

Annual ESG Publication

2021

CEMASYS

Navigating Your Path to Sustainability Success

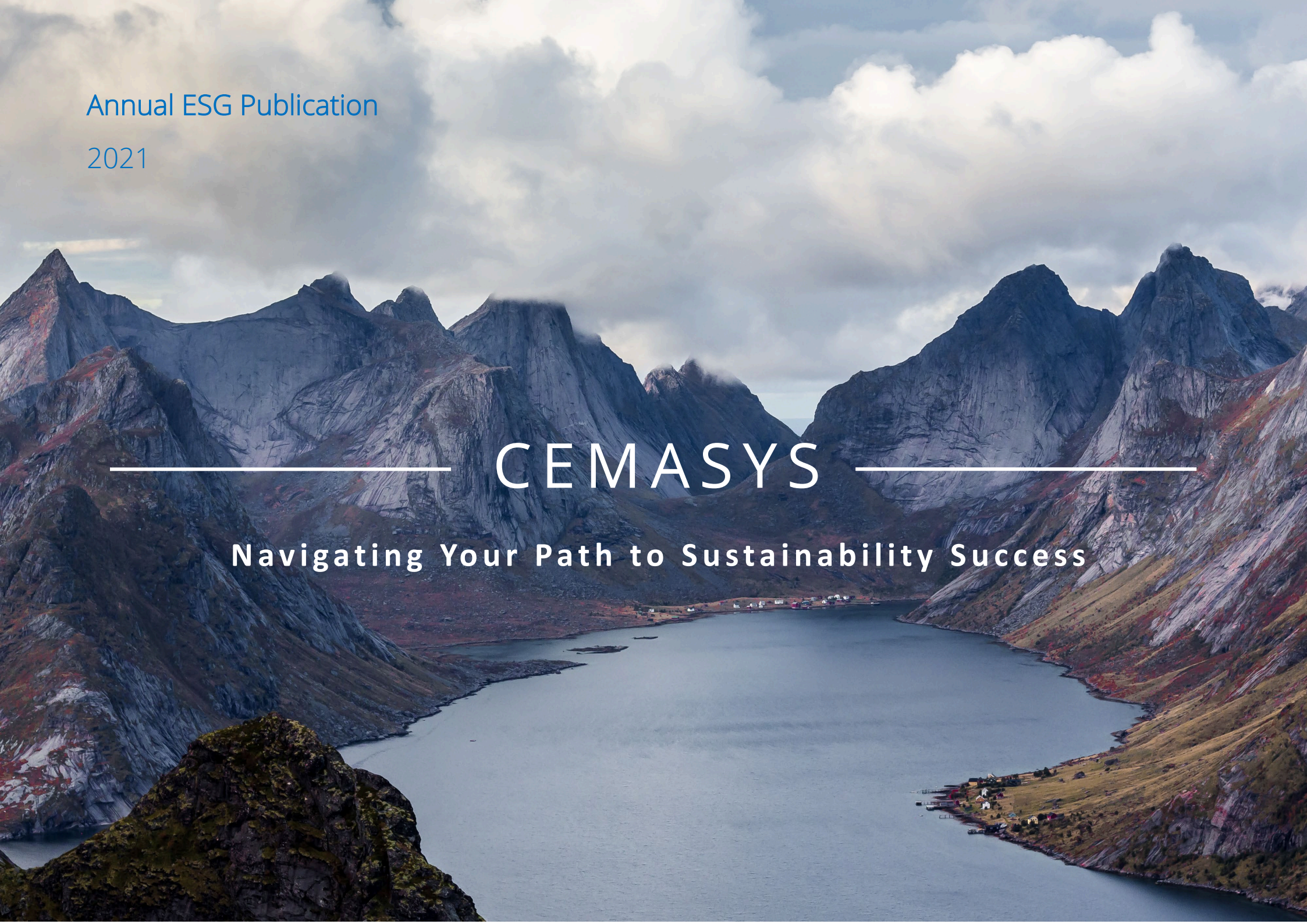


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Introduction from the CEO

I am very pleased to introduce Cemasys' ESG publication for 2021!

As a specialized sustainability consultancy delivering solutions for the entire Environmental Social Governance (ESG) segment, we know maybe better than anyone how measuring your impact is a prerequisite of being able to manage and improve it. We want to practice what we preach and have therefore since 2009 published our own carbon footprint yearly in accordance with the Greenhouse Gas Protocol framework.

2021 is the second year Cemasys releases a more substantial sustainability publication which covers more than just carbon emissions. Our aim is that this will enhance our sustainability work and related communication in the years to come. In the making of this report, a materiality analysis as well as an updated scope 3 screening was conducted to make sure our sustainability work has the right focus. The materiality analysis resulted in three focus areas which have their own sections in this report: lowering our climate impact, being an attractive employer, and maintaining our high level of customer excellence.

Since the founding of our company almost fifteen years ago, we have assisted our customers in every step of their sustainability journey; from data gathering and analysis, to ESG reporting, risk assessment, setting and reaching sustainability targets, as well as carbon offsetting. In doing so, our company contributes to business practices more in line with a sustainable future – all around the world. We help our customers lead the way to a zero-carbon future.

2021 was also a year where most of us had to continue learning new ways of living due to the pandemic – both personally and professionally. For us at Cemasys, as in many other companies, we had to continue adapting to the new conditions caused by the COVID-19 restrictions and further our new ways of working. Once again, I am very proud of our employees who, in a difficult time, quickly adapted to working from home. Our already heavy online presence, thanks to our cloud-based solution and highly international client base, made it possible for us to continue and improve our ways of working.

It has truly been a challenging year filled with uncertainty, but also with new ideas and perspectives. At Cemasys, we are happy to see that sustainability has remained a prioritized issue, both among our customers and in the world as a whole. Apart from the hardships, last year's events also resulted in new positive development in our company, including further digitalization and new ways of collaboration. It is exciting to see the same thing happen in many other parts of society.

After yet another unusual year, we at Cemasys look forward to yet another year working with our clients to improve their – and our – impact on people and the planet. We also look forward to a year of intensified climate action, so that we together can minimize the negative effects of global warming.

Yours sincerely,



Jan W. Elmenhorst-Larsen – CEO

This is Cemasy

Cemasy was established in 2007 as one of the first specialized climate change and sustainability consultancies in Norway. We are a leading provider of solutions for the entire Environmental Social Governance (ESG) segment. Our growing client portfolio has now reached more than 500 Scandinavian and international clients whereas more than 100 is listed, reporting in more than 70 different countries. This includes everything from energy companies, financial institutions and cities to construction firms, textile companies and food producers. Our mission is to create a positive impact for our customers through our advanced online systems and expert consultants. .

