Eidsiva.

Green Finance Report.

2023

Eidsiva.

Contents

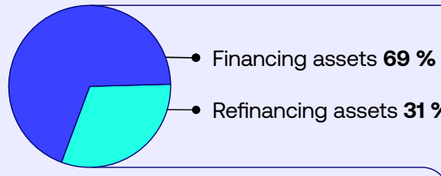
Executive summary as at 31 december 2023

Key information about Eidsiva and assets	31.12.2021	31.12.2022	31.12.2023
Electricity distributed during year Peak load	24 TWh 6 499 MW	23 TWh 6 299 MW	**24 TWh** **5 897 MW**
Number of network customers at year-end	949 000	970 000	**985 000**
Wind and hydro power connected to distribution network	11.7 TWh/yr 3 033 MW	11.8 TWh/yr 3 083 MW	**11.8 TWh/yr** **3 083 MW**
Wind and hydro power connected to distribution network since 2017	1.3 TWh/yr 419 MW	1.4 TWh/Yr 468 MW	**1.4 TWh/Yr** **468 MW**
New wind turbines/large hydro turbines/solar farms connected since 2017	64 wind turbines 4 large hydro turbines	75 wind turbines 4 large hydro turbines	**75 wind turbines** **4 large hydro turbines** **1 large/medium solar farm**
Number and capacity of solar installations connected to network since 2017	2 370 47 MWp	4 300 93 MWp	**7 277** **157 MWp**
Shares of renewables in district heating	97.5 %	98.5 %	**98.1 %**
District heating	474 GWh	454 GWh	**517 GWh**
Number of active fibre customers	76 000	80 200	**89 200**
EU Taxonomy eligible activities: capex/turnover/opex	Taxonomy reporting by listed companies required from 2023 financial year	80%/88%/91% (eligible)	**80%/83%/93% (aligned)**
Indirect ownership of hydro power through associated company	6.3 TWh/yr	6.3 TWh/yr	**6.3 TWh/yr**
Number of screened projects in asset pool	4 951	5 601	**7 497**

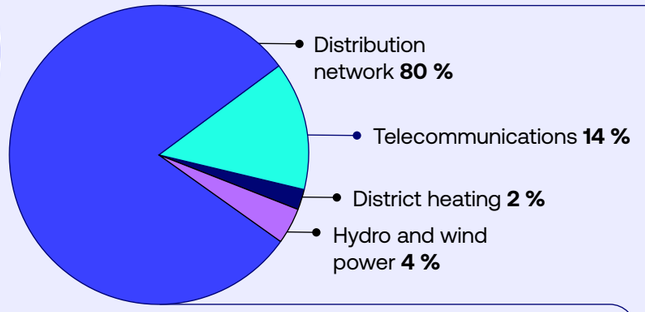
3 170
MNOK
Positive difference between assets and loan (surplus of eligible projects)

7 497
Number of projects in Eidsivas portfolio

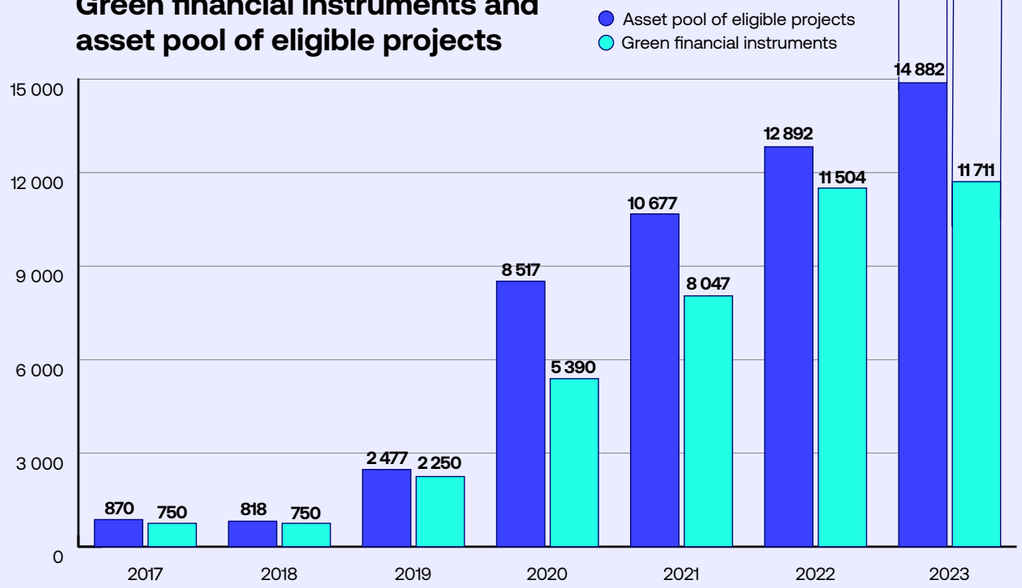
Green finance instruments, by refinancing/financing



