A photograph of two workers in safety gear on a staircase. One worker is at the top of the stairs, wearing a bright yellow high-visibility jacket with the 'eolus' logo on the back, a white helmet, and a safety harness. The other worker is on the lower steps, wearing a dark jacket with yellow reflective stripes, a white helmet with a headlamp, and a safety harness. Both workers have 'eolus' written on their pants. The background shows a white cylindrical structure and some trees under a clear sky.

Sustainability Report 2021

eolus[®]

CONTENTS

The Øyfjellet wind farm

Message from the CEO	3
Introduction	5
The 2030 Agenda and the Sustainable Development Goals	6
Materiality and stakeholder assessment	8
Governance and responsibility for sustainability topics	10
Auditor's opinion on the statutory Sustainability Report	12



Continued progress – towards a renewable future

Eolus was founded in 1990 by people with an inherent drive and a strong faith in the future of renewable electricity generation. A great deal has happened since 1990, but the company has never lost its faith in the future of renewables. From pioneers who only worked with wind power in Sweden, Eolus has evolved into an international player with operations in other countries, and in technologies other than wind. The company has never stopped evolving and one of our strengths over the years has been the ability to adapt to changing market conditions by testing innovative business approaches to enable customer investments.

“We have only seen the beginning of this social transition and Eolus is therefore scaling up and intends to be a strong and reliable partner for the improvement of energy systems.”

It is my firm belief that renewable energy sources are the future. Not only because our climate requires a phase-out of fossil fuels, but also because technological innovation has made renewable energy competitive, and electricity from onshore wind and solar is already the cheapest way to add new capacity in some markets. We have only seen the beginning of this social transition and Eolus is therefore scaling up and intends to be a strong and reliable partner for the improvement of energy systems. The Russian invasion of Ukraine also highlights the need to reduce the world's dependency on oil and gas from a security perspective.

Eolus has always been more interested in the future than the past. That is why we set ambitious targets for the performance of our activities and the company. Our target for the coming years is annual average sales of 1,000 MW. In addition, we will achieve continuous improvements in all aspects of a successful business, including economic, environmental and social sustainability. This includes our own operations as well as the demands we place on



our suppliers. Sustainability shall permeate our business, and we are therefore scaling up our efforts in this area by establishing a new position with responsibility for sustainability.

Eolus wants to be part of the renewable revolution by using diverse technologies and operating in various geographic markets. Our vision is to be the most profitable renewable energy developer and an attractive business partner in the transition to a sustainable society. All in the same spirit that led foresighted people to found this company.

PER WITALISSON
Chief Executive Officer

Involved in the essential renewable energy transition

The transition to a sustainable society is an important and critical issue for the future of humanity and other life on our planet. As a company, Eolus has a responsibility to promote economic, environmental and social sustainability. With our business concept of developing and installing facilities for renewable energy and energy storage, Eolus is involved in transforming energy systems away from fossil fuels. By striving to install facilities at the lowest possible cost per megawatt-hour, the company is contributing to a cost-efficient reduction of CO₂ emissions.

Need for a faster transformation

Growth projections for renewable energy sources have tended to be lower than actual outcomes. At the same time, global emissions from the energy sector rose 6% in 2021 according to the International Energy Agency (IEA). There is no question that

the transformation is needed – but it is not moving fast enough. In its reports, the UN Intergovernmental Panel on Climate Change (IPCC) has repeatedly highlighted the need to address climate change and the threat it poses to people, animals and the environment. At the current rate, we are at imminent risk of exceeding the Paris Agreement's 1.5°C limit within 10–20 years, which could cause irreversible damage to our world and major climate changes.

Overall sustainability

Eolus's operations embody all parts of sustainable development: environmental, economic and social sustainability. This is reflected by an ambition to generate a profit for our shareholders, offer cost-efficient solutions to our customers and provide meaningful, productive work for our employees. Similarly, jobs are created with the suppliers that we use, and in the local com-

munities where we develop and construct facilities. There is nothing contradictory about this responsible approach. On the contrary, it is absolutely necessary for the company's future and success. Eolus does not produce any wind turbines, solar panels or energy storage facilities; we sign agreements with market leaders in these fields. Nor does the company use its own employees to construct the facilities. As a result, other companies account for most of the company's emissions, making it our responsibility to devise methods for identification, and for ensuring compliance across our supply chain.

