

Green Financing Report

Lyse AS – 20.03.2024



2023





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More than a Company

Lyse plays an essential role in the energy transition and digitalization of society in Norway. For over 100 years we have contributed to sustainable growth and societal development, by delivering energy and building critical infrastructure. Today we are one of the largest hydropower producers in the country and a leading telecommunications company with more than 860,000 broadband customers and over 880,000 mobile phone subscriptions.

Our vision is to be more than a company for our community, shareholders, employees and partners. With this perspective we seek to grow by creating mutual value in our relationships, giving back to society and taking a responsibility for the future of new generations. That is why we challenge ourselves and others to make a difference for the environment.

In addition to setting a goal to be climate neutral in 2030, we see it as our responsibility to contribute to the climate-related and environmental efforts of our municipal owners and the Norwegian government. We advocate increased production of renewable energy, increased energy efficiency, and efforts to reduce carbon emissions from industry, transportation and agriculture. It is clear to us that more measures are needed to meet the ambitious goals set by the European Union, Norway, as well as local municipalities.

In addition to investments allocated under this framework, we are also active in seeking opportunities through collaboration with other public and private entities. In the last year we have initiated a project within biogas, seeking to build the country's first biogas plant fueled by livestock waste. An important project in our region,

where around 30 % of greenhouse gas emissions are coming from agriculture. In addition, we are moving forward with a collaboration project aimed at realizing a carbon capture solution for the waste incineration plant at Forus. This is the biggest single point emitter of greenhouse gas emissions in the region at 100 000 tons CO₂ annually.

We have been active in the green finance market since 2017. Lyse will continue to utilize the green financing framework to finance exciting projects which will have a direct or indirect impact on the de-carbonization of society, while improving measurements and reporting, to ensure transparency for our investors and key stakeholders.



Eimund Nygaard, CEO Lyse Group



About Lyse

Lyse is a Norwegian energy and telecom company. Lyse builds, maintains and upgrades critical infrastructure and delivers national mobile, broadband and entertainment services. Owned by 14 municipalities and with historic roots in hydropower, Lyse has been an integrated part of the societal and industrial development of its home region Rogaland in South-Western Norway for several decades. Lyse has a strong focus on energy and technology, to increase sustainable growth and to develop new future-oriented solutions.

Green Bonds Allocated

3 450 000 000 NOK

Total Renewable Energy investments

673 500 000 NOK

16 GWh of new annual renewable energy production

5 040 tons CO₂ reductions from new production

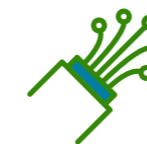


Total Green Digital Solutions

1 141 300 000 NOK

42 576 new customers with high speed broadband access

6 201 KM of new infrastructure



Total Pollution Prevention and Control

199 800 000 NOK

157 GWh of climate neutral heating in 2023

11 867 tons CO₂ reductions yearly



Total Energy Efficiency investments

1 435 400 000 NOK

Upgrade from 50 kV to 132 kV grid

New Substations

Significant decrease in grid loss



Strategy for sustainable growth

Sustainable growth has been an integral and natural part of Lyse's mission due to the company's roots in energy, infrastructure and municipal ownership. Environmental matters have strategic and operational attention at all levels of the organization. The group strategy towards 2030 underlines the ambitions in this area. Lyse is a member of the UN Global Compact and has committed to becoming climate neutral, Scope 1 and Scope 2, in all our own activities within the next decade. We will also set ambitious targets for Scope 3 reduction. This commitment will contribute to significant emission reductions in the region and beyond. At the same time, the company will continue to deliver critical infrastructure to facilitate the electrification and digitalization needed to reach a more sustainable society. Lyse has during the fall of 2023 completed a double materiality analysis, in line with CSRD. The results from this analysis will form the foundation for the strategies within ESG in the years to come. More details regarding our ESG strategy can be found in our Annual Report and on our webpage www.lysekonsern.no.



