully analysed, but certain changes have been noted. One example was the severe drought in Europe in the summer of 2022, when transportation of transformers could no longer be made by barge on Europe's rivers. The transportations had to be redirected to road transport, which made transportation more expensive and late, while the emission of greenhouse gases increased.

Several steps were taken to expand the operations to include solar power and battery storage. Arise has begun its first solar energy projects for which lease agreements have been signed and development work is in progress. Solar energy has the potential to become a significant part of the Swedish energy supply, although it has its limitations. Arise's skill in project development and construction in Sweden makes solar energy a natural extension of the operations. An investigation is also in progress of the possibilities for the development of battery storage in Sweden, which could contribute stability to the electricity grid.

Facts

- At the end of 2022, Arise's project portfolio amounted to 2,300 MW in Sweden, Norway and the UK in wind energy, solar energy and battery storage.
- Arise owns and manages ten wind farms of its own that produce approximately 343 GWh per year. More management assignments in wind power were added during the year. In two years' time, own production, including the company's share of the jointly owned farms, will increase to nearly 530 GWh per year.
- Arise has one proprietary project and three managed projects under construction in wind power.
 - Lebo (33 MW, wholly owned by Arise)
 - Kølvalen (277 MW, part-owned by Arise)
 - Skaftåsen (231 MW)
 - Ranasjö- and Salsjöhöjden (242 MW)

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



Greenhouse gas emissions

Arise's operations generate emissions of greenhouse gases through construction projects, continuous management and through the purchase of materials and services for the operations. To assess where climate impact is greatest in the value chain, the ambition is to measure greenhouse gases in accordance with the GHG protocol. Collection of data for Scope 1 and 2 is in progress. Data on employee business travel (in Scope 3) is included in this report. For supply chain emissions (in Scope 3), work has begun to identify emissions of greenhouse gases for a proprietary project under construction. The climate impact of Arise's own operations derives from business travel, electricity consumption from computers and servers in offices, as well as electricity consumption at the energy facilities. Business travel increased during 2022 compared with 2020 and 2021 when there was a sharp decline in travel due to the pandemic. Arise has established operations in the UK and Finland, which result-

ed in increased travel. Changed work methods, including a greater number of digital meetings, are expected to reduce the need for travel over time.

The various projects and management assignments are distributed among Sweden, Norway and Finland. Arise has employees in several locations to have proximity to the market. The head office is located in Halmstad and there are offices in Stockholm, Östersund, Sundsvall, London and Jyväskylä. During ongoing construction projects, we set up temporary offices close to the projects.

Electricity consumption is mainly through use on the farms to operate control systems, lubrication pumps, obstruction lights, etc. Other electricity consumption occurs in offices and pertains mainly to the use of computers and servers.

Climate impact also derives from the sourcing of materials and products. Work has begun to analyse the scope of greenhouse gas emissions in the supply chain. Clearer

demands will be made on suppliers and contractors during the procurement phase for the reporting of estimated greenhouse gas emissions and which measures are possible in reducing emissions. Various suppliers climate impact can thus become part of the evaluation when sourcing.

Efficient use of resources

Arise strives for Efficient use of resources and solutions that are as sustainable as possible. However, resource-saving measures must always be weighed against health and safety risks. Resource efficiency is a key issue throughout the life cycle of a facility. The work commences already during the developmental phase, when decisions are made that define the facility. Examples are the routing of roads, entrances and the location of turbines.

In the manufacturing of parts for a facility, there is a risk that components, products or chemicals that are selected cannot be recycled or cannot be manufactured resource-efficiently.

In the construction phase of a facility, there are risks of an unnecessary amount of material being used or that

infrastructure is given excessively large dimensions. There are further examples of resource-saving measures. Where the land conditions permit, rock-anchored foundations are constructed for wind turbines instead of gravity foundations. When rock-anchorage is not an alternative, cement mixes with less environmental impact are evaluated. If possible, infrastructure that is already on site is used in the form of existing roads and connection to the water, wastewater and energy grids.

