

2ND PARTY OPINION



WA3RM GREEN BOND FRAMEWORK 2024 DATED FEBRUARY 2024

Prepared by: DNV Business Assurance Norway AS

Location: Oslo, Norway

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Guidelines/Principles: Green Bond Principles 2021 (ICMA)

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DNV ELIGIBILITY ASSESSMENT

Scope and Objectives

DNV Business Assurance Norway AS (henceforth referred to as "DNV") has been commissioned by WA3RM AB ("WA3RM" or the "Issuer") to provide an eligibility assessment on their Green Bond Framework (the "Framework"). Our methodology to achieve this is described under 'Work Undertaken'. We were not commissioned to provide independent assurance or other audit activities. DNV's objective has been to provide an assessment that the Green Finance Instrument to be issued under the Framework have met the criteria established in the ICMA Green Bond Principles 2021 ("GBPs" or "the Principles")

The Green Bond Framework will enable WA3RM to finance investments which contribute to climate friendly activities and a sustainable environment with Green Bonds (referred to as "Green Finance Instrument"). The Framework enables the Issuer to finance Green Projects and describes the use of proceeds, process for project evaluation and selection, management of proceeds and reporting for Green Projects covering activities and investments within the Issuer.

WA3RM is an unlisted a Swedish company that specializes in creating sustainable circular system industry infrastructure projects. They connect industries with entrepreneurs to repurpose waste streams, fostering economic opportunities and supporting local job creation. Their focus on responsible, renewable, and recyclable practices ensures long-lasting impact, addressing climate change and sustainability challenges. WA3RM's innovative approach can transform waste into regenerative businesses, emphasizing optimal circularity and eliminating harmful emissions.

The Green Finance Instrument proceeds will finance investments with eligible categories defined in the ICMA Green Bond Principles 2021 being:

- Circular economy adapted products, production technologies and processes;
- Energy efficiency;
- Environmentally sustainable management of living natural resources and land use;
- Climate change adaptation;
- Pollution prevention and control; and
- Green buildings.

No assurance is provided regarding the non-Green Bond Principles terms within the agreement. Our objective has been to provide an assessment that the Green Finance Instrument to be issued under the Framework have met the criteria established in the GBPs.

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Basis of DNV's opinion

We have adapted our Green Bond assessment methodology to create an Issuer-specific Green Bond Eligibility Assessment Protocol (henceforth referred to as "Protocol") to assess the Issuer Framework alignment with the Principles - see Schedule 2. Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. As per our Protocol, the criteria against which the Green Finance Instrument have been reviewed are grouped under the four Principles, as outlined in the GBPs:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an Issuer of a Green Finance Instrument must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an Issuer of a Green Finance Instrument should outline the process it follows when determining eligibility of an investment using Green Finance Instrument proceeds and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a Green Finance Instrument should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least annual reporting to the Green Finance Instrument investors should be made of the use of instrument proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible. The Issuers are recommended to appoint an external review provider to assess the Framework and internal tracking and allocation of funds.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by the Issuer in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of the Issuer-specific Protocol, adapted to the purpose of the Green Finance Instrument, as described above and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by the Issuer on the Green Finance Instrument and supplemented by a high-level desktop research. The checks refer to current assessment best practices and standards methodology;
- High-level desktop assessment of technologies/green projects and project examples;
- Discussions with the Issuer, as well as review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria.

Findings and DNV's opinion

DNV's summary findings are listed below, with further detail provided in Schedule 2.

1. Principle One: Use of Proceeds

WA3RM plans to use the proceeds from the Bonds issued under the Framework to finance and/or re-finance projects and assets that may fall within the categories of:

- Circular economy adapted products, production technologies and processes;
- Energy efficiency;
- Environmentally sustainable management of living natural resources and land use;
- Climate change adaptation;
- Pollution prevention and control; and
- Green buildings

DNV reviewed the criteria for the project categories above to determine the eligibility of the nominated projects and assets against the GBPs and can confirm that the WA3RM projects in their intended execution meet the criteria established and can be considered Eligible Green Projects. DNV has also completed a technical analysis overview of the three WA3RM projects in development, to confirm their alignment to the above stated criteria and their broader environmental impact.

DNV has summarized its findings in a table, please see "*Schedule 1: Use of Proceeds – Detailed DNV Findings*".

2. Principle Two: Process for Project Evaluation and Selection

WA3RM has a process in place for nominating and approve financing with transparent documenting. WA3RM have an investment committee and executive management that decide on the selection of projects and investment opportunities. A list of Green Projects is kept by the Project Management function, who is responsible for keeping the list updated as additional projects are investigated, initiated, executed, or removed. WA3RM has processes for identifying and managing material risks for negative environmental and social impacts from relevant Green Projects. DNV has reviewed WA3RM's Green Bond Finance Framework and considers the Process for Project Evaluation and Selection as an appropriate process in line with the Principles' guidance.

