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SUSTAINABILITY REPORT









Our vision

We accelerate the global transition towards a clean energy future

Our mission

We design, build, finance, operate and maintain high quality renewable energy powerplants that creates financial, social and environmental values in selected markets

Our Values







Agility

Interaction

Enthusiasm n Integrity

Front page photo

Photo: A. Georgescu Frøytlandsfoss, constructing intake



Tinfos' CEO on sustainability

As we navigate the complexities of the 21st century, the challenges posed by global climate change have become increasingly evident. Rising temperatures, extreme weather events, and shifting ecosystems are not just environmental issues; they are profound challenges that impact every facet of our society and economy. In recent years, the frequency and intensity of natural disasters have underscored the urgency of climate action. From devastating floods to prolonged droughts, the effects of climate change are being felt across the globe, disrupting lives and livelihoods. These events serve as a stark reminder that we must act swiftly and decisively to mitigate the impacts of climate change. At Tinfos AS, we understand that addressing these challenges requires a proactive and resilient approach.



Øyvind Frydenberg, CEO Tinfos AS. Photo M. Kanstad

Climate resilience is about more than just adapting to changes; it is about anticipating future conditions and integrating sustainability into every aspect of our operations. This means investing in innovative technologies, enhancing our infrastructure, and fostering a culture of continuous improvement. By doing so, we aim to not only mitigate the impacts of climate change but also to thrive in a rapidly changing world.

Our commitment to climate resilience is reflected in our strategic initiatives and projects. We are dedicated to reducing our carbon footprint, enhancing energy efficiency, and promoting sustainable practices across our value chain.

Moreover, we recognize that building climate resilience is a collective effort. It requires collaboration with our stakeholders, including customers, partners, and local communities. Behind every initiative, innovation, and improvement stands the dedication of our employees, whose commitment to responsible practices is the foundation of our progress. Their insights and engagement are invaluable in shaping our strategies and driving meaningful changes.

This report outlines how we are working systematically to meet these goals. But more importantly, it reflects the everyday efforts of our operators improving resource efficiency and our project teams and colleagues across departments who bring sustainability into their daily decisions. Their engagement is what transforms our ambitions into action by applying their knowledge, sharing ideas, and driving change from within.

We align our efforts with global frameworks and standards such as the UN Sustainable Development Goals, the EU Taxonomy and the IFC Performance Standards, and we have set clear targets to measure our progress. These frameworks guide us, but it is our employees who bring them to life through practical solutions and a shared sense of purpose.

We invite our stakeholders to read this report not only as a summary of results, but as a reflection of the people behind them.

While we have made significant strides in our sustainability efforts, we acknowledge that there is still a long way to go. Our journey towards a more sustainable future is ongoing, and we are committed to continuously improving our practices. We strive to become better every day, driven by our dedication to responsible and innovative solutions. Despite our efforts, there is still much work to be done, and we are determined to keep pushing forward, always aiming to enhance our sustainability practices and make a positive impact.

Øyvind Frydenberg CEO, Tinfos AS



Our climate commitment

According to the United Nations, the energy sector currently accounts for approximately threequarters of greenhouse gas emissions and plays a crucial role in mitigating the adverse impacts of climate change. Transitioning from fossil fuel-based power generation to renewable energy sources, such as hydropower, can significantly curb carbon emissions.

At Tinfos, we are unwavering in our commitment to constructing and operating hydropower facilities that generate renewable energy, thereby fostering a greener energy landscape. Our dedication reflects our pledge to achieve a net-zero emissions target by 2050.

In the past year, Tinfos successfully met its climate objectives for 2024 by producing 310 GWh of renewable hydropower at our facilities. At the same time, we completed construction and commissioning of a new hydropower plant for one of our clients producing additional 48 GWh each year and started the construction of two more small hydropower plants in Norway To enhance our sustainability efforts, we have established processes in collaboration with our suppliers to effectively monitor greenhouse gas emissions from our project activities in Norway and Indonesia. These tools enable us to proactively identify and consider implementing measures to mitigate emissions associated with our hydropower plant construction.

Our primary climate commitment is to build resilient hydropower plants that generate renewable energy, potentially replacing the need for fossil fuels. We are leveraging our success to set strict standards for suppliers in future projects, aiming to further decrease the carbon footprint of hydropower plant construction.





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1 ABOUT THIS REPORT



Report period: Calendar year 2024

We publish this sustainability report to ensure transparent communication with our stakeholders about our sustainability and ESG efforts.

Tinfos AS, a mid-sized Norwegian company, had 34 employees as of December 31, 2024. Our subsidiary, PT Tinfos Hydropower Solutions in Indonesia, employed 9 people. This report focuses mostly on data from our operation and projects in Norway, since projects in Indonesia was still in development until the end of 2024, although some work on the access road in the Nagajaya project had started. Figures from the Nagajaya activities will be reported in 2025.

We follow the Nordic Sustainability Reporting Standard (NSRS) and its Implementation Manual for Level 1 reporting. Our material input, energy, and GHG-emission data were collected using our digital ESG tool from CEMAsys. We also used results from our stakeholder identification process and our Material Assessment.

Additionally, we included information from our Communication on Progress (COP) report for the UN Global Compact principles in human rights, labour, environment, and anti-corruption which is our annual disclosure to our stakeholders on progress made in implementing the ten principles of the UN Global Compact and also information relevant to the Norwegian Transparency Act that came into effect 1 July 2022.

Sustainability and ESG matter to us, particularly because our work in constructing and operating

hydropower facilities contributes to climate change mitigation. Stakeholders expect us to report on these parameters.

In 2024, we enhanced our tools for collecting and analysing GHG emissions data and other relevant ESG information further. This report reflects those improvements, and our efforts made to ensure sustainable hydropower construction, operation, and maintenance.

Our power plants Tinfos I and II and our head office are centrally located by the Tinnelva river in Notodden, in Tinfos' cultural environment. Ever since Tinfos was established in 1894, we have stayed in the area – and left our mark on it. Now, modern business and lifestyle are combined with culture and tradition. The area is an important part of UNESCO's Rjukan – Notodden World Heritage Site. This report includes a section on cultural heritage issues and our activities to maintain Tinfos as an attractive destination.

For a complete picture of our business, sustainability status, and ESG progress, read our Tinfos Annual Report 2024 (Financial), Health, Safety and Environment Annual Report 2024, and our Account for Due Diligence under the Transparency Act. All reports are available online.

This sustainability report has been prepared in accordance with the Nordic Sustainability Reporting Standard – NSRS Level 1. All rights reserved. Read more at www.nsrs.eu.

Comments to this report?

Email to: post@tinfos.no

Asgeir Drugli Chief Sustainability Officer



2 WHO WE ARE

Company name: Organisational form: Organisational number:	Tinfos AS 916 763 476	Number of Tinfos AS, Norway: 34	employees: PT THS, Indonesia: 9			
NACE Code Activities classified after NACE macro-sector codes						
D35.1.1 – Production of electricity D35.1.4 – Trade of electricity F42.2.2 – Construction of utility projects for electricity						

Figure 1 - Who we are

2.1 What we do

Tinfos is a technology company that develops, builds, sells, and operates hydropower plants. We also produce and trade renewable energy from our own hydroelectric power facilities.

The company's vision has been adopted by the Board of Directors:

We accelerate the global transition towards a clean energy future

The company's mission is to design, build, finance, operate and maintain high-quality hydropower plants that create economic, social and environmental values in the markets we operate.

2.2 Our key suppliers



tinfos.no



2.3 Our key stakeholders

In cooperation with a third-party independent consulting company, we have made a stakeholder assessment for Tinfos. Stakeholders have been identified for all segments of the value chain.

Our key stakeholders are:



Figure 3 - Our stakeholders

Stakeholders play a significant role in our company and business. They provide feedback and advice from different perspectives, shaping our activities in the market and community as they engage with various aspects of our business.

Certain stakeholders establish the framework of sustainability requirements that we are committed to uphold, while others represent access to markets and business opportunities. Our actions have an impact on stakeholders affected by our activities, and their feedback provides us with valuable knowledge and experience.

Effective communication and interaction with our stakeholders are essential. We strive to demonstrate our commitment to our business objectives, sustainability, and social responsibility.

On our website and intranet, we aim to ensure transparency by making relevant reports, objectives, and governing documents accessible to our employees, stakeholders, and the public.

In our projects we establish stakeholder programs to identify, engage, and manage relationships with individuals or groups who have an interest in or are affected by our activities, decisions, or performance.

The main goal of the stakeholder program is to build mutual trust, enhance communication, and ensure that stakeholders' perspectives are understood and considered in decision-making processes. This helps to reduce risk, improve transparency and foster long-term collaboration.



3 HOW WE OPERATE

3.1 Our core values

Our ambition is to make sustainable hydropower profitable for our customers and stakeholders. We always aim to deliver the best technology suited for each specific task supported by our market knowledge and business understanding.

Our core values are *agility*, *interaction*, *enthusiasm* and *integrity*.

Our Corporate Governance Policy is available to our stakeholders and to the public on our webpages.

3.2 Our management structure



Figure 4 - Tinfos organization 2024





3.3 Corporate governance and business integrity

Our Corporate Governance Policy is disclosed to our stakeholders on our webpages. Together with our Code of Conduct the governance policy establishes a clear and transparent framework on how Tinfos maintain business integrity.

The Norwegian Corporate Governance Board (NUES) has published the "*Norwegian Code of Practice for Corporate Governance*", which provides principles and guidelines that help clarify the responsibilities and authority of larger companies. In essence, these companies are listed on regulated markets in Norway. The purpose of the Code of Practice is for such companies to have corporate governance that clarifies the division of roles between shareholders, the board of directors and daily management beyond what follows from the legislation.

Tinfos is not listed on regulated markets. Nevertheless, several of the recommendations suit Tinfos and the company's corporate form and ownership. Therefore, the Board of Directors of Tinfos has chosen to follow suitable recommendations by including them in the company's corporate governance policy.

The *Corporate governance policy* for Tinfos is made available on the Tinfos website.

3.4 Integrated reporting

Integrated reporting is a comprehensive approach to corporate reporting that combines financial information with environmental, social, and governance (ESG) data to provide a holistic view of how an organization creates value over time.

At Tinfos we use the following reports to explain how our strategy, governance, performance, and prospects contribute to sustainable value creation in the short, medium, and long term:

- Annual (Financial) Report
- Annual Sustainability Report
- Annual HSE Report
- Annual account for due diligence according to the Transparency Act

All reports are available to the public on our website.

4 ECONOMIC PERFORMANCE

Our economic and financial performance can be reviewed in our Annual Report on our website.







5 OUR CLIMATE IMPACT

Our vision is to accelerate the global transition towards a clean energy future. This means steering our efforts towards the areas where we can contribute the most – that is, where our climate impact is greatest. For Tinfos this means following our mission; to design, build, finance, operate and maintain high quality renewable energy powerplants producing electric power from clean and sustainable hydropower, replacing nonrenewable and less sustainable energy sources.

We recognize that our activities when building and operating hydropower plants represent sources of climate gas emissions. Therefore, it is important for us to monitor and analyze data retrieved directly from the construction projects and operational activities.