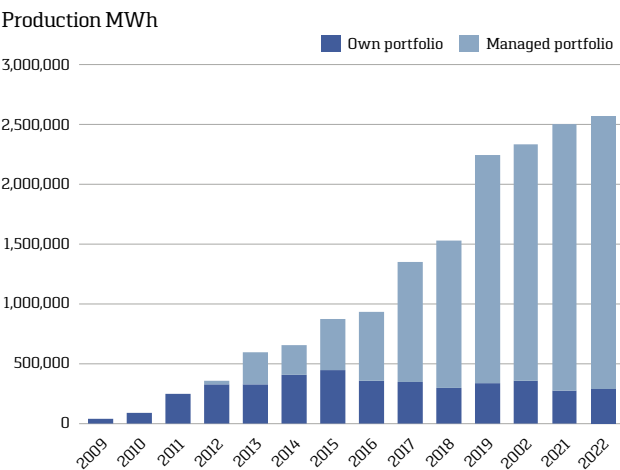
An energy facility has a long operational phase and requires continuous maintenance. When the energy facility approaches the end of its useful life, there is assessment of the possibilities to extend the operational phase, which is often the most resource-effective alternative. During the final dismantling of an energy facility, choices also arise for the effective use of the material used. Increased re-use and reduced waste to landfill are challenges being addressed by the industry. Together with several other players in the industry, Arise is now also part of a project group, Rekov-ind2, with the project's goal to create reuse and recycling opportunities for end-of-life wind turbine blades.

Production renewable energy

	2022	2021	2020
Proprietary facilities, MWh	292,196	281,729	354,505
Managed facilities, MWh	2,376,546	2,239,663	1,981,095
Total	2,668,742	2,521,392	2,335,600
Corresponding emissions of CO ₂ equivalents from the Nordic residual mix, tCO ₂ e ¹⁾	907,372	857,273	794,104

¹⁾ Residual mix 2021, Nordic countries (ei.se) – 0.37 tonnes of CO₂ equivalents/MWh

Production per year 2009–2022



Greenhouse gas emissions from business travel, Arise workforce

Tonnes CO ₂ equivalents	2022	2021	2020
Car ¹⁾	9.7	17.0	16.3
Air travel ²⁾	18.3	9.9	7.8
Train travel	0.0	0.0	0.0

¹⁾ Translation factors from DEFRA, business travel within Sweden

²⁾ Partly based on estimates

Objectives

- Increased offering of renewable energy
- Minimum possible emissions of greenhouse gases through efficient use of resources in projects
- Positive contribution to biodiversity.
- Reduced amount of waste.

Planned activities

- Analyse emissions of greenhouse gases in accordance with the GHG protocol for ongoing construction projects.
- Expand the requirements in request documentation regarding reporting of greenhouse gas effects.
- Update internal rules for business travel and company cars.
- Continued activities with suppliers regarding choice of materials.

Biodiversity

Protecting biodiversity is one of the UN SDGs within Agenda 2030 and a key factor in increasing the resistance in the earth's ecosystem. Ecosystems, climate and biodiversity are connected. To maintain a balance in nature, biodiversity must be protected.

When establishing energy facilities, there is a risk of an impact on important parts of the biodiversity in forests and wetlands, such as species of birds and rare plants.

To prevent and restrict any impact on the biodiversity, Arise conducts thorough preliminary investigations of conditions in the surroundings and protective measures are taken in good time prior to the start of the project. The operations are governed by applicable legislation and the conditions in the environmental permit. Several years of preliminary investigations of any impact on biodiversity are required to obtain environmental permits for wind farms. The placement of wind turbines is done with consideration to the distance from vulnerable species. Certain species are disturbed more by construction activities than by the actual energy facilities and in these cases,

the construction activities are adapted to various sensitive times of the year, such as birds' breeding season.

During the environmental impact assessment, it is clarified whether the location is appropriate for a wind farm or not. In the terms of the environmental permit, further







reservation is made for the placement of wind turbines based on shadow or noise that may arise and limitations for the impact on animals, natural assets, the cultural environment and archaeology. These aspects are central during the assessment process.