Asset pool, breakdown by category



Green financial instruments and asset pool of eligible projects

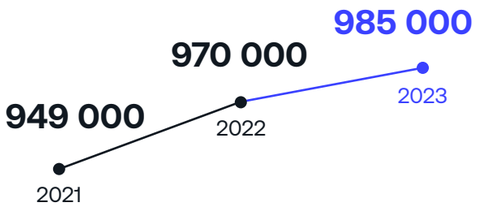


Green Finance Report 2023

Basic information	
Green Finance Framework applied	Green Finance Framework dated November 2021
Replaced Green Finance Frameworks	Green Finance Framework dated October 2019 and Green Bond Framework dated September 2017
External assurance – Green Finance Report 2023	PwC
External verifier – Green Finance Framework	Cicero Shades of Green (valid for three years from 18 November 2021)
Report publication date	12 April 2024
Frequency of reporting	Annual
Next reporting planned for	April 2025
Reporting period	Reporting for calendar year 2023. Comprises eligible projects acquired, under construction or in operation from 2016 until year-end 2023.
Reporting approach	Portfolio-based reporting. Asset pool is dynamic and presented on a rolling basis.
Reporting currency	Norwegian kroner (NOK)
Look-back period	The environmental benefits of our green projects erode slowly. A maximum of three calendar years from the time the project was acquired or put into operation is used when creating the asset pool.
Financing/refinancing	Financing is defined as green projects acquired or put into operation less than 12 months prior to debt issuance.
Major changes since previous reporting	No major changes from the 2022 reporting. Telecommunications (fibre networks) were included in the new framework from November 2021 as an eligible category. Telecommunication projects were included from 2018 retroactively. Project loans (fibre) from the Nordic Investment Bank (NIB) were also included retroactively from 2018. District heating was included in the asset pool from 2021 with a look-back period of three years. Reporting has been based on overall categories rather than individual projects from 2021.
Indirect ownership and funding of hydro and wind power	On 30 September 2019, Eidsiva Vannkraft was partially sold to Hafslund. Eidsiva currently has an indirect holding of 43.5% in these investments. Due to the sale, 56.5% of all investments for the period 1 January 2016 to 30 September 2019 have been deducted from the amount invested. Eidsiva has not included investments in new hydro and wind power projects after 30 September 2019, since these are financed by the majority shareholder Hafslund.
Policies for inclusion in/removal from asset pool	For all investments, amounts are stated net of customer financing (connection charges), subsidies from government bodies and capital contributions from co-investors in the projects. Investments in power distribution infrastructure can sometimes meet the criteria for more than one of the categories in the Green Finance Framework. Eidsiva has used its best judgement in allocating to different categories (e.g. connection of new power generation, smart grids and general network improvements). Investments sold or scrapped during the year are deducted from the historical amount invested.

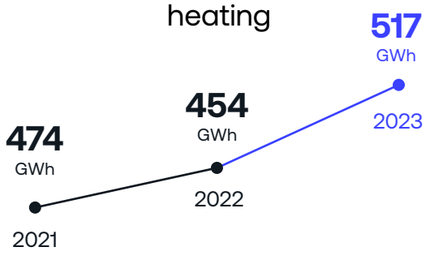
Key information about Eidsiva and assets

Number of network customers



Electricity distributed during year

GWh in District heating



NOK 11.7 bn
Total green loans allocated

66 000
km of overhead and underground power lines

517 GWh
produced energy at 16 district heating plants

Green Finance Report 2023

Eidsiva Energi and Green Finance.

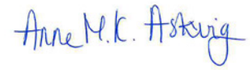
When it comes to renewable energy, the world needs more of everything – fast. At a time of acute focus on the climate and energy efficiency, Eidsiva must continue to drive the development of infrastructure and services that benefit society, humanity and climate alike. We invested even more in sustainable projects in 2023 than in 2022. A milestone in our work on green finance was reached during the year with the maturity of our very first green bond, issued back in 2017. This goes to show that we have been in the market for sustainable capital for a long time, and we have every intention of remaining there. Eidsiva continues to be one of Norway's largest issuers of green bonds, with a total outstanding volume of NOK 7 600m at the end of the year. Altogether, Eidsiva had green loans of NOK 11.7bn, all used to finance eligible projects under our Green Finance Framework.

The Eidsiva group provides critical infrastructure, which can help drive sustainable growth. We do this primarily through our three business areas: Power Distribution, Bioenergy and Broadband. Our power distribution business Elvia is the largest in Norway, with 66 000 km of overhead and underground power lines in south-eastern Norway. Each day the company supplies more than 2 million people with electricity through around 985 000 supply points.

Our bioenergy business produces district heating from resources with little or no alternative value, such as waste. By making use of these resources, we can generate energy that would otherwise have been lost, as well as reduce the amount of waste sent to landfill. District heating eases the burden on the power network by producing and distributing heat from sources other than electricity. Eidsiva produced 517 GWh of energy at 16 district heating plants in south-eastern Norway in 2023.