3. Principle Three: Management of Proceeds

DNV has reviewed evidence showing how WA3RM plans to trace the proceeds from the Bonds under the Framework, from the time of issuance to the time of disbursement. The full amount of the proceeds will be managed by the WA3RM investment committee and thereafter disbursed in accordance with the investment commitments. The details of use and management of proceeds and the outstanding value will be tracked using an external accounting software to monitor cash flow and proceeds. Pending allocation to Eligible projects, proceeds may be invested in cash or cash equivalents such as short-term treasury bills. DNV concludes it is in line with the Principles' guidance.

4. Principle Four: Reporting

DNV concludes that WA3RM will monitor and report on allocation and impact in line with the Principles – annually until full allocation. WA3RM will be providing reporting on the list of Green Financing Instruments and total allocated amounts, total amounts allocated to each Green Project Category, share of proceeds used for financing and re-financing, a list of the eligible projects financed, including descriptions of Eligible Projects, share of capital expenditure (CAPEX) and unallocated balance of the green proceeds at year end, if any. The actual or estimated impact of Green Projects will be disclosed annually on the Issuer’s website. WA3RM will also, on a best effort basis, report on EU Taxonomy alignment (%) of the underlying Projects financed by Green bonds.

The Impact report aims to disclose different environmental impacts per different project type. The suggested metrics provide quantified performance measures relevant to the ICMA Green Project categories and in line with ICMA’s suggested indicators for reporting. The impact calculations will be on a best effort basis and based on the latest guidance from the GHG Protocol. DNV deems allocation reporting and impact reporting to be appropriate.

Based on the information provided by WA3RM and the work undertaken, it is DNV’s opinion that the WA3RM Green Bond Framework meets the criteria established in the Protocol and that it is aligned with the stated definition of green bonds within the ICMA Green Bond Principles 2021.

for DNV Business Assurance Norway AS

Oslo, 20th of February 2024

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About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers’ decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 13,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

1 SCHEDULE 1: DESCRIPTION OF NOMINATED ASSETS TO BE FINANCED OR REFINANCED

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
<p>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products</p>	<p>Construction and operation of production facilities which reuse waste heat and/or solid, liquid, chemical, or gas wastes to produce new valuable resources.</p> <p>Project Frövi</p> <p>Project Gällivare</p> <p>Project Östersund</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>Eligible Projects must demonstrate substantial environmental improvements compared to an equivalent conventional production facility in the following areas:</p> <p>Industrial circularity: Circulation of one or more waste resources or byproducts within or between facilities at an industrial scale. Such waste resources or byproducts include but are not limited to waste heat, waste CO₂, biological waste, waste sludge, and chemical waste.</p> <p>Resource efficiency: Optimal efficiency of resource use in a production system as a result of the circularity, concerning both primary and secondary resources.</p> <p>Sustainability impact: Positive effects for multiple facets of environmental sustainability as a result of the circularity, resource efficiency, localized production, and long-term financial stability.</p> <p>Sustainability plan for execution: A plan for sustainability in the project execution, including but not limited to how the project will do no significant</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments to be allocated to the "Circular Economy, Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the construction and operation of production facilities which have the primary function of reusing waste heat and/or solid, liquid, chemical, or gas wastes to produce new resources, fit the category "Circular Economy" as of the ICMA Green Bond Principles.</p> <p>The construction and operation of production facilities that reuse waste heat and/or solid, liquid, chemical, or gas wastes to produce new valuable resources can have substantial environmental benefits from a circular economy perspective. These facilities embody the principle of "waste-to-wealth", transforming what was once considered waste into valuable resources. Reusing waste heat can significantly improve energy efficiency, reducing greenhouse gas emissions and mitigating climate change. The recycling of solid, liquid, chemical, or gas wastes not only prevents these materials from entering landfills or the environment,</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
		<p>harm as a result of groundwork, site development, sourcing, construction, community engagement and other execution activities.</p> <p>WA3RM considers Eligible Projects to be production facilities which (as applicable):</p> <ul style="list-style-type: none"> • Re-utilize predominantly waste-heat and/or other solid, liquid, or gas waste streams • Utilize predominantly electricity produced from renewable energy sources • Are characterized by energy efficiency and resource efficiency • Obtain BREEAM green building certification • Are not built on land with environmental, social, or historical significance <p>Each project developed by WA3RM should avoid significant negative social and environmental impacts.</p> <p>Exclusions</p> <p>Proceeds will not be used to finance fossil fuel extraction, fossil fuel production, fossil fuel processing, fossil fuel trade, fossil fuel transport, fossil fuel-based energy generation, nuclear energy, weapons, environmentally harmful resource extraction, gambling, pornography, or tobacco.</p>	<p>but also reduces the demand for virgin materials, conserving natural resources and reducing environmental degradation. Furthermore, these practices can lead to cost savings and new revenue streams, demonstrating that environmental sustainability and economic viability can go hand in hand. Overall, these facilities represent a shift from a linear "take-make-dispose" model to a circular model that emphasizes resource efficiency, waste reduction, and the continual use of resources.</p> <p>DNV has completed a high-level technical analysis overview of the three WA3RM projects in development (Frövi, Gällivare and Östersund), to confirm their alignment to the criteria and their broader environmental impact.</p> <p>DNV considered the following five aspects:</p> <p><i>I. Plant efficiency / industrial waste heat recovery:</i></p> <ul style="list-style-type: none"> • In principle within the EU Taxonomy, any industrial waste heat recovery is defined as eligible, with the exclusion of residual heat from CHP installations. • None of the industrial waste heat suppliers in WA3RM's project pipeline make use of CHP installations and the heat recovery is therefore eligible to comply with the substantial contribution criteria for the production of heat/cool using waste heat as per EU