Standards and Guidelines

ICMA Green Bond Principles & LMA Green Loan Principles

Lyse's Green Financing Framework is based on the 2018 version of the Green Bond Principles issued by International Capital Markets Association as well as the 2018 version of the Green Loan Principles issued by the Loan Market Association. These are both voluntary principles to follow, which we believe adds to the transparency and integrity of our Green Financing Framework towards our investors and other stakeholders. Lyse intends to be aligned with any future developments with market standards, and as such our Green Financing Framework has been updated from 2024 onwards.

Nordic Public Sector Issuer's (NPSI) Position Paper on Green Bond Impact Reporting

This Green Financing Report for 2023 has, where possible and relevant, been prepared in alignment with the 2020 version of the NPSI Position Paper on Green Bond Impact Reporting.



Allocation & Impact Reporting Green Bonds

Assumptions

The split between financing and refinancing is based on the year of project investment and issuance of bond. This means that investments made in the same year of bond issuance are classified as financing, and investments made in years prior to bond issuance are classified as reinvestments. Many of Lyse's projects financed under the Green Financing Framework are multiyear projects. The share of financing and refinancing are indicated as a total split of all allocated amounts. Lookback period is three years.

When allocating funds to the specific investments, we have assumed a pro-rata allocation to each bond issued under the new framework since 2020.

For our investments in the electrical grid, we are including estimates for expected grid loss reduction from the investments made.

Based on these grid loss estimates, we are calculating the CO₂ reduction from the energy saving achieved through a reduction in grid loss.

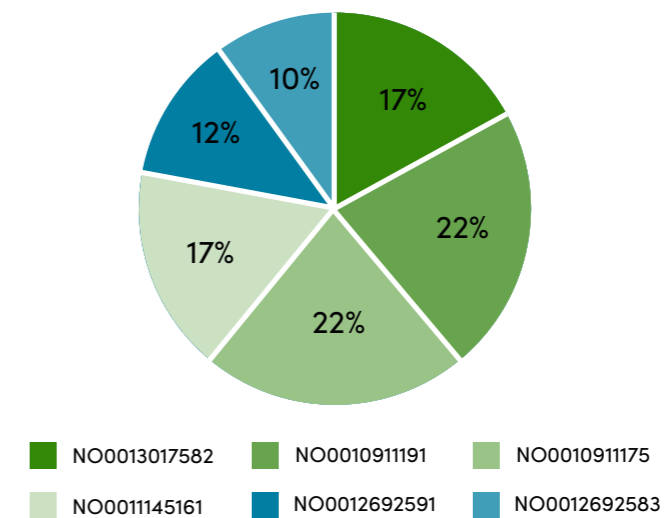
For our investments in fiber optics network, we have not included any measures on CO₂ emission reduction or other environmental impact measures. These will primarily be indirect in that the investments enable other people and businesses to reduce their climate footprint through a reduction in travel as an example.

Where we have included impact data, we have adjusted the impact numbers so that we only report the benefits from the share of the projects financed under the Green Bonds. Indicators showing CO₂ emission reductions are all referring to avoided emissions. We have applied the combined emission factor from the Position Paper on Green Bonds Impact Reporting 2020 of 315gCO₂/kWh.