Photo M. Kanstad: Frøytlandsfoss, internal audit of the project, from site inspection.

Up till 2021, no monitoring of input materials, waste generation, energy consumption or GHG emissions was done in our projects. In close

cooperation with our clients and our key suppliers, we started monitoring relevant data in our projects in 2021. During 2022 we established tools, processes and procedures providing us with the ability to effectively collect and analyze data related to GHG emissions from all our projects. From 2023 GHG we required GHG data reporting from all our entrepreneurs and suppliers in all our projects through our purchase contracts. In 2024 we established more emission factors for a wider range of products used in our projects, making it possible to establish project specific carbon footprints for all our projects which helps us to establish our baseline for our climate impact.

We aim to use the data to make climate impact assessments, to identify and make qualified priorities of relevant carbon reducing actions and, if applicable; create more specific climate targets for future project activities and operations.



Photo M. Kanstad: Nagajaya, start-up in the project, waste management.





5.1 Materials input



The Global Resources Outlook 2024, published by the UN Environment Programme (UNEP) and the International Resource Panel (IRP) states that over 55% of global greenhouse gas emissions are linked to the extraction and processing of materials—such as fossil fuels, metals, minerals, and biomass. Material use is one of the main drivers of climate change, biodiversity loss, and pollution. Global material consumption has more than tripled over the past 50 years, largely driven by infrastructure development and transportation systems.

At Tinfos, we have established our improvement targets by initially investigating the climate footprint of the products we purchase for building and operating power plants. Additionally, we are exploring the potential for selecting alternative products to reduce the climate footprint from our material input.

In 2024, we successfully completed and commissioned the first two projects where all material consumption of main products used during the construction of hydropower plants was thoroughly mapped and recorded. This enabled us to create a comprehensive overview of the material usage, allowing us to calculate the total climate impact associated with constructing new small hydropower plants.

5.1.1 Input material to Tinfos activities

The input material consumption for our projects was 428.3 tonnes in 2022 and 342.3 tonnes in 2024. These figures primarily include the use of explosives during plant construction, which are reported monthly. The main materials used in the projects, such as concrete, electromechanical equipment, rebar, wood, and waterpipes, are calculated and reported at the end of each project, even though they are used throughout the construction phase. In 2024, this resulted in a more than 30-fold increase in materials (by weight) compared to the previous year.



Figure 6 - Materials input

Input material flow related to administration, operation and maintenance activities on Tinfos powerplants are regarded as negligible for 2024.



HPP CONSTRUCTION PROJECTS	Input	Renewable	Non-renewable	
Material description	[tonnes]	[tonnes]	[tonnes]	Source
Concrete/Cement*	11 689,5		11 689,5	Projects Norway, CEMASYS report
Explosives	23,3		23,3	Projects Norway, CEMASYS report
Steel el/mech components*	86,7		86,7	Projects Norway, CEMASYS report
Rebars* and steelbars*	386,3		386,3	Projects Norway, CEMASYS report
Wood*	2,6	2,6		Projects Norway, CEMASYS report
GRP pipe*	536,3		536,3	Projects Norway, CEMASYS report
Steel pipe*				
SubTotal:	12 724,7	2,6	12 722,1	
OPERATION & MAINTENANCE	Input	Renewable	Non-renewable	
OPERATION & MAINTENANCE Material description	Input [tonnes]	Renewable [tonnes]	Non-renewable [tonnes]	Source
OPERATION & MAINTENANCE Material description	Input [tonnes] 0	Renewable [tonnes] 0	Non-renewable [tonnes] 0	Source Neglible
OPERATION & MAINTENANCE Material description SubTotal:	Input [tonnes] 0 0	Renewable [tonnes] 0 0	Non-renewable [tonnes] 0 0	Source Neglible
OPERATION & MAINTENANCE Material description SubTotal: Tinfos AS	Input [tonnes] 0 0 Input	Renewable [tonnes] 0 0 Renewable	Non-renewable [tonnes] 0 0 Non-Renewable	Source Neglible
OPERATION & MAINTENANCE Material description SubTotal: Tinfos AS Material description	Input [tonnes] 0 0 Input [tonnes]	Renewable [tonnes] 0 0 Renewable [tonnes]	Non-renewable [tonnes] 0 0 Non-Renewable [tonnes]	Source Neglible
OPERATION & MAINTENANCE Material description SubTotal: Tinfos AS Material description Total input material flow:	Input [tonnes] 0 0 10 10 10 12724,7	Renewable [tonnes] 0 0 Renewable [tonnes] 2,6	Non-renewable [tonnes] 0 Non-Renewable [tonnes] 12722,1	Source Neglible

*) Figures are reported in project year of completion. The following projects have been completed and are reported in 202 Buvasselva and Flateland. Buvasselva was completed at the end of 2023, but reported in 2024.

Table 1 - Input materials

Note: Office/administrative-related materials are not monitored as they are not material to Tinfos main activities.

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025



Table 2 - Improvement Targets, Material Input

5.1.2 Methology retrieving material data

Input materials data for *hydropower plant construction projects* is reported regularly, usually each month, by main construction entrepreneurs to the Tinfos project manager. The data is stored and systematized in our digital ESG tool - CEMAsys. Input materials such as cement, electromechanical components, rebar, wood and pipes are reported at project completion according to GHG-protocol principles, and not regularly. Input materials data for *hydropower plant operation & maintenance* is regarded as negligible during normal operation. All the data retrieved is stored in our digital ESG register.

5.1.3 Data quality

The quality of data relies on adherence to contractual sustainability requirements by entrepreneurs. Our experiences thus far have been positive, and the procedures for material data collection appear to function satisfactorily. The data provides a comprehensive overview necessary to identify key input materials, enabling us to set more specific targets for reducing the climate footprint of these materials in the future.



5.2 Waste generated by our activities

Tinfos 2024 Total waste generated:

74,96 tons

In our projects, primary contractors and suppliers manage waste in accordance with detailed waste management plans integrated into their Health, Safety, and Environment (HSE) plans. Tinfos develops project-specific procedures for contractors, outlining the requirements for monitoring and reporting defined Environmental, and Governance (ESG) parameters Social, throughout the construction phase. This encompasses various categories of waste, as delineated in the tables below.

Waste data for operational activities related to power production and operation/maintenance has been collected from financial filings and from reports from the renovation companies where Tinfos has delivered waste fractions. Tinfos started monitoring waste in 2021. The data retrieved is dependent on project activity which makes it difficult to establish relevant specific targets for annual waste reduction. However, they are a helpful tool to ensure that waste is treated according to regulatory requirements and according to our goal to ensure that more than 70% of the waste is recycled.





Waste fractions repo	Waste fractions report Tinfos AS 2024 Jan - 2024 Dec										
Field name	Unit	Total	Diverted fro	m disposal					Directed to d	lisposal	
			Incin. w/	-						Incin. w/o	
			energy	Material		Animal				energy	Other disposal
			recovery	recycling	Reuse	feed	Composting	An.dig./biogas	Landfill	recovery	operations
Cardboard waste, recycled	kg	2,0	-	2,0	-	-	-	-	-	-	-
Commercial waste, landfill	kg	-	-	-	-	-	-	-	-	-	-
EE waste, recycled	kg	1 249,0	-	1 249,0	-	-	-	-	-	-	-
Glass waste, recycled	m3	330,0	-	330,0	-	-	-	-	-	-	-
Metal copper waste, recycled	kg	3 634,0	-	3 634,0	-	-	-	-	-	-	-
Metal iron waste, recycled	kg	6 150,0	-	6 150,0	-	-	-	-	-	-	-
Metal waste, recycled	kg	3 800,0	-	3 800,0	-	-	-	-	-	-	-
Mineral oil waste, incinerated (H)	liters	-	-	-	-	-	-	-	-	-	-
Organic waste, composting	kg	12 940,0	-	-	-	-	12 940,0	-	-	-	-
Organic waste, incinerated	kg	1 210,0	1 210,0	-	-	-	-	-	-	-	-
Paper waste, recycled	kg	210,0	-	210,0	-	-	-	-	-	-	-
Plastic PP-folio waste, recycled	kg	160,0	-	160,0	-	-	-	-	-	-	-
Plastic waste, recycled	kg	-	-	-	-	-	-	-	-	-	-
Residual waste, incinerated	kg	18 325,0	18 325,0	-	-	-	-	-	-	-	-
Wood waste, incinerated	kg	2 605,0	2 605,0	-	-	-	-	-	-	-	-
Wood waste, recycled	kg	24 340,0	-	24 340,0	-	-	-	-	-	-	-
Total sum		74 955,0	22 140,0	39 875,0	-	-	12 940,0	-	-	-	-
Sorted waste share	%	75,6									
Share of total	%	100,0	29,5	53,2	-	-	17,3	-	-	-	-
Sum of non-hazardous waste		74 955,0	22 140,0	39 875,0	-	-	12 940,0	-	-	-	-
Percentage non-hazardous waste	%	100,0									
Sum of hazardous waste		-	-	-	-	-	-	-	-	-	-
Percentage hazardous waste	%	-									
Sum of radioactive waste		-	-	-	-	-	-	-	-	-	-
Percentage radioactive waste	%	-									

Table 3 – Waste fractions 2024





Figure 8 - Waste output by fraction (kg)



Figure 9 - Waste output, % by weight



5.2.1 Retrieval of waste data

Main construction entrepreneurs report monthly waste data for hydropower plant construction projects to the Tinfos project manager. This data, based on waste output, is recorded and organized in our digital ESG register, CEMAsys.

Waste data for hydropower plant operation & maintenance is collected from the waste management companies where waste has been delivered by Tinfos. The reports are checked against financial filing of payments and invoices from the waste management companies used by Tinfos.

5.2.2 Waste data quality

We calculate our waste data from projects based on reports on waste output from our main

entrepreneurs and suppliers in our projects. We believe that there is a relatively high degree of estimated values reported by our entrepreneurs, indicating that more specific requirements are needed to reduce uncertainties.

Collected annual data reports from the waste management companies provide us with a high degree of accuracy.



Figure 10 - Waste recycling and disposal

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Waste	Not started	Ongoing	Achieved
Identify waste categories and establish a process for monitoring output waste			0
Establish method for calculating emmission footprint			0
Review waste management plan for operation, mantenance and electric power production. Update if required.			0
Assess waste output and identify potential for reducing climate footprint from waste		0	
Set specific targets for reducing climate footprint from waste - if applicable	0		
Acchiev	ed 2	024:	0

Table 4 - Improvement targets, Waste



5.3 Energy input and production





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Tinfos Energy Ratio 2024 (kWh)

In 2024 Tinfos imported and used approximately 0,9% of energy compared to the amount of renewable hydropower energy produced and exported by the company owned hydropower plants.

The total energy consumption at Tinfos was 2,8 GWh.

At Notodden (N), the company owned hydropower plants Tinfos I and II produced 292,8 GWh while the hydropower plants Kobbhom/Valvatn in Finnmark (N) produced 18 GWh. Tinfos SPVs produced 1,9 GWh. A total of 312,7 GWh of renewable energy supplied.