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
		<p>Proceeds will also not be used to finance projects in Natura 2000 zones, nature reserves, national parks, regional or municipal parks, key biodiversity areas (KBAs), UNESCO areas, or otherwise protected areas or habitats.</p> <p>Proceeds will also not be used to finance projects on confiscated land, historically significant land, or land where removal of relics is required. Preference is also placed on projects located in areas of low water stress and low climate change risks, according to various tools including but not limited to the WRI Water Risk Atlas and the SMHI enhanced climate scenario service.</p>	<p>Taxonomy activity 4.25.</p> <p><i>II. Carbon Emissions</i></p> <ul style="list-style-type: none"> Data about abated carbon dioxide emissions are calculated systematically based on the waste type, waste volume, and forementioned emission factors from the Swedish EPA. Calculations of abated carbon dioxide emissions related to reuse of waste streams also consider the average current real local market scenario as the baseline. <p><i>III. Use of certified green electricity</i></p> <ul style="list-style-type: none"> DNV concludes WA3RM can adequately show use of green electricity by the certificates provided. <p><i>IV. Separation of recyclables / circular economy adapted products</i></p> <ul style="list-style-type: none"> The Green Bond Framework criteria requires that WA3RM also invest in projects that increase recycling and contribute to a circular economy. At least one of the projects, WA3RM (Östersund), complies with that requirement. <p><i>V. Procurement strategy for industrial suppliers</i></p> <ul style="list-style-type: none"> DNV have reviewed that WA3RM have a supplier / business partner assessment that reviews and ranks their compliance with the