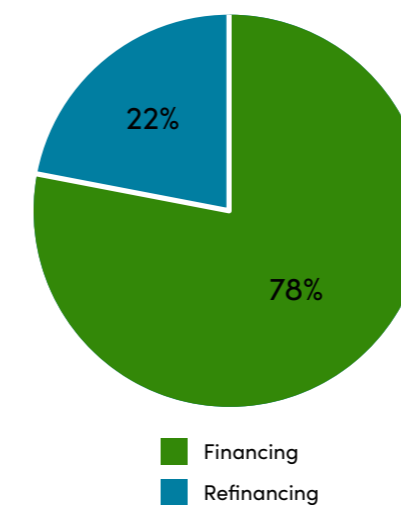
Allocation & Impact Reporting

Green Bonds Issued				
ISIN	Outstanding Amount	Issue Date	Maturity Date	Allocated Amount
NO0010911191	750 000 000	07.12.2020	07.12.2028	750 000 000
NO0010911175	750 000 000	07.12.2020	07.12.2027	750 000 000
NO0011145161	600 000 000	05.11.2021	05.11.2026	600 000 000
NO0012692591	400 000 000	05.09.2022	03.03.2028	400 000 000
NO0012692583	350 000 000	05.09.2022	03.03.2028	350 000 000
NO0013017582	600 000 000	15.09.2023	15.09.2028	600 000 000
Total Green Bond Issuances	3 450 000 000			3 450 000 000

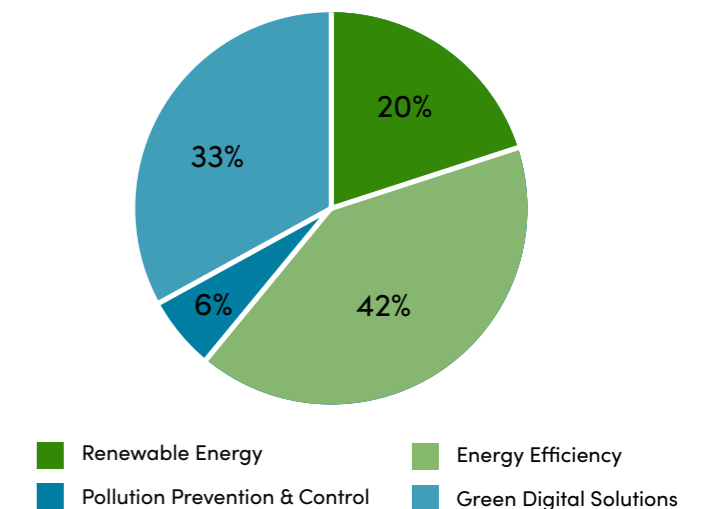
CO₂ reduction split by bond



2023 Financing/Refinancing



Total Green Bond Outstanding Allocation by Category



Renewable Energy

Lyse is the 4th largest renewable energy producer in Norway with an annual production capacity of 10 TWh and an installed capacity of 2379 MW. The power plant portfolio consists of properties of varying age, where most of the facilities were built in the 1960s. Therefore, rehabilitation and upgrades are important parts of the investment program in Lyse, to ensure extended life of the power plant and stability in performance.

In the current year allocation there are no new allocations within Renewable Energy. Lyses investments within this areas have for 2023 been around 200 million, but we have decided to not allocate any of the green bonds issued in 2023 to this category. In 2022, for new power generation projects, 21 Mill NOK was allocated to the Rafoss powerplant construction. Allocations were also made for Rafoss in 2020 and 2021. Rafoss is a small 10MW power plant addition to an existing river hydrological resource. Rafoss will contribute 38 GWh in the Sira-Kvina power company, of which Lyse has a 41 percent share, as well as a new fish pass for salmon that will increase the possible river run for salmon with approximately 6 km.

266Mill NOK was in 2022 allocated to various rehabilitation and upgrade projects across our portfolio of powerplant and dams. The purpose is ensuring stable and secure operations of the assets as well as extending the lifetime of the powerplants.

For the impact calculations, we are including the additional power generation and reduction of CO₂ emissions, only where production capacity has been increased. No new such projects have been added for the 2022 or 2023 allocation and these numbers are therefore the same as for the 2021 reporting. We have included total production numbers for the projects which are not adding new production capacity, to highlight the importance of their continued contribution to renewable energy production. We have not included any CO₂ reduction from these types of investments.