Arise participates 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.

How Arise complies with the conditions for wind farms is presented in the section "Conditions for locating wind turbines."

The UN Biodiversity Conference in December 2022 (COP 15) made it clear that robust measures are required throughout the world to reduce mass extinction of species and ecosystems. The UN's objective is that the loss of biodiversity should be stopped and reversed by 2030.

Conditions for locating wind turbines

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

FOCUS AREA

Social responsibility

Arise is dependent on a high level of confidence among its own employees, suppliers' employees and in the local community. Through responsible work on health and safety and work environment, as well as consideration of the local community, Arise contributes, for example, to the UN Sustainable Development Goals number 3 – *Good Health and Well-being*, number 8 – *Decent Work and Economic Growth* and number 16 – *Peace, Justice and Strong Institutions*.



Health and safety

Guaranteeing health and safety in the operations, physically and mentally, is one of Arise's guiding principles. Arise has a zero vision for accidents and work-related illness in its own facilities and offices and at the facilities that are project-managed.

It is a physically demanding and risk-filled business to construct and operate energy facilities. Accidents can occur in, for example, materials handling, transportation or blasting. When construction project are initiated, plans are prepared for work environment, health and safety, and crisis management. Outcomes are continuously reported to project management, the Board of Directors and owners and measures are implemented in the case of deviations. Train-

ing of own employees is conducted regularly in, for example, fire safety and working at heights. Requirements of corresponding training are made of contractors.

Health and safety risks are also found in the manufacture of input products and transportation to and from facilities. Material production occurs in several locations worldwide, which makes it difficult for Arise to have direct control of working conditions. In the business agreement and the Code of Conduct for Suppliers, Arise communicates with suppliers to emphasise the importance of health and safety, and training in this area. This is an important activity in Arise's relationship with its suppliers and partners and there are plans for further communication and follow-up on outcomes.



Hampus Viklund & Johan Neogard, Stjärnarp's wind farm

For operational facilities, an HSE (health, safety, environment) plan is prepared that includes risk assessment and a communication plan for health and safety. The HSE plan also sets the rules for visits to the facility.

At wind farms, there are also risks to the public and warning signs are installed to provide information about the risks of, for example, ice throw from the blades.

There are also health and safety risks in working in an office environment or at home. High workloads can arise periodically and risks with this need to be identified and addressed. The number of employees at Arise is increasing. This means that increased collaboration is necessary within and between the business areas. There are managers for this within each area. Arise has safety representatives who ensure that the work environment, health and safety in offices comply with laws and regulations. Inspection rounds are conducted annually. A fire safety representative is appointed to keep the employees informed about how accidents can be stopped and prevented.

Work environment

One of the most important resources in Arise is the employees. High-level and specially focused skills contribute to Arise's successful business. To provide a good, safe and stimulating work environment is an important and strategic issue for Arise, as is stated clearly in our Occupational Health & Safety Policy.

Equal pay and conditions for equal performance is to apply at Arise and a salary analysis is conducted annually. Employees are offered various benefits, such as health promotion grants, health examinations, specially adapted examinations for those working at altitude, and medical insurance. The company's Code of Conduct clearly states that the Group is to recruit and treat its employees in a manner that ensures there is no discrimination on the basis of gender, religion, age, disability, sexual orientation, nationality, political belief, trade union association, social or ethnic origin. The Group encourages diversity on all levels.

The pandemic continued to impact Arise at the beginning of 2022 and the flexibility in the choice of physical workplace was maintained to an extent.

Training is the key to maintaining and enhancing skills. In 2022, online training in IT security was started for all personnel and this will continue during 2023. Courses in work at heights and safety were conducted during the year in accordance with special planning. In the autumn, workshops were also held in sustainability risks for all employees. Ahead of 2023, further training is planned in safety, IT security and sustainability.