Future targets Total energy consumption:						
2023:	Target 7,5 GWh	Realized 6,5 GWh				
2024:	7,5 GWh	4,5 GWh				
2025:	7,5 GWh					

Future Targets Electricity production at Tinfos owned hydropower plants:

	Target	Realized					
2023:	268,7 GWh	279,9 GWh					
2024:	268,7 GWh	312,7 GWh					
2025:	242,0* GWh						
* Redu	* Reduced target due to planned						
maintenance of hydropower							
nlant	c						



Energy consumed by Tinfos activities and assets							
Energy consumed	Total						
by source/location	(kWh)	Renewable (kWh)	Non-Renewable (kWh)				
Tinfos Assets, electricity	1 499 973	1 424 975	74 999				
Tinfos SPVs, electricity	0	0	0				
Tinfos branch offices, electricity	27 750	14 393	13 358				
Employee Commuting, Car - Diesel	330 226	0	330 226				
Employee Commuting, Car - Petrol	2 457	0	2 457				
Employee Commuting, Car - Hybrid	22 009	0	22 009				
Employee Commuting, Car - Electric	2 790	2 651	140				
Construction vehicles - Diesel	842 643	0	842 643				
Construction power - Electricity	109 800	104 310	5 490				
Tinfos Group Assets and offices	1 527 723	1 439 367	88 356				
Construction project site activities	952 443	104 310	5 490				
Commuting and business travel	357 483	2 651	354 832				
TOTAL Tinfos (kWh)	2 837 649	1 546 328	1 291 321				
TOTAL Tinfos (%)	100 %	54 %	46 %				

Energy produced by Tinfos hydropower plants						
Energy produced	Total					
by source/location	(kWh)	Renewable (kWh)	Non-Renewable (kWh)			
Tinfos I/II	292 800 000	292 800 000	0			
Kobbhom/Valvatn	18 000 000	18 000 000	0			
Tinfos SPVs	1 900 000	1 900 000				
TOTAL Tinfos (kWh)	312 700 000	312 700 000	0			
TOTAL Tinfos (%)	100 %	100 %	0 %			

Table 5 - Energy used by Tinfos assets and activities

Table 5 above shows a detailed overview of the total energy consumption and energy production at Tinfos during 2024. The figures includes both hydropower plant construction projects, operation and administration.

The figures do not contain data related to project activities, travels and commuting in Indonesia, as our project in Nagajaya started at the end of 2024. The figures from the Nagajaya project will be reported in the 2025 sustainability report next year. The main sources of imported energy to Tinfos activities are renewable electricity used for the Tinfos assets and diesel for construction activities. The total renewable hydropower production in 2024 was 312,7 GWh. The target for renewable hydropower production next year, in 2025, is reduced to 242 GWh due to planned maintenance of the hydropower plants at Notodden.





Figure 12 - Energy distribution and consumption mix (MWh)

Compared to previous years, the energy used for construction activities in the field has been reduced in 2024. This is mainly due to lower project site activities than in 2023. The main source of imported energy to Tinfos in 2024 was renewable electricity (55%), mostly used for Tinfos buildings and hydropower plants, whereas diesel (41%) is mainly used by construction vehicles and to some extent employee commuting and travels.



Figure 13 - Energy imported/purchased by source

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Energy	Not started	Ongoing	Achieved
Identify all renewable energy produced by Tinfos			0
Identify all material energy consuming entities by source/location			0
Establish methodology to collect relevant energy data for each source/location			0
Establish initial calculation models to present all energy consumption in kWh for 2021			0
Review calculation models and refineto reduce uncertainty in the figures for 2022			0
Set specific targets to reduce energy consumption - if applicable		0	
Esgablish routines of collecting travel and commuting data for branch offices abroad.	0		
Acchiev	ed 20	024:	0

Table 6 - Improvement targets, Energy



5.3.1 Method used to retrieve energy data

Tinfos assets and SPVs

Electricity consumption by Tinfos assets is measured in kilowatt-hours (kWh) and is obtained directly from the relevant electricity meters on elhub. (www.elhub.no)

Tinfos branch offices

The Tinfos branch offices are located in Rosendal in the western part of Norway, Lysaker in the eastern part of Norway and in Jakarta in Indonesia. The branches are relatively small office locations, where electricity and energy costs are included in the office rent.

By assuming a standard office space allocation per employee in a modern office building and estimating the annual energy consumption per square meter for buildings in both Norway and Indonesia, we can derive an estimate of energy consumption per employee. For each branch we multiply the energy consumption by the number of employees at the location to find a rough estimate of the energy consumed by Tinfos at each branch office.

When calculating how much of the energy use in Norwegian branch offices that are renewable and non-renewable we refer to NVE website on "power declarations".

(https://www.nve.no/energi/energisystem/energib ruk/stroemdeklarasjoner/). Renewable sources contributed with 95% of the electric consumption in Norway in 2023. (Figures for 2024 not available yet).

When calculating how much of the energy use in Jakarta branch offices that are renewable and nonrenewable we refer to EMBERs article "Indonesia's expansion of clean power can spur growth and equality": (https://ember-energy.org/latestinsights/indonesias-expansion-of-clean-power-canspur-growth-and-equality/)

Renewable sources contributed with 19% of the electric consumption in Indonesia in 2023.

Vehicles

Financial filings in Xledger (accountancy software) of travel expences for employees contain kilometers (km) travelled and the fuel-type used by vehicles during 2024.

To calculate energy consumption, we upload collected data to our digital ESG system supplied by CEMAsys, where scientific factors are established within the system by CEMAsys, providing figures showing total energy consumption (kWh) for all types of vehicles and energy sources.

Construction projects

The energy consumption in construction projects consists of three main components:

- Fuel consumption, construction machinery
- On site Electric power consumption
- Employee commuting

The main entrepreneurs at construction site report consumption data for each required component to Tinfos each month. To calculate energy consumption, we upload collected data to our digital ESG system supplied by CEMAsys, where scientific factors are established within the system by CEMAsys, providing figures showing total energy consumption (kWh) for all types of vehicles and energy sources.

Business travel by train and airplane

The amount of energy used by Tinfos for train and airplane travels in 2024 is negligible and is not included in the energy calculation.



5.3.2 Uncertainties about the energy data quality

Tinfos assets and SPVs

The electricity consumption by Tinfos assets has minor uncertainty and is regarded as exact.

Tinfos branch offices

Uncertainty is high when estimating electricity consumption at Tinfos branch offices, but the impact of uncertainty due to the small energy amount this represents is minor. The methodology is regarded as appropriate.

Private cars (Diesel, Gasolin, Hybrid, Electric)

The uncertainty for calculating the fuel consumption for private cars is moderate, as the

calculations does not take into consideration carload, number of passengers, car label etc. Only vehicletypes, fueltypes and km travelled are considered.

Construction projects

The uncertainty associated with construction projects often stems from the supplier's capacity to provide accurate reports.

Travelling data from branch office in Jakarta, Indonesia

We have yet to establish routines for collecting travel data from our Jakarta branch office. The construction of the access road to the Nagajaya project began at the end of 2024. Data from this project will be included in the 2025 sustainability report.



Nagajaya, Road access and a temporary shelter in the background



5.4 Greenhouse gas (GHG) emissions

Total GHG emissions from Tinfos activities

Tinfos 2024 Total GHG emissions:

3 425,3 tCO₂e

Our materiality assessment shows that climate change mitigation is a material issue for Tinfos' stakeholders. We therefore make an effort to present the climate footprint from all our activities in tCO₂e. We have established scientific methodologies for greenhouse gas emission calculations by implementing the digital CEMAsys carbon footprint module. In 2024 Tinfos' activities resulted in 3 425.3 tons CO₂e of total GHG emissions. 89.9% (3078 tons CO₂e) of the emissions originated from purchased goods and services in construction projects.

Reduced GHG emissions by Tinfos hydropower production

Reduced GHG emissions by indirect hydropower

Tinfos' main contribution to climate change mitigation is to produce renewable electricity from hydropower. To create a picture of the climate change mitigation from Tinfos' owned hydropower plants we assume that our produced renewable energy replaces an energy body like the EU electricity mix. According to the European Environment Agency the greenhouse gas emission intensity of EU power generation by using 1 kilowatt hour EU27 2023 was 210 gCO₂e/kWh. Using this figure on GHG emission intensity we find that Tinfos' owned hydro power plant renewable production of 312,7 GWh of electricity in 2024 corresponds to a reduction of greenhouse gas emissions of 65 667 metric tons of CO₂e.

production

Tinfos 2024 GHG emissions avoided:

65 667 tCO₂e

Tinfos 2024 GHG emmissions avoided:

79 170 tCO₂e

have been built by Tinfos since 2009, we find that they represent an additional production of 377 GWh for 2024. That means that Tinfos in addition to avoiding GHG emissions of 65 667 tons CO_2e from our own hydropower plants, contributed indirectly to an additional reduction of greenhouse gas emissions of 79 170 metric tons of CO_2e avoided. It is important, however, to emphasize that these hydropower facilities have been purchased by - and transferred to -

By utilizing the same method as stated above for all hydropower plants that

our clients and customers. They are now the rightful owners of these hydropower facilities and have most likely, if they are reporting on sustainability, included this contribution to climate change mitigation in their own sustainability report.

	Tinfos futur Total GHG -0	e targets: emissions	Tinfos future targets: Reduced GHG emissions			
2023: 2024: 2025:	Target 2000 tCO2e 1300 tCO2e 3000 tCO2e	Realized 1378 tCO₂e 3425 tCO₂e	2023: 2024: 2025:	Target 70 000 tCO₂e 70 000 tCO₂e 50 000* tCO₂e	Realized 70 255 tCO₂e 65 268 tCO₂e	
			* Reduced target due to planned maintenance of hydropower plants			

Figure 14 - GHG emission targets



The GHG Protocol is the most widely used international accounting tool for climate gas emissions. Tinfos use the definitions by the GHG Protocol which categorizes greenhouse gas (GHG) emissions in three groups or scopes. The scopes as defined by the GHG protocol are as follows:

GHG Protocol – GHG emissions scope definitions					
Scope 1	Scope 2	Scope 3			
Direct GHG emissions	Electricity indirect GHG emissions	Other indirect GHG emissions			
Direct GHG emissions occur from sources that are owned or controlled by the company, for example emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment.	Accounts for GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated.	Scope 3 is an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples are extraction and construction of purchased materials; transportation of purchased fuels; use of sold products and services, business travel, waste disposal, transportation of products, employee commuting.			

Figure 15 - GHG emissions scope definitions

In 2024, Tinfos successfully completed the planned identification and reporting of material scope 3 emissions, including purchased goods and services, waste output, business travel, and employee commuting. Over the past year, we finalized the reporting of carbon footprints for our projects, including the Buvasselva and Flateland projects, as part of our commitment to comprehensive GHG monitoring.