Photo: Kristoffer Ege

Project	Allocation Amount 2020	Allocation Amount 2021	Allocation Amount 2022	Renewable Production GWh*	New Renewable Production GWh*	CO ₂ (tons) Reduction from new Production***
New Power Generation Projects						
Rafoss powerplant**	32 600 000	31 000 000	21 400 000	16	16	5 040
Rehabilitation & Upgrade Projects						
Kvilldal powerplant	10 000 000		25 200 000	562		
Hylen powerplant	7 300 000		16 700 000	117		
Saurdal powerplant	10 400 000			250		
Solhom powerplant	44 200 000		50 300 000	286		
Tonstad powerplant	40 600 000	23 000 000	44 300 000	1 562		
Lysebotn 2 powerplant	11 500 000		22 400 000	1 500		
Lyngsvatn dam	43 900 000	27 000 000	10 500 000			
Maudal powerplant		104 000 000	58 700 000	97		
Kvanndal			22 000 000			
Suldal			16 500 000			
Total Renewable Energy Investments	200 500 000	185 000 000	288 000 000	2 891	16	5 040

* For powerplants with less than 100 % ownership, Lyse's share of the total production and investment is included. Est. Annual Production.

** New powerplant in connection to existing hydrological resources.

*** Emission factor for electricity: Combined Margin 315gCO₂/kWh. Nordic public sector issuers: Position Paper on Green Bonds Impact Reporting, February 2020.

Energy Efficiency

Investments in the regional and local distribution grids are included in the 2023 allocation. The investments in the grid are necessary to ensure improved efficiency and to allow for more renewable energy production to be connected. In some areas the grid has outlived its technical lifetime, so upgrades are essential to ensure continued, stable performance.

In 2023, larger upgrades were done on the regional distribution grid both in order to facilitate for future increase in energy demand, but also to connect new producers of green energy to the grid. Investments were made in expanding and upgrading existing grid infrastructure, as well as building new substations. Renewed components in the grid show a longer estimated life expectancy of material.

Investments into Fagrafjell substation, which is owned together with Statnett, continued into 2023. The upgrade increase security of energy supply and cater for connection of more local power production and handling of large effect upgrades. The Fagrafjell substation will enable handling of the large effect coming from the new and upgraded power plant in Lysebotn II – the grid loss reduction is estimated to approximately 13-22 GWh/year (depending on the grid connection). Fagrafjell was finalized and put in production in 2023.

The Opstad-Håland connection and Håland substation upgrades are part of a comprehensive transition from 50 kV to 132 kV voltage in the "Jærnett" grid plan. These investments are necessary to cater for large scale electrification of the area and will enable growth of the horticulture industry. Grid loss reductions from the Opstad-Håland connection are estimated to 1,2 GWh/year.

The Dalen-Hjelmeland connection and Ryfylke substations upgrades have been initiated to enable a large-scale electrification of the Ryfylke area.

The electric power needs are estimated to triple by 2050–2060 due to electrical ferries, more power production and industrial growth (e.g. aquaculture). The Dalen-Hjelmeland grid caters for additional production of 10 GWh in the short term and will reduce regional grid loss by 3,6 GWh/year. The footprint of the Ryfylke projects is closely monitored through climate accounting and conscious material choices. The projects were completed in 2023 and achieved an estimated 40 % CO₂ equivalents emission reduction compared to standard materials in these types of projects. For example, local-produced composite poles and recycled steel components were used.

The local distribution network is continuously upgraded to secure electric supply, flexibility, and stable performance. In 2023, the investments in the local distribution grid continued at an elevated level because of the large upgrades required in conjunction with the ongoing regional distribution grid investments. In the Dalen-Hjelmeland area, the distributional grid loss reduction is estimated to 10,2 GWh/year.

There were no new investments allocated to cooling in 2023. Most of the Investments related to cooling in 2022 was spent on a new seawater district cooling central in Lervig. When the area is fully developed, the plan is to deliver 2,3 GWh annually. This is expected to give an Energy Efficient Factor (EER) of 20. Compared with conventional cooling machines with EER of 2,5, this gives a reduction of 0,8 GWh, and will reduce emission by 252 tons of CO₂ annually.

The absence of refrigerants in cooling machines also gives benefits regarding health and safety aspects, as well as the refrigerant itself usually have high Global Warming Potential.