Key Financial Numbers

Numbers in 1000 NOK	2019	2020	2021
Total operating income (NOK)	22 497	34 342	48 387
Operating profit (NOK)	2 255	5 278	6 686
Result before taxes (NOK)	1 996	5 143	6 151
Annual results (NOK)	1 534	3 997	4 814
Total assets (NOK)	18 075	21 279	28 223

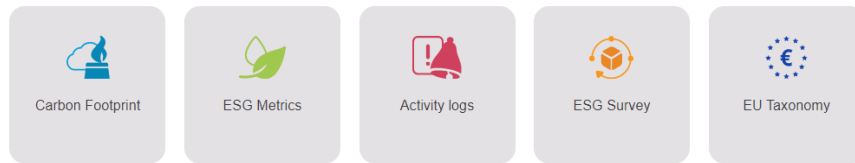
What We Offer

By combining innovative system solutions and analytical expertise, we provide our clients with methods and tools to improve their sustainability. We employ a unique two-pronged approach to ensure that we cover every aspect required to improve the sustainability performance of our clients.

The first approach is our cloud-based system. We have developed a state-of-the-art online tool which gathers, manages, and analyses our customers' ESG data. The system is tailored to each company's specific needs and enables independence and continuity in tracking your sustainability performance. It includes four modules: Carbon footprint, ESG metrics, Activity logs, ESG survey and EU Taxonomy which was launched spring 2022. More on these later.

The second approach is our expert consultants. We offer a wide range of services, including ESG consulting and strategy development, carbon footprint accounting, setting science-based targets, including scope 3 mapping, and low-carbon transition planning. We also help companies with GRI reporting, climate-related risk reporting (TCFD), including scenario analysis, and mapping activities according to the EU Taxonomy. In addition, we are a CDP accredited Silver Partner and help companies with all aspects of their CDP reporting. We continuously respond to the changing needs of our clients and adapt our offer accordingly. Read more about the services we offer on the next pages.

Cloud-based system



Carbon Footprint

A clear picture of your carbon footprint enables customers to make detailed steps to cut emissions. Our model is based on the international standard the Greenhouse Gas Protocol (The GHG Protocol) and includes an extensive database covering worldwide emission factors. The GHG Protocol is the most widely used method to manage greenhouse gas emissions and was the basis for the ISO 14064-1 standard. Using Cemasys you can identify, prioritize, and track your emission reduction initiatives and visualize the impact of different scenarios on your long-term performance.

ESG Metrics

Report, analyze, and visualize your ESG data for efficient sustainability reporting. Our module is tailored for reporting any qualitative and quantitative ESG related data. Through smart wizard technology and large data import functionality you can connect your organization and report data from several locations. The module is well integrated with the most common ESG and environmental reporting requirements, such as GRI (Global Reporting Initiative), UN Global Compact and environmental management systems (ISO-14001 & EMAS).

Activity Logs

Cemasys is the secure file sharing solution for all ESG employees. Our Disaster Recovery and Business Continuity (DRBC) Plan is developed to protect all assets and records of the system and its clients. This includes an interruption to business operations or compromise to our information assets. You can also give new employees quick access to files and ESG reports and preserve outgoing employees' work with account transfer. Efficiently manage your ESG team from one system. Cloud storage can also reduce your business risks. Disasters happen, devices get misplaced, and you never know when you will need access to your ESG information on the go. Keep your company's ESG data safe with cloud computing.

ESG Survey

Your supply chain can both pose business risks and provide significant ESG opportunities. The ESG Survey module allows you to audit your suppliers in an efficient and structured way. This helps you to identify ESG risks and drive sustainability performance. The module provides you with tools to form a clear view of supplier compliance and to administrate your supplier's self-assessments. Your suppliers can easily respond to your ESG Survey questionnaires. Once these are submitted, a risk scoring evaluation can be automatically assigned, and corrective action plans can be issued. You are now able to pinpoint supply chain issues, work with suppliers and reduce business risks.

Expert Consultants

Before customers begin their ESG journey with us at Cemasys, we often show them this picture. It is because this shows the progress towards developing their ESG work as well as provides an overview of our services. A more thorough description of what services our expert consultants can provide can be found below.

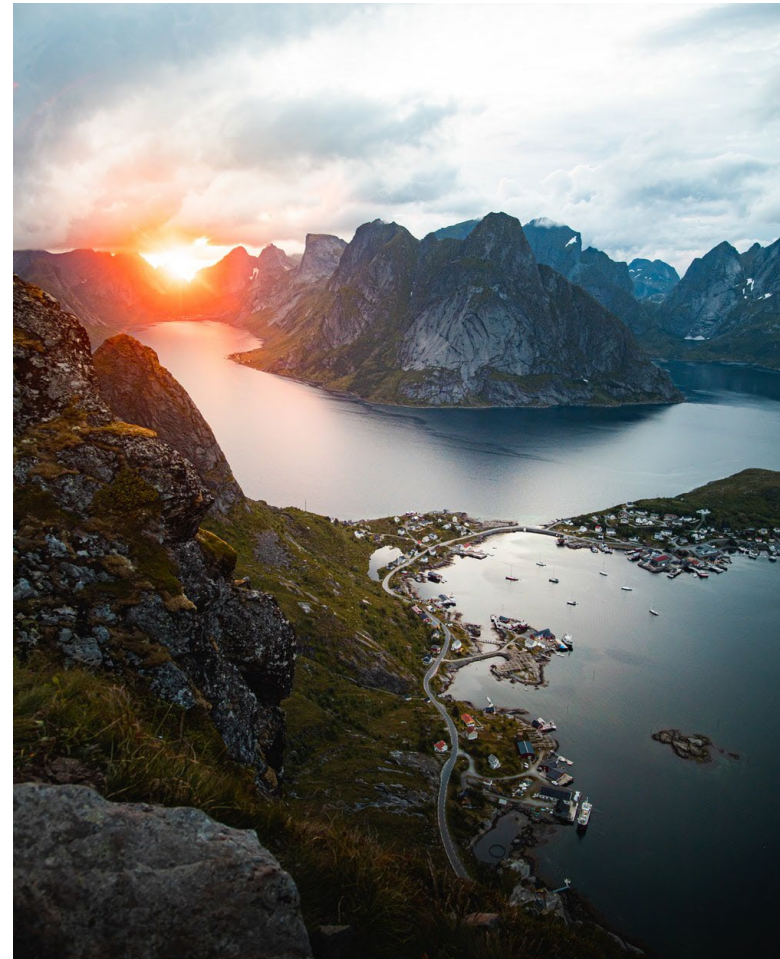
ESG Consulting

Reporting on ESG topics helps companies build and maintain trust. Our team of climate change and sustainability experts helps you measure and analyze impacts, develop strategies, and communicate progress. In doing so, we help you develop competitive advantages manage and reduce risks build a positive brand image through clear, correct, and meaningful sustainability work. We offer in-depth experience from a wide range of industries and clients experience from the entire Environment, Social, Governance segment, including social change and international ESG issues access to knowledgeable consultants following current developments in international standards, frameworks, and requirements.