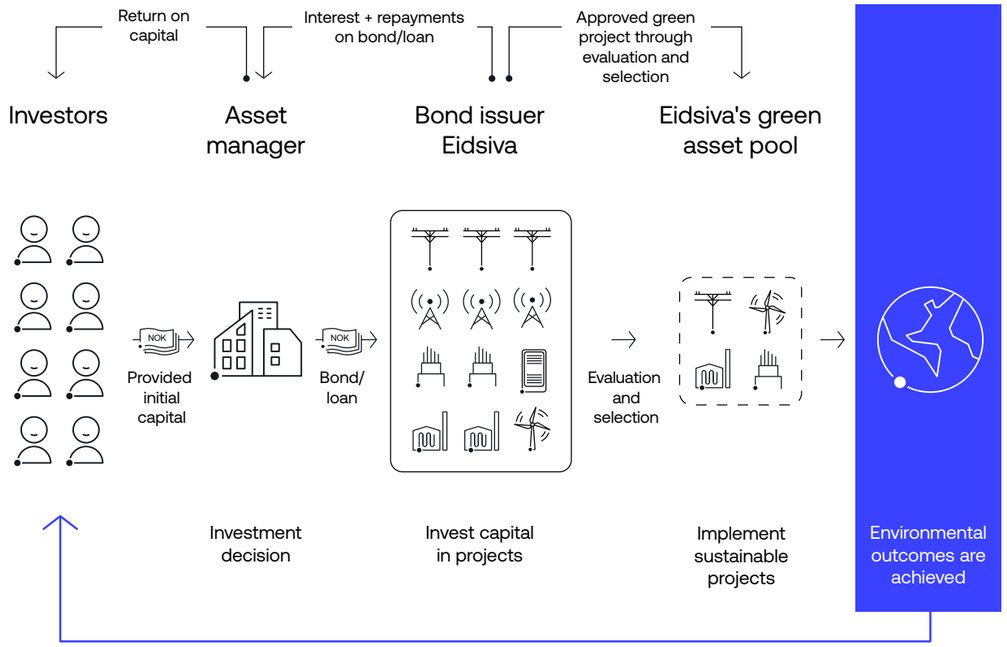
Our broadband business helps keep people online with ultrafast infrastructure for almost 90 000 customers, including households, businesses, public bodies, industry, and housing co-operatives. By connecting new customers to the fibre network, we are helping roll out modern technology for secure and energy-efficient transmission of vast quantities of data.

We are also developing new business areas with the aim of contributing in new ways to the climate transition in south-eastern Norway. In addition, the group has a number of holdings in companies that are an important part of the transition, most notably our investment in renewables in the form of a 43.5% stake in Hafslund Eco Vannkraft, Norway's second-largest hydro power producer. By helping drive the transition to a greener and more sustainable world, we are building a future where everyone is connected.



Anne Mette Askvig
Chief Financial Officer – Eidsiva Energi, 10. April 2024

Green financial instruments explained



Green bonds and green loans are loan agreements where the proceeds are used exclusively to fund new or existing green assets. These assets consist of projects that contribute directly or indirectly to the climate transition. The market for green bonds and loans channels capital from investors into green projects. These projects contribute to a more sustainable world while providing a return on investors' capital. Eidsiva plays a key role in this value chain by issuing green loans and investing in green projects.

Our Green Finance Framework

This report for 2023 is the final report under Eidsiva's existing Green Finance Framework, which was last updated in 2021. Our first Green Finance Framework was launched in 2017 and updated in 2019. It was then expanded in 2021 to reflect the breadth of Eidsiva's portfolio of sustainable projects across its business areas and holdings, with telecommunications (fibre networks) and clean transportation included retroactively as new eligible categories with effect from 2021.

The framework is based on the Green Bond Principles published by the International Capital Market Association (ICMA) as part of its work on promoting well-functioning capital markets. Cicero Shades of Green (now S&P Shades of Green) performed an independent evaluation of our framework in 2021, as in 2017 and 2019. The updated framework was rated Dark Green with a governance score of Good.

Cicero's independent evaluation expire in 2024.

More information on our work on sustainability can be found in various reports, such as our sustainability report 2023 and Equality and Diversity report 2023 (ARP rapport). All of our reports are available on our website: www.eidsiva.no, including our Green Finance Framework and our policy for evaluation and selection of green projects.

Eidsiva´s reporting and reporting policies.

Eidsiva's project portfolio is always assessed before issuing new green financial instruments, with the aim of ensuring sufficient eligible green projects in the coming calendar year.

To ensure transparency and accountability in the selection of green projects, Eidsiva has set up an internal Green Finance Committee which is responsible for reporting and for the evaluation and selection process. The committee had ten meetings concerning the evaluation and selection process and reporting for 2023.
Under Eidsiva's Green Finance Framework, the following must be made available to the company's lenders at least yearly:

1. An allocation report
- Amounts invested in each of the green project categories defined in the Green Finance Framework and the share of new financing versus refinancing.
- Examples of green projects funded by green finance instruments. The nominal amount of green finance instruments outstanding, divided into green bonds and green loans.
- The amount of net proceeds awaiting allocation to green projects (if any).
- Information on possible changes/developments in the EU Taxonomy Regulation and eligible activities that may be of relevance for our green project criteria.

2. An impact report
- Information on the environmental impact of the green projects financed under the Green Finance Framework.
- Calculations will to some extent be aggregated and, depending on data availability, be made on a best intention basis.
- For projects under construction, calculations may be based on preliminary estimates.
- Eidsiva strives to apply the recommendations given in the Nordic Position Paper on Green Bonds Impact Reporting as applicable.