Project	Allocation Amount 2020–2021	Allocation amount 2022	Allocation amount 2023	Est. Grid Loss Reduction GWh/year**	Est. tons CO ₂ reduction from reduced Grid loss***
Distribution Grid*	124 000 000	260 000 000	174 850 000	5	1 607
Regional Grid					
Bjerkreim Substation	31 800 000				
Opstad Substation	88 000 000				
Jåttå Substation	35 000 000				
Tronsholen Substation	141 580 000	51 200 000			
Fagrafjell Substation	40 020 000	21 300 000	28 300 000	13	4 095
Bjerkreim-Kartavoll Grid	15 900 000				
Kartavoll-Opstad Grid	54 000 000				
Opstad-Håland Grid*		18 900 000		1	189
Håland Substation*		37 200 000	30 550 000		
Dalen-Hjelmeland Grid*		62 200 000	34 200 000	2	567
Ryfylke Substation*		99 500 000	24 500 000		
Vagle Substation*			32 600 000		
Lervig District Cooling Network		29 800 000		1	252
Total Energy Efficiency Investments	530 300 000	580 100 000	325 000 000	22	6 710

* 50 % of these Regional Grid projects and Distribution Grid investments for 2021, 2022 and 2023 are financed by Nordic Investment Bank

** Based on share of total investment financed by issued Green Bonds.

*** Emission factor for electricity: Combined Margin 315gCO₂/kWh. Nordic public sector issuers: Position Paper on Green Bonds Impact Reporting, February 2020.

Pollution Prevention and Control

In 2023 there has been no new allocations to the Pollution Prevention and Control category. In 2022 investments of 58,8 Mill NOK were allocated to local district heating. Lyse finalized the work to build the core infrastructure of district heating between Stavanger and Sandnes in 2021. In 2022 the focus was to build district heating grids to be able to connect customers. Total net investment in district heating infrastructure in Sandnes and Stavanger 2018-2022 was 206 Mill NOK. In this same period Lyse has also build three seawater district cooling centrals and infrastructure along the same route and invested a total 115 Mill NOK. The investments have been supported from the state enterprise Enova through energy and climate fund, in addition to end user contributions. Towards 2025, Lyse has plans to expand the core heating infrastructure through Stavanger to Bjergsted and build two more cooling centrals and associated infrastructure. We therefore expect more allocations to this category in future years. Seawater district cooling is reported under Energy Efficiency.

Establishing the heating infrastructure enables Lyse to phase out and/or have a fuel switch in local heating centrals based on gas. For example, in 2020 the local heating central in Stavanger (Urban sjøfront) was connected to district heating network. The local heating central, which uses approximately 14 GWh biogas annually, has now been shut down. In Sandnes, another local heating central, using approximately 10GWh, was also shut

down as a result of this project. The exchange of approximately 24 GWh natural gas to district heating based on waste heat reduces CO₂ emissions by 4 800 tons annually (emission factors according to Norwegian Environmental Protection Agency of 202gCO₂/kWh for Natural Gas). The district heating based on waste heat uses biogas as peak load the coldest hours in order to be climate neutral.

The district heating infrastructure from Bjergsted through Stavanger and Sandnes will according to Lyses projections supply 170 GWh to new customers by 2050. The accumulated energy consumption annualized today through the district heating infrastructure is approximately 157 GWh.

Common alternative heating option for new district heating customers is a combination of heat pumps and direct use of electricity. It is estimated that the infrastructure would cut the electricity need in half. In other words, the 157 GWh supplied to customers in Stavanger and Sandnes today, substitutes a projected electricity consumption of approximately 78,5 GWh, of which 21 GWh has been connected as a direct result of the investments financed under the Green Financing Framework. As more customers connect, the potential emission reductions will increase further.