Carbon Footprint Accounting

Measuring carbon emissions is the first step in taking meaningful climate action. Using our carbon footprint online reporting service, our consultants can assist in developing your carbon footprint accounting. Our consultants are experts in the Greenhouse Gas Protocol and Corporate Accounting and Reporting Standard and can assist in mapping emission sources, setting reporting

boundaries, and choosing the correct emission factors. We offer guidance in structuring and standardizing annual carbon footprint, expertise in the methodological carbon accounting standards and selecting appropriate and up-to-date emission factors support in creating carbon accounting reports and communicating progress.



Scope 3 Mapping

Mapping emissions provides greater insight into your supply chain upstream and downstream emissions and risks. Carbon accounting is increasingly focusing on these indirect emissions, especially in a company's supply chain, because it is often here the majority of climate change impact occurs. Our consultants are experts in the GHG Protocol and can assist your company in mapping, identifying, calculating, analyzing, and reporting on Scope 3 emissions in accordance with the international carbon accounting standard.

Science Based Targets (SBT)

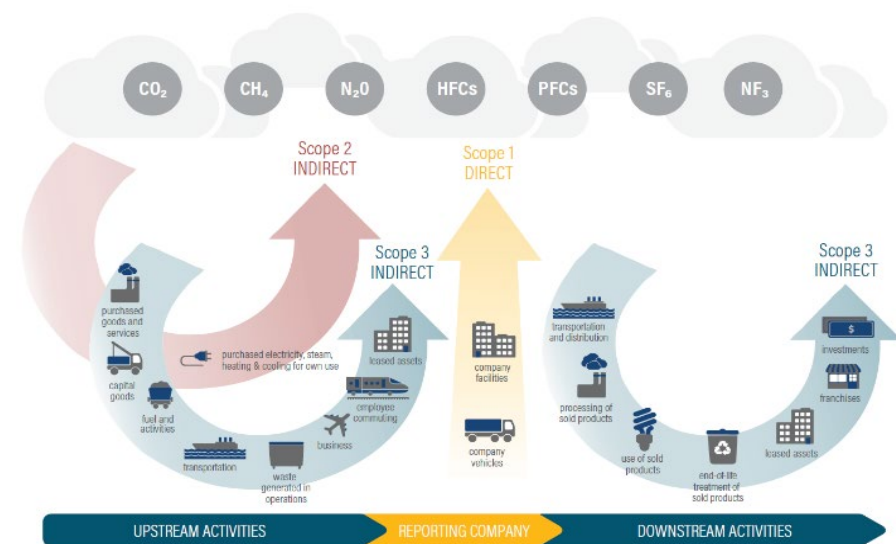
Aligning your targets with science ensures compliance with stakeholder expectations. Aligning your climate targets with the latest science ensures compliance with stakeholder expectations. We assist companies in setting emission reduction targets in line with the Paris Agreement. Our team can assist in calculating your carbon budget and demonstrate how your company should reduce emissions according to science-based methodologies.

We are the only Nordic CDP accredited SBT partner, which means we are approved to develop emission reduction targets in line with SBTi requirements.

Climate-Related Risks (TCFD)

Applying the TCFD recommendations strengthens your climate risk reporting. Applying the TCFD recommendations to your climate risk mapping and reporting ensures a best practice approach. We offer complete support in mapping and analyzing climate-related risks and opportunities and can assist in reporting in accordance with

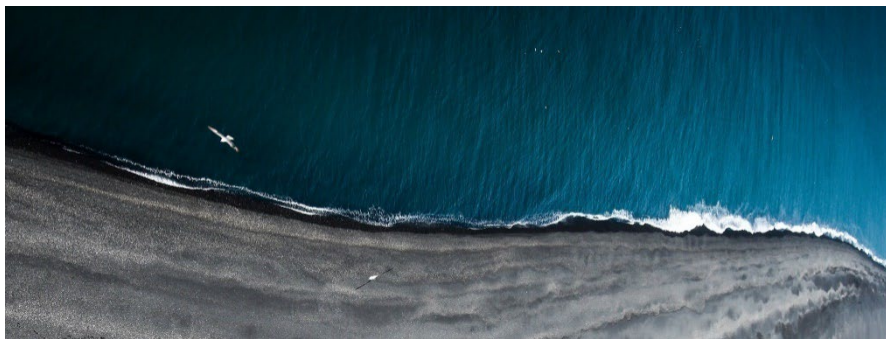
the recommendations by the Task Force on Climate-related Financial Disclosures (TCFD). The recommendations help companies understand what financial markets want from disclosure to measure and respond to climate-related risks and encourage firms to align their disclosures with investors' needs. Our team is well versed in the tools to develop scenario analyses and financial impact assessments, which will bring your risk management to the next level. We help companies: understand the recommendations and guidelines identify risks and opportunities analyze risks using scenario analysis, and report on these risks and opportunities according to the recommended framework to provide accurate information to investors and other financial stakeholders in line with TCFD



ESG Strategy Development

Developing sustainability strategies will create a roadmap to a low-carbon future. Developing resolute sustainability and climate strategies will foster resilient business practices for a low-carbon future. Our expert consultants can support your company in developing sustainability strategies and climate strategies to map and plan your company's approach to reducing its ESG footprint. Strategy and policy development are important statements as well as guidance documents to signal the direction a company intends to take. It is critical that a sustainability strategy is based on a robust knowledge basis about your company's most material ESG areas and takes into considerations the unique challenges ahead in the transition to a low-carbon economy.

We help companies: assess and identify material topics, benchmark your company's strategic objectives with other industry actors, analyze specific climate-related challenges that the strategy must address, and formulate robust policies to inform resilience business strategies for a low-carbon future.



Low-Carbon Transition Plan

Planning your path to a low-carbon economy ensures a resilient business strategy. Our expert consultants provide advanced analysis to map your path in the low-carbon transition by identifying emission reduction measures and creating your carbon budget. With the help of our low carbon transition planning tool, our consultants can help analyze and illustrate the emission reduction effect of a set of planned initiatives on your company's carbon footprint. In addition, we can help your company understand the initiatives needed for reductions to be in line with a 2°C or 1,5°C emission reduction pathway for short-, medium-, or long-term climate change strategies.