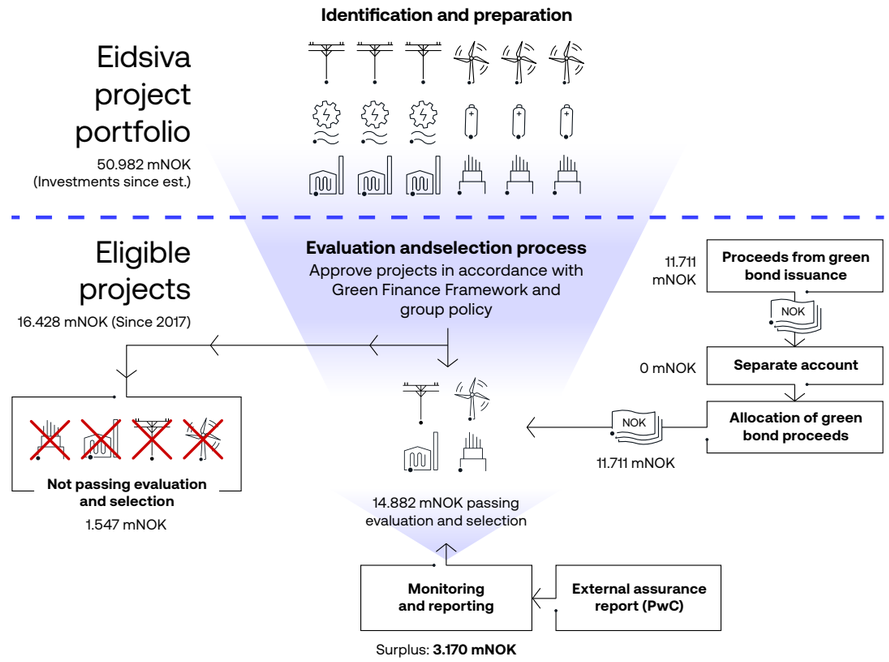
PwC has provided a limited assurance report on Eidsiva's 2023 reporting – see page 33. An extract from our Green Finance Framework on the use of green proceeds (pages 8 and 9 of the framework) is also appended to the report – see page 36-37.

Policies for allocation and impact reporting

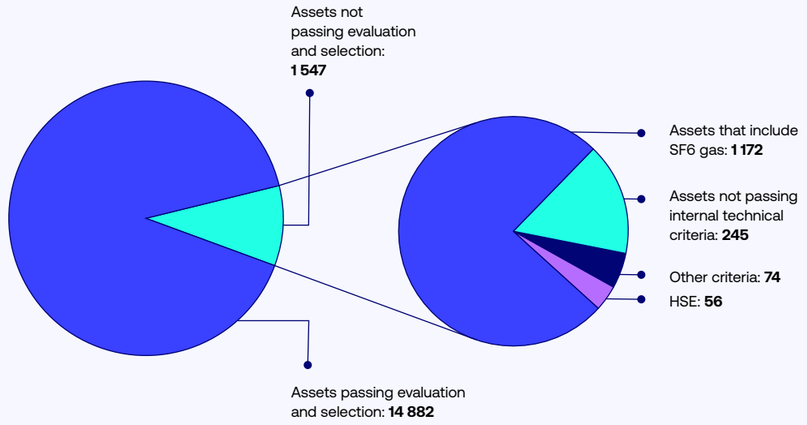
Eidsiva has drawn up a group policy on the evaluation and screening of projects before they can be included in the asset pool. We have so far excluded 10% of eligible projects, equivalent to NOK 1.5bn, across our business areas under our internal evaluation and screening criteria. At year-end, 7 497 projects had been evaluated and screened in accordance with this policy. The policy is available via the link on the previous page and on our website.

Eidsiva decided to deduct estimated amounts for assets using SF6 gas from eligible green projects with effect from 2021. SF6 is a highly effective insulator when used in circuit breakers and is necessary for efficient functioning of our network. Small amounts of SF6 can leak from the network, and SF6 is a greenhouse gas that is more than 23 500 times more potent than CO2. We have deducted expenditure identified in specific projects equivalent to 10% of all investments in the power network since 2017. The values reported for our investments are as at 31 December 2023 and are amounts actually invested rather than committed or approved.

Eidsiva's evaluation and selection process in green financing



Projects not passed evaluation and selection *(numbers in mNOK)*



Allocation report

At the end of 2023, Eidsiva had 11 green bonds outstanding, one green bank loan and six loans from the Nordic Investment Bank (NIB). All of these financial instruments fund eligible projects as defined in Eidsiva's Green Finance Framework.
Two green bonds with a combined value of NOK 1 000m were added to Eidsiva's portfolio of green financial instruments in 2023, while one bond with a value of NOK 750m matured during the year. The bond maturing was the first green loan to be raised, back in 2017.

Eidsiva has two credit facilities where the margin is linked to sustainability performance. Neither facility was new during the year, and the sustainability targets in the agreements have applied since 2022. All three KPIs were satisfied in 2022, and two out of three in 2023. Both facilities were extended in 2023, and they now expire in 2025 and 2026 respectively.

Eidsiva's portfolio of eligible projects has grown substantially in recent years. All eligible projects in the asset pool in 2023 were financed under existing and previous iterations of the Green Finance Framework. In addition, Eidsiva had a surplus of eligible projects amounting to NOK 3 170m that could have been financed with green financial instruments. Green financial instruments have been allocated to new projects and refinancing in the ratio of 69% to 31%.

