Transition Plan

Metrics and targets | Road to net-zero | Scenario analysis

Risks and opportunities | Governance mechanisms

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ATEA

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About Atea

Atea is the market leader in IT infrastructure and related services for businesses and public-sector organizations in the Nordic and Baltic regions, with headquarters located in Oslo, Norway. Our mission is to build the future with IT, in collaboration with our customers and partners. We believe that IT, when combined with knowledge and creativity, has the potential to enhance productivity and elevate living standards for people everywhere.

With a strong team of over 8,000 employees across 88 cities in seven European countries (Norway, Sweden, Denmark, Finland, Lithuania, Latvia and Estonia), Atea delivers a powerful local presence in each market we serve. Atea is consistently recognized by third parties as a leader in corporate sustainability on a global scale.

To fully realize our mission and capitalize on our market position, it is not sufficient for Atea to merely offer world-class IT solutions. We must also devise and execute a strategy that ensures the long-term sustainability of our business. This is why customers can depend on Atea as a comprehensive IT partner to facilitate their digital transformation. We are experts in the entire IT lifecycle, encompassing requirement analysis, solution design, sustainable procurement, implementation and the responsible retirement of infrastructure assets.

Long-term commitment

Atea's Climate Policy, aligned with the 1.5°C scenario of the Paris Agreement, emphasizes our dedication to reducing emissions, improving energy efficiency and advocating for low-carbon solutions across our operations and value chain. This commitment applies to all Atea companies, with employees required to comply with the Group Climate Policy.

In 2024, we updated our (Science Based Targets initiative) SBTi target from well below 2°C (set in 2018) to 1.5°C and established a net-zero target. To fulfill our commitments, we developed a Transition Plan that addresses various focus areas, particularly the intricate and demanding Scope 3 emissions. This plan demonstrates our unwavering commitment to environmental sustainability and our pledge to align with the Paris Agreement's goal of limiting global temperature rise to 1.5°C.

Embracing digital transformation

Amidst global adversities such as an energy crisis and material scarcity, Atea's commitment to digitalization and connectivity remains unwavering. Our take-back services, a proven solution for over a decade, responsibly manage unused IT devices by collecting, refurbishing or recycling them.

These services play a crucial role in the circular economy by addressing material shortages, reducing electronic waste and minimizing environmental impact. We have now integrated the 1:1 target—originally introduced under our Vision 2030 initiative—into our Transition Plan, reinforcing our commitment to recovering more unused IT units than we place on the market. As a key player in digital transformation, we leverage our expertise to lower customer emissions and promote sustainable technology practices.

Digitalization is not just a trend, but a vital tool in driving change. By harnessing its power, we can navigate challenges and pave the way towards a resilient, environmentally conscious future. Together, we can make a significant difference.

The Transition plan

Businesses worldwide are acknowledging the pressing need to shift towards a low-carbon economy. The effective implementation of the United Nations Sustainable Development Goal 13 (Climate Action) is crucial for taking urgent action to combat climate change and its impacts. In 2024, Atea made a significant stride in this direction by introducing the Transition Plan, which highlights Atea's dedication to environmental sustainability and aligns with the Paris Agreement's objective to restrict the rise in global average temperature to 1.5°C above pre-industrial levels, while also adapting to the adverse impacts of climate change and fostering resilience.

The Transition Plan outlines a comprehensive strategy to reduce our GHG emissions by 90% from 2019 levels, with the remaining 10% addressed through investments in actions to mitigate emissions beyond our value chain. We are committed to maintaining transparency in our climate governance and ensuring strategic implementation by adhering to globally recognized standards such as IFRS S2, SBTi Net-Zero standard, GHG Protocol, EU Taxonomy and CSRD.

Serving as a strategic framework, the plan details Atea's approach to achieving its short-term targets set out in the 2025-2027 business plan and its long-term aspiration of reaching net-zero emissions by 2040.