Scenario Analysis

Using climate-related scenarios offers valuable insight into your company risks. Scenario analysis is an essential yet challenging component of understanding and preparing for the impacts of climate change and is a valuable tool to aid companies to strategically manage their climate-related risks and opportunities. Conducting an in-depth analysis of a company's performance in various climate change scenarios will help expose climate-related vulnerabilities and provide important insight when developing a climate-resilient business plan. We provide science-driven qualitative and quantitative climate-related scenario analyses in accordance with the recommendations from the TCFD. Our scenario analyses consider the impact of both physical and transitional climate-related risks and considers short-, medium and long-term timeframes. Once a company has conducted a scenario

analysis, we can further assist in developing plans and strategies, and help your company create a TCFD report.

CDP Reporting

Reporting to CDP will highlight your climate efforts to your stakeholders. We assist in the process of reporting to the CDP (Carbon Disclosure Project), which asks companies to report their emissions, their climate-related governance, risk management, targets, and engagement strategies. Since 2008 we have encouraged and assisted clients reporting to the CDP, with an exceptional track record of high achieving clients. We are the only CDP accredited partner in the Nordics.

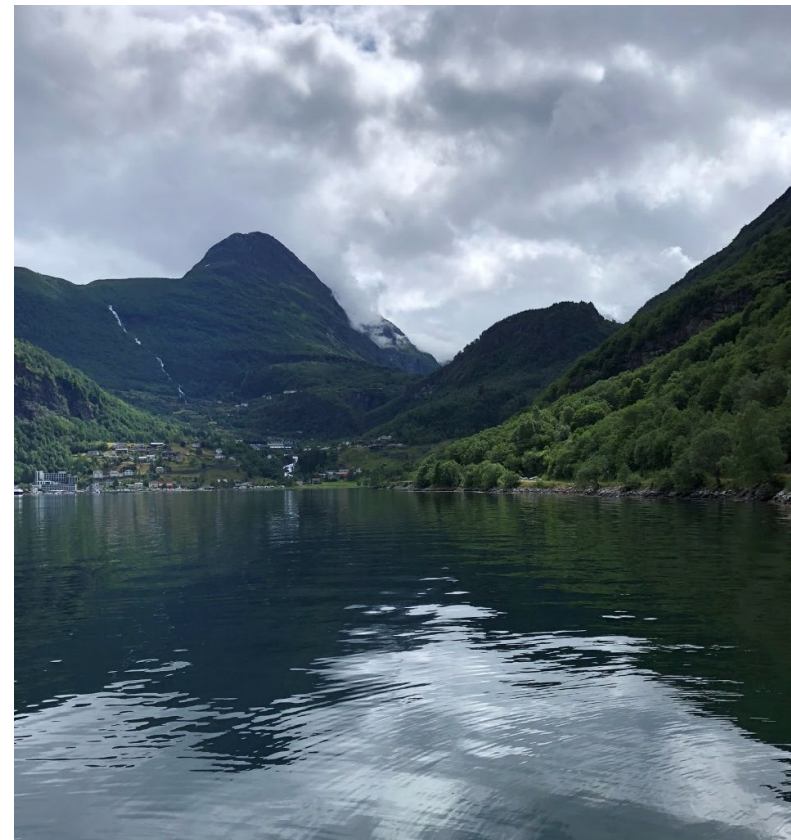
GRI Reporting

Aligning with the GRI-Standards provides high-quality sustainability reporting. We offer support in the process of developing thorough, transparent, and engaging sustainability reporting in accordance with the Global Reporting Initiative (GRI). Our consultants are GRI-certified, and can help conduct benchmarking analyses, stakeholder dialogues, materiality analyses, and develop the different report elements aligned with the new 2021 GRI standard requirements. We also offer support in other types of ESG reporting, such as Dow Jones Sustainability Index.

EU Taxonomy

Keeping up with the EU Taxonomy ensures compliance with future expectations. We have a dedicated team keeping up with the latest

developments on the topic of sustainable finance. One of the most important and consequential developments in the last few years is the creation of an EU Taxonomy for Sustainable Finance. The Taxonomy is a tool to help investors understand whether an economic activity is environmentally sustainable, and to navigate the transition to a low-carbon economy. We help our clients understand and navigate this new framework and keep up-to date on new developments and reporting requirements.



Certifications and Partnerships

In addition to helping our clients on their sustainability journey, we are always seeking to improve our own sustainability performance. Every year we calculate our carbon footprint and offset our emissions through UN-certified emission reduction projects. We are also involved in several projects and partnerships to strengthen our sustainability work and provide our clients with the most up-to-date and trustworthy resources.

Eco-lighthouse



Cemasys has since 2010 been certified by Eco-lighthouse, which is Norway's most used certification for environmental and social responsibility work. The certification holds the standard and quality in line with international eco-labelling schemes (EMAS and ISO 14001). We are encouraged by this certification to reduce our environmental impact and increase our social responsibility. This work is deeply embedded in our management system CDP Accredited Provider

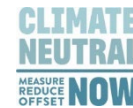
CDP Accredited Provider



As the only Nordic consulting firm, Cemasys is a long-time accredited CDP (Carbon Disclosure Project) provider and Silver Partner. We receive training and exclusive insight into CDP's methodology as well as close support from the CDP staff. This means that our clients

receive the very best support from our team who have unique insight into the best practices for responding to the CDP questionnaire.

Climate Neutral Now



Cemasys has signed the Climate Neutral Now pledge. This means that Cemasys commits to:

1. Measure and report our greenhouse gas emissions for an agreed-upon period
2. Reduce our greenhouse gas emissions as much as possible
3. Offset remaining emissions with UN Certified Emission Reductions.

Cemasys was one of the world's 100 first climate neutral companies. We have signed the Climate Neutral Now pledge (UNFCCC) and adhere to the methodology for all our clients that calculate, reduce, offset, and communicate their emissions. Climate Neutral Now is an initiative that encourages the offsetting of emissions by supporting green projects that reduce, avoid, or remove greenhouse gas emissions.

UN Global Compact



In 2020, we joined the UN Global Compact as a Participant member. The initiative allows partnerships and collaborations in the work needed to reach the UN Sustainable Developments Goals (SDGs). Through our membership, Cemasys participates in regional and group of

more than 250 leading apparel, footwear, and textile, brands, retailers, and other organizations working to reduce the environmental and social impacts of products around the world.

Science Based Target initiative Partner



Through the CDP we are also recognized as an accredited Science-Based Target partner. In our collaboration with the Science-Based Target initiative (SBTi) we help companies develop ambitious and meaningful emission reduction targets as an integrated part of their sustainability strategy and help develop plans to reach these targets.

Sustainability Hub (S-Hub) Member



S-Hub is an organization that brings together the sustainable business community in Norway and coordinates collaboration and activities, as well as builds knowledge about sustainability topics. Cemasys was one of the first corporate members of S-Hub.