Wind, solar and energy storage are essential for net zero emissions

BloombergNEF's New Energy Outlook for 2021 presented three climate scenarios for achieving net zero emissions by 2050. Renewable electricity generation from solar



and wind plays a key role in each scenario, combined with widespread use of carbon capture and storage technologies. In terms of cost, either wind or solar is predicted to be the most cost-efficient way to add new generation capacity in almost all major markets. Markets that cover two-thirds of the world population account for some 77% of global GDP and 91% of all electricity generation. In the short term until 2030, BloombergNEF highlights the need for massive deployment of clean electricity and energy storage to get on track for meeting net zero by 2050. Regardless of scenario, capital flows in wind, solar and energy storage will need to accelerate markedly, since investment has remained flat at around USD 300 billion per year for several years.

Flexibility is the key in an ever-changing market environment

The power of the global energy transformation is creating good business opportunities for a company like Eolus. The company has been evolving, changing and adapting to shifting market conditions since 1990. Eolus benefits from this ability to adapt its business model in the rapidly changing market environment and the company's current phase of expansion. The ability to attract new and retain existing employees is also a key factor for success and the company places a strong focus on this aspect.

Reduced costs and strong technologies

Wind and solar are resources that are constantly replenished, and sources of energy for electricity generation that are completely free. In line with technological innovation and cost reductions, the cost per megawatt-hour will continue to fall, and technologies will become even more competitive in more markets and help countries achieve their emissions-reduction targets. When a wind turbine or solar farm has reached the end of its technical and economic life, it can be dismantled and the land or site on which the farms have been established can either be used for new electricity generation with new facilities, or restored and used for purposes other than electricity generation.

Applicable laws and regulations for project development

Project development and permitting of renewable energy facilities are subject to a number of laws and regulations. The aim is to ensure that the facilities can co-exist with other community interests such as local residents, nature and wildlife, total defense and other critical infrastructure. Permitting is preceded by a democratic process where various stakeholders are able to present



The Jenåsen wind farm

their views, and a number of surveys are conducted. During operation, the facilities must comply with a range of conditions for wind power, including noise emission and shadow casting.

Broad project portfolio for maximized generation

Since the company was founded, Eolus has been involved in the installation of wind turbines with a combined capacity of approximately 1,414 MW. With a large and growing project portfolio in onshore and offshore wind power, solar power and energy storage across a range of countries, Eolus will continue to contribute to the energy system transformation. With our full range of asset management services, Eolus is helping facility owners to maximize their production, in order to generate as much renewable electricity as possible in operational facilities.

A joint approach

Eolus aims to be a respected company that

creates value for its stakeholders, and an attractive partner in the transition to a sustainable society. The company's employees are expected to act correctly, fairly and honestly. The same standards are imposed on consultants, suppliers and other business partners. Impartiality shall prevail in all business relationships. Eolus aims for a high degree of transparency when communicating with its shareholders, and with society in general. In addition to its own market research, Eolus monitors trends in the industry and other countries through its membership in Swedish Wind Energy, the Swedish Wind Power Association, the Norwegian Wind Energy Association (Norwea), the California Wind Energy Association (CalWEA), the Polish Wind Energy Association (PSEW), the Polish Photovoltaics Association (PSF), the Estonian Wind Power Association (EWPA), the Latvian Wind Energy Association (LWEA) and various Chambers of Commerce.

The 2030 Agenda and the Sustainable Development Goals

The 2030 Agenda is the most ambitious agenda ever adopted by UN Member States and includes 17 Sustainable Development Goals (SDGs). The business sector plays a key role in efforts to achieve the targets of the SDGs and all companies, regardless of size and sector, can be involved and contribute. Eolus's business concept embodies several of the SDGs and we believe we can make a positive contribution to achieving the following five goals.



Climate action

Take urgent action to combat climate change and its impacts.