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
			<p>UN sustainable development goals and that they choose their partners based on best score in the respect.</p> <ul style="list-style-type: none"> • DNV concludes WA3RM adequately has shown that they also implement their own Green Bond Framework requirements on their partners, thus creating a total product that is in compliance with WA3RM's Green Bond Framework. <p>We can confirm that the WA3RM projects in their intended execution meet the criteria established and can be considered Eligible Green Projects.</p>
<p>Energy efficiency</p>	<p>Projects that reuse of waste heat to highest extent possible; Utilization of best available technologies for heating insulation, lighting, heat pumps; Utilization of renewable electricity to highest extent possible.</p> <p>Project Frövi</p> <p>Project Gällivare</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>See 'Eligibility Criteria' listed under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details.</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments are to be allocated to the "Energy Efficiency" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the reuse of waste heat to highest extent possible; utilization of best available technologies for heating insulation, lighting, heat pumps; utilization of renewable electricity to highest extent possible, fit the category "Energy efficiency" as of the ICMA Green Bond Principles.</p> <p>Reusing waste heat is a key strategy in improving energy efficiency and reducing environmental impact.</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
	<p>Project Östersund</p>		<p>When waste heat is captured and reused, it reduces the need for additional energy generation, thereby decreasing the consumption of fossil fuels and the associated greenhouse gas emissions. This process can significantly improve the overall efficiency of energy-intensive systems such as industrial processes, and aligns with the principles of the circular economy, promoting resource efficiency and waste minimization, thus contributing to climate change mitigation and the preservation of our planet.</p> <p>See 'DNV Findings' under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details of DNV's technical assessment of the three WA3RM projects in development (Frövi, Gällivare and Östersund).</p>
<p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p>	<p>Construction of production facilities which use a minimal land footprint; Minimization of input resources such as fertilizers, freshwater, heat, and lighting; Preference for use of land void of forest, wetland, mangroves, or other natural carbon sinks.</p> <p>Project Frövi</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>See 'Eligibility Criteria' listed under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details.</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments to be allocated to the "Environmentally Sustainable Management of Living Natural Resources and Land Use" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the construction of production facilities which use a minimal land footprint; Minimization of input resources such as fertilizers, freshwater, heat, and lighting; Preference for use of land void of forest, wetland, mangroves, or other natural carbon sinks, fit the category "Environmentally Sustainable</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
	<p>Project Gällivare</p> <p>Project Östersund</p>		<p>Management of Living Natural Resources and Land Use" as of the ICMA Green Bond Principles.</p> <p>Constructing industrial production facilities that minimize the use of input resources such as heat, water, and fertilizers can have significant environmental benefits. By reducing resource consumption, these facilities can decrease their ecological footprint, contributing to the preservation of natural ecosystems. Lower heat usage can reduce energy demand, thereby decreasing greenhouse gas emissions and mitigating climate change. Water-efficient practices can help conserve this vital resource, protecting water quality and availability for both people and wildlife. Minimizing the use of fertilizers can prevent nutrient runoff, protecting water bodies from harmful algal blooms and maintaining biodiversity. Overall, resource-efficient industrial facilities represent a sustainable approach to production, aligning economic growth with environmental stewardship.</p> <p>See 'DNV Findings' under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details of DNV's technical assessment of the three WA3RM projects in development (Frövi, Gällivare and Östersund).</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
<p>Climate Change Adaptation</p>	<p>Construction and operation of production facilities which offer production of resources in highly controlled indoor environments, with minimized vulnerability to acute and chronic climate change impacts.</p> <p>Project Frövi</p> <p>Project Gällivare</p> <p>Project Östersund</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>See 'Eligibility Criteria' listed under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details.</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments to be allocated to the "Climate Change Adaptation" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the construction and operation of production facilities which offer production of resources in highly controlled indoor environments, with minimized vulnerability to acute and chronic climate change impacts, fit the category "Climate Change Adaptation" as of the ICMA Green Bond Principles.</p> <p>The construction and operation of production facilities in highly controlled indoor environments can offer significant environmental benefits from a climate change adaptation perspective. These facilities can maintain optimal conditions for production, irrespective of external climate variations, thereby ensuring consistent output and reducing vulnerability to climate change impacts. The three projects currently in the pipeline for WA3RM will produce vegetables, contributing to a sustainable food system whilst eliminating the risk of crop damage due to unpredictable weather patterns or extreme weather events due to climate change. The projects also mean that Sweden will have less reliance on volatile global food supply chains, contributing to food security. From an adaptation perspective, these facilities offer a resilient solution to the challenges posed by climate change, ensuring production continuity in the face of</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
			<p>increasing climate variability and extreme weather events.</p> <p>See 'DNV Findings' under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details of DNV's technical assessment of the three WA3RM projects in development (Frövi, Gällivare and Östersund).</p>
<p>Pollution Prevention and Control</p>	<p>Projects that utilize best available technologies for control of wastewater, nutrients, air emissions, and solid waste.</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>See 'Eligibility Criteria' listed under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details.</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments to be allocated to the "Pollution Prevention and Control" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the utilization of best available technologies for control of wastewater, nutrients, air emissions, and solid waste, fit the category "Pollution Prevention and Control" as of the ICMA Green Bond Principles.</p> <p>Projects that utilize the best available technologies for the control of wastewater, nutrients, air emissions, and solid waste can offer substantial environmental benefits from a pollution prevention and control perspective. Wastewater treatment technologies can remove harmful pollutants before they are discharged into water bodies, protecting aquatic ecosystems and</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
			<p>public health. Nutrient management practices can prevent excess nutrients from causing eutrophication in water bodies, preserving biodiversity. Technologies to control air emissions can reduce the release of harmful pollutants like sulphur dioxide, nitrogen oxides, and particulate matter, improving air quality and mitigating climate change. Solid waste management technologies can minimize waste generation, promote recycling and recovery, and ensure safe disposal, reducing environmental contamination and resource consumption. Overall, these projects represent a proactive approach to environmental protection, preventing pollution at its source and minimizing its impacts on the environment.</p> <p>DNV has not assessed any projects from WA3RM that fall under the 'Pollution Prevention and Control' category.</p>
<p>Green Buildings</p>	<p>Construction of production facilities which obtain a green building certification according to the BREEAM standard for new construction.</p>	<p>WA3RM have provided high level eligibility criteria for the assets that will be financed under the GBF.</p> <p>See 'Eligibility Criteria' listed under 'Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products' for full details.</p>	<p>The Issuer will ensure that the net proceeds from Green Finance Instruments to be allocated to the "Green Buildings" category.</p> <p>ENVIRONMENTAL BENEFITS</p> <p>DNV is of the opinion that using proceeds for projects dedicated to the construction of production facilities which obtain a green building certification according to the BREEAM standard for new construction, fit the category "Green Buildings" as of the ICMA Green Bond Principles.</p> <p>The construction of production facilities that obtain a</p>