Material scope 3 sources, such as cement, electromechanical equipment, steel/rebar, wood, and pipes, were thoroughly evaluated at project completion last year. In collaboration with CEMAsys, we established scientific conversion factors to calculate the total lifecycle footprint for each project. This enabled us to report on all relevant scope 3 emissions in alignment with our project timelines and sustainability goals. This milestone marks a significant achievement in our ongoing efforts to enhance transparency and accountability in carbon accounting. As the figure below show, the reporting of main purchased materials (scope 3) at project completion for the two first projects where GHG-emmissions were mapped from the start resulted in a significant increase of Scope 3 emmissions compared to the two previous years.



Figure 16 - Annual GHG emmissions scope distribution



Carbon accounting is a fundamental tool in identifying tangible measures to reduce GHG emissions. The annual carbon accounting report enables the organization to benchmark performance indicators and evaluate progress over time.

The input data is based on consumption data from internal and external sources, which are converted

into tons CO₂-equivalents (tCO₂e). The carbon footprint analysis is based on the international standard; *A Corporate Accounting and Reporting Standard*, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol). The GHG Protocol is the most widely used and recognized international standard for measuring greenhouse gas emissions and is the basis for the ISO standard 14064-I.

GHG emissions from Tinfos activities

		Total	Renewable	Non-Renewable	Tinfos AS	GHG Protoc
Emission source	Energy source	kWh	kWh	kWh	tCO ₂ e	classificatio
Transportation, Construction vehicles	Diesel	842 643	0	842 643	225,5	Scope 1
Construction Power, building site	Electricity	109 800	104 310	5 490	0,8	Scope 2
Tinfos Assets and Offices	Electricity	1 527 723	1 439 367	88 356	23,1	Scope 2
SPVs	Electricity	0	0	0	0,0	Scope 2
Employee Commuting, Car - Diesel	Diesel	330 226	0	330 226	34,3	Scope 3
Employee Commuting, Car - Petrol	Petrol	2 457	0	2 457	0,6	Scope 3
Employee Commuting, Car - Hybrid	Petrol	22 009	0	22 009	4,8	Scope 3
Employee Commuting, Car - Electric	Electricity	2 790	2 651	140	0,1	Scope 3
Business travel, Air travel	Aviation fuel				47,7	Scope 3
Waste	-				10,2	Scope 3
Purchased Goods and Services*	-				3 078,4	Scope 3

TOTAL Tinfos tCO2e: 3 425,3

*Scope 3 GHG-emissions from main purchased goods and services					
		Conversion factors	Tinfos AS	GHG Protocol	
Emission source	Metric tonnes	[tCO2e/t material]	tCO ₂ e	classification	
Concrete/Cement	11 689,5	CEMAsys	1 474	Scope 3	
Explosives	23,3	CEMAsys	30	Scope 3	
Steel el/mech components	86,7	CEMAsys	321	Scope 3	
Rebar (steel)	386,3	CEMAsys	349	Scope 3	
Wood	2,6	CEMAsys	1	Scope 3	
GRP pipe	536,3	CEMAsys	904	Scope 3	
Steel pipe	0,0	CEMAsys	0	Scope 3	
				1	

Purchased goods and services 3078,4

Table 7 - GHG emissions Tinfos 2024

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

GHG emissions	Not started	Ongoing	Achieved
Establish preliminary GHG calculation methodology caused by Tinfos' activities			0
Establish scientific GHG calculation methodology caused by Tinfos' activities			0
Establish scientific GHG lifecycle calculation methodology caused by Tinfos' purchased goods and services.			0
Identification of emission sources in all of Tinfos activities			0
Establish preliminary methodologies to calcalculate emissions in tCO2e for each source			0
Establish scientific methodologies to calculate emissions in tCO $_2$ e for each source			0
Establish procedures for monitoring and reporting key data parameters			0
Set specific targets for reducing GHG emissions - if applicable	0		
Acchiev	ed 2	024:	0

Table 8 - Improvement targets, GHG emissions





According to the GHG protocol, materials purchased for a project are reported upon project completion. Tinfos has included the completion of Buvasselva and Flateland in the 2024 report. This includes the lifecycle GHG footprints of main material flows such concrete/cement, explosives, as steel/electro-mechanical equipment, GRP piping, rebars, steel bars, and wood. In addition, we are reporting on GHG-emissions from waste handling, fuel and energy used on construction site and assets, project related personnel commuting and business travel.



Figure 17 - GHG emissions by source



5.4.1 Methodology and sources

The Greenhouse Gas Protocol initiative (GHG Protocol) was developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). This analysis is done according to A Corporate Accounting and Reporting Standard Revised edition, currently one of four GHG Protocol accounting standards on calculating and reporting GHG emissions. The reporting considers the following greenhouse gases, all converted into CO₂-equivalents: CO₂, CH₄ (methane), N₂O, SF₆, HFCs, PFCs and NF₃.

For corporate reporting, two distinct approaches can be used to consolidate GHG emissions: the equity share approach and the control approach. The most common consolidation approach is the control approach, which can be defined in either financial or operational terms.

The carbon inventory is divided into three main scopes of direct and indirect emissions.

The electricity emission factors used in our CEMAsys ESG register are based on national gross electricity production mixes from the International Energy Agency's statistics (IEA Stat). Emission factors per fuel type are based on assumptions in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA statistics. In January 2015, the GHG Protocol published new guidelines for calculating emissions from electricity consumption. Primarily two methods are used to "allocate" the GHG emissions created by electricity generation to the end consumers of a given grid. These are the location-based and the market-based methods. The location-based method reflects the average emission intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or not chosen).

In this report the location-based method is utilized: The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilize a mix of energy resources, where the use of fossil fuels (coal, oil, and gas) result in direct GHG emissions. These emissions are reflected in the location-based emission factor.

Tinfos and supplier air travel

For flight travel calculations in 2024, we have obtained data (kilometers flown) from our Travel Agency Berg-Hansen, combined with emission factors from the CEMAsys ESG register.





5.5 COMMUNICATION ON PROGRESS (COP) AND THE TRANSPARENCY ACT

We are convinced that the active participation of business and industry is crucial for the world to succeed in achieving UN's sustainability goals. That is why we in May 2021 formalized our commitments through our membership in the world's largest corporate sustainability initiative – the UN Global Compact.

Our commitment to the ten principles of UN Global Compact has spurred our focus on sustainability and good governance in the four areas Human Rights, Labor, Environment and Anti-Corruption in a more systematic and target-based manner than previously.

> Read more at about UN Global Compact: <u>www.globalcompact.no</u> www.unglobalcompact.org

By committing to the UN Global Compact, we provide an annual Communication on Progress

(COP) report detailing our actions to uphold its ten principles in our business strategy, culture, and operations. Our COP summary is included in this sustainability report and submitted to the UN Global Compact's CoP Digital Platform. This report is available to all stakeholders and the public on our website.

On 1 July 2022, the Transparency Act (Nw.: Åpenhetsloven) came into effect in Norway. The Transparency Act aims to promote respect for fundamental human rights and decent working conditions by enterprises and ensure public access to information about how enterprises address adverse impacts on human rights and working conditions. The intentions of the act align with those of the UN Global Compact and encourage larger enterprises to conduct due diligence processes on responsible business conduct, particularly related to human rights and labor conditions. Since then, Tinfos has conducted annual due diligence processes as required by the Transparency Act. Our account for due diligence according to the Transparency Act is available on our website.

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

COP and the Tranparency Act	Not started	Ongoing	Achieved
Decision to commit to the ESG leadership standard and principles of the UN Global Compact.			0
Establish an ESG supplier declaration of conformity communicating our expectations to implement the 10 principles in our value chain.			0
Release the first Tinfos COP within Q2 2022			0
Staff training to increase awareness of UN Global Compact's 10 principles and the COP.		0	
Establish process for supply chain implementation and management for all 10 principles.			0
Due Dilligence on responsible business conduct according to the Transparency Act			0
Acchieve	ed 20)24:	0

Table 9 - Improvement targets, COP



5.6 Human Rights

Tinfos respects and supports the universal declaration of human rights of all individuals and stakeholders who could potentially be impacted by our business. Tinfos board of Directors and executive leadership are actively involved in approving and following up on disclosures and actions related to Human Rights.

Tinfos adheres to the Norwegian Transparency Act and the OECD Guidelines for Responsible Business Conduct. This means the company is committed to conducting due diligence to identify, prevent, and mitigate adverse impacts on human rights and decent working conditions—both within its own operations and throughout the supply chain.

Due diligence is carried out systematically and regularly, including risk and vulnerability assessments for each human right for markets in both Norway and Indonesia, and materiality assessments and stakeholder mapping is conducted to ensure relevance and focus in our project activities.

Tinfos has implemented several measures to ensure compliance and continuous improvement including integration of human rights commitments into ethical guidelines and supplier declarations, training programs for employees on ESG and human rights and enhanced focus on establishing procedure for

UN GLOBAL COMPACT

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

supply chain management processes which includes human rights.

We request that employees, suppliers, local communities, and other stakeholders inform us through our grievance redress mechanisms about any conditions that may involve human rights violations associated with Tinfos' activities, so that we can take appropriate action.

We establish project-specific grievance redress mechanisms for each project, using various methodologies to address grievances and complaints, with a focus on local communities affected by our activities and employees of contractors working in our projects.

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Human rights	Not started	Ongoing	Achieved
Include our human rights commitment the Tinfos Code of Conduct.			0
Establish an ESG supplier declaration of confirmity including human rights commitment			0
Communitcate our CoC and ESG supplier declaration to our stakeholders and public on web			0
ESG-introduction for our staff at Tinfos including our human rights commitment			0
Make a risk assessment of all human rights to identify material human rights relevant for Tinfos activities			0
Establish processes for supply chain management including human rights assessments		0	
Establish regular training programs for all employees related to CoC and human rights	0		
A		224.	0

Acchieved 2024: O

Table 10 - Improvement targets, Human rights

Observed human rights violations will be identified as ESG-non conformances and registered and handled in our non-conformance system. We did not receive any reports from our suppliers or other stakeholders, either directly or by the grievance redress mechanisms, related to human rights violations in relation to Tinfos' activities in 2024.





Photo M. Kanstad: Nagajaya, local female landowner



5.7 Gender equality

Report on gender equality

In Tinfos AS there are 26% women and 74% men. In the Tinfos Group there are 28% women and 72% men.



Figure 18 - Gender composition in Tinfos

The ratio of basic salary and remuneration between women and men for each employee category at Tinfos AS, as defined by the NSRS standard, is calculated using the formula: average salary for women divided by average salary for men within each category. A ratio greater than 1 indicates that women, on average, earn a higher salary in that category, while a ratio less than 1 means that men, on average, earn more. The figure below indicates that the average salary for women exceeds that for men in the categories of *Mid management* and *Administration/Finance staff.* Conversely, the average salary for women is lower than that for men in the categories of *Leaders* and *Technical/Project staff.*

The average salary for women is 19% lower than the average salary for men at Tinfos, as it was last year. This difference is primarily due to the fact that only 18% of leadership and mid-management positions were held by women in 2024.

In 2024, the average salary gap between women and men either decreased or remained unchanged in all categories within the company, except for the Leaders category, where the gap increased.