In May 2021, the concentration of atmospheric carbon dioxide surged past 420 parts per million, the highest level since measurements began in 1974. According to the latest report from the IPCC, the message is crystal clear: climate change is widespread, rapid, and intensifying and GHG emissions must be dramatically reduced to limit global warming. At the current rate, we are at imminent risk of exceeding the 1.5°C limit within the next 10–20 years, which could have serious negative impacts on our world. The energy sector is a major source of global GHG emissions, which means that efforts to transform energy systems are a key factor for achieving this target. With our business

concept, and our development, establishment and management of renewable energy facilities, Eolus as a company is contributing to the global energy transformation. Technological innovation has reduced the cost of renewable electricity generation and we are continuously striving to establish renewable energy facilities at the lowest possible cost per megawatt-hour, which is creating attractive investment opportunities. Eolus has been forward-thinking since the company was founded in 1990 and we are now working actively in several markets across Europe and the US to transform energy systems, and helping to combat climate change around the world.



Affordable and clean energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

The energy transformation is a major factor for achieving the SDGs, and the willingness to switch to a sustainable energy system has increased over the years. At the COP26 Climate Change Conference in November 2021, the phase-out of coal power and fossil-fuel subsidies were named for the very first time, which is a real milestone. Reliable and sustainable energy systems are central to addressing the challenge of climate change, and continuous technological innovation and energy efficiencies are thereby core ele-

ments. Eolus does not produce or develop new energy technologies, but contributes by continuously evaluating and using new technological innovation that suits the conditions of our projects and customer requests. As one of the leading Nordic project developers, Eolus has helped to establish new wind turbine models from various manufacturers on several occasions in Sweden, and we are currently evaluating hybrid solutions for new and existing projects.



The Øyfjeller wind farm

8 DECENT WORK AND ECONOMIC GROWTH



Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

As a company, Eolus strives to create value at every level. The operations should generate a profit and the company's target is an average return of at least 10% of equity after tax. Since the company's inception in 1990, Eolus has only posted negative results for two fiscal years, which has helped to build a strong and healthy company.

Our core business is helping to reduce GHG emissions, but we also have a greater social responsibility to create a meaningful and productive workplace for our employees. As a knowledge-intensive company with a small-scale organization, the experience, knowledge, creativity and commitment of our employees are key factors for Eolus's continued development. To promote a creative company culture, our employees must have a safe and secure work environment

that enables a work/life balance. Eolus has high ambitions when it comes to reducing the risk of occupational injuries and illness. We therefore work proactively to develop a systematic approach to OHS management and improve the procedures that ensure a good work environment. Our annual employee satisfaction surveys also create conditions for resolving any problems related to workloads, development or health.

Since Eolus operates in an international market, we have a corporate responsibility to impose demands on our suppliers and to ensure decent working conditions in our value chain. As part of this process, this work is currently being systematized in order to ensure compliance with our Code of Conduct.

5 GENDER EQUALITY



Gender equality

Achieve gender equality and empower all women and girls.

In May 2021, Kraftkvinnorna published a report titled "Gender equality in the Energy Industry," which mapped the current situation in the Swedish energy sector. The results showed that more than 75% of employees in the energy sector are men. This is also reflected at international level and according to the IEA, women account for only 22% of employees in the energy sector. To ensure a continued pipeline of competence in the

energy sector, the sector needs to attract more employees, including women. As a company in a growth phase, Eolus has an ability to contribute here by proactively working to achieve a better gender balance both in our functions and in our senior positions.

10 REDUCED INEQUALITIES



Reduced inequality

Reduce inequality within and among countries.

Creating a sustainable society requires a fair distribution of resources and an inclusive society where no one is left behind. Eolus is committed to promoting diversity and, since the company is in a growth phase, we will be increasing the number of recruitments and employees in the coming year. This will enable a structured approach for reducing inequalities and reducing the incidence of unequal outcomes. By introducing any-

mous screening as a tool in our recruitment process, we can ensure that we are living up to our own objectives in relation to diversity and equal opportunity, and working to reduce social inequalities.

Materiality and stakeholder assessment

When preparing Eolus’s first Sustainability Report (2017/2018), the company conducted an assessment to identify the most important sustainability topics for Eolus and where we may have the greatest impact. The assessments were based on both risks and opportunities in relation to sustainable business. The topics identified then are still considered the areas in which the company has the greatest impact, and on which the company is focused.