<i>Project</i>	<i>Allocation Amount 2020</i>	<i>Allocation Amount 2022</i>	<i>GWh replaced local heating centrals</i>	<i>GWh replaced alternative heating</i>	<i>CO₂ (tons) Reduction*</i>
District Heating Network	141 000 000	58 800 000	26	21	11 867
Total Pollution Prevention and Control	141 000 000	58 800 000	26	21	11 867

* A factor of 202gCO₂/kWh has been used for the local heating central as it is a direct replacement for Natural Gas; for alternative heating conversion a factor of 315gCO₂/kWh has been used, as no specific local factor is available. Includes impact from customers already connected to the district heating network.



Foto: Lisa Ovrén/Fotoport

Green Digital Solutions

Lyses telecom business consists of our fully owned digital-TV and Internet service provider Altibox AS, several fully or partially owned fiber infrastructure companies in Norway, a fully owned fiber asset company and Norway’s third mobile network since the Ice acquisition in 2022. Our business also includes long term partnership with other fiber infrastructure companies distributing Altibox’ services. According to NKOM Altibox had a market share of almost 32 percent as of 30.06.23 in fixed Internet access in Norway, whereas the mobile business has a market share of approximately 15 %.

2023 has seen continued investments in new fiber connections to more and more customers and businesses. The acquisition of Ice in 2022 further strengthened our position as a full telecom service provider and we will in the coming years invest more in 5G infrastructure. This will enable a roll out of more Fixed Wireless Internet Access, in addition to building only the 3rd independent mobile infrastructure in Norway. As part of this roll out, we will also continue to invest in fiber infrastructure. The Altibox partnership as a whole continued to increase the number of customers, leading to a total of ~860 000 customers receiving Altibox services by the end of the year. Of the total number of Altibox customers, ~500 000 are connected through wholly and partly owned fiber optics companies.

Back in 2020 we saw the launch of the new fiber optics cable connecting Denmark (Hirtshals) and Norway (Larvik), and further on to Oslo. The cable was ready for service in November 2020 and the distance from Larvik to Hirtshals was 173 kilometers. In 2021, a new 700-kilometer subsea fiber cable connecting Stavanger to Newcastle was installed. This new infrastructure is an important part of the Altibox Carrier infrastructure and will enable the establishment of datacenters run on clean renewable energy. Lyse is continuing to invest in this critical infrastructure and in 2023 we launched an important upgrade of the Norwegian fiber backbone, a new path from Stavanger to Oslo with a total of 485 kilometers of buried cable. This provides redundancy to critical infrastructure and significantly lower latency distributing data between Norway and Europe.

Project	Allocation Amount 2020–2022	Allocation Amount 2023	New Customers 2020-2022	New Customers 2023	Km of new Fiber 2020-2022	Km of new Fiber 2023
Skagen Fiber, Oslo-Hirtshals	133 000 000				173	
New Fiber Optics Network*	733 300 000	275 000 000	28 999	13 577	4 162	2 040
Total Green Digital Solutions	866 300 000	275 000 000	28 999	13 577	4 335	2 040

*Number of new customers and km fiber laid reflects the % of the total investments in new fiber allocated under the framework.

Case Study

The First SF6-gas free substation

A new power line connection from Fagrafjell substation, via Vagle substation, to Stokkeland substation started construction in 2023. The project includes a significant expansion of the Vagle substation, which will more than double the capacity at this point in the grid. The 132 kV switch gear being installed has SF6-free technology. The SF6-gas has a CO₂-equivalent of approximately 22 000, and the use of SF6-free technology contributes to significant emission reduction. This is the first investment in an SF6-free substation in Lnett, and an important step in reducing the overall Scope 1 emissions.

Upon completion, the project will have strengthened the further distribution from Fagrafjell, where the transmission grid meets the regional distribution grid. Transmission capacity and operational reliability will be significantly increased, while grid loss is will be reduced as new connections are established. The upgrade from 50 kV to 132 kV is in accordance with the overall strategy for the development of the regional distribution grid, to facilitate for future energy demand and transmission to renewable energy.