ICMA Green Project Category	Issuer's Green Projects / Eligible Investments	Eligibility Criteria	DNV Findings
			<p>green building certification according to the BREEAM standard for new construction can have significant environmental benefits from a green buildings perspective. BREEAM-certified buildings are designed to minimize their environmental impact, incorporating sustainable materials, energy-efficient technologies, and water-saving features. These buildings reduce greenhouse gas emissions, conserve water, and reduce waste, contributing to the mitigation of climate change. Furthermore, BREEAM-certified buildings often incorporate features that enhance biodiversity, such as green roofs and habitat creation, promoting local ecosystems. Overall, BREEAM-certified production facilities represent a holistic approach to sustainable construction, balancing environmental, social, and economic sustainability.</p> <p>DNV has not assessed any projects from WA3RM that fall under the 'Green Buildings' category.</p>

2 SCHEDULE 2: WA3RM – SPECIFIC GREEN BOND ELIGIBILITY ASSESSMENT PROTOCOL

2.1 Use of proceeds

Ref.	Criteria	Requirements	Work undertaken	DNV Findings
1a	Type of instrument	Green Bond Instruments are any type of debt instrument made available exclusively to	Discussions with the Issuer and review of the following documents: <ul style="list-style-type: none"> • WA3RM AB Green Bond 	DNV concludes that the Framework appropriately ensures that any type of Green Finance Instrument will finance eligible Green

Ref.	Criteria	Requirements	Work undertaken	DNV Findings
		<p>finance or re-finance, in whole or in part, new and/or existing eligible Green Projects. Green finance instruments must align with the four core components of the GBP, as set out below.</p> <p>Green finance instruments should not be considered interchangeable with finance instruments that are not aligned with the four core components of the GBP.</p>	<p>Framework February 2024</p> <ul style="list-style-type: none"> • Annual report WA3RM AB 2022 • Annual report Regenergy Frövi Aktiebolag 2022 • WA3RM AB Code of Conduct • WA3RM Sustainability Plan 2023 • WA3RM Frövi project sustainability information • WA3RM Regenergy Developer Fund I_PA I Statement 2023 • Technical documents including <ul style="list-style-type: none"> - Heat supply profile Frövi and Gällivare - IC Memo Frövi - LCI greenhouse and tomato production - Situationplan Mariedal 1:1 Frövi 1:1000/1:2000 • Formal Q&A process 	<p>Projects as defined in the Green Project Categories.</p> <p>The Issuer has described the principles behind the financing, provided guidance for the projects to be selected as Eligible Green Projects and described measures to ensure only Green Projects will be financed by the Green Finance Instruments. All the four components of the GBP are appropriately addressed in the Framework.</p> <p>DNV can confirm that bond documentation has specific wording in the main terms and conditions on the Use of Proceeds, to ensure all funds will be dedicated to eligible Green Projects under the WA3RM Green Bond Framework.</p> <p>As of DNV's opinion, the Issuer's Green Bond Framework ensures issuance of "Use of Proceeds" bonds with utilisation of proceeds to Green Projects is in line with the four core components of the GBP 2021.</p>
1b	Green Project Categories	The cornerstone of a Green Finance Instrument is the utilization of the proceeds which should be appropriately described in the legal documentation for the security.	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM AB Green Bond Framework February 2024 • Annual report WA3RM AB 2022 • Annual report Regenergy Frövi Aktiebolag 2022 • WA3RM AB Code of Conduct • WA3RM Sustainability Plan 	<p>The use of Green Finance Instrument proceeds will finance Green Projects within the following categories as outlined in the Framework:</p> <p>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products</p> <ul style="list-style-type: none"> ○ Construction and operation of production facilities which reuse waste heat and/or solid, liquid, chemical, or gas wastes to produce new valuable resources.