The following figure encompasses all employees, excluding the Chief Executive Officer.



Figure 19 - Ratio of basic salary (women avg./men avg.)



5.8 Labour

Tinfos comply with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, with specific references to the ILO Core labor Conventions. This principle is made transparent to our stakeholders and to the public on our webpages.

We have integrated the principle of right of employees to form and join trade unions, and our recognition of the right of employees to conduct collective bargaining, in our policies and our in Code of Conduct.

The Tinfos Code of Conduct states that we do not tolerate exposing employees to social dumping in the sense of serious breaches of health, environmental and safety rules, including rules on working hours and requirements for housing standards or that employees are offered wages and other benefits that are unacceptably low compared to what employees normally earn in the same country.

We regard our employees as our most important asset, and we put the health and safety of our workers, and those we with, first. The work Norwegian Working Environment Act together with the Internal Control Regulations contain requirements for the enterprise's own activity about systematic HSE work. The systematic HSE work in Tinfos AS, including labour conditions and working environment, is described in our Health, Safety Environment and Annual Report for 2024, available on our webpages.

UN GLOBAL COMPACT

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Read more at about Tinfos' work on sustainability and social responsibility:

https://www.tinfos.no/en/sustain ability-and-social-responsibility/

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Labour (N)	Not started	Ongoing	Achieved
Include labor as a topic in our sustainability policy.			0
Include the right to form and join trade unions and to engage in collective bargaining in the Code of Conduct.			0
Report systematic HSE (Health, Safety, and Environment) efforts in the annual report.			0
Communicate our labor policy and relevant reports to our stakeholders and the public online.			0
Establish an ESG supplier declaration of compliance, including labor policy.			0
Establish processes for supply chain management, including labor and HSE assessments.		0	
Establish new and updated HSE requirements that include conditions related to decent work.			0
Conduct a risk assessment related to the material social topics identified in the materiality assessment.			0
Establish procedures for spot checks/audits of suppliers with a specific focus on wages, safety, and accommodation			
conditions for contracted labor.	0		
Acchiev	ed 2	024:	0

Table 11 - Improvement targets, Labour, Norwegian market



As part of our international expansion, we have prioritized the establishment of robust frameworks to ensure decent working conditions for contractor employees engaged in our infrastructure projects in Indonesia. In alignment with the IFC Performance Standards on Environmental and Social Sustainability, we have implemented tailored planning and monitoring tools that address key sustainability themes, including labour rights and human dignity. Our due diligence assessments have identified elevated risks related to forced labour, occupational safety, and wage conditions in the Indonesian context. In response, we have

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introduced enhanced contractual requirements for all contractors, including mandatory compliance with our ESG Code of Conduct, and we are preparing processes for supplier audits and site inspections. Independent ESG consultants are engaged to conduct environmental and social impact assessments (ESIA) in our projects, and our project managers are held accountable for ensuring that all health, safety, and labor standards are fully integrated into the project execution. These measures reflect our commitment to responsible business conduct and to safeguarding the rights and well-being of all workers across our value chain.

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IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Labour (ID)	Not starte	Ongoing	Achieved
Include labour as a topic in our sustainability policy regarding governance (ref. PS2-8)			0
Include right to form and trade unions and collective bargaining in Code of Conduct (ref. PS2-10, 13,14)			0
Report systematic HSE activities in annual report 2022			0
Communicate our labour policies and relevant reports to our stakeholders and public on web			0
Establish an ESG supplier declaration of conformity including labour policies			0
Establish project grievance mechanisms for workers (including hired workers) and their organisations (PS2-20,26)			0
Establish group policies and instruction to follow ILO's requirements for child labor where national laws do not have provisions. (PS2-21)			0
Establish group policies on forced or involuntary labour, including trafficed persons. (PS2-22)			0
Establish processes for supply chain management including labour and HSE assessments		0	
Establish project communication and information plans for workers related to workers rights (ref. PS2-9)		0	
Establish project procedures identify migrant workers to ensure equal terms and conditions (ref. PS2-11)		0	
Establish project management procedures of worker's accommodation and provision of basic services (ref. PS2-12)			0
Establish project employment procedures based on principle of equal opportunity and fair treatment (PS2-15,16,17)		0	
Establish project retrenchment procedures based on principle of equal opportunity and fair treatment (PS2-18,19)	0		
Establish project procedures to identify, assess and manage potential hazards to workers (PS2-23)			0
Establish group policies and instruction to ascertain that third parties engaging hired workers are reputable and legitimate enterprises and have an appropriate ESMS. (PS2-24,25,26)		0	
Establish policies and procedures for managing and monitoring performance of third-party employers on issues related to hired workers. (PS2-25)	0		
Establish project supply chain assessment and monitoring programs on child labor, forced labor and safety issues related to supply chain workers with the goal to maintain relations with suppliers that can demonstrate that they are complying with the IFC Performance Standard 2. (PS2-27,28,29)	0		
Conduct risk assessment related to material social topics identified in materiality assessment.			0
Incorporate clearer contractual requirements for suppliers regarding decent wages in accordance with Indonesian laws and regulations.	0		

Acchieved 2024: O

Table 12 - Improvement targets, Labour Indonesia

All observed labor and HSE non-conformances are registered, classified, and processed as ESG non-conformances in our non-conformance system.

In 2024, 53 non-conformances related to occupational health and safety, or community impact were reported, processed, and closed according to our non-conformance management procedures.





5.9 Environment and biodiversity

5.9.1 Environmental measures

Conservation of biodiversity is crucial for robust ecosystems, especially when it comes to natural areas along waterways. Among other things, trees along waterways play an important role by reducing erosion, providing shelter for fish and small animals and serving as habitats for insects. These insects constitute an important source of food for fish and birds and are key factors for living habitat in watercourses and along riverbanks.

To ensure fish reproduction, it is important to protect and restore spawning streams for fish and ensure safe habitats in the form of pools and watercovered areas. Furthermore, it is crucial to establish effective migration solutions for anadromous fish (salmon, eel, sea trout) to help these threatened species with safe upstream and downstream migration. This also concerns local fish tribes, and their access to small side rivers. For bird life, such as the Eurasian Dipper (*Cinclus cinclus*), the installation of adapted nest boxes is important to compensate for changes in nesting areas because of hydropower along waterways.

UN GLOBAL COMPACT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

The basis for the implementation of measures is provided through terms and conditions given in the concession, input from stakeholders and landowners, the environment and landscape plan and technical plan for the specific projects. All measures must be approved by the Norwegian Water Resources and Energy Directorate, NVE. In Tinfos we have had several projects where specific habitat measures have been implemented in 2024.

Project Smådalelva: Preservation of a protected natural type, in the form of old pines and ash trees within the land use plan for the project. Trees were marked and felling was reduced to a minimum.



Photo K. Eftevand: Smådalselva, example of marked trees.

Project Flateland: Restoration of river courses for fish migration, with adapted bottom substrate and lowered culvert. The Flateland project generated large rock fills from tunneling. The stone fills and the affected area have been returned with native growth masses and arranged for natural vegetation.



Photo A. Drugli: Flateland, Submerged culvert under the road and fish-friendly substrate.





Photo A. Drugli : Flateland, side run with environmental design.

Project Frøytlandsfoss: Migration solution for eel and planning for nesting box for Eurasian Dipper. Measures have also been taken for a submerged culvert to ensure migration routes for fish in intersecting streams. In addition, edge vegetation has been preserved along the river's course where this was possible.



Photo A.Georgescu: Native trout, pictured in the side river.

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Photo R. Mork: Frøytlandsfoss, HSE personnel observing eel-friendly vertical sanded grooves at the intake grate.



Photo A Georgescu: Frøytlandsfoss, fish friendly submerged culvert under road.



5.9.2 Habitat management

Final landscaping is a critical phase in all our projects. Our goal is to ensure that disturbed land areas are meticulously restored to blend seamlessly with the natural landscape. A key part of this involves using soil masses that originated from the immediate vicinity.

This practice is crucial for minimizing the risk of introducing alien (non-native) species into the affected ecosystems. By returning the native soil, we help maintain the existing ecological balance and prevent the proliferation of invasive plants or microorganisms that could outcompete local flora and fauna, disrupt natural habitats, or alter the area's biodiversity.

In **Project Smådalselva**, the area for the power station and intake has been removed, as well as the road to the intake. Final rounding will be done in 2025 and therefore indicated with 0 Ha in the table below for 2024. Habitat protected in this project means areas within the land use plan that have been chosen to be retained, such as older trees.

In the **Flateland** project, relatively large areas have been restored in 2024. This is related to the project completion and the final rounding off, where large sections of rock masses from tunneling were used as a base for local soil masses.



Photo E. Smedstad: Flateland, Landscape design.

Habitat previously removed and habitat protected during the construction phase were reported in the sustainability report for 2023.

In **Project Frøytlandsfoss**, surface soil from the intake, power station, and road areas was removed, but grazing and edge vegetation zones were protected. Restored areas in 2024 are linked to storage and agricultural zones.

Project Stårheim was scheduled to start in the fall of 2024, and land preparation for the pipeline, intake, and power station has begun. Top soil masses are removed and preserved for final rounding and landscaping.



Photo. M.Odden: Stårheim, Pipeline is planned, and soil masses are preserved for final rounding.

Affected areas stated in hectars Ha	Habitat removed	Habitat enchanged or restored	Habitat protected (on-site)	Habitat maintained
Frøytlandsfoss	0,7	0,005	0,04	0
Flateland		35,1		0
Smådalselva	0,4	0	0,2	0
Stårheim	0,85			
SUM Ha	1,95	35,105	0,24	0

Table 13 - Habitat management in our projects 2024



5.9.3 Water withdrawals / discharges

As part of our commitment to responsible water stewardship, we continuously monitor and report on water withdrawals and discharges across our hydropower operations. Each year, we track the volume of water withdrawn from natural sources and returned to the water system after use in energy generation in our hydropower plants. Since hydropower operates in a closed-loop system with minimal consumptive use, most of the water is discharged back into the environment under controlled conditions. By maintaining records and ensuring compliance with environmental standards, we aim to safeguard local ecosystems and contribute to the sustainable management of shared water resources. Transparent reporting of these figures reflects our dedication to minimizing environmental impact while supporting long-term, renewable energy production. In 2024 a total of four billion one hundred fifty-eight million litres of surface water with freshwater quality passed through our turbines to produce 312,7 GWh of renewable hydropower energy.



Figure 20 - Water withdrawals and discharges

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Environment		Ongoing	Achieved
Training staff to become certified user of IHA's Hydropower Sustainability Tools.			0
Establish environmental action plans (EAP/Nw.: MOP) in ongoing projects			0
Sustainability policy for environmental topics from Materiality Assessment			0
Enhance non-conformance system to include registration and reporting ESG non-conformances			0
Establish procedures in hydropower project enableing monotoring of input materials and GHG			0
Establish ESMS (Environmental and Social management System) for Tinfos projects and power production		0	
Conduct risk assessment of material environmental topics from materiality assessment.			0

Acchieved 2024: O

-

Table 14 - Improvement targets, Environment

All observed environmental non-conformances are registered, classified and processed as ESG nonconformances in our non-conformance system. In 2024, 52 non-conformances related to environment were reported, processed and closed according to our non-conformance management procedures.