During 2023, an employee survey will be conducted to follow up on the work environment and the employees' work situation.

Arise requires of its contractors and suppliers that they respect human rights and labour rights. This is clarified in

Human rights

Arise supports and respects international human rights. Arise states clearly in its Code of Conduct and Code of Conduct for Suppliers that no form of child labour, forced labour, threats of violence or other violation of human rights may occur. Governing documents also state that freedom of organisation and the right to collective negotiations and agreements must be respected.

Material and products for Arise's energy facilities are manufactured in a global and competitive market. Since Arise's sub-contractors and contractors, in turn, engage contractors or suppliers from other countries, the possibilities of control decrease and the risk of human rights violations increase.

Arise has chosen to work primarily with large, reputable and established brands, and companies that have existed for a long time in the market and who have documented sustainability work. This, in combination with the communication of the Code of Conduct for Suppliers, reduces the risk somewhat.

In 2023, there are plans for a review of the Code of Conduct for Suppliers, which will be followed by special communication with the largest suppliers.

When rolling out energy facilities, there are risks of violation of the rights of indigenous people. Dialogues are continuously conducted with the Sami of northern Sweden to find mutual understanding and solutions.

the Arise Code of Conduct for Suppliers which is based on the ten principles of the UN Global Compact, which in turn, is divided into human rights, labour, environment and anti-corruption.

Arise is an organisation under growth and, accordingly, has expanded its HR function to include an HR Manager.

Local community

The build-out of wind power and other energy facilities creates change for local residents and the local community. Facility work and transportation can cause a perception of disruptive noise or trespass. During both construction and operation, other local business may be affected, such as reindeer herding, forestry and hunting. Natural and cultural heritage could also be changed. Noise and shadows can also be perceived as a disturbance during the operation of a wind farm. The changed community image can

“We want to offer our employees and partners the right conditions for working in a positive and safe work environment.”

Ida Lilja, Stjärnarp wind farm

affect property values, positively and negatively.

Arise endeavours to create the best possible understanding for development projects and energy facilities taken into operation. 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. Arise strives for constructive communication with landowners, local residents' associations and other associations.

One goal is that the local community should perceive favourable conditions in the establishment of an energy facility. From some wind farms, development funds are paid annually which are distributed among local projects for the purpose of promoting the development of the local community. Establishment of energy facilities also contributes to income and more jobs, during construction and after commissioning, through the use of, for example, transport companies, shops and hotels. Arise strives to engage businesses in close proximity to the project if possible.

The operations at energy facilities are monitored annually via environmental reports and through other accounting in accordance with the conditions set in the environmental permits for operational assets and in landowner agreements. Supervisory authorities make regular inspections and controls of operations during the facility construction phase.

Arise follows up on all complaints that are submitted in order to minimise the negative impact as quickly as possible and to reuse experience from other projects. The application of experience is important for ensuring that future establishments create favourable communication with residents in the local community at an early stage.

An incentive investigation commissioned by the government will report on its assignment in the spring of 2023. The purpose of the investigation is, for example, to provide proposals for systems to compensate those whose surroundings have been tangibly affected by the development of wind power and to strengthen the municipalities' ability to support the build-out of wind power.

Human rights

No violations of human rights were reported to Arise during 2022.

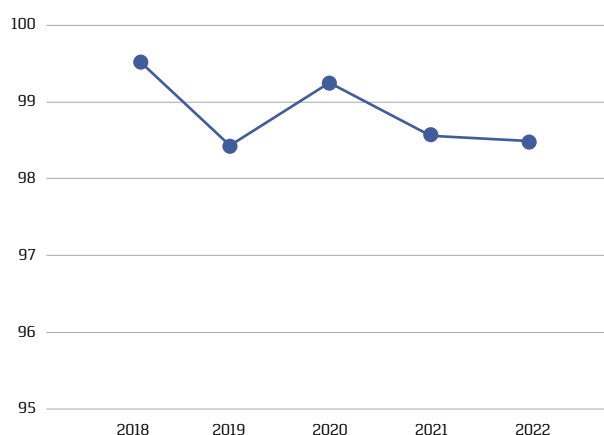
Objectives

- Zero vision for accidents and work-related illness.
- Equal pay for equal work.
- Urgent handling of complaints.
- Reduced negative social impact by the establishment of energy facilities.