Ref.	Criteria	Requirements	Work undertaken	DNV Findings
			<p>2023</p> <ul style="list-style-type: none"> • WA3RM Frövi project sustainability information • WA3RM Regenergy Developer Fund I_PA I Statement 2023 • Technical documents including <ul style="list-style-type: none"> - Heat supply profile Frövi and Gällivare - IC Memo Frövi - LCI greenhouse and tomato production - Situationplan Mariedal 1:1 Frövi 1:1000/1:2000 <p>Formal Q&A process</p>	<p>Energy Efficiency</p> <ul style="list-style-type: none"> ○ Reuse of waste heat to highest extent possible; utilization of best available technologies for heating insulation, lighting, heat pumps; utilization of renewable electricity to highest extent possible. <p>Environmentally Sustainable Management of Living Natural Resources and Land Use</p> <ul style="list-style-type: none"> ○ Construction of production facilities which use a minimal land footprint; minimization of input resources such as fertilizers, freshwater, heat, and lighting; preference for use of land void of forest, wetland, mangroves, or other natural carbon sinks. <p>Climate Change Adaptation</p> <ul style="list-style-type: none"> ○ Construction and operation of production facilities which offer production of resources in highly controlled indoor environments, with minimized vulnerability to acute and chronic climate change impacts. <p>Pollution Prevention and Control</p> <ul style="list-style-type: none"> ○ Utilization of best available technologies for control of wastewater, nutrients, air emissions, and solid waste. <p>Green Buildings</p> <ul style="list-style-type: none"> ○ Construction of production facilities which obtain a green building certification according to the BREEAM standard for new construction. <p>DNV have evaluated the project categories and example projects</p>

Ref.	Criteria	Requirements	Work undertaken	DNV Findings
				<p>provided by the Issuer.</p> <p>DNV concludes that the Use of Proceeds dedicated to the Green Project Categories are clearly described in the Green Projects table in the Green Finance Framework and Schedule 1: Use of Proceeds (DNV Protocol).</p> <p>As well as developing infrastructure projects that fulfil the Green Project Categories requirements, WA3RM aims to align their projects with requirements that satisfy the criteria to be included in Article 8 funds at a minimum, with a preference to satisfy Article 9 fund requirements.</p> <p>DNV concludes, that chosen categories are suitable categories for the eligible green projects, with projects clearly contributing to climate change mitigation objective – ref. Schedule 1: Use of Proceeds (DNV Protocol).</p>
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM AB Green Bond Framework February 2024 • Annual report WA3RM AB 2022 • Annual report Regenergy Frövi Aktiebolag 2022 • WA3RM AB Code of Conduct • WA3RM Sustainability Plan 2023 • WA3RM Frövi project sustainability information • WA3RM Regenergy Developer Fund I_PA I Statement 2023 • Technical documents 	<p>The Issuer will allocate proceeds from the Green Finance Instrument into Green Projects under the Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-efficient Products, Energy efficiency, Environmentally Sustainable Management of Living Natural Resources and Land Use, Climate Change Adaptation, Pollution Prevention, and the Green Buildings category.</p> <p>The Issuer has provided a list of impact measures that may be used to quantify the project’s environmental impacts.</p> <p>DNV finds that the designated Green Project Categories provide clear environmental benefits (see Schedule 1).</p>

Ref.	Criteria	Requirements	Work undertaken	DNV Findings
			including - Heat supply profile Frövi and Gällivare - IC Memo Frövi - LCI greenhouse and tomato production - Situationplan Mariedal 1:1 Frövi 1:1000/1:2000 <ul style="list-style-type: none"> • Formal Q&A process 	
1d	Refinancing share	If a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing and clarify which investments may be refinanced, and, to the extent relevant, the expected look-back period for refinanced eligible Green Projects.	Discussions with the Issuer and review of the following documents: <ul style="list-style-type: none"> • WA3RM AB Green Bond Framework February 2024 • WA3RM Sustainability Plan 2023 • WA3RM Frövi project sustainability information 	<p>The proceeds of Green Finance instruments will be used for financing and refinancing the projects' development, construction and operation, where the Issuer is the main or partial owner or is engaged in a joint venture, as well as projects owned by associated companies, SPVs or managed by WA3RM.</p> <p>Share of new financing versus refinancing of Green Projects will be included in the annual reporting of the Issuer's website. DNV deems this to be in accordance with the Principles.</p> <p>DNV notes that the Issuer has not defined a lookback period for refinancing eligible green projects.</p>