5.10 Anti-corruption

Tinfos follows a zero-tolerance policy with regard to all forms of corruption and takes active measures to ensure that corruption is not a part of any of our business activities. Our policy on corruption is committed in our Code of Conduct, available on our webpages.

The Corruption Perceptions Index (CPI), published annually by Transparency International since 1995, ranks 180 countries and territories based on perceived levels of public sector corruption. Scores range from 0 (highly corrupt) to 100 (very clean), derived from expert assessments and business surveys.

Our main market up till now have been hydropower plant construction and renewable energy production in Norway which maintained a strong position with a CPI score of 81 in 2024, ranking 5th globally . However, this represents a decline from a score of 88 in 2015, marking the lowest point since 2012 .

The downward trend is attributed to factors such as vulnerabilities in public procurement processes, instances of political corruption, and the absence of a comprehensive national anti-corruption strategy.

Indonesia's CPI score increased to 37 in 2024, up from 34 in both 2022 and 2023, moving its global

IMPROVEMENT TARGETS

UN GLOBAL COMPACT

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

ranking to 99th out of 180 countries. However, experts caution that this improvement may be misleading due to changes in the assessment methodology. Specifically, the inclusion of a new indicator from the World Economic Forum (WEF) in 2024, which was not part of previous assessments, complicates direct comparisons with earlier years. The probability of running into situations where corruption is attempted in the Indonesian market is regarded as high by Tinfos.

For this reason, anti-corruption is a prioritized topic for Tinfos, and Tinfos is currently working on the formal establishment of an anti-corruption program by 2025. We look to the *Transparency International* – *Business principles for Countering Bribery small and medium enterprise (SME) edition* as guidance for our work on an anti-corruption management system that will provide us with tools that brings Tinfos' policy of zero tolerance for corruption and bribery into practice.

Baseline year: 2021 - Target year: 2025

Anti-corruption	Not started	Ongoing	Achieved
Tinfos management team staff training. Internal introduction program to Anti-corruption.			0
Staff training, all employees. Internal introduction Code of Conduct inluding Anti-corruption.			0
Establish anti-corruption policy for Tinfos			0
Disclose anti-corruption policy to stakeholders and the general public on webpages (CoC)			0
Establish clear grievance mechanisms, both on web and as internal procedures			0
Establish invoice control and approval routines that involves more than one employee.			0
Study best practice and collect information to learn more about anti-corruption work.			0
Establish clear sanctions if procedures regarding anti-corruption has not been followed	0		
Conduct specific training program for staff with field assignments to high risk areas	0		
Establish routines remining employees of Tinfos anti-corruption policy	0		
Consider regular signing of a-corruption declaration of conformity for staff in high-risk areas	0		
Establish anti-corruption requirements in contracts with partners, suppliers and agents			0
Acchiev	ed 20)24:	0

Table 15 - Improvement targets, Anti-corruption

All corruption attempts and other corruption related situations are registered, classified and processed as ESG non-conformances in our non-conformance system.

In 2024, 0 non-conformance related to corruption-risk were reported, processed and closed according to our non-conformance management procedures.



5.11 CULTURAL HERITAGE

Our power plants and our head office in Notodden are centrally located by the Tinelva river in Notodden, in Tinfos' industrial cultural area. Three generations of hydropower plants that offer a cultural-historical perspective on industrial beginnings that were based on hydropower are located here. The area offers a perspective on social development in Norway, in the late 1800s and early 1900s. Ever since Tinfos was established in 1894, we have stayed in the area – and left our mark on it. Now, modern business and lifestyle are combined with culture and tradition.



Photo: GodtSagt/Tinfos, Tinfos industrial cultural area

5.11.1 Tinfos industrial cultural area

In 2014 the Tinfos area was established as a formally protected industrial cultural area.

The main purpose of the conservation of the area is to safeguard and preserve a distinctive and wellpreserved industrial and urban environment with surroundings, which are representative of industrial development and social development at the end of the 1800s and beyond.

The preservation ensures that the overall historic industrial context of the area is protected and preserves technical facilities as well as the culturalhistorical values of the exterior of the buildings.

The purpose of the preservation of the interior of the Tinfos II power station with water gate structures is to ensure the protection of a power station that has been almost unchanged since its construction in 1912 with turbines, technical installations, architectural details, and fixtures.

/Reference: Nw.: Forskrift om fredning av Tinfos kulturmiljø, Notodden Kommune, Telemark, 20 June 2014/

UNESCO's Rjukan-Notodden World Heritage Site

The Tinfos area is an important part of UNESCO's Rjukan – Notodden World Heritage Site. Particularly so as the old power stations Tinfos I and Tinfos II including the Holta canal received the status as two significant objects along with 95 others within the Rjukan-Notodden World heritage in 2015. The Tinfos II power station is still producing electricity after over 100 years in operation and is owned and operated by Tinfos AS.

The principle and complexity of sustainability is also valid in the context of operating and maintaining power plants in protected areas. Preventing adverse effects on cultural heritage objects in a protected area, keeping historic heritage accessible to the public and maintaining safety and security for employees, visitors and hydropower equipment are often interests that collide.

Tinfos has good experience with cooperation with regulatory authorities and local community when planning maintenance projects or making assessments of actions that may have large impact to the cultural heritage. We believe that this dialogue is useful and equally important to us and to our stakeholders.





5.11.2 Cultural Heritage Management in Indonesian Infrastructure Projects

Tinfos is committed to safeguarding cultural heritage in all its international operations, with particular attention to small hydropower developments in forested regions of Indonesia. In accordance with IFC Performance Standard 8 and Indonesian Law No. 11/2010 on Cultural Heritage, are working on processes to develop Cultural Heritage Management Plans (CHMP) tailored to the local context for each project. This plan includes comprehensive cultural mapping, risk assessments, and community-based surveys to identify both

tangible and intangible heritage assets e.g. sacred sites, oral traditions, and ancestral graves. Project designs are adapted to avoid known heritage locations, and buffer zones are established where necessary. In the event of chance findings during construction, a formal stop-work protocol will be activated, and local cultural authorities are immediately notified. All suppliers and entrepreneurs working on site will receive orientation on any cultural sensitivity that may be related to the project activities.

IMPROVEMENT TARGETS

Baseline year: 2021 - Target year: 2025

Cultural Heritage	Not started	Ongoing	Achieved
Involve the conservation authorities in Vestfold and Telemark in the reassessment prosess Tinfos 1			0
Involve the conservation authorities in Vestfold and Telemark in the reassessment prosess Tinfos 2			0
Establish Cultural Heritage Management Plans for Indonesian projects where applicable, including plan template	0		
Make a formal contractual stop-work protocol that will be activated in the event of chance findings (ID)	0		
Establish procedure for orientation with suppliers and entrepreneurs related to cultural heritage sensitivity (ID)	0		

Acchieved 2024: O

Table 16 - Improvement targets Cultural Heritage



Photo: E. F. Dewantara, The ancient tomb of King Salmon Datunsolang and his Queen, North Sulawesi, Indonesia



6 TINFOS AND THE EU TAXONOMY

The EU Taxonomy is a green classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes. It recognizes as green, or 'environmentally sustainable', economic activities that make a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum social safeguards. /European commission, FAQ: What is the EU Taxonomy and how will it work in practice?/

Sustainability criteria for construction and operation of hydropower facilities are defined by the EU taxonomy. The activities are associated with NACE codes D35.11 and F42.22 in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

Renewable energy production in general, including hydropower, has been targeted as an economic activity that *may* provide a substantial contribution to the EU environmental objectives, provided that it meets defined screening criteria outlined by the EU Taxonomy.

The Taxonomy Regulation lays out six EU environmental objectives:



Figure 21 - EU taxonomi environmental objectives, source workiva.com

it also sets out four conditions that an economic activity must meet to be recognized as Taxonomy aligned:

- making a substantial contribution to at least one environmental objective (above)
- doing no significant harm to any other environmental objective
- complying with minimum social safeguards
- complying with the technical screening criteria

As of January 2024, all six environmental objectives have established technical screening criteria in force. Companies and financial market participants subject to the EU Taxonomy Regulation are required to assess and report their activities' alignment with these criteria accordingly. For small hydropower plants substantial contribution is related to the objectives Climate change mitigation and Climate change adaption. The EU Taxonomy sets requirements for small hydropower plants related to doing no significant harm to the objectives Climate change mitigation, Climate change adaption, Protection of water and marine resources and Protection of ecosystems. Per date no requirements are outlined for the objectives Transition to a circular economy or Pollution control.

In the following section in the next page, we describe how our small and medium sized renewable hydropower plant projects are Taxonomy aligned by meeting the four conditions listed above. We have used the EU Taxonomy Compass <u>https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/291/view</u> as a supportive tool when making this assessment.



6.1 Climate change mitigation

6.1.1 Substantial Contribution Criteria

6.1.1.1 Run-of-river hydropower plants

The construction of new small and medium sized hydropower facilities for renewable energy production by Tinfos complies with the EU Taxonomy substantial contribution criteria related to the environmental objective *Climate change mitigation* by being designed and constructed as run-of-river plants and does not have an artificial reservoir.

Run-of-river hydropower plants—characterized by the absence of artificial reservoirs—are recognized as making a substantial contribution to climate change mitigation. Specifically, such plants are exempt from the requirement to conduct a lifecycle greenhouse gas (GHG) emissions assessment, which is otherwise necessary to demonstrate emissions below 100 g CO₂e per kWh. This exemption acknowledges the typically low environmental impact of run-of-river installations.

6.1.1.2 Greenhouse Gas Emissions Threshold

Despite the exemption from the GHG assessment, Tinfos is nevertheless calculating GHG emissions from project activities in all our projects. Projects completed by Tinfos during 2024 demonstrated an emission level below 20 g CO₂e per kWh, well below the EU's Greenhouse Gas Emissions Threshold of 100 g CO₂e per kWh. In these calculations, the lifetime of the hydropower plants was assumed to be 50 years.

6.1.2 Do No Significant Harm Criteria

6.1.2.1 Climate change adaption

Tinfos has made a climate risk and vulnerability assessment identifying physical climate risks material to our activities, and measures have been implemented to address the risks. An overview of results is presented in this report.

6.1.2.2 Water

Tinfos complies with the provisions of Directive 2000/60/EC (Nw.: Vanndirektivet) which entered into force in Norway in 2008. The directive is considered for all concessions in Norway given to new hydropower plant construction, which establish criteria for Environmental Impact Assessments.

For hydropower construction projects outside Norway and the EU, Tinfos conducts Environmental Impact Assessments (EIA) to assess all its potential impacts on the status of water bodies within the same river basin and on protected habitats and species directly dependent on water, considering in particular migration corridors, free-flowing rivers or ecosystems close to undisturbed conditions. It assesses in particular the cumulated impacts of this new project with other existing or planned infrastructure in the river basin

The assessments are based on comprehensive and accurate data collected and investigated by professional third-party environmental consultants. The assessment is based on recent, comprehensive and accurate data, including monitoring data on biological quality elements that are specifically sensitive to hydromorphological alterations, and on the expected status of the water body as a result of the new activities, as compared to its current one.