In 2023, the project portfolio consisted of a total of 7 497 projects in the categories of energy efficiency and renewable energy. Annual investments are shown in the table on the next page.

Green Finance Instruments - NOK million	Sum
Green Bond 2019-2029 (ISIN: NO0010866627 – EIEN29 ESG)	-1 000
Green Bond 2019-2029 (ISIN: NO0010866619 – EIEN28 ESG)	-500
Green Bond 2020-2025 (ISIN: NO0010894637 – EIEN33 ESG)	-900
Green Bond 2020-2030 (ISIN: NO0010894645 – EIEN34 ESG)	-1 000
Green Bond 2021-2028 (ISIN: NO0011002610 – EIEN35 ESG)	-600
Green Bond 2021-2031 (ISIN: NO0011002628 – EIEN36 ESG)	-600
Green Bond 2022-2026 (ISIN: NO0011204273 – EIEN37 ESG)	-500
Green Bond 2022-2026 (ISIN: NO0011204281 – EIEN38 ESG)	-500
Green Bond 2022-2032 (ISIN: NO0011204299 – EIEN39 ESG)	-1 000
Loan Nordic Investment Bank 2016-2031 (advanced measurement and control systems)	-311
Loan Nordic Investment Bank 2019-2029 (network improvements Oslo area)	-800
Loan Nordic Investment Bank 2020-2030 (fibre networks)	-500
Loan Nordic Investment Bank 2021-2031 (fibre networks)	-500
Loan Nordic Investment Bank 2021-2031 (network improvements Innlandet)	-500
Loan Nordic Investment Bank 2022-2033 (network improvements Oslo area)	-500
Green Loan DNB 2022-2023 (eligible green projects in asset pool)	-1 000
Green Bond 2023-2028 (ISIN:NO0013015362 – EIEN40 ESG)	-400
Green Bond 2023-2033 (ISIN:NO0013015354 – EIEN41 ESG)	-600
Financed with green finance instruments	**- 11 711**

Allocation of investments, NOKm (a) = adjusted numbers including 100% of former Hafslund Nett. Eidsiva Vannkraft included at 43.5% until 30 September 2019.	2017-2019 (a)	2020	2021	2022	2023	**Total**
Energy efficiency – distribution < 22 kV	2 150	1 020	900	893	844	**5 800**
Energy efficiency – distribution > 22 kV	1 861	641	535	561	443	**4 040**
Energy efficiency – ICT	90	40	204	336	346	**1 017**
Energy efficiency – smart grids	476	22	34	35	32	**600**
Energy efficiency – other green projects	243	32	86	93	62	**516**
Total distribution network	**4 821**	**1 746**	**1 759**	**1 918**	**1 728**	**11 972**
Energy efficiency – district heating/cooling distribution	84	23	36	42	34	**219**
Energy efficiency - district heating /cooling from bioenergy	14	53	28	28	8	**131**
Production of electricity from heat	6	1	0	0	0	**6**
Total district heating	**103**	**77**	**65**	**70**	**41**	**357**
Energy efficiency – telecommunications (fibre)	802	453	249	236	286	**2 025**
Total telecommunications	**802**	**453**	**249**	**236**	**286**	**2 025**
TOTAL ENERGY EFFICIENCY	**5 726**	**2 275**	**2 072**	**2 224**	**2 055**	**14 353**
Renewable energy – hydro and wind	528	0	0	0	0	**528**
TOTAL RENEWABLE ENERGY	**528**	**0**	**0**	**0**	**0**	**528**
Clean transportation	0	0	0	0	0	**0**
TOTAL CLEAN TRANSPORTATION	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL IDENTIFIED INVESTMENTS IN ELIGIBLE CATEGORIES	**6 254**	**2 275**	**2 072**	**2 224**	**2 055**	**14 882**

Surplus of eligible projects, NOKm	**Total**
Portfolio of green finance instruments	**-11 711**
Portfolio of identified and specified eligible projects	**14 882**
SURPLUS OF ELIGIBLE PROJECTS	**3 170**

A number of projects funded with Eidsiva's green financial instruments are presented on the pages following the impact report below. Eidsiva's project portfolio contains a large number of projects, primarily in the category of energy efficiency.

Impact report

How impacts are to be calculated and included in the report is set out in the group policy on the evaluation and selection of projects that are eligible for financing with green financial instruments. The policy may be found on our webpages.

Impact report ((a) = adjusted numbers including 100% of former Hafslund Nett. Investments in former Eidsiva Vannkraft included at 43.5%.	2019 (a)	2020	2021	2022	2023
Power network – entire supply area	**2019**	**2020**	**2021**	**2022**	**2023**
Energy supplied to customers (TWh/yr)	23	22	24	23	24
Number of customers (thousands)	906	933	949	970	985
SAIDI (System Average Interruption Duration Index) (minutes)	95.1	123	87.9	73.4	63.6
Telecommunications (fibre and broadband) – projects in asset pool	**2019**	**2020**	**2021**	**2022**	**2023**
Size of fibre network (km)	938	1 454	1 985	2 166	2 491
New connections, accumulated	8 783	12 783	16 123	18 132	20 562
Homes passed, accumulated	16 399	22 062	28 169	31 093	34 688
District heating – projects in asset pool	**2019**	**2020**	**2021**	**2022**	**2023**
Reduced emissions (tonnes CO2/yr) from switching to alternative fuel	0	0	200	700	700
New connections of customers (GWh/yr), accumulated	13	27	39	50.8	64.8
New distribution network (km), accumulated	10	20	30	35	54.4
Renewable energy – projects in asset pool	**2019**	**2020**	**2021**	**2022**	**2023**
Reduced annual emissions when complete (tonnes CO2/yr)*	43 138	35 759	35 759	35 759	21 774
Increased annual production when complete (GWh/yr)	114	114	114	114	114

*Using the combined margin of 191 g CO2/kWh recommended in the Nordic Position Paper on Green Bonds Impact Reporting published in March 2024.