The overall areas considered were the environment, labor rights, social conditions, human rights, anti-corruption and good governance. Of the five sustainability areas that are a duty to report under the Swedish Annual Accounts Act, human rights violations in the supply chain is not considered relevant for Eolus. This is motivated by the fact that the proportion of high-risk suppliers in this respect is considered limited.

Both the materiality and key stakeholder assessments began with a trend analysis, where a team of employees from various functions discussed megatrends, international agreements, European and national legislation and industry benchmarks. Workshops were then held on two occasions during which material sustainability topics were both identified and prioritized, and stakeholders were identified. In light of the company’s expansion into more technologies that have now become more mature, there is reason to conduct new materiality and stakeholder assessments in the coming year.

GRI guidance

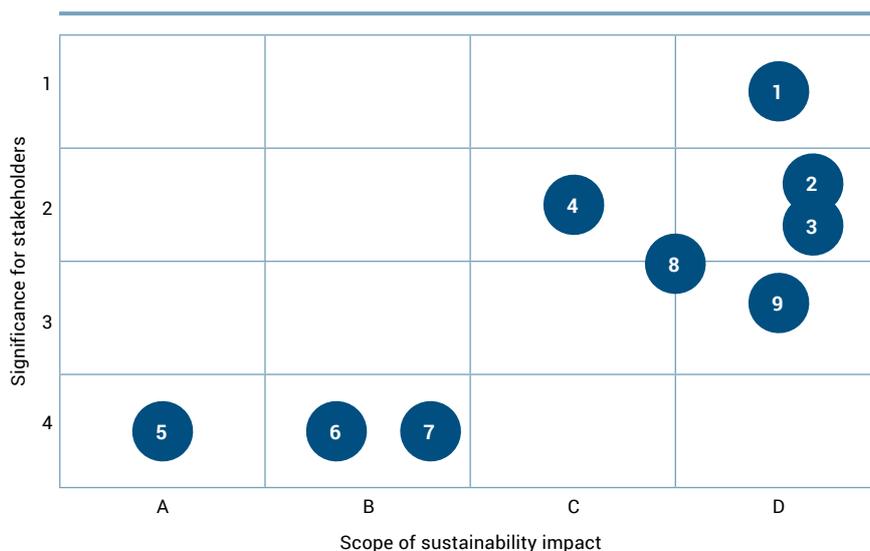
To guide and inspire this process, Eolus used the material sustainability topics – economic, environmental and social – with in the Global Reporting Initiative (GRI). However, this Sustainability Report does not follow the GRI Standards.

Ranking and prioritization

In a first ranking, based on materiality and stakeholders, a number of areas were selected. These were then ranked using the criteria ‘significance for stakeholders’ and ‘scope of sustainability impact.’ Last year, two material sustainability topics were selected – to establish a new position with responsibility for sustainability and, as of 2021, to conduct annual employee satisfaction surveys and establish methods for working with improvements based on the results. In the preceding year, a mapping of the company’s carbon footprint was identified as material. The fulfillment of targets for these topics is presented on page 11.

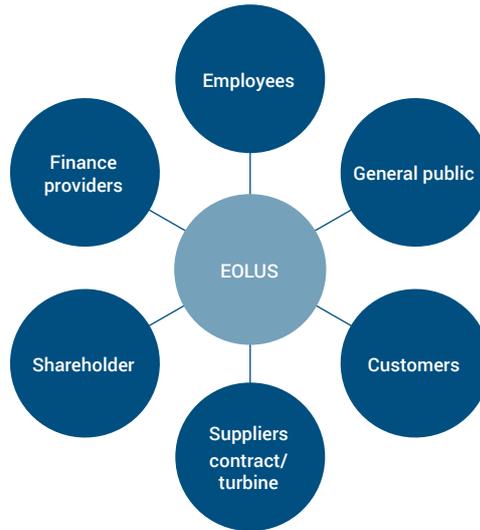
For the coming fiscal year, three material sustainability topics have been selected:

- Systematic specification of requirements and supplier follow-ups.
- New reporting system for accidents and near misses.
- Anonymous screening in our recruitment process.