2.2 Process for evaluation and selection

Ref.	Criteria	Requirements		DNV Conclusion
2a	Investment-decision process	<p>The Issuer of a Green Finance Instrument should outline the decision-making process it follows to determine the eligibility of projects using Green Finance Instrument proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • A process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond/Loan Principles; • The criteria making the projects eligible for using the Green Bond/Loan proceeds; and • The environmental sustainability objectives. 	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM AB Green Bond Framework February 2024 • Annual report WA3RM AB 2022 • Annual report Regenergy Frövi Aktiebolag 2022 • WA3RM AB Code of Conduct • WA3RM Sustainability Plan 2023 • WA3RM Frövi project sustainability information • WA3RM Regenergy Developer Fund I_PA I Statement 2023 • Technical documents including <ul style="list-style-type: none"> - Heat supply profile Frövi and Gällivare - IC Memo Frövi - LCI greenhouse and tomato production - Situationplan Mariedal 1:1 Frövi 1:1000/1:2000 • Formal Q&A process 	<p>The documents reviewed by DNV demonstrates that WA3RM has put in place a decision-making process to select and evaluate the eligibility of the Green Projects.</p> <p>WA3RM has an Investment Committee that together with the executive management decide on the projects and investment opportunities. The Investment Committee will nominate assets and projects to be evaluated which meet the eligibility criteria set out in the <i>Use of proceeds</i> section of the WA3RM Green Bond Framework.</p> <p>WA3RM has processes to approve financing with transparent documenting. A list of projects is kept by the Project Management function, who is responsible for keeping the list updated. The project list is updated continuously as additional projects are nominated, selected, executed, or cancelled. The Project list and related documentation is stored both in internal infrastructures and external data rooms.</p> <p>Please find details on the environmental sustainability objectives in Schedule 1.</p> <p>DNV considers the Process for Project Evaluation and Selection as an appropriate process and in line with the Principles' guidance.</p>

Ref.	Criteria	Requirements		DNV Conclusion
2b	<p>Issuer’s environmental and social and governance framework</p>	<p>The Issuer of a Green Finance Instrument should clearly communicate to its investors their environmental sustainability objectives; and are encouraged to:</p> <ol style="list-style-type: none"> 1. Position this information within the context of their overarching objectives, strategy, policy and/or processes relating to environmental sustainability. Issuers are also encouraged to disclose any green standards or certifications to which they are seeking to conform. 2. Provide information, if relevant, on the alignment of projects with official or market-based taxonomies, related eligibility criteria, including if applicable, exclusion criteria; and also disclose any green standards or certifications referenced in project selection. 3. Have a process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s). The identified mitigants may include trade-off analysis and monitoring of the potential risks are seen as meaningful by the issuer. 	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM AB Green Bond Framework February 2024 • Annual report WA3RM AB 2022 • Annual report Regenergy Frövi Aktiebolag 2022 • WA3RM AB Code of Conduct • WA3RM Sustainability Plan 2023 • WA3RM Frövi project sustainability information • WA3RM Regenergy Developer Fund I_PA I Statement 2023 • Technical documents including <ul style="list-style-type: none"> - Heat supply profile Frövi and Gällivare - IC Memo Frövi - LCI greenhouse and tomato production - Situationplan Mariedal 1:1 Frövi 1:1000/1:2000 • Formal Q&A process 	<p>DNV concludes that WA3RM’s process for evaluating and selecting Green Projects is firmly placed within the company’s broader environmental sustainability strategy – with such projects set to play a key role in advancing an established strategy.</p> <p>WA3RM has identified several sustainable development goals (SDGs) that are material:</p> <ul style="list-style-type: none"> • SDG 7: Affordable and Clean Energy • SDG 8: Decent Work and Economic Growth • SDG 9: Industry, Innovation and Infrastructure • SDG 11: Sustainable Cities and Communities • SDG 12: Responsible Consumption and Production • SDG 13: Climate Action • SDG 14: Life below Water • SDG 15: Life on Land • SDG 16: Peace, Justice and Strong Institutions • SDG 17: Partnership for the Goals <p>1. DNV confirms that the Framework fits WA3RM’s strategic goals and objectives with regard to the sustainability strategy, sustainability of their operations, and how the eligible Green Projects play an integral part to meeting these. WA3RM communicates on ESG-related topics in the WA3RM Sustainability Plan 2023. The Sustainability Plan is well anchored in the UN Sustainable Development Goals, the EU environmental objectives, and the Swedish Environmental Goals from the Swedish Protection Agency. WA3RM aims to disclose the climate impacts of their environmental footprint in the annual reporting (project, company and fund level) and if applicable to fulfil EU SFDR Article 8 requirements, but aiming to fulfil EU SFDR Article 9 requirements.</p>

Ref.	Criteria	Requirements		DNV Conclusion
				<p>2. The Framework includes a reference to report alignment against the EU Taxonomy on best possible effort based on the relevant economic activity, as described in the Delegated Acts, which states that WA3RM will strive to align the use of proceeds to the extent possible. This will include, but it not limited to:</p> <ul style="list-style-type: none"> • 4.25 Production of heat/cool using waste heat • 4.20 Cogeneration of heat/cool and power from bioenergy • 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings • 4.16 Installation and operation of electric heat pumps. <p>The Issuer specifically excludes projects that support:</p> <ul style="list-style-type: none"> • Weapons and defense projects; • Oil & gas activities, including extraction, production, processing, trade and transport; • Nuclear energy • Gambling • Pornography • Tobacco • Environmentally harmful resource extraction (e.g Natura 2000 zones, nature reserves, key biodiversity areas) <p>3. WA3RM has a process in place to identify mitigants to known material risks of negative environmental and/or social impacts from the relevant projects. Such potential environmental risks include biodiversity assessments and forest related assessments for project land, freshwater availability assessments, and potential operational impacts that the asset may produce once completed. If the significant environmental or negative impacts are identified and cannot be avoided, the investment will not be approved. The risks are reported to the executive management on a regular basis.</p> <p>The risk management is addressed in WA3RM's framework,</p>