Case study - presentation of selected major projects

Berger electrical substation

Berger substation supplies eastern parts of Asker Municipality on the outskirts of Oslo, including the Billingstad industrial zone. Parts of the industrial zone have been converted from industrial use to housing. To meet the resulting population growth and demand from industry, we are increasing transformer capacity from 100 to 120 MVA. Voltage levels are being upgraded from 47 to 132 kV, and the old outdoor equipment is being replaced with new 132 kV gas-insulated switchgear in a new building.

A 132 kV cable was laid from Hamang to Berger in 2001, a distance of around 5 km. This was previously operated at 47 kV together with the overhead line on the same stretch. Now that we can start using this cable at 132 kV, we will have enough capacity that the old overhead line can be dismantled. Upgrading from 47 to 132 kV will also reduce transmission losses.

Total invested as at 31.12.2023: NOK 65m.

Expected investment: NOK 127m.

Note: Because the new switchgear uses SF6 gas, 30% of the investment was excluded from eligible projects in our screening process.

Energy efficiency

Connection of Furuseth solar farm in Stor-Elvdal

The world needs more renewable energy, and a large number of players have been wanting to connect solar farms to the power network. Elvia has put many hours of consulting into all of these, and the first industrial-scale solar farm has now been connected. Located in Stor-Elvdal Municipality, the 200 hectare site uses two-sided panels to capture as much sunlight as possible. This will result in substantial additional output through reflection from snow on the ground during the spring. The site was previously home to old gravel workings and some low-quality pine woodland.

Annual production will be 6.4 GWh, with an installed output of 7 MWp. Production at the time of connection in autumn 2023 was limited to 20 kW due to heavy snowfall on the panels.

Total investment for Elvia: Approx. NOK 0.2m.

Energy efficiency

Fornebu electrical substation

A new neighbourhood is currently under construction at Fornebu in Bærum Municipality on the outskirts of Oslo, with around 5 000 homes and extensive commercial space, schools and nurseries served by a new railway line. The existing network did not have sufficient capacity for this development. It is expected that total consumption in Fornebu will increase from 60 MW in 2019 to 100-130 MW once fully developed. As a first step in a wider programme, Fornebu substation is being expanded to meet the needs of a new, electrified Fornebu and enable zero-emission transportation for those who live and work there.

What: New building with new 132/47 kV transformer and 47 kV circuit breaker connected to a 9 km 132 kV cable laid from Smestad.

When: Due to be completed in 2024.

Expected investment: Approx. NOK 200m.

Note: Because the circuit breaker uses SF6 gas, 10% of the investment was excluded from eligible projects in our screening process.

Energy efficiency

Replacing coax networks with fibre

Eidsiva Bredbånd/Eidsiva Fiberinvest spent 2022 and 2023 replacing ageing coaxial technology with new, modern fibre technology. High-speed fibre infrastructure will meet tomorrow's needs to transfer more data with less energy than traditional transmission technologies. The roll-out has mainly been in areas with holiday homes, but housing co-operatives and private homes in Innlandet have also been upgraded. More than 10,000 addresses have been converted to fibre. The programme began in 2022 and is expected to be completed in 2024.

What: New high-speed fibre infrastructure to replace ageing coaxial cables to holiday homes, housing cooperatives, other dwellings and businesses.

When: Due to be completed in 2024.

Expected investment: Approx. NOK 300m.

The year brought a milestone in retiring the copper network as a carrier for broadband services, with 20,000 customers now switched over to fibre. Fibre brings more capacity, supports the digitisation of public services, narrows the digital divide, increases opportunities to work from home, reduces transport costs and cuts energy use through reduced power consumption.

Energy efficiency

Carbon capture – Investing in biochar

In 2023, Eidsiva Bioenergi acquired a 60% stake in Obio AS, Norway's first commercial producer of biochar. Obio has been capturing carbon in this way at its pyrolysis plant in Rudshøgda, north of Oslo, since 2021. The biochar produced has a number of uses, including as a feed additive for livestock, with positive effects on animal health, and as a soil improver in agriculture.

Obio produced 1 153 cubic metres, or 248 tonnes, of biochar in 2023 from 7 590 cubic metres of coniferous woodchip. The plant has a high biochar yield of 23.6%. Each tonne of Obio biochar captures around 3.1 tonnes of CO2e, which means that the company captured around 769 tonnes of CO2e in 2023.

A new company, in which Obio has a 50% stake, was set up in Denmark during the year to sell Obio's biochar in the European market.