All technically feasible and ecologically relevant mitigation measures are implemented to reduce adverse impacts on water as well as on protected habitats and species directly dependent on water.

Mitigation measures include, where relevant and depending on the ecosystems naturally present in the affected water bodies:

- a) measures to ensure downstream and upstream fish migration (such as fish friendly turbines, fish guidance structures, state-of-the-art fully functional fish passes, measures to stop or minimize operation and discharges during migration or spawning);
- b) measures to ensure minimum ecological flow (including mitigation of rapid, shortterm variations in flow or hydro-peaking operations) and sediment flow;
- c) measures to protect or enhance habitats.

Tinfos establish Environmental Action Plans (EAP) to ensure that mitigating measures are enforced in our projects to prevent or reduce the environmental impact of the hydropower facility construction and operation.

6.1.2.3 Circular economy

Not Applicable for construction and operation of hydropower facilities according to the EU Taxonomy.



6.1.2.4 Pollution prevention and control

Not Applicable for construction and operation of hydropower facilities according to the EU Taxonomy. However, in our projects we prevent significant pollution by establishing a range of requirements in our projects e.g. to maintain Chemical Substance Inventory Register, ensuring proper storage areas for fuels and other hazardous materials, making sure that appropriate absorbent materials and spill kits are available, establishing site waste management plans, ensure that licensed contractors are engaged to collect, transport and dispose of all waste oil and other hazardous waste generated at the project site.

In addition, we are establishing a range of requirements in our projects to prevent pollution from sedimentation e.g. ensuring that sedimentation controls are implemented in our projects and ensure that isolation techniques are used to limit the exposure of disturbed sediments to moving water during in-stream works.

6.1.2.5 Biodiversity and ecosystems

Tinfos complies with the provisions of the Environmental Impact Assessment (EIA) Directive which is considered in the Norwegian regulation *Forskrift om konsekvensutredninger*. The directive is considered for all concessions in Norway given to new hydropower plant construction and establish criteria for Environmental Impact Assessments.

For hydropower construction projects outside Norway and the EU, Tinfos conducts Environmental and Social Impact Assessments (ESIA) to assess all potential impacts on environment and local community from the construction and operation of the hydropower facility and to implement mitigating measures to prevent or minimize any adverse impact on biodiversity and ecosystems.

For sites/operations located in or near biodiversitysensitive areas we always conduct appropriate ESIAassessments and implement necessary mitigation measures based on its conclusions.

6.1.2.5.1 Biodiversity Assessments.

Tinfos integrates biodiversity considerations into its broader environmental and social risk management framework, particularly in international projects. The company follows the IFC Performance Standards Environmental and Social on Sustainability, which require early identification of potential biodiversity impacts and the implementation of mitigation measures. Environmental and Social Impact Assessments (ESIA) are conducted in line with local regulations (e.g., UKL/UPL in Indonesia) and international standards.

6.1.2.5.2 Habitat conservation

Tinfos project developers conduct early-stage environmental impact assessments (EIA) to identify suitable locations for hydropower plants that minimize harm to local ecosystems. This includes avoiding sites with high ecological sensitivity, prioritizing areas with existing infrastructure to reduce new habitat fragmentation and ensuring that selected sites do not overlap with protected or conservation-priority zones.

Final landscaping is a critical phase in all our projects. Our goal is to ensure that disturbed land areas are meticulously restored to blend seamlessly with the natural landscape. A key part of this involves using soil masses that originated from the immediate vicinity.

This practice is crucial for minimizing the risk of introducing alien (non-native) species into the affected ecosystems. By returning the native soil, we help maintain the existing ecological balance and prevent the proliferation of invasive plants or microorganisms that could outcompete local flora and fauna, disrupt natural habitats, or alter the area's biodiversity



6.2 Climate change adaption

6.2.1 Substantial Contribution Criteria

6.2.1.1 Climate Risk Assessment

In our projects we make comprehensive assessments of physical climate risks (e.g., floods, droughts) and incorporate adaptation solutions in our designs accordingly to enhance plant resilience both during construction and operational phase, and to substantially reduce the most important risks that are material to the construction and operation of our hydropower plants both on short and long term.

6.2.2 Do No Significant Harm Criteria

6.2.2.1 Climate mitigation

The direct GHG emissions of the activity are lower than 270 g CO_2e /kWh. Projects completed by Tinfos during 2024 demonstrated an emission level below

20 g CO_2e per kWh, assuming a lifespan for the hydropower plants of 50 years.

6.2.2.2 Water Ref. section 6.1.2.2 above.

6.2.2.3 Circular economy Ref. section 6.1.2.3 above.

6.2.2.4 Pollution prevention Ref. section 6.1.2.4 above.

6.2.2.5 Biodiversity

Ref. section 6.1.2.5 above.

6.3 Complying with minimum social safeguards

In our policies Tinfos states that we ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declarationg of the International labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.





7 TINFOS AND SUSTAINABILITYREPORTING

The Corporate Sustainability Reporting Directive – CSRD – was introduced in Norway from 1 November 2024, replacing the old Non-Financial Reporting Directive (NFRD).

Tinfos is not required to report on sustainability according to the CSRD today. Nevertheless, CFRD will have an impact on Tinfos, first and foremost, because of our stakeholders' expectations.

The European Union is for the time being actively working to simplify the Corporate Sustainability Reporting Directive (CSRD) through the 2025 Omnibus Simplification Package. This Initiative aims to reduce the administrative burden on companies, particularly small and medium-sized enterprises (SMEs), while maintaining the directive's core objectives.

For SMEs no longer under mandatory reporting, a voluntary sustainability reporting standard based on EFRAG's VSME framework will be introduced. This allows SMEs to continue sustainability disclosures in a simplified manner, which can be advantageous for investor relations and supply chain transparency.

Even so, Tinfos will be disclosing to our stakeholders that we have Taxonomy-aligned activities, ensuring that our stakeholders can make decisions involving Tinfos accordingly.

We recognize that several of our partners such as banks, investors and financial institutions are, or soon will be, required to report according to

EU standards for sustainable finance. This means that our key stakeholders will request sustainability data from Tinfos at an increasing rate.

1 July 2022 the Transparency Act (Nw.: Åpenhetsloven) came into effect in Norway. The Transparency Act shall promote enterprises' respect for fundamental human rights and decent working conditions and ensure that the general public has access to information about how enterprises address adverse impacts on human rights and working conditions. The intentions of the act correlate with those of the UN Global Compact and urges larger enterprises to carry out due diligence processes on responsible business conduct, particularly related to human rights and labor conditions. Tinfos conducted our first due diligence process required by the Transparency Act in 2023, and we have published our summary report from this process annually since then on our web pages.

Tinfos publishes its sustainability report on its website to ensure transparency and accessibility for all stakeholders. By making the report publicly available, the company demonstrates its commitment to responsible business practices and accountability in areas such as environmental impact, social responsibility, and corporate governance. This open communication supports compliance with regulations like the Norwegian Transparency Act and aligns with international frameworks such as the UN Sustainable Development Goals and the UN Global Compact.

Our aim is that our sustainability reporting continues to foster trust and engagement with customers, partners, authorities, and the broader community.



8 PREPARING FOR THE FUTURE

The next pages of this report show an overview of the overall results from our climate-risk assessment listing climate risks and opportunities that are expected to have the greatest impact on our operations in a shortand long-term perspective. The risks and opportunities are not listed in any particular order.



Drone photo: Cimadur River, Banten Province, Indonesia

8.1 How we work with climate-related risks and opportunities

The climate risk assessment has been made by representatives from all business areas in Tinfos, interchanging information and views on the topics from different perspectives in the company.

By discussing how each topic is relevant for Tinfos and categorizing relevance and impact on a scale from 1-10 for short- and long-term perspectives we end up with a prioritized overview of potential risks and opportunities. The strategic importance of the risk depends on the potential scope of its impact in relation to our level of knowledge about the topic. Therefore, we have made a categorization for each topic based on our self-perceived knowledge level in our organization on each specific topic on a scale from 1 to 10. This provides us with a useful mapping of where to increase the organization's knowledge levels to be prepared to handle relevant risks and opportunities when and where they occur.



8.2 Climate-related risks

Climate risk		Short term perspective (0-1 years)			Long term perspective (2 years and more)			
			Impact	Knowledge	Priority	Impact	Knowledge	Priority
Transition (Climate policies and regulations, market changes, new technologies, Value chain distruptions etc.)	Policy and legal	Increased pricing of GHG emissions	8	10	Medium	8	10	High
		Enhanced emissions- reporting obligations	3	5	Medium	5	5	High
		Mandates on and regulation of existing products and services	8	10	Medium	8	10	High
	Technology	Substitution of existing products and services with lower emissions options	5	2	Low	5	2	Low
		Costs to transition to lower emissions technology	5	8	Medium	5	8	Medium
	Market	Changing customer behavior	3	10	Low	3	10	Medium
		Uncertainty in market signals	3	10	Low	5	10	Low
		Increased cost of raw materials	5	10	High	5	10	High
	Reputation	Shifts in consumer preferences	8	7	Medium	8	7	Medium
		Stigmatization of sector	8	10	Medium	7	10	Low
		Increased stakeholder concern or negative stakeholder feedback	3	10	Low	7	10	Low
Physical (Temperature increase, rising sea levels, storms extreme precipitation, landslides, floods etc.)	Acute	Increased severity of extreme weather events such as cyclones and floods	7	10	Medium	5	10	High
	Chronic	Changes in precipitation patterns and extreme variability in weather patterns	5	10	Medium	5	10	High
		Rising mean temperatures	NA	NA	#I/T	NA	NA	#I/T
		Rising sea levels	NA	NA	#I/T	See above	NA	#I/T

Table 17 - Climate risk assessment



8.3 Climate-related opportunities

Clim	Shoi	rt term perspe (0-1 years)	ective	Long term perspective (2 years and more)			
	Impact	Knowledge	Priority	Impact	Knowledge	Priority	
	Increased pricing of GHG emissions	10	10	High	10	10	High
Resource efficiency	Use of more efficient modes of transport	4	2	Low	4	2	Medium
	Use of more efficient production and distribution processes	3	2	Medium	3	2	Medium
	Use of recycling	1	2	Low	1	2	Low
	Move to more efficient buildings	1	8	Low	1	8	Low
	Reduced water usage and consumption	1	10	Low	1	10	Low
	Use of lower-emission sources of energy	1	10	Low	1	10	Low
	Use of supportive policy incentives	10	8	High	10	8	High
Energy source	Use of new technologies	2	5	Low	8	5	High
	Participation in carbon market	1	4	Low	1	4	Low
	Shift toward decentralized energy generation	10	10	High	10	10	High
	Development and/or expansion of low emission goods and services	4	2	Medium	4	2	Medium
	Development of climate adaptation and insurance risk solutions	1	5	Low	1	5	Low
Products and services	Development of new products or services through R&D and innovation	4	8	Medium	4	8	High
	Ability to diversify business activities	8	6	High	8	6	High
	Shift in consumer preferences	10	10	High	10	10	High
Markets	Access to new markets	10	7	High	10	7	High
	Use of public-sector incentives	10	10	High	10	10	High
	Access to new assets and locations needing insurance coverage	5	7	Medium	5	7	Medium
Recillience	Participation in renewable energy programs and adoption of energy- efficiency measures	2	10	Low	2	10	Low
	Resource substitutes/ diversification	1	10	Low	1	10	Low

Table 18 - Climate opportunity assessment



9 TINFOS AND THE UN SUSTAINABILITY DEVELOPMENT GOALS

9.1 Materiality assessment

As part of our sustainability efforts, Tinfos has cooperated with an independent party to conduct a materiality assessment to identify where we should prioritize our efforts and establish a framework for sustainability reporting.