Contributions to UN Sustainable Development Goals (SDG's)

Lyse refers to the UN Sustainable Development Goals as an overarching framework to assess how our activities are connected to sustainability. For four of the SDG's, we have identified particularly positive impact from the investments under the Green Financing Framework. These four are **Goal 7:** Affordable and Clean Energy, **Goal 9:** Industry, Innovation and Infrastructure, **Goal 11:** Sustainable Cities and Communities and **Goal 13:** Climate Action.

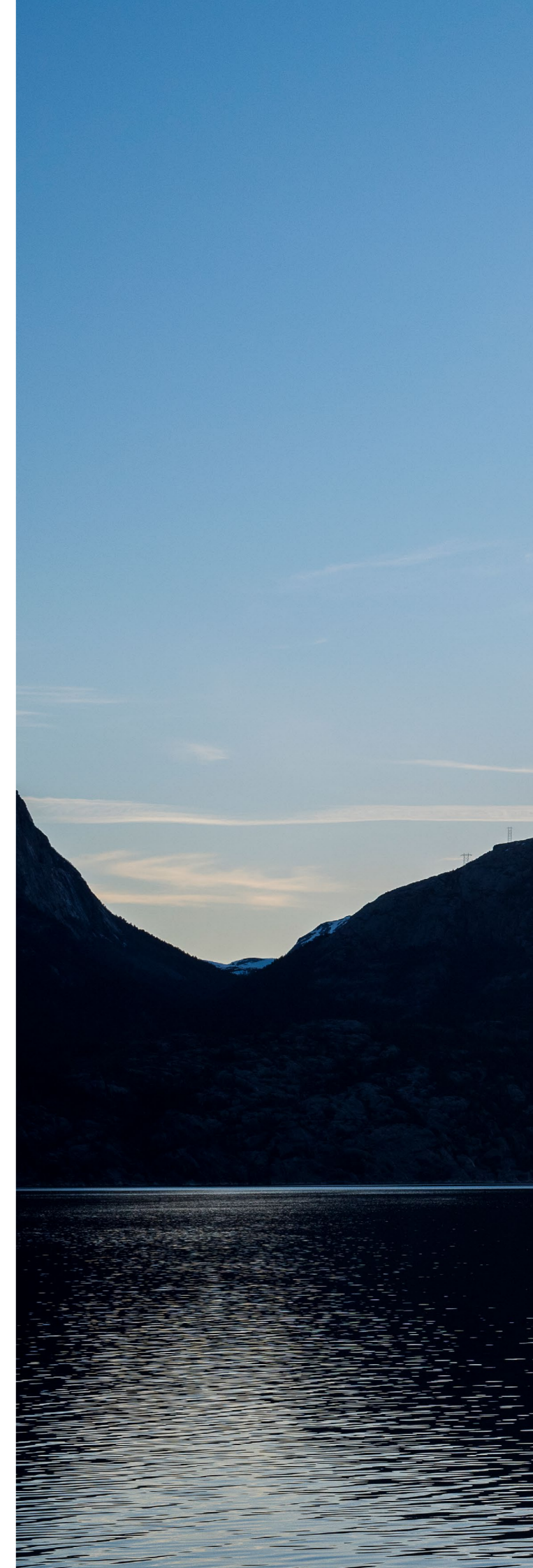


The continued investments in new hydro power generation, district heating infrastructure, as well as maintenance investments in existing power plants, ensures improved lifetime performance and continued production of affordable and renewable energy. Investments in district heating infrastructure also allows for the closure of local heating centrals based on natural gas, freeing up the limited resource of biogas, to be used in decentralized heating centrals.

Continued investments in the electrical grids are critical to ensure reliable and efficient distribution of power. The reliance on the grids will only increase as the electrification of society continues to develop. In sustainable and smart cities, where much of the transportation is being powered by electricity, uninterrupted services become key for a functioning society. Lyse is continuing to make the necessary investments in both the district and regional grids to ensure we continue to have among the lowest outage time in the industry.