Biochar was not part of Eidsiva's green asset pool in 2023 as it is not part of our existing Green Finance Framework.

When we establish our new Green Finance Framework in 2024/25, Eidsiva will argue for the inclusion of biochar as an eligible category, with the aim of including these investments in our dynamic asset pool.

Amounts invested: NOK 14.5m.

Energy efficiency

The EU taxonomy.

The EU Taxonomy Regulation has been transposed into Norwegian law through the Sustainable Finance Act, which entered into force on 1 January 2023. In line with Article 8 of the Taxonomy Regulation, Eidsiva's taxonomy disclosures form an integral part of our Annual Report for 2023.

The relationship between reporting under our Green Finance Framework and reporting under the EU taxonomy is illustrated below. Our taxonomy disclosures can be found on pages 13-14 of our Annual Report for 2023 and pages 30-39 of our Sustainability Report for 2023.

Based on an assessment of ICMA's project categories and eligible economic activities in the EU taxonomy, we have mapped eligible categories in our Green Finance Framework against the corresponding economic activities in the EU taxonomy.

Eidsiva's broadband business is not currently included as an economic activity in the EU taxonomy. This business area is not therefore classified as a sustainable economic activity in the EU taxonomy.

Category (ICMA)	Eligible Green Projects Green Finance Framework	EU Taxonomy Classification	
		Economic activity	NACE codes
Energy efficiency	o Connection of renewable energy to distribution network o Upgrading distribution network o Smart meters and smart grids o District heating and cooling o Distribution of district heating and cooling o Production of heat/cooling from waste heat	o 4.9 Transmission and distribution of electricity o 4.15 Distict heating/cooling distribution o 4.24 Production of heat/cool from bioenergy o 4.25 Production of heat and cool using waste	1. D35.13 2. D35.30 3. D35.30
Renewable energy	o Hydro power and related infrastructure o Wind power and related infrastructure	o 4.3 Electricity generation from wind power o 4.5 Electricity generation from hyrdropower	1. D35.11 2. D35.11
Energy efficiency	o Telecommunications	o Not included in the EU Taxonomy	o Not included in the EU Taxonomy

Contact information

We welcome all feedback from investors and other readers of our reports – don't hesitate to get in touch!

Anne Mette Askvig
Chief Financial Officer
Tel: +47 416 26 489
Email: anne.mette.askvig@eidsiva.no

Jørn Gunnar Kleven
Head of Finance and controlling
Tel: +47 958 15 764
Email: jorngunnar.kleven@eidsiva.no

Trine-Lise Hagen
Treasurer
Tel: + 47 993 31 068
Email: trine.lise.hagen@eidsiva.no

Assurance Report of the independent auditor.

To the Green Finance Committee of Eidsiva Energi AS

Independent statement regarding Eidsiva Energi AS' Green Finance Report

We have undertaken a limited assurance engagement to examine selected information in the Eidsiva Energi AS's (the "Company") Green Finance Report 2023, concerning the Company's Green finance instruments. The scope of our work was limited to assurance over:

- That an amount equal to the sum of MNOK 2 055 of identified investments in eligible categories for 2023 has been allocated to Green Projects, as described in the table "Allocation of Investments – NOKm" in the *Green Finance Report 2023* on page 18-19. The reporting criteria against which this information was assessed is the Company's *Green Finance Framework 2021/2022* per November 2021, chapter "Use of proceeds", available as an attachment to the *Green Finance Report 2023* (criteria).

Our assurance does not extend to any other information in the *Green Finance Report 2023.* We have not reviewed and do not provide any assurance over any other information reported, including estimates of sustainability impacts in the "Impact Reporting".

Group Management's Responsibility

Group Management is responsible for ensuring that the Company has implemented appropriate guidelines for green finance instrument management and internal control. The Group Management of the Company is responsible for evaluating and selecting eligible assets, for the use and management of proceeds, and for preparing an allocation report that is free of material misstatements, whether due to fraud or error, in accordance with the Company's *Green Finance Framework.*

Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements,* and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to express a limited assurance conclusion on the selected information specified above in the assurance scope based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 revised – «Assurance Engagements other than Audits or Reviews of Historical Financial Information», issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the selected information in the Green Finance Report 2023 is free from material misstatement.

PricewaterhouseCoopers AS, Vangsvegen 71, 2317 Hamar, Postboks 102, 2301 Hamar
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

A limited assurance engagement in accordance with ISAE 3000 involves assessing the suitability in the circumstances of Group Management's use of the criteria as the basis for the preparation of the selected information in the *Green Finance Report 2023*, assessing the risks of material misstatement of the selected information in the *Green Finance Report 2023* whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected information in the *Green Finance Report 2023*. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and, among others, included an assessment of whether the criteria used are appropriate. Our procedures also included:

- Making inquiries primarily of persons responsible for the management of proceeds and the process for selection of eligible green projects
- Meetings and interviews with representatives from Eidsiva Energi AS responsible for the allocation reporting
- Obtaining and reviewing relevant information that supports the preparation of the allocation reporting
- Performing limited substantive testing on a selective basis of the selected information in the *Green Finance Report 2023* to test whether data had been appropriately measured, recorded, collated and reported

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the selected information in the *Green Finance Report 2023* has been prepared, in all material respects, in accordance with the *Green Finance Framework*.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that selected information in the Green Finance Report 2023 is not prepared, in all material respects, in accordance with the reporting criteria in the chapter «Use of proceeds» in the *Green Finance Framework 2021/2022*.