Sustainable Apparel Coalition



We are happy to announce that Cemasys has become an affiliate member of the Sustainable Apparel Coalition (SAC). SAC is an industry-wide group of more than 250 leading apparel, footwear, and textile,

brands, retailers, and other organizations working to reduce the environmental and social impacts of products around the world. This is a partnership that we look forward to advancing in 2021.

Guide Against Greenwashing



Cemasys signed the Guide Against Greenwashing during year 2020. This means that we have signed 10 guides with examples about not conducting greenwashing. This is an important matter for Cemasys since we want to advocate real impact on the climate to be in line with recent climate science.

Carbon Offsetting and Trading

At Cemasys, we recognize the complexity of the climate challenge. There is an urgent need for a shift to a low-carbon society and to reduce emissions worldwide, but the technology to do so is not always in place. Therefore, carbon offsetting plays an important role in the pursuit towards carbon neutrality. Carbon offsetting means that money is invested into projects that lead to a reduction or avoidance of greenhouse gases in the atmosphere. This can be done through planting trees that directly absorb carbon dioxide from the atmosphere, or through projects that provide low-emission alternatives to current practices, such as supplying people in developing countries with less polluting cooking stoves.

Carbon offsetting projects often have an additional positive impact on biodiversity and combat poverty.



All projects in our portfolio meet the most stringent requirements. We offer two types of carbon offsetting credits: Certified Emission Reductions (CERs) and Verified Emission Reductions (VERs). These credits guarantee the carbon reduction purchased has already occurred through a specific project. The projects are governed through either UNFCCC (UN's Framework Convention on Climate Change), the independent Gold Standard Foundation or the Voluntary Carbon Standard. Both CERs and VERs are registered in public registries and cannot be resold or reused after purchase.



The projects we work with not only reduce global greenhouse gas emissions, but also improve communities and the lives of the people involved.

In addition to carbon offsetting projects, Cemasys can also offer EU Emission Allowances. These carbon credits are governed through the European Union Emission Trading Scheme (EU ETS). The trading scheme guarantees that emissions within the EU are kept within a pre-defined level, and emission reductions occur wherever they are most cost effective. Companies that are subject to regulatory obligations can purchase EU ETS credits if they cannot keep their greenhouse gas emissions below their free allocation.

Another way of carbon offsetting is by buying green electricity certificates. Cemasys offers Guarantees of Origin, which is a

certificate that assures that a purchase of green electricity has occurred.

Cemasys Climate Park



So far 40 million mangrove trees has been planted in the Thor Heyerdahl Climate Park in Myanmar. We see this as a unique opportunity to contribute to mitigating climate change and improving the socio-economic conditions of the local community. Planting new forest binds

carbon dioxide from the atmosphere; one new mangrove tree can bind approximately 1 ton of CO₂ over a twenty-year period.

Mangrove forests are also breeding grounds for fish populations, crucial habitats for otherwise threatened and endangered animal and plant species, which foster biodiversity. Representatives from Cemasys have visited the Cemasys climate park to observe and be a part of the development.

This project included three years research in cooperation with Patheingyi University and Myeik University, three years test planting of 3 million trees on 720 acres where we recorded an achievement of 86% survival rate of mangrove trees. The Verified Carbon Standard (VCS) registration was completed in 2018.

The Cemasys Climate Park has not only contributed to capturing carbon dioxide, but also to a sustainable development with

emphasis on supporting women in the MaGyi community, up to 100 new jobs and increased biodiversity. Wild elephants and other endangered species have been returning to the forest.



The Cemasys Climate Park has also contributed to protection of sea grass meadows, coral reefs, endangered dugongs and sea turtles. After planting, there has also been an increase of sea food in the water, bee honey production and other types of livelihoods from sustainable forest management.

Lowering our Carbon Footprint

As an office-based business with currently small direct impacts on the environment, measuring and reducing our greenhouse gas emissions is still an important issue for us.

Each year, we measure our direct and indirect greenhouse gas emissions in accordance with the GHG protocol and prepare an annual carbon footprint report. In doing so, we learn which of our activities are responsible for the most emissions and where we can make reductions.

In addition, we compensate annually for the emissions we are unable to reduce. In 2021, this was done by investing in a project for biomass-based power generation in Maharashtra, India.

Summary of our carbon footprint

In 2021, our total greenhouse gas emissions amounted to 13.3 tons of CO₂-equivalents (tCO₂e). See below for a breakdown of the emissions into different categories.

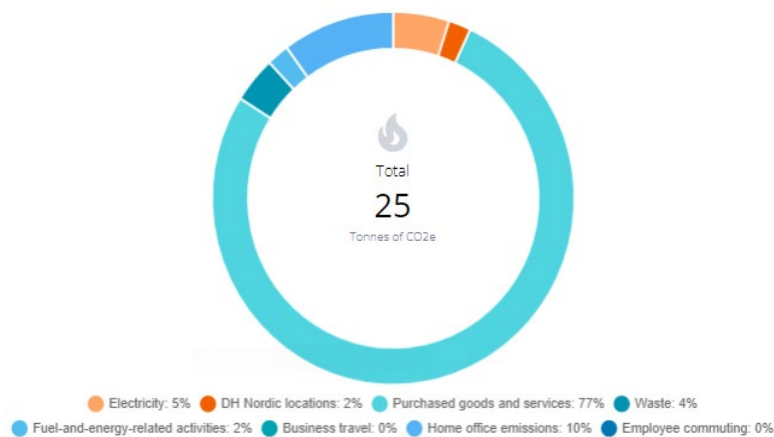
A complete carbon footprint report can be found in Appendix 1.

Cemasys Carbon Footprint in tCO₂e

Emissions in tCO ₂ e	2019	2020	2021
Scope 1 Total	0	0	0
Electricity	1.5	1.8	1.3
District heating	0.5	0.4	0.4
Scope 2 Total	1.9	2.2	1.7
Waste	0.3	0.3	0.9
Fuel- and energy-related activities	1.3	1.3	0.5
Business travel	7.7	3.3	0.1
Employee commuting	0.2	0.1	0.1
Purchased goods and services	9.5	2.8	19.3
Home office emissions	-	3	2.5
Scope 3 Total	19.1	11.1	23.4
Sum	21.4	13.3	25.1

