



GREEN FINANCE REPORT 2023

Annual report of allocation and impact of green finance listed bonds issued by European Energy A/S

1. Executive Summary
2. Allocation Report (1/2)
3. Allocation Report (2/2)
4. Independent Auditor's Limited Assurance Report
5. Report Scope

1. Executive Summary

Highlights from Allocation Report

During 2023, European Energy has managed to grid connect 492 MW of green bond exposed energy farms, of which 53 MW were divested within the year.

In terms of expected CO² Avoidance, a significant materialization of last year's CO² Avoidance potential has occurred. Operational green bond exposed energy farms now generate an expected CO² Avoidance of 304 kilo Ton CO² per year compared to 136 kilo Ton CO² last year, an increase of 168 kilo Ton (124%).

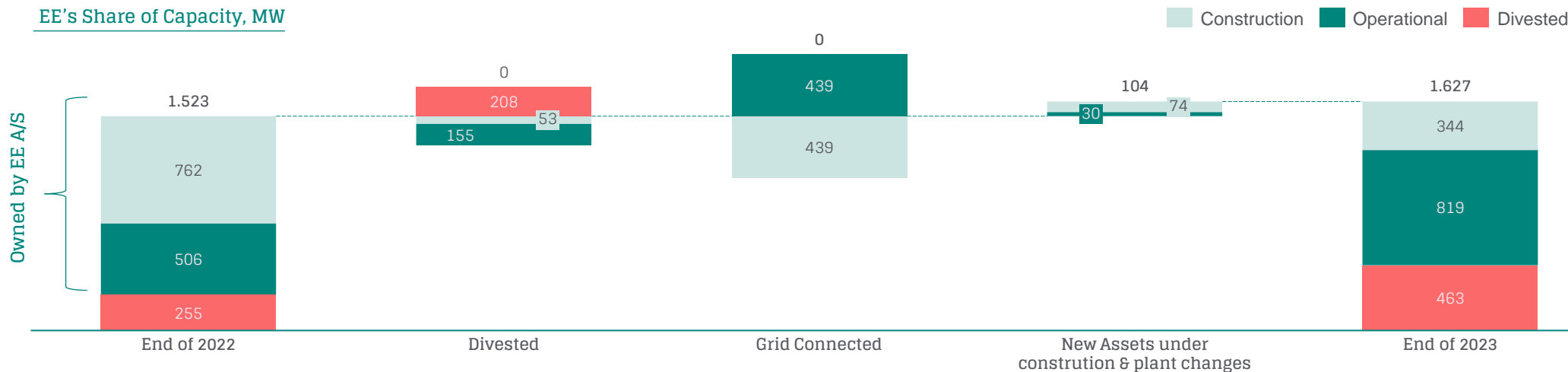
As a bond investor in EE during 2023, a total of 233 kilo Ton CO² avoidance was connected and materialized, of which 23 kilo Ton CO² were divested, allowing for bond proceeds to be reinvested into future CO² Avoidance potential.

As a Bond investor since 2022, a total of 451 kilo Ton CO² avoidance per year (including the materialized CO² Avoidance from divested assets) has been secured. This is an increase of 233 (107 %) kilo Ton CO² Avoidance from last year's materialized CO² Avoidance of 218 Kilo Ton.