Ref.	Criteria	Requirements	DNV Conclusion
			<p>Sustainability plan 2023 and WA3RM’s Code of Conduct. WA3RM’s Code of Conduct sets out expectations for Business Partners (suppliers, customers, joint venture partners) to adhere to the principles in the Code of Conduct.</p> <p>DNV confirms that WA3RM has processes in place for identifying material risks for negative social and environmental impacts from relevant Green Projects.</p>

2.3 Management of proceeds

Ref.	Criteria	Requirements	Work undertaken	DNV Conclusion
3a	Tracking procedure	The proceeds of a Green Finance Instruments should be credited to a dedicated account or otherwise tracked by the Issuer in an appropriate manner, to maintain transparency and promote the integrity of the product.	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM Green Bond Framework 2023 • Formal Q&A Process 	<p>The full amount of the proceeds will be managed by the WA3RM’s Investment Committee and thereafter disbursed in accordance with the investment commitments. The net proceeds will be credited to a dedicated account managed by WA3RM.</p> <p>DNV concludes that the net proceeds from Green Bonds will be tracked in a manner appropriate under the Principles, with an amount equal to that of the net proceeds being earmarked for financing and refinancing.</p>
3b	Tracking procedure	Issuers are encouraged to establish an internal governance process through which they can track the allocation of funds towards Green Projects.	<p>Discussions with the Issuer and review of the following documents:</p> <ul style="list-style-type: none"> • WA3RM Green Bond Framework 2023 • Formal Q&A Process 	<p>DNV confirms that there is an appropriate internal governance process through which the allocation of funds towards Green projects will be tracked. WA3RM will use external accounting software to monitor the net proceeds and cash flow.</p> <p>The WA3RM investment committee will ensure the process to track, manage, and report, and ensure traceability on all decisions to allocate net proceeds to Green Projects, where such decisions will be documented and filed.</p>

Ref.	Criteria	Requirements	Work undertaken	DNV Conclusion
3c	Temporary Holdings	Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	Discussions with the Issuer and review of the following documents: <ul style="list-style-type: none"> • WA3RM Green Bond Framework 2023 • Formal Q&A Process 	Net proceeds from Green Finance Instruments awaiting allocation to Green Projects will be invested in cash or cash equivalents or held as bank deposit in accordance with the overall cash management policy of WA3RM.

2.4 Reporting

Ref.	Criteria	Requirements		DNV Conclusion
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, Issuers should provide at least annually a list of projects to which Green Instrument proceeds have been allocated including - when possible, with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	Discussions with the Issuer and review of the following documents: <ul style="list-style-type: none"> • WA3RM Green Bond Framework 2023 • Formal Q&A Process 	<p>DNV opines that the reporting requirements are appropriately described in the WA3RM Green Bond Framework. An impact and allocation report will be published annually on the WA3RM website - as long as there are Green Bond Instruments outstanding.</p> <p>In terms of the allocation reporting, the report will contain a list as found below:</p> <ul style="list-style-type: none"> ▪ Total amount of financing issued. ▪ Share of proceeds used for financing and re-financing. ▪ The balance of unallocated proceeds, which may consist of cash or cash-like instruments. ▪ Eligible Projects financed with the net proceeds.

Ref.	Criteria	Requirements		DNV Conclusion
				<ul style="list-style-type: none"> ▪ Descriptions of Eligible Projects funded. ▪ Share of CAPEX financed. ▪ Total amounts allocated to each Green Project category. ▪ On a best effort basis, information on EU Taxonomy alignment (%) of the underlying Eligible Projects financed by Green bonds. <p>The Issuer has provided sufficient metrics for the impact reporting for each of the Green Project category / type.</p> <p>The Issuer will be transparent about the assumptions in their calculations for respective metrics also considering regional specifics for the projects.</p> <p>DNV considers this to be in line with the Principles.</p>

Statement of Competence and Independence

The management of WA3RM have provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform WA3RM's management and other interested stakeholders in the Bond as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by WA3RM. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by WA3RM's management and used as a basis for this assessment were not correct or complete.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

Our assessment relies on the premise that the data and information provided by WA3RM to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.