No.	Topic	Sustainability category	Comments
1	Professionalism	Economic	Goal set for the year
2	Attractive employer	Social	Goal set for the year
3	Interest rates/currency	Economic	No goal set for the year
4	Customer satisfaction	Economic	No goal set for the year
5	Labor market initiatives	Social	No goal set for the year
6	Energy and climate	Environmental	Goal set for the year
7	Equality and diversity	Social	Goal set for the year
8	Anti-corruption and bribery	Economic	No goal set for the year
9	Supply chain	Environmental and social	Goal set for the year

STAKEHOLDERS CONSIDERED TO HAVE A MAJOR IMPACT ON THE OPERATIONS



Guiding sustainability practices

In the stakeholder assessment, the company's stakeholders were divided into three groups according to their impact on the company and its activities. Only those stakeholders considered to have a major impact are presented here. The efforts involved in preparing a materiality and stakeholder assessment provided guidance for the sustainability topics that are material for Eolus and underpinned the company's sustainability journey.

The Stigafjellet wind farm



Governance and responsibility for sustainability topics in the operations

The Board is ultimately responsible for the management of Eolus Vind AB, which also includes issues related to sustainable business. This Sustainability Report was adopted at the Board meeting in March 2022. The CEO is responsible for execution of the Board's decisions and strategies. Group Management supports the CEO and other operations and is responsible for ongoing sustainability efforts. Group Management also makes decisions regarding sustainability targets and strategies, and the prioritized activities for the fiscal year. The basic starting point for Eolus's efforts is to minimize

the potentially negative impacts of the operations and to take advantage of the opportunities created by a sustainable business.

Sustainability targets:

Based on the material sustainability topics identified, the current situation and potential risks associated with the targets that Eolus has set for the coming fiscal year are outlined below.

Systematic specification of requirements and supplier follow-ups

As part of the process to systematize our approach to sustainability, we intensified our focus on requirements specification and following up the sustainability practices of our suppliers during the past fiscal year. When arranging our company conference, we decided that the premises must be Nordic Swan Ecolabelled and that employees must be able to travel there by public transport. We also reviewed the types of products that we purchase, such as Christmas presents for employees. This is the beginning of a process that must become more systematized and continuously monitored across every part of the supply chain.

In 2022, we will therefore create a structure for systematic specification of requirements and supplier follow-ups to ensure that sustainability permeates all aspects of our operations.

Risks: Since sustainability is becoming an increasingly important aspect for investors, customers, business partners and society at large, it is vital that Eolus as a company integrates sustainability into every part of our operations. Sustainability issues will also become increasingly regulated at both EU level and national levels. Unless Eolus acts proactively and ensures that sustainability

becomes an integral part of its operations, there is a risk that the company will eventually become less competitive in procurements and tenders where sustainability requirements are becoming increasingly important. This could then reduce the attractiveness of Eolus as a business partner, and eventually have a negative impact on the company's growth.

Target: To create a structure that enables a systematic specification of requirements and follow-up of our suppliers' sustainability practices in 2022.

New reporting system for accidents and near misses

Our aim is that everyone who works for Eolus shall have a safe and healthy work environment. We therefore work proactively to ensure that health and safety is an integral part of our everyday operations, which is a continuous process. As part of this process, the need for a new reporting system for accidents and near misses was identified to systematize the company's work with health, safety and environment

(HSE) issues. The system will also enable systematic reporting of deviations in other areas, including the environment and quality, and can also be used to organize and carry out risk assessments and safety inspections.

Risks: Unless the company has a user-friendly system for reporting accidents and near misses, there is a risk that employees

will neglect to report in accordance with the policies that are in place. This could result in failure to improve the company's health and safety, which could have far-reaching effects on the health and safety of employees, and the financial position of the company.

Target: To introduce a new reporting system for accidents and near misses in 2022.

Anonymous screening in our recruitment process

Eolus promotes diversity and equal opportunity in our own business operations, as well as our sector. We believe that cultural diversity benefits our business, and society at large. Diversity also creates the conditions for development and innovation. However, everyone has preconceived notions, even if they don't realize it. By including anonymous screening in our recruitment process, we can take a further step to

ensure that we live up to own objectives in relation to diversity and equal opportunity.