The investments Lyse is making in fiber optic infrastructure is an important facilitator for continued innovation across businesses and geographies. We have seen this more than ever in the last few years both during and after the Covid pandemic, where high quality digital infrastructure has been a key for continued operations and innovations locally and globally from home offices. The investments in the Altibox Carrier fiber optics infrastructure, connecting Norway directly to the continent and strengthening the capacity between East and West in Norway, will make Norway less vulnerable for outages in key connection points in and out of the country. It will also facilitate the establishment of new industries such as datacenters. Digital technologies are integral to achieving the necessary reduction in global CO₂ emissions, ensuring datacenters have access to renewable energy.





EU Taxonomy

The activities that will be reported as Taxonomy aligned are connected to hydro power production, electricity grid and district heating. These are activities found under Renewable Energy, Energy Efficiency and Pollution Prevention and Control categories under the Green Financing Framework. The investments in district cooling will be reported as eligible and are expected to be reported as aligned from 2024 reporting. All investments under the Green Digital Solutions category, are currently not included under the EU Taxonomy, and as a result can't be aligned with the Taxonomy. Note the allocations made under the Green Financing Framework are not allocated based on their EU Taxonomy alignment, but follow the standards established in Lyses Green Financing Framework.

For all the details regarding Lyses EU Taxonomy reporting, please read the 2023 Annual Report published on our website, lysekonsern.no.

To the Board of Directors of Lyse AS

INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT ON LYSE AS' GREEN FINANCING REPORT 2023

We have performed a limited assurance engagement for the Board of Directors on Lyse AS's allocation of proceeds from green bond issuance to eligible investments, as presented in Lyse AS' Green Financing Report 2023 (the "Selected Information") as at 31st December 2023.

Our limited assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2023, as described below, has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Scope of our work

Lyse AS has engaged us to provide independent Limited assurance in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000 (Revised)", issued by the International Auditing and Assurance Standards Board ("IAASB")) and our agreed terms of engagement.

The Selected Information in scope of our engagement, as presented in the Lyse AS's Green Financing Report 2023, for the year ended 31 December 2023 is as follows:

Selected Information	Applicable Criteria
Categorically presented tables for allocation of green financing proceeds per project, limited to column "Allocation Amount 2023", excluding refinancing to projects prior to 2022.	Whether the proceeds have been allocated to actual investments made by the Lyse group.

In relation to the Selected Information, as listed in the above table, the Selected Information needs to be read and understood together with the Applicable Criteria.

Lyse AS' "Green Financing Framework per November 2020" is directive of how the net proceeds of Green loans and bonds issued by Lyse is used to finance or refinance eligible assets and projects that have been evaluated and selected by Lyse in accordance with criteria's outlined in the framework.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

Management's responsibilities

The Management are responsible for:

- Ensuring that the Use of Proceeds follows Lyse AS' Green Financing Framework per November 2020.
- Ensuring that the project evaluation and selection, management of proceeds and reporting described in the Green Financing Report 2023 are in accordance with the purpose defined within the Lyse AS' Green Financing Framework per November 2020.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Board of Directors.

Our independence and quality management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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.

Key procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment and included, among others, an assessment of the appropriateness of the Applicable Criteria. In carrying out our Limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

- Through inquiries of relevant personnel, we have obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify areas where material misstatement in the Selected Information is likely to arise, providing a basis for designing and performing procedures to respond to address these areas and to obtain limited assurance to support a conclusion.
- Through inquiries of relevant personnel, we have obtained an understanding of the internal processes relevant to the Selected Information and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information.
- Performed procedures on a sample basis to assess whether the Selected Information has been collected and reported in accordance with the Applicable Criteria, including comparing to source documentation.

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 a reasonable assurance engagement been performed.

Stavanger, 20 March 2024
Deloitte AS

Bjarte M. Jonassen
State Authorised Public Accountant

lysekonsern.no

FASETT Foto: Fredrik Ringe