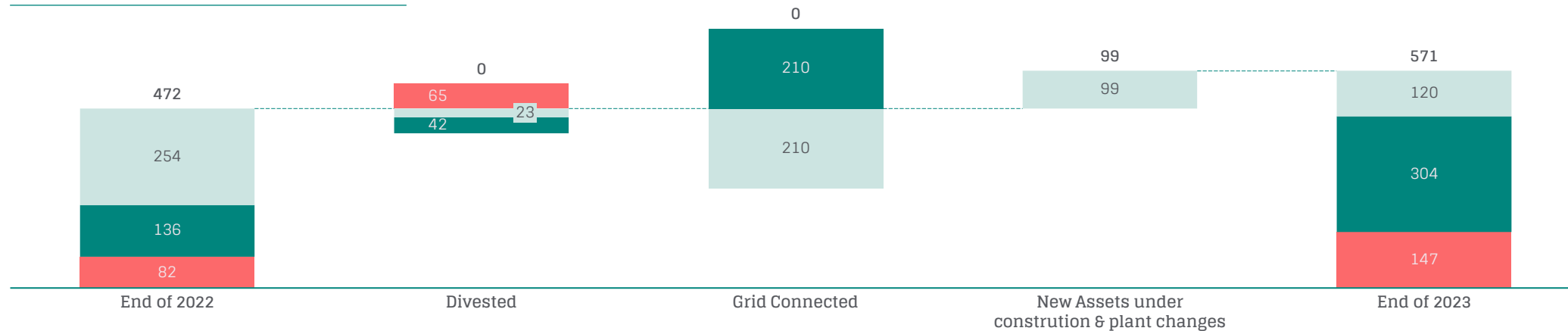
2. Allocation report (1/2)

Below overview gives a high level understanding of the impact generated or the potential from investments in which green bonds have been or currently are allocated to from end of 2022 to end of 2023.

EE's Share of Capacity, MW



CO2 Avoidance (Connected/Potential), kTon



3. Allocation report (2/2)

As of 31/12 2023, the Group's proceeds from green bonds were allocated to the projects in the below table.

Net Proceeds from Sale of Green Bonds		Hybrid '22	Bonds '22	Total '22	Hybrid '23	Bonds '23	Total '23
European Energy A/S		150	364	514	115	441	556
Site	Phase end of '23	Country	Tech Type	EE Share of plant size (End of 2023)	Allocations of proceeds (End of 2023)	Yearly CO2 avoidance - Tons - Connected	Yearly CO2 avoidance - Tons - Potential after connection
Sites Divested by end of '22		Various	Various	0	0	82.393	
Kassø Solar Park	Divested	Denmark	Solar PV	155	0	41.773	
Vier Berge II (Bloosballich)	Divested	Germany	Onshore wind	0	0	12.185	
Bubney	Divested	UK	Solar PV	0	0	11.099	
Sites Operational by end of '22		Various	Various	225	21	94.152	
Ouro Branco I	5. Operating	Brazil	Onshore wind	36	9	17.211	
Ouro Branco II	5. Operating	Brazil	Onshore wind	36	11	17.211	
Quatro Ventos	5. Operating	Brazil	Onshore wind	22	11	10.757	
Skåramåla	5. Operating	Sweden	Onshore wind	49	8	2.358	
Telsiai I	5. Operating	Lithuania	Onshore wind	60	27	27.203	
Telsiai II	5. Operating	Lithuania	Onshore wind	60	24	27.203	
Anyksciai (Solar PV)	5. Operating	Lithuania	Solar PV	78	13	12.217	
Delfzijl Zuid Uitbreiding	5. Operating	Netherlands	Onshore wind	5	5	3.611	
Krzecin	5. Operating	Poland	Solar PV	10	3	8.964	
WF Debsko (FW Kalisz Pomorski)	5. Operating	Poland	Onshore wind	8	9	13.910	
Grevekulla Wind	5. Operating	Sweden	Onshore wind	36	3	1.726	
WF Liskowo (Rabino)	5. Operating	Poland	Onshore wind	39	7	67.465	
Vier Berge III (Drei Hügel)	4. Construction	Germany	Onshore wind	8	8		8.123
Vier Berge IV	4. Construction	Germany	Onshore wind	14	7		13.500
Holsted	4. Construction	Denmark	Solar PV	165	9		24.041
Stouby	4. Construction	Denmark	Solar PV	88	7		12.073
Sulimierz	4. Construction	Poland	Solar PV	15	5		13.446
Debnica Kaszubska	4. Construction	Poland	Solar PV	54	4		48.541
Total		Global	Mix	1.163	189	451.438	119.724
Remaning green bond proceeds to be allocated					367	571.162	
Net Proceeds					556		

4. Independent Auditor's Limited Assurance Report



Independent auditor's limited assurance report

To the Management of European Energy A/S and the green bond investors

We have performed a limited assurance engagement on "Green bonds invested in projects", EUR 189 million, disclosed in the allocation report for the green finance instruments issued by European Energy A/S prepared in accordance with the Green Bond Framework of European Energy A/S as of June 2021, for the period ended 31 December 2023 (hereinafter "Allocation Report").