Revision

In line with our annual reporting timeline, we will develop more detailed actions for our Transition Plan, ensuring our strategies are based on the most recent and relevant data. This approach allows us to make informed decisions and set realistic, achievable goals, seamlessly integrating our sustainability efforts with our overall business operations. Atea will provide annual progress updates through its Annual Report, available on atea.com. These updates will detail advancements on both near-term and long-term SBTi targets, as well as through the annual CDP questionnaire. This plan is based on the best available data and assumptions at the time of its creation. Atea acknowledges that the scientific and regulatory landscapes for climate action are rapidly evolving, which may require future adjustments. Atea will routinely review this plan to incorporate changes in these landscapes and updates from its business plan. Atea will also engage with relevant stakeholders, including customers, suppliers, employees, investors, and policymakers, to share its vision and seek feedback on its journey towards net-zero emissions. Through this engagement, Atea aims to ensure that its plan remains aligned with the latest developments and best practices in climate action.

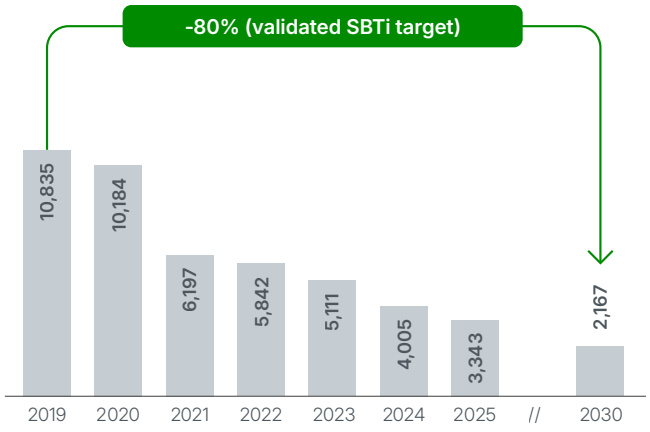
Metrics and targets

In 2018, Atea had its first emissions reduction targets approved by the SBTi, committing to keep the global temperature rise well below 2°C. In 2023, Atea reaffirmed its dedication to environmental sustainability by submitting an updated SBTi targets to align with a 1.5°C scenario, alongside a net-zero emissions target for validation. In 2024, Atea's targets were approved by the SBTi, reinforcing our commitment to the net-zero transition.

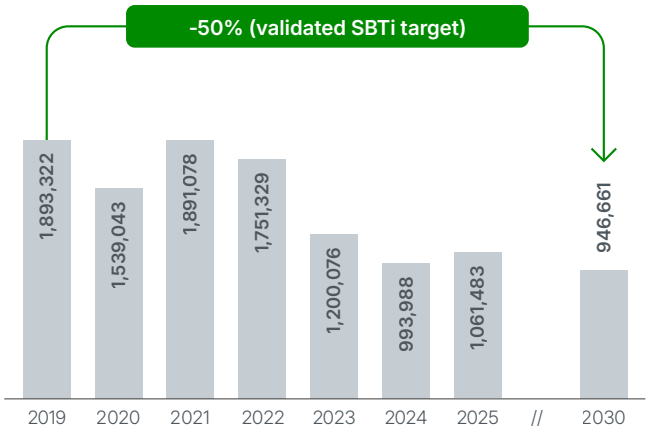
Atea's performance against SBTi validated targets (base year 2019)

	2020	2021	2022	2023	2024	2025
Near-term (by 2030)						
Transition to 100% renewable electricity by 2025	48%	78%	87%	89%	96%	100%
80% reduction in Scope 1 and 2 emissions	6%	43%	46%	53%	63%	69%
50% reduction in Scope 3 emissions	19%	0%	8%	37%	48%	44%
Long-term (by 2040)						
90% reduction across all Scopes	19%	0%	8%	37%	48%	44%

Absolute reduction target by 2030 (Scope 1 and 2) tCO_2e



Absolute reduction target by 2030 (Scope 3) tCO_2e



Atea's GHG emissions

Atea conducts annual calculations of its reported GHG emissions, following industry guidelines outlined by the World Resources Institute GHG Protocol. Emissions from Scope 1, 2 and 3 are evaluated for all sites within Atea's operational control, consistent with the consolidation scope of Atea's financial statements. Atea's GHG accounting practices incorporate principles from financial accounting and reporting standards, such as relevance, accuracy, completeness, consistency and transparency. This alignment ensures reliable and comprehensive measurement and reporting of GHG emissions.