Risks: Unconscious biases and preconceived notions can have a negative impact on our recruitment process, which could lead to unfair decision-making. This could result in Eolus missing out on qualified expertise in a competitive market. There is a long-term risk of not being able to attract

the employees we need for the company's growth. We can minimize this risk by making some parts of our recruitment process anonymous.

Target: To evaluate anonymous screening as a potential tool for our recruitment process.



The Nylandsbergen wind farm

Fulfillment of the targets in the preceding year's Sustainability Report

When preparing Eolus's Sustainability Report for the 2019/2020 fiscal year, two targets were set: the establishment of a new position with responsibility for sustainability, and the implementation of annual employee satisfaction surveys. One material sustainability

topic was also identified in the preceding year: the carbon footprint of the company's activities. A target fulfillment follow-up for the preceding year is presented below, as well as a follow-up on the carbon footprint of the company's activities.

Establishment of a new position with responsibility for sustainability

Target: To establish a new position with responsibility for sustainability in 2021.

Target fulfillment: In September 2021, one part-time position was increased by about 20% to include responsibility for sustainability. This position will be converted to 100% during the spring of 2022 and include responsibility for the company's practical aspects of sustainability. A Director of IT, Communication and Sustainability was also appointed as part of a restructuring process. The target has therefore been achieved.

Implementation of annual employee satisfaction surveys

Target: As of 2021, conduct annual employee satisfaction surveys and establish methods for working with improvements based on past results.

Target fulfillment: In 2021, we conducted an employee satisfaction survey using a new digital tool. The aim is to achieve a better understanding of how our employees perceive their work environment, and to enable systematic improvements based on the results. This is a continuous process and an employee satisfaction survey will be carried out every year.

Carbon footprint of the company's activities

Target: To map the company's carbon footprint in 2019/2020 and create an action plan proposal.

Target fulfillment: This target was set for 2020, but the conditions for meeting the target were changed by the COVID-19 pandemic and the project was therefore delayed. Efforts have now resumed and we have invested in a strategic tool for processing our sustainability data. During the past fiscal year, we began a process to map the scope 1 and 2 emissions of our Swedish operations in accordance with the GHG Protocol, and will expand this work in 2022 to also include scope 3 emissions, which we can see is the main source of our carbon footprint. Scope 1 covers our direct GHG emissions (e.g. from vehicles) and scope 2 covers our indirect emissions (e.g. purchased energy). Scope 3 emissions are the result of activities from assets that we do not own or control (e.g. our supply chain). We will eventually measure our carbon footprint in all of the markets in which we operate, which means that the company intends to work proactively with this target. The target has therefore been partially achieved.

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Eolus Vind AB (publ), corporate identity number 556389-3956

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory sustainability report for the year 2021 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustain-

ability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö, 24 March 2022
PricewaterhouseCoopers AB

Eva Carlsvi
Authorised Public Accountant

About the Sustainability Report

This is Eolus Vind AB's Sustainability Report for the 2021 fiscal year. The Sustainability Report comprises Eolus Vind AB (Corp. Reg. No. 556389-3956) and subsidiaries that are not dormant, and has been prepared in accordance with Chapter 6 of the Swedish Annual Accounts Act. When signing the Annual Report, the Board of Eolus Vind AB has also approved the Sustainability Report.

Cover photo: Two of Eolus's technical managers performing scheduled maintenance of a wind power facility.

Photo: Daniel Larsson/Fotograf Daniel

Other photographers: Daniel Larsson/Fotograf Daniel, Simen Haugom/SpectacularNorway and Eolus

Layout: Mustasch Reklambyrå AB

Translation: The Bugli Company



Eolus is a Nordic leader in renewable energy. Eolus creates value at every level of project development, establishment and operation of renewable energy facilities. We offer attractive and competitive investment opportunities for local and international investors in the Nordic region, the Baltic countries, Poland and the US.

Since the company's inception in 1990, Eolus has been involved in the construction of 1,414 MW of wind power. The Eolus Group currently has customer contracts for asset management services accounting for 1,320 MW of installed capacity, of which 914 MW has been deployed. At December 31, 2021, Eolus Vind AB had approximately 34,500 shareholders. Eolus's Class B share is traded on Nasdaq Stockholm Mid Cap.

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