The Allocation Report is a component of European Energy A/S' Green Finance Report 2023 (page 5 of the Green Finance Report).

Management's responsibility

Management of European Energy A/S is responsible for the preparation of the Allocation Report in accordance with European Energy A/S' Green Bond Framework.

This responsibility includes the selection and application of appropriate methods to prepare the Allocation Report, including making assumptions and estimates that are reasonable in the circumstances. Furthermore, Management is responsible for the internal controls that Management has determined necessary to enable the preparation of the Allocation Report that is free from material misstatement, whether due to fraud or error.

Auditor's report relating to independence and quality control

We have complied with the independence and other ethical requirements of International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and ethical requirements applicable in Denmark.

KPMG Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the Allocation Report based on the assurance procedures we have performed.

We have conducted the assurance engagement in accordance with the ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and additional requirements under Danish audit regulation in order to obtain limited assurance for our conclusion.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material misstatement, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

Our work has included:

- Inquiries of employees involved in the selection and calculation of "Green bonds invested in projects" and reporting to assess the calculation of invested proceeds and reporting process and the internal control system in relation to these processes, to the extent relevant for the examination of the disclosures in the Allocation Report,
- Inspection on a sample basis of the relevant agreements and documentation for classifying investments as eligible projects in accordance with European Energy A/S' Green Bond Framework,
- Reconciliation of "Green bonds invested in projects" in the Allocation Report to supporting documentation,
- Obtained Management's confirmation that "Green bonds invested in projects" in the Allocation Report has been included and calculated in accordance with European Energy A/S' Green Bond Framework.

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

Conclusion

Based on the performed procedures and evidence obtained, nothing has come to our attention that causes us to believe that "Green bonds invested in projects" in the Allocation Report in European Energy A/S' Green Finance Report for 2023, is not in all material respects disclosed in accordance with the Green Bond Framework of European Energy A/S as of June 2021.

Other matter paragraph on restriction on use

This assurance engagement has been performed for the purpose of providing assurance on European Energy A/S' disclosure of "Green bonds invested in projects" in the Allocation report in the Green Finance Report for 2023. Our report is intended solely to inform of the results of the assurance engagement and can not to be used for any other purpose. This report is not intended to be relied upon by third parties for making financial decisions.

Copenhagen, 3 May 2024

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Jon Beck
State Authorised
Public Accountant

Kenn Wolff Hansen
State Authorised
Public Accountant

5. Appendix - Report Scoping

Projects selected to be represented in European Energy A/S's Green Bond Report 2023, have been selected and determined from the below criteria. Projects in scope are show in slide 4 & 5 of the report.

- 1 Projects were part of last year's EE Green Bond Report, or
- 2 Projects were under Construction* as of 31/12/2023
- 3 European Energy A/S's ownership of project >50% and consolidated in Group accounts
- 4 Project equity commitment > 1mEUR, as early development costs are funded with company equity
- 5 The "Green bonds allocated" corresponds actual investment less other external financing.
- 6 The selection and calculation of investment is made in accordance with the principles determined in European Energy A/S' Green Finance Framework.
- 7 Bond Issuance amount represent net amount of nominal bond value, 556 mEUR (Green Bonds), less associated costs. Projects in above list do not only count incremental bond investments in 2023, but also refinancing of investments from before 1st Jan 2022.
- 8 Power generation and CO2 avoidance is calculated based of assumptions established by IEA which have been applied to EE Share of plant size for both GWh and CO2 avoidance calculations – data points are Full Load Hours & gCO2 avoidance by country and technology assumptions.

* List of projects financed can be found on page 3 Note*: Projects under Construction are defined by having had a positive financial investment decision to construct project