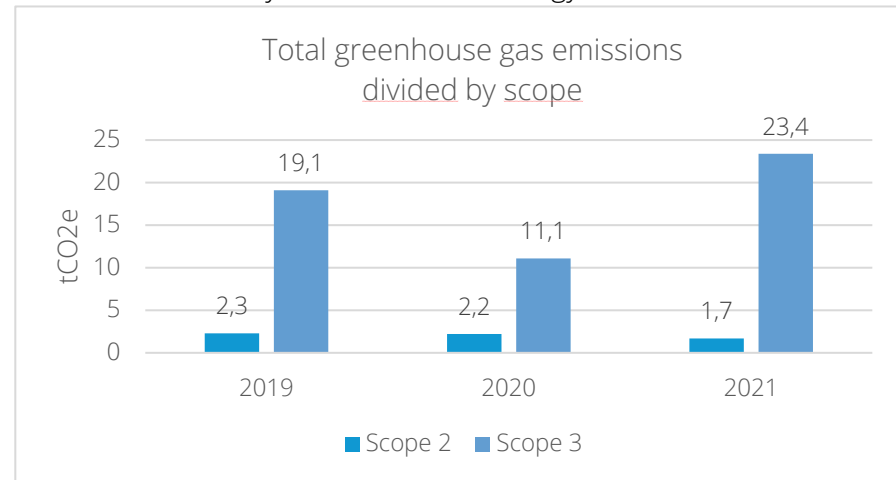
Break-downs of our annual carbon footprints 2019-2021

Cemasys does not have any direct emissions (scope 1). Most of our emissions during 2021 and the last couple of years have occurred in scope 3, which in the past three years have consisted of the following categories: Purchased goods and services, Fuel- and energy-related activities, Waste generated in operations, Business travel, and Employee commuting. In 2020 and 2021, the category home office emissions has been added, which includes electricity use for computers and other electrical equipment used for working from home.



In 2021, the category that stood for most of the emissions was Purchased goods and services, making up 77% of CEMAsys' total emissions. This can be explained by the fact that CEMAsys has been growing exponentially in 2021, and we have welcomed 15 new employees, all needing electronical equipment. Our next highest emissions is due to home office, making up for

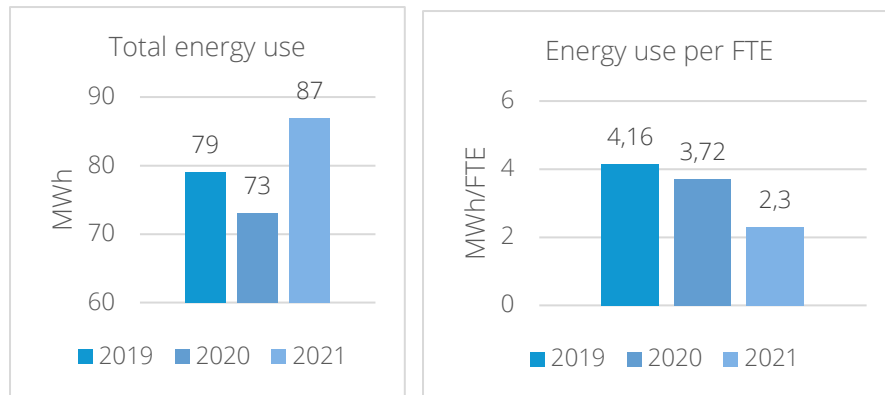
approximately 10% of the total emissions. At the same time, our scope 2 emissions from use of electricity and heat at the office stood for around 7%, and our scope 3 emissions from "Fuel- and energy-related activities", stood for 2%. This tells us that most of our emissions stem from decisions we take regarding how we travel, what we buy and how much energy we use.



In recent years we have invested even more in modern video conferencing equipment to increase the quality of our digital meetings. For necessary business trips, we have a strict policy stating that the most climate friendly type of transportation possible should be chosen. Our goal is to not go back to our old travel habits, but to see this as an opportunity to reduce our emissions. As our business travel emissions are making up 0.1tCO2e, we are happy to be seeing we are on the right track.

At Cemasys, we constantly consider other possibilities to minimize our negative impact on the environment in our day-to-day work. This is done through continuous improvement when it comes to, for example, efficient usage of our office space and equipment, reducing and recycling our waste, as well as buying environmentally friendly products and minimizing our use of consumables.

Our annual energy use in 2021 is higher than in 2019 and 2020. The energy use per full time employees has gone down the last two years.



In the middle of 2021, we moved into new facilities in Oslo and our goal is to lower our energy use per full time employees even further.

Methodology

Cemasys' carbon footprint has been prepared in line with the most recent set of standards from the GHG Protocol. This is the most widely used framework for carbon accounting on a corporate level.

The reporting considers the following greenhouse gases, all converted into CO₂ equivalents: CO₂, CH₄, N₂O, SF₆, HFCs, PFCs and NF₃. The reporting and conversion into CO₂-equivalents has been done using our own carbon footprint module.

Our Science-based Target

We are proving our commitment to building a sustainable future by setting a science-based target (SBT) in line with the **1,5°C scenario** presented by the IPCC. Setting a target in line with the SBTi guidelines gives us the possibility to set an ambitious target consistent with the latest climate science.

We have committed to **reduce absolute scope 1 and scope 2 GHG emissions 50% by 2030 from a 2018 base year, and to measure and reduce our scope 3 emissions**. The target has been approved by the Science Based Targets initiative (SBTi) and will be revised every five years.

Cemasys has in addition to our 2030 target also signed the "Business Ambition for 1,5°C" through which we have committed to **reach net-zero by no later than 2050**.

We are also the only Nordic accredited SBT partner and assist companies in setting their own science-based targets, regardless of their starting point. Go to sciencebasedtargets.org to see our commitment as well as learn more about the initiative.

Progress towards the target

As we moved in to our new office halfway through 2021, where we

had implemented different emission reduction initiatives, our scope 2 emissions decreased in 2021, almost exclusively due to lower electricity emissions. This also means our emissions per employee has decreased significantly. We rent our office space and do not have full control over the use of electricity and heat in the building, but we do what we can to limit our own impact by for example turning off lights and appliances when not in use.

The second part of our SBT is to measure our scope 3 emissions, which we have done since 2009. In the base-year 2018, three categories were included, namely Waste, Business travel, and Fuel- and energy-related activities. For 2019 and onwards, Scope 3 was expanded with the categories Purchased goods and services and Employee commuting. For 2020 and 2021, we also included emissions from home office.

Our Climate Policy

Cemasys is actively working to reduce the environmental impact of our operations, and in 2021 our routines were expanded and more clearly defined in a new climate policy. This defines more specifically how we are going to manage our negative and positive climate impacts throughout the organization to meet our own climate ambitions and goals. The policy mostly focuses on sustainable purchasing, waste management and reduction, and business travel.



The following principles are included in our climate policy:

Cemasys:

- follows all applicable laws and regulations in the country where it operates, as well as other relevant frameworks.
- applies a structured management approach based on continuous improvement, target setting, monitoring, measuring, and evaluating impacts and risks, to minimize its negative climate impacts.
- promotes circularity by applying the principle of Reduce, Reuse, Recycle in its own operations.
- encourages all forms of employee transport and deliveries to take place in the most climate efficient way possible.
- uses and promotes climate efficient technology, products, and services in its operations and to its customers.
- engages in research and knowledge sharing with relevant stakeholders on topics that promote climate responsibility.
- communicates its most material climate performance in a transparent, reliable, and timely manner.