Hamar, 10 April 2024
PricewaterhouseCoopers AS

Pål Bakke
State Authorised Public Accountant
(This document has been signed electronically)

Appendix: Extract from our Green Finance Framework.

Use of Proceeds

An amount equal to the net proceeds from Green Finance Instruments issued under this Green Finance Framework will be used to finance a portfolio of assets and projects, in whole or in part, that contribute towards climate change mitigation and increased electrification.

Only such assets and projects that comply with the list of Green Projects below are deemed eligible to be financed by Green Finance Instruments. Net proceeds from Green Finance Instruments can be used for the financing of new assets and projects, as well as for refinancing purposes. New assets and projects are defined as ongoing Green Projects and those taken into operation after the issuance of a Green Finance Instrument.

For the avoidance of doubt, Green Finance Instruments will not be used to finance investments linked to fossil energy generation, nuclear energy generation, research and/or development within weapons and defense, potentially environmentally negative resource extraction, gambling, or tobacco.

Alignment with Relevant Standards and Guidelines

With this Framework, our aim is to meet best market practices by adhering to relevant standards and guidelines in the green finance market. Each Green Project category has therefore been mapped against the different categories of the ICMA Green Bond Principles (“ICMA GBPs”), the relevant UN Sustainable Development Goals (“UN SDGs”) as well as the relevant economic activities included in the EU Taxonomy.

The EU Taxonomy provides a classification system for identifying environmentally sustainable economic activities. The Taxonomy Regulation, which entered into force in July 2020, states that to qualify as environmentally sustainable, an activity should 1) make a substantial contribution to the achievement of one or several of EU’s six overarching environmental objectives, 2) do no significant harm to the achievement of any of the other environmental objectives, and 3) meet minimum social safeguards.

Mid 2021, the first set of delegated acts providing technical screening criteria for two of the environmental objectives – **Climate Change Mitigation** and **Climate Change Adaptation** – were published. The references in this Framework are based on these delegated acts. As such, the Green Projects financed under this Framework align with the metrics and thresholds of the EU Taxonomy and have the potential to make a significant contribution to EU’s environmental objective of **Climate Change Mitigation**. As part of their Second Party Opinion Cicero Shade of Green has commented on the Taxonomy alignment of our Green Projects.

We acknowledge that metrics and thresholds in the EU Taxonomy may change over time. We will monitor the development, and if deemed necessary by Eidsiva this Green Finance Framework may be updated to further harmonise with the EU Taxonomy. In our annual Green Finance Report, we aim to provide additional information around EU Taxonomy developments that may be of relevance to this Framework and possible implications for our Green Loan criteria and activities.

Mapping against the relevant economic activities in the EU Taxonomy can be found in the table below, while further details regarding alignment with relevant technical screening criteria can be found in the Appendix.

Green Projects

Green Finance Instruments issued under this Framework will finance and refinance capital expenditures and operating expenditures within the following Green Project categories. For operating expenditures, we will use a maximum look-back period of three years. Green Finance Instruments can also finance and refinance acquisitions of Green Projects as well as investments in share capital of companies with such assets and where the use of proceeds should be directly linked to the book value of the eligible assets owned by the acquired company, adjusted for the share of equity acquired.

GREEN PROJECT CATEGORY	ICMA GBPs	EU TAXONOMY	UN SDGs
Distribution of electricity Construction, installation, improvement, operation, repair, and maintenance of power grids for distribution of electricity (over and underground), smart grid solutions and smart meters, as well as other monitoring systems aimed at enabling reduction of energy consumption. Radial lines where end-user applies electricity in fossil fuel activities will not be eligible.	Renewable energy Energy efficiency	Transmission and distribution of electricity	
Telecommunication networks Construction, installation (including trenching), improvement, operation, repair, and maintenance of fiber optic telecommunication networks and related technology/equipment to enable energy efficient, and digitalised solutions for smart homes and cities.	Energy efficiency	Activity not yet included, but relevant references have been included in the Appendix	
District heating and cooling Facilities for district heating and cooling where at least 95% of the fuel comes comes from renewable sources such as locally sourced forestry waste and residues, recycled wood waste and waste heat from nearby industries. Infrastructure for distribution of district heating and cooling.	Energy efficiency	District heating /cooling distribution Production of heat/cool from bioenergy Production of heat/cool using waste heat	
Renewable energy Development, construction, installation, improvement, operation, repair, and maintenance of (a) hydro power projects, where power density is above 5W/m2 or life-cycle emissions below 100g CO2e/kWh, or run-of-river plants without artificial reservoirs, and (b) wind power projects, and related infrastructure (such as dams, tunnels, buildings and roads).	Renewable energy	Electricity generation from hydropower Electricity generation from wind power	
Clean transportation Infrastructure for zero-emission transport, such as charging infrastructure for electric vehicles and vessels.	Clean transportation	Infrastructure enabling low-carbon road transport and public transport Infrastructure enabling low carbon water transport	

Eidsiva.

Postboks 4100
2307 Hamar

eidsiva.no