The materiality assessment of Tinfos has been based on the methodology, principles, and guidelines from Global Reporting Initiative (GRI). The list of topics has been adjusted by the consulting firm to be relevant for Tinfos, using the International Hydropower Association's (IHA) Hydropower Sustainability Guidelines, as well as input from stakeholders, best practice in the industry and the consultant's experience.

As part of this work, stakeholders of the activities of the company have been mapped and key stakeholders have been involved through interviews and a survey.

The materiality assessment has been revised during the last year, and now identify 14 topics as the prioritized material topics for Tinfos. These are:

Economic	Environment	Social						
Economic Performance	Biodiversity and Ecosystem integrity	Employment						
Good Governance	Renewable Energy	Labour Rights						
Anti-Corruption Management	Water Resource Management	Occupational						
		Health and Safety						
	Climate Change Resilience	Local Community						
		Health and Safety						
		Local Community						
		Livelihood Impacts						
		Stakeholder dialogue and consultation						
		Land Acquisition						

Figure 22 - Material sustainability topics for Tinfos

The Tinfos Materiality Matrix shown below summarize all Topics identified and investigated, and how they are assessed by our stakeholders with regards to importance/influence and significance of impact to the UN sustainability development goals (SDGs).



Figure 23 - Tinfos Materiality Matrix



TINFOS	3 GOOD HEALTH AND WELL BEING	5 EDUALITY	6 CLEAN WATER AND SANITLATION	7 AFFORMABLE AND CLEAN INFROT	8 BECENT HUBBY AND ECONOMIC GROWTH	9 NOUSTRY INFOLUTION AND INFRASTRUCTURE	12 ESPONSIBLE AND PRODUCTION	13 action	15 (KLARD) 	16 Prace institute and streng institutions	17 PARTNERSHIPS FOR THE GOALS
Economic Performance		٢		٢	٢	•					٢
Good Governance		•			٢					۲	
Anti-Corruption Management					۲						
Biodiversity and Ecosystem integrity									۲		
Renewable Energy	۲			۲	۲	۲	۲	۲			
Water Resource Management			۲								
Climate Change Resilience				۲		۲					
Employment	\bigcirc	0			0						
Labour Rights		0			0					0	
Occupational Health and Safety	\bigcirc				\bigcirc						
Local Community Health and Safety	\bigcirc		\bigcirc		\bigcirc	\bigcirc					
Local Community Livelihood Impacts					\bigcirc						
Stakeholder dialgue and consultation		\bigcirc			\bigcirc					\bigcirc	
Land Aquisition		\bigcirc								\bigcirc	

Figure 24 -Tinfos Materiality vs. SDGs

9.2 ESG objectives

Based on the 14 material topics and their relation to the United Nations Sustainable Development Goals (SDGs), Tinfos has established ESG objectives for each of the SDGs that relates to the topics identified in the materiality assessment.



- At Tinfos we will take measures to avoid harmful pollution of air, water and soil.
- At Tinfos we will take measures to minimize disturbing noise from our construction activities.
- At Tinfos we will take measures to prevent abuse of drugs and harmful use of alcohol.
- At Tinfos we will take measures to prevent spread of infectious and transmitted diseases.
- At Tinfos we support public health initiatives for employees and the community.
- At Tinfos, people of all genders have the same opportunity to get a job, to develop their experience and knowledge and to occupy leading positions in the company.
- At Tinfos salary determination is made with no consideration to gender.
- At Tinfos we strive to obtain a balanced proportion of men and women in our organization, at all levels and in all functions
- At Tinfos, we shall take appropriate measures to identify risks and prevent pollution during construction and operation of hydropower plants.
- At Tinfos, we shall ensure that any project impact on water resources used by local community and stakeholders are identified and managed appropriately.
- At Tinfos we undertake monitoring to ensure compliance with downstream seasonal variation flow regimes.
- At Tinfos, we will be cost effective in our preparation, implementation and operation of hydropower plants, ensuring affordable, clean and renewable energy for the community through our focused project conduct, operational experience and asset management excellence.
- It shall be safe to work at Tinfos, and the company shall conduct our business and activities in a way that prevents damage to persons, equipment and environment.
- At Tinfos, we shall seek common ground through regular dialogue and cooperation between employees and management in matters related to occupational health and work environment.
- At Tinfos we shall respect employees' right to form and join trade unions.
- At Tinfos, we will provide reliable hydropower plants that contribute to a safe, sustainable and renewable energy supply.
- At Tinfos, we will actively ensure the training and competence enhancement of local supervisory
 personnel and operators.





15 LIFE ON LAND



- At Tinfos we shall encourage our suppliers to take actions to prevent, reduce, recycle and reuse waste.
- At Tinfos we will take measures to ensure sustainable procurement for material and services.
- Tinfos will increase the share of hydropower in the markets we operate as a renewable alternative to other less sustainable energy sources.
- Tinfos shall monitor and minimize energy consumption and greenhouse gas emissions in our project activities and business operations.
- Tinfos shall assess our hydropower plant resilience to climate change and apply these conditions in our design basis to ensure infrastructural safety and energy availability.
- At Tinfos, we shall identify, mitigate or minimize risks to biodiversity and life on land generated by our activities when implementing and operating hydropower plants.
- At Tinfos, we shall always take measures to minimize the project impact area, and to take actions to encourage nature restauration before leaving the construction site.



- Tinfos has zero tolerance towards all forms of corruption and shall take active measures to ensure that this does not happen in our business or activities.
- At Tinfos, we shall act in an open and transparent manner, and we shall exercise integrity in all situations.
- Tinfos shall, with the purpose of sharing knowledge and experience with others, and to empower our own ability to perform in accordance with high ESG standards, seek cooperation and participation in selected initiatives and networks that promote sustainable conduct and ESG topics relevant to our business.



Photo by PT Tinfos Hydropower Solutions, Banten Province, Indonesia Page **46** of **50**



9.3 Partnerships for the goals

In 2024, the following partnerships and networks were particularly important to us:

9.3.1 UN Global Compact

Through our membership in the UN Global Compact, Tinfos is committed to submitting annual reports to demonstrate how our work with these important topics is progressing. Our membership in the UNGC inspired us to publish our first sustainability report back in 2021.

UN Global Compact are the world's largest corporate sustainability initiative. UN Global Compact is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Read more about this on the <u>UN Global Compact's webpages</u>,

9.3.2 Norad

Norad is the Norwegian agency for development cooperation and work for the world to achieve the UN's sustainability goals. Norad strives for a greener future and contributes to global development. Read more about <u>Norad on their webpage</u>.

Since 20218 Tinfos has worked with Norad related to project development for sustainable hydropower implementation in Indonesia. In 2023, Tinfos partnered with Norad to financially support hydropower feasibility studies and infrastructure. The support period runs to 31 October 2025. The project's expected effect on society is increased job generation, increased exports, increased access to reliable, sustainable and modern energy to an affordable price and/or reduced greenhouse gas emission in Indonesia.

9.3.3 Norfund

Norfund is the Norwegian Investment Fund for developing countries. Norfund invests in developing countries to create jobs, improve lives, and support the transition to net zero. Read more about Norfund on their web page.

In 2021, Tinfos secured a loan agreement with Norfund to finance Hydro Power Project in Indonesia.

This agreement mandates that Tinfos adheres not only to Indonesian law but also to the IFC Performance Standards and EHS Guidelines. These requirements drive Tinfos' commitment to developing and implementing sustainable hydroelectric power plants that generate financial, social, and environmental value in our chosen markets.





10 WHAT'S NEXT?

Sustainability is a complex matter. It is a challenge to contribute with a positive impact in one place, such as building new powerplants producing renewable energy, without creating some level of harm in another.

The world is in dire need of more renewable energy as a replacement for non-renewable and less sustainable energy sources. Renewable hydropower provides significant environmental and climate benefits. Our mission is to design, build, finance, operate and maintain high quality renewable energy powerplants that create financial, social and environmental values in selected markets.

At Tinfos we aim to constantly improve and keep ourselves updated on sustainability issues with relevance to our area of business. We concentrate our efforts to avoid, mitigate, reduce or compensate for any negative impact our activities may have on the environment or community as we continue to build sustainable hydropower plants for renewable energy production.

We believe that hydropower implementation shall be and must be sustainable. At Tinfos we use the Hydropower Sustainability tools issued by International Hydropower Association as supporting tools and sources of knowledge (the HS Assessment Protocol, the HS Guidelines and the HS ESG Gap Analysis Tool) when assessing sustainability internally in Tinfos for our small and medium sized hydropower projects.

In 2021 Tinfos established a strategic vision and tactical mission reflecting both ESG and sustainability. We have established policies and objectives for ESG and sustainability, and we have developed and implemented new processes and procedures to monitor material input, energy-consumption, waste production and GHG emissions from our activities. From 2022 and onward the processes has been, and are being, formalized into our governing documents and quality procedures as we continue to develop our sustainability tools.

In 2024 Tinfos started on a systematic approach to establish an Environmental and Social Management System according to the IFC Performance Standards. This effort continues into 2025.

Improving sustainability reporting

As we gain more experience with time and learn from the process, we will continue to develop new tools and raise our ambitions to improve our communication on sustainability with our stakeholders and the public in general.

We welcome any feedback, input or ideas that you may have.

Email: post@tinfos.no

This report is adapted to the Global Reporting Initiative (GRI), the Non-Financial Reporting Directive (NFRD), and the Task Force on Climate-Related Disclosures (TCFD). This does not mean that the report is aligned with these frameworks.

Read more at www.nsrs.eu.



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11.3 Governing documents publicly available on www.tinfos.no

- Corporate Governance Policy
- Quality Policy
- Sustainability Policy
- HSE Policy
- Privacy and Data Protection Policy
- ESG Declaration of conformity supply chain
- Tinfos Code of Conduct
- Tinfos ESG objectives.

11.4 Tinfos reports publicly available on www.tinfos.no

- Annal Report 2024/ Årsrapport 2024 (Financial)
- Health, safety and environment, Annual Report 2024
- Sustainability Report 2024 (this document)
- Account for Due Dilligence according to the Tranparency Act 2025



Photo M. Odden: Smådalselva, preparation of waterway to the power station.

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