Planned activities

- Expand the work with audits of suppliers' work on social issues.
- Secure a plan for stakeholder dialogues with the local community, common to all projects.
- Update policy for managing personal data for external stakeholders.
- Clarify the use of development funds for the local community.

Health Index ¹⁾



¹⁾ The Health Index measures the number of hours worked compared with the number of available hours

Work-related accidents and illness

No accidents or work-related illness were reported among Arise's own personnel in 2022.

Board of Directors, Group management and employees. Number and gender distribution ¹⁾

	2022			2021		
	Number	Women	Men	Number	Women	Men
Board	4	25%	75%	4	25%	75%
Group management	4	0%	100%	2	0%	100%
Employees	41	34%	66%	30	37%	63%

¹⁾ At the end of the financial year

Ranasjö-Salsjö collaborates at an early stage

In October, a group of 13–16 year old pupils from Ramsele School visited the windfarm at Ranasjö-Salsjö. At that time, nearly all foundations had been completed and roads and crane sites were ready in large parts of the wind farm.

On a bus tour through Ranasjö farm, stops were made at the concrete plant and at the contractor's site office. The young visitors received information on concrete production from the site personnel. At the site office, John Edvardsson, health and safety coordinator, provided information about health and safety at the farm and the requirements for personal protection equipment. Professional roles in various positions were described, from skilled workers to administrative personnel. The need for new recruitment to various different roles was also pointed out and that local personnel will need to be employed during the period of operation. After lunch, the project manager from Arise gave the students a general introduction to wind power, from concept to finished farm, and some specific information on the Ranasjö-Salsjö project.

The study visit was the result of discussions between the school management and Arise, whereby the school saw an opportunity for the students to learn about community development and energy supply, while at the same time, seeing various professional roles. For Arise, the visit was a welcome feature of the communication with local residents and an opportunity to have a conversation about the pros and cons of establishing a wind farm. It is important that young people can form their own impression of the impact on society and nature. More people are present in the area and feedback and information is required for all parts of the community.

Many students were curious and asked questions and the study visit led to continued good contact between the project and the school. Further visits are planned for 2023 and during the upcoming turbine installation.

The Ranasjö- and Salsjöhöjden wind farms, just outside Sollefteå, are under construction and expected to be ready for operation at the beginning of 2024. A total of 39 turbines will be raised and these will have a combined output of 242 MW. The wind farms are owned by The Renewables Infrastructure Group Limited ("TRIG") and funds managed by InfraRed ("Infra-Red"). The work is project managed by Arise AB.



FOCUS AREA

Responsible business

Arise conducts responsible and ethical business. High levels require the effective and structured control of the company and clear rules for ethical business behaviour. A responsible business contributes, for example, to the UN goal number 16: *Peace, justice and strong institutions*.

Governance

Arise follows the “Swedish Code of Corporate Governance,” referred to as “the Code”, for the governance of the company and the sustainability efforts. The boards of directors of certain companies must provide shareholders and the capital market with the sustainability disclosures required for an understanding of the company’s development, position and results, as well as the consequences of the operations, in an annual sustainability report to be made available on the company website.

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 comply with item 4.1 of the Code (Swedish Code of Corporate Governance). Efforts are also being made to achieve an even gender distribution on the Board.

For more information on the company’s governance, refer to the Corporate Governance report on pages 108–111 of the [Annual Report 2022](#).

Business ethics

Maintaining a high standard of business ethics and operating our business in accordance with the applicable Acts and provisions, is self-evident for Arise. Various risks that can arise in a project and development operation include bribery at various stages of the supply chain or in permit processes, unauthorised forms of cooperation or that agreements are signed that are not based on fair assessments. The violations may be intentional or unintentional and employee training is thus a core part of the business ethics effort.