Being an Attractive Employer

Work Environment

Our employees are our most valued assets, and it is important for us to continuously invest in their wellbeing and development in the workplace. At Cemsys, we recognize that our employees' health and wellbeing is material for creating a sustainable working life and a positive work environment. In 2021, sick leave was 2.1%. All sick-leave was due to non-work-related incidents. It is among our highest priorities to sustain wellbeing and a sustainable work-life balance for our employees to prevent work-related illness. **2**

To safeguard the working environment, a review of the health, safety, and environmental (HSE) conditions in the company is carried out annually. This is the starting point for ensuring a positive development of the work environment. The HSE mapping process consists of an annual meeting where relevant matters are brought up, as well as the creation of action plans for managing deviations identified in the meeting.

The CEO has overall responsibility for ensuring that the laws and regulations to which the business is subjected are followed up. Employees always have a responsibility to report matters concerning health, environment, and safety to the general manager or the HSE representative. The HSE representative is elected by employees and acts as an intermediary between the employees and upper management.

During the year 2022, actions taken to improve the health of our employees included:

- continue replacing computer screens with bigger and more modern screens for better ergonomics.
- updating the office with modern art, plants, decorations, and social zones.
- continuing to have an "office dog" for a good atmosphere among colleagues.
- arranging social events, for example after works as well as summer and Christmas parties.



Risk Assessment

It is stated by Norwegian law that enterprise shall map out dangers and assess risks, as well as prepare risk mitigating plans and measures.

A risk is defined as the possibility that something undesirable will happen, including the consequences this may have. These are not only major accidents, but also cooperation problems, stress disorders, illness, and injuries.

Our policy for risk assessment declares that a risk assessment must be completed based on the risk factors that have emerged during the annual HSE mapping. The risk assessment is performed to identify what measures are to be implemented and to prioritize which measures are most appropriate to implement. We first prioritize conditions with a high probability of unfortunate consequences, as well as the most serious conditions.

Employee Training

The sustainability field is constantly evolving and growing. The development of our employees' knowledge is therefore of big importance. Employees regularly attend seminars, trainings, and conferences to stay at the forefront of the sustainability field and to be able to offer the best sustainability solutions for our customers.

We Are Growing

As one of the leading providers of ESG solution services in the Nordic region, Cemasys is in constant growth. We take great pride in bringing in sustainability experts that support us in continuously improving our services to our customers.

We are proud of the fact that a large part of our expansion comes from having young, newly graduated talents join our team. We believe that new graduates bring new perspectives and a great will to learn within the sustainability field. At Cemasys, we have a flat organizational structure and encourage new employees to be independent in their learning and to take on roles of responsibility early on.

By taking care of our employees, we have managed to sustain a low employee turnover rate over the years. In 2021, our employee turnover was 6.7% down from 9.5% in 2020. In the upcoming years, we are looking at further increasing our presence on the international market – this is reflected both in the hiring processes as well as in an increased focus on the recruitment of international customers.

Gender Diversity

We believe that gender diversity leads to an increased versatility of ideas and perspectives. For this reason, we are actively working towards minimizing the gender gap in our organization by seeking to attract potential employees that increase our gender diversity. One concrete action taken during this past year has been to purposely develop job ads that attract a diversity of applicants. It has also been our strategy to always reflect the gender balance of applicants in the interview process. This has resulted in us focusing on acquiring a more diversified workforce in the next recruiting process.



Managing Covid-19

Cemasys was impacted by the covid-19 pandemic during 2021 just like the rest of the world. We are proud of our employees and customers for their continuous adaption to the new circumstances and for showing resilience during the pandemic. Even though the pandemic impacted the way we spent time with our colleagues, we continued to regularly stay in touch with one another. For example, we called each other more often through digital channels, had morning meetings and other social activities, such as online/outdoor trainings, virtual social events, and coffee breaks.

Having a strong digital presence has always been a core priority for Cemasys. During the pandemic, we have built even further on this and developed our work through digital channels. Thanks to this we could easily maintain a great customer relationship without having to completely reconstruct the way we work with our clients.

Despite our digital maturity, we have still learned a lot 2021. Together with many other companies, we have realized that a lot more than we previously thought can be achieved with less travelling. We will bring this knowledge with us after this pandemic hopefully ends, resulting in even more virtual contact with our existing and potential clients, less climate impact, and a better work-life balance for our employees.

Although the situation led to uncertainty of present and future business, Cemasys never furloughed any employees, but rather took this as an opportunity to grow.

Ensuring Customer Excellence

Our customers are our most important stakeholder and we always strive towards delivering the best results to our clients. We believe this is done best through creating a long-term and trusting relationship with our clients. Our customers always have a main consultant and at times supporting consultants to create the most thorough and high-quality deliveries.

Customer Testimonials

We are proud to present customer testimonials from some of our customers.

Elkem



Cemasys was appointed ESG advisor for Elkem in 2020. Elkem has a strong focus on sustainability but identified a need to strengthen processes and communication as ESG becomes even more important for all our stakeholders. We are very satisfied with the professional support from Cemasys and the assistance they have provided in establishing a carbon footprint system, stakeholder dialogue, ESG software and improving the reporting structure. They are systematic and have a practical approach that we highly appreciate. Based on our experience we strongly recommend Cemasys to other companies wanting to systematically improve their work within ESG.

Europris



Cemasys assists us with our CDP reporting and carbon footprint accounting and have done so since 2014. They are extremely professional in their working manner providing flexibility and detailed guidance when requested. Working with them has been extremely educational and that is probably the main reason why we have received such great results. With their competence and great customer service they are absolutely a long-term partner in our strategic work towards reducing our carbon footprint and improving our sustainability performance.

Customer Privacy

A part of our customer excellence is that we achieve trust and confidence in protecting our client's privacy and personal data. Our GDPR¹ documents explain how we process personal data in connection with the Cemasys.com system. Our Privacy Statement (PS), Data Processor Agreement (DPA) and User Consent Confirmation (UCC) ensures that we process all personal data in accordance with the GDPR guidelines. Our employees regularly participate in data privacy trainings. In the beginning of 2021, we developed a two-step verification in the Cemasys system that has been implemented without any issues.

We also changed supplier of our cloud-based system to Microsoft Azure during 2020 which increased the focus on customer privacy and data security even more. As a client of ours you own the data you provide for storage and operation of the Azure services. We do not share the data with advertising-supported services, nor do we extract them for purposes such as marketing, research, or advertising.

We only process the data with your consent, and once we have consent, we only use the data to provide the services you have chosen.



¹ General Data Protection Regulation (GDPR) is a regulation in EU law on data protection and privacy in the EU and the EEA.

