

Norwegian Transparency act

Organisation of Clemens Kraft operation, rules and regulations

Clemens Kraft Group is a leading small scale hydro power producer in Norway and has since 2006 developed, constructed and operated small scale hydro power plants. The portfolio consists of 50 power plants in operation including five power plants in owned associated companies. Clemens Kraftverk (the Group) is a sub-group within the Clemens Kraft Group, holding all power plant related assets, but do not have any employees. The management and administration of Clemens Kraft Group is employed in Clemens Kraft AS, a sister company of Clemens Kraftverk AS.

The two owners, Allstad AS hold 50.1% and CPV/CAP hold 49.9% of the shares. Clemens Kraft has all production in Norway and power produced is primarily sold at Nord Pool power exchange.

Clemens Kraft is working towards respect for fundamental human rights and decent working conditions in connection with the construction and operation of power plants and also with the administration related to the portfolio of power plants.

The corporate governance in Clemens Kraft follows sound business principles with a focus on ethical guidelines and sustainability established by the owner Allstad.

The Norwegian Transparency Act entered into force on 1 July 2022 and Clemens Kraft has conducted a due diligence assessment of own employees, contractors and other relevant stakeholders to Clemens Kraft.

Clemens Kraft has not prioritized any formal cooperation with other small scale hydro power producer with respect to matters related to the Transparency Act.

Human rights impact assessment

Clemens Kraft undertakes and integrates human rights in the operation of the powerplants and will integrate the requirements also in construction projects. All powerplants in operation will be part of the same framework without taking into consideration the business being organized into various different legal entities or Single Purpose Vehicle (SPV).

A revised assessment of relevant topics connected to the Transparency Act is updated Q2 2026.

The mapping of fundamental human rights and decent working conditions are identified into the following topics:

- Health and security
- Work conditions
- Social dumping
- Discrimination and harassment
- Burden on the local community
- Components and raw materials
- Components related to transportation

When giving priority to the different topics, the severity and probability measures will be emphasized.

Severity is based on *scale*, how many people could be impacted, *scope*, as potential severity and *recovery* like possible compensation or recovery measures.

Probability is measured based on geographical risk or industry risk. The identified risks are in general not identified as significant or unacceptable, however the potential of risks related to negative consequences is increasing during execution of construction projects.

Improvement initiatives and focus areas

For projects currently under construction, Clemens Kraft's assessments focus on subcontractors. Further assessments cover power plants in operation and related administrative work. Measures have been taken through regulations in maintenance contracts to verify subcontractors' employees' working conditions, as well as through verification during the procurement process of components and other relevant materials. Clemens Kraft is not aware of any breaches to date. The measures implemented are expected to improve contractors' working conditions, and self-declaration forms have been introduced to formalize commitments to Clemens Kraft from contractors and subcontractors.

There are no reported issues related to the Transparency Act as of today. The dialogue with stakeholders as landowners and local communities is followed up closely.

Health and security

During 2025, Clemens Kraft updated its guidelines to further improve and align health and security requirements, both internally and externally. The main focus is on contractors and the continued implementation of:

- clear routines for follow-up; and
- effective communication with relevant parties.

The overall risk is expected to remain modest and in line with Clemens Kraft's expectations.

Agreements with local caretakers are in place and have been a focus area since the 2023 update, contributing to ensure that contractors meet Clemens Kraft's expectations. Own employees have completed mandatory safety training (FSE - Forskrift om sikkerhet i arbeid i og drift av elektriske anlegg)), and additional first aid training initiatives have also been introduced.

Working conditions

The focus area is contractors and the continued implementation of action plans, improvement measures, follow-up routines, and communication with relevant parties. The risk of unacceptable working conditions for contractors in Norway is expected to remain modest.

Local caretakers are required to follow the same routines and regulations as Clemens Kraft's own employees. Professional work is monitored through established internal routines and control procedures.

Social dumping

Clemens Kraft conducts assessments when hiring employees and contractors for new projects.

Discrimination and harassment

The risk of discrimination and harassment is assessed as low. Clemens Kraft will continue to monitor any development closely, evaluate any increased probability of risk, and implement mitigating actions where needed.

Reporting channels have been established through Allstad to ensure that potential issues can be raised and followed up appropriately.

Burden on the local community

Clemens Kraft continues to implement action plans, improve and strengthen routines, and increase communication with landowners and other local communities.

Maintaining close dialogue with the local community remains a high priority.

Components and raw materials

Clemens Kraft has implemented routines and guidelines to reduce risks related to the use of contractors and the procurement of materials.

This focus area is particularly relevant for refurbishment projects and construction projects.

Components related to transportation

Clemens Kraft has implemented routines and guidelines to reduce risks related to the use of contractors and subcontractors in transportation activities.

Risk assessments for both employees and contractors are carried out on a regular basis.

During the assessment of human rights and decent working conditions, the addressed focus areas will be duly communicated, and training will be evaluated to ensure implementation of the regulations in Transparency Act throughout the organization. All governing documents are updated and made available to relevant stakeholders of the Group.

Signed by the Board of Directors 30 June 2026:

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