Arise requires honesty and integrity in all of the company’s activities and from our customers, suppliers and collaborators. The importance of business ethics is emphasised in the Arise Code of Conduct and in the Code of Conduct for Suppliers.

Every form of compensation to advisors, suppliers and partners is to be conducted strictly on the basis of confirmed products and services only. A restrictive approach applies to gifts to or from suppliers and business partners. All employ-



Casting of foundations at Ranasjö- and Salsjöhöjden wind farm

A full-page photograph of two men walking on a rocky shore next to a lake. The man on the left is wearing a blue and black checkered jacket and dark pants. The man on the right is wearing a dark green jacket with a brown collar and dark pants. They are both looking down at the ground. The background shows a calm lake, bare trees, and a forested hill under a bright sky.

"Arise requires honesty
and integrity in all of the
company's activities and
from our customers, sup-
pliers and collaborators."

Peter Suantesson & Thomas Nevalainen

ees must eliminate conflicts of interest between private financial matters and the company's business operations.

To further increase awareness in the company of the risks for irregularities, anti-corruption training is being planned for all personnel. Dialogues with the company's largest existing suppliers and partners will be conducted for the purpose of providing information about the Code of Conduct for Suppliers and its contents. The Code of Conduct for Suppliers is always attached to the request documentation and the Code of Conduct for Suppliers will be a requirement when signing all future agreements.

Sustainable business

Through efficient financing, asset management, operation and project development, Arise's objective is to provide shareholders with good returns on their investment in the form of dividends and growth in the share price. Arise's strategy is to grow geographically and to broaden the product portfolio to include more renewable types of energy than wind power. Increased sales are to be achieved, with continued healthy profitability.

It is a key issue for Arise to ensure effective cost control and efficient use of resources. Detailed calculations are made in development projects and regular monitoring of the projects is made when they reach the construction phase to ensure investments costs that are as low as possible.

Green financing framework

At the beginning of 2022, Arise established a "Green Financing Framework" that contains criteria for investment in exclusively renewable energy. Through these investments, Arise supports 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.

In May 2022, Arise issued green senior unsecured bonds of MEUR 50. The proceeds will be used in accordance with the Arise "Green Financing Framework," including financing of new projects for renewable energy. The framework includes a further MEUR 50 that has not yet been issued.

In the 2020 Annual Report, we 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 2022, and the equivalent reduction in CO₂ emissions, are presented in the table on the right.

Training in sustainability-related subjects

Share of participating employees	2022
Sustainability, risks for Arise – workshop	91%
IT safety – web-based training (ongoing)	100%

Anti-corruption

No irregularities or bribery cases were reported in 2022.

Proprietary production	2022 (MWh)	Corresponds to ¹⁾ ton CO ₂ -e
Oxhult	52,104	19,382
Råbelöv	20,901	7,775
Brunsmo	18,693	6,953
Fröslida	39,047	14,525
Idhult	31,347	11,661
Kåphult	33,189	12,346
Södra Kärra	32,891	12,235
Blekhem	28,438	10,579
Gettnabo	28,859	10,735
Skäppentorp	6,726	2,502
Total	292,196	108,694

¹⁾ Residual mix 2021, Nordic countries (ei.se) – 0.37 tonnes of CO₂ equivalents/MWh

Objectives

- All strategic suppliers have accepted the Arise Code of Conduct for Suppliers.
- No occurrence of corruption or bribery.
- No cases reported using whistleblowing system.
- Healthy return and value growth.

Planned activities

- Stakeholder dialogues with suppliers and communication of the Code of Conduct for Suppliers.
- Clarification of requirements in request documentation and agreement on compliance with the Code of Conduct for Suppliers.
- Prepare policy for Whistleblowing and complaint management.
- Internal training – sustainability issues.

**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 2022 on pages 3–24 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, 23 March 2023
Öhrlings PricewaterhouseCoopers AB

Ulrika Ramsvik
Authorised Public Accountant



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