Appendix

1. Carbon Footprint Report for 2019-2021

Emission source	Description	Consumption	Unit	Energy (MWh)	Emissions tCO ₂ e	% share
Electricity total				40.7	1.3	5.0 %
Electricity Nordic mix		40,678.8	kWh	40.7	1.3	5.0 %
District heating location total				46.1	0.4	1.7 %
District heating NO/Oslo		46,142.2	kWh	46.1	0.4	1.7 %
Scope 2 total				86.8	1.7	6.7 %
Purchased goods and services total				-	19.3	76.7 %
Meal vegetarian, avg.		2,970.0	Qty	-	3.0	11.8 %
Meal meat, avg.		157.0	Qty	-	0.4	1.4 %
Meal fish, avg.		105.0	Qty	-	0.2	0.7 %
Monitor 49"		16.0	Qty	-	11.1	44.3 %
Computer laptop		16.0	Qty	-	4.7	18.5 %
Waste total				-	0.9	3.8 %
Organic waste, recycled		78.4	kg	-	-	-
Paper waste, recycled		827.2	kg	-	-	0.1 %
Glass waste, recycled		125.6	kg	-	-	-
Plastic waste, recycled		38.4	kg	-	-	-
Residual waste, incinerated		1,844.0	kg	-	0.9	3.7 %
EE waste, recycled		6.2	kg	-	-	-
Fuel-and-energy-related activities total				-	0.5	2.1 %
Electricity Nordic mix (WTT)		40,678.8	kWh	-	0.5	2.1 %
Business travel total				-	0.1	0.4 %
Mileage all. car (NO)		-	km	-	-	-
Mileage all. el car Nordic		-	km	-	-	-
Train (NO)		84.5	pkm	-	-	-
Bus regional		3,985.8	pkm	-	0.1	0.4 %
Continental/Nordic		-	pkm	-	-	-
Home office emissions total				-	2.5	9.8 %
Electricity Nordic mix		79,650.0	kWh	-	2.5	9.8 %
Employee commuting total				-	0.1	0.5 %
Bus (NO)		676.0	pkm	-	-	0.1 %
Car, electric Nordic		264.0	km	-	-	-
Metro, Nordic		3,843.6	pkm	-	0.1	0.3 %
Train (NO)		512.0	pkm	-	-	-
Tram/Light rail		974.0	pkm	-	-	0.1 %
Scope 3 total				-	23.4	93.3 %
Total				86.8	25.1	100.0 %
kj				312,555,600.0		

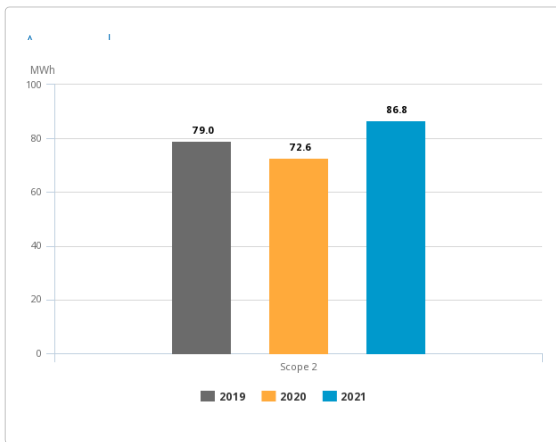
Reporting Year Market-Based GHG Emissions

Category	Unit	2021
Electricity market-based	tCO ₂ e	10.1
Scope 2 market-based	tCO ₂ e	10.5
Total market-based	tCO ₂ e	34.0

Category	Description	2019	2020	2021	% change from previous year
Electricity total		1.8	1.8	1.3	-29.5 %
Electricity Nordic mix		1.8	1.8	1.3	-29.5 %
DH Nordic locations total		0.5	0.4	0.4	1.9 %
District heating NO/Oslo		0.5	0.4	0.4	1.9 %
Scope 2 total		2.3	2.2	1.7	-23.6 %

Waste total		0.3	0.7	0.9	36.9 %
Glass waste, recycled		-	-	-	99.7 %
Paper waste, recycled		-	-	-	40.9 %
Organic waste, recycled		-	-	-	47.1 %
Residual waste, incinerated		0.3	0.7	0.9	36.8 %
Plastic waste, recycled		-	-	-	-5.4 %
EE waste, recycled		-	-	-	-20.5 %
Business travel total		7.7	3.3	0.1	-96.7 %
Mileage all. el car Nordic		-	-	-	-100.0 %
Train NO_		-	-	-	-
Mileage all. car (NO)		3.2	1.5	-	-100.0 %
Continental/Nordic		3.2	1.6	-	-100.0 %
Intercontinental		1.3	-	-	-
Bus regional		-	0.1	0.1	109.4 %
Train (NO)		-	-	-	-97.4 %
Fuel-and-energy-related activities total		1.3	1.3	0.5	-59.2 %
Electricity Nordic mix (WTT)		1.3	1.3	0.5	-59.2 %
Employee commuting total		0.2	0.1	0.1	43.0 %
Bus (NO)		0.1	-	-	70.7 %
Car, electric Nordic		0.1	-	-	-91.6 %
Metro, Nordic		0.1	0.1	0.1	27.4 %
Train (NO)		-	-	-	100.0 %
Tram/Light rail		-	-	-	100.0 %
Purchased goods and services total		9.5	7.7	19.3	149.5 %
Meal vegetarian, avg.		2.9	1.8	3.0	66.3 %
Meal fish, avg.		0.6	0.4	0.2	-59.9 %
Meal meat, avg.		0.9	0.6	0.4	-40.1 %
Furniture, office		0.6	-	-	-

IT, electric equipment	4.5	-	-	-
Monitor 49"	-	3.5	11.1	220.0 %
Computer laptop	-	1.5	4.7	220.0 %
Home office emissions total	-	3.0	2.5	-17.0 %
Electricity Nordic mix	-	3.0	2.5	-17.0 %
Scope 3 total	19.1	16.1	23.4	46.1 %
Total	21.4	18.3	25.1	37.7 %
Percentage change	100.0 %	-14.6 %	37.7 %	



Annual Market-Based GHG Emissions

Name	Unit	2019	2020	2021	% change from previous year
Scope 1 + 2 emissions (tCO ₂ e)		2.3	2.2	1.7	-23.6 %
Total emissions (s1+s2+s3) (tCO ₂ e)		21.4	18.3	25.1	37.7 %
Total energy scope 1 +2 (MWh)		79.0	72.6	86.8	19.6 %
Sum locations kWh/m ²		240.1	192.6	230.3	19.6 %
Total tCO ₂ e/FTE		1.1	0.8	0.7	-10.7 %
Total tCO ₂ e/Revenue		0.8	0.5	0.7	29.4 %