More detailed information on GHG emissions can be found in the GHG Accounting document at atea.com/esg-overview.

Atea's reported emissions for 2025 in tCO_2e.

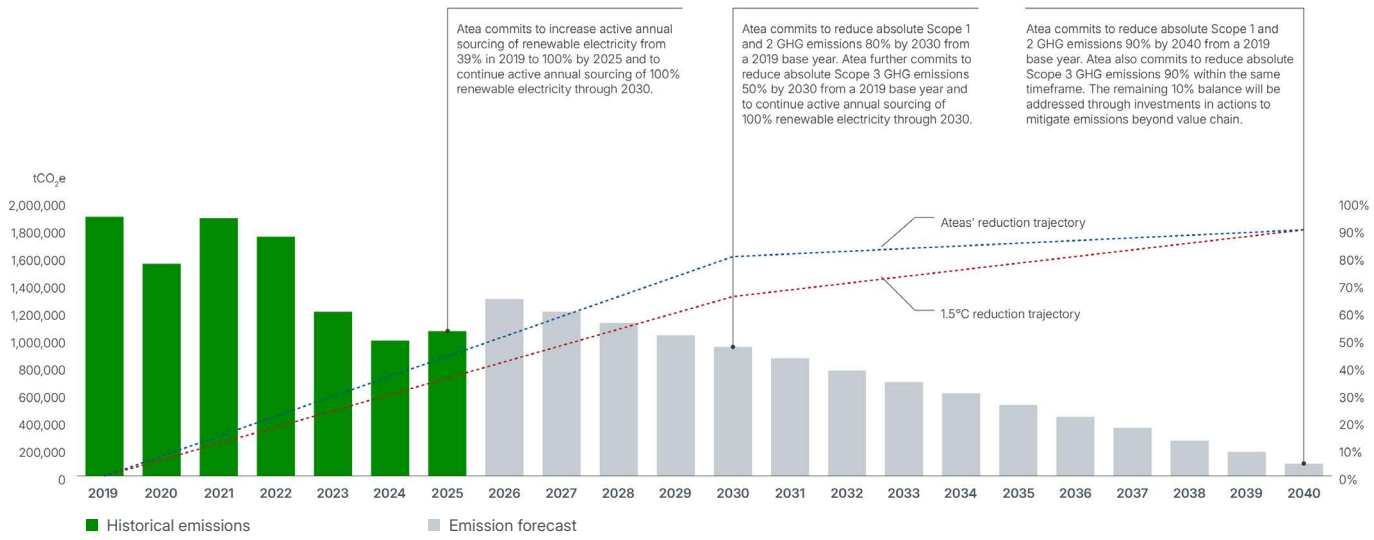
Scope 1 3,028	Atea has three categories of Scope 1 emission sources—stationary combustion, mobile combustion and fugitive. Stationary combustion emissions at Atea are produced by the combustion of diesel, natural gas and LPG (Liquefied Petroleum Gas), primarily used for facility heating or as backup electricity generation. Atea's mobile combustion emissions stem from the operation of owned or leased cars. Fugitive emissions at Atea result from refrigerant leakage in air conditioning units.
Scope 2 (market-based) 316	Atea's Scope 2 emissions arise from the consumption of purchased electricity, district cooling and heating. We calculate both location- and market-based Scope 2 emissions to provide comprehensive data. In market-based calculations, we account for Atea's voluntary renewable energy purchases through contractual instruments. These include Guarantees of Origins obtained from power purchase agreements, unbundled Renewable Energy Certificates and purchases of renewable and low-carbon energy.
Scope 3 1,061,483	Atea is focusing its reporting efforts on 11 out of 15 Scope 3 categories that have a material impact on our operations. Approximately 1% of Atea's Scope 3 emissions are based on primary data, while the remaining 99% rely on secondary data sources such as industry averages, database emission factors and estimated activity data where supplier-specific information is unavailable.

Road to net-zero

Atea's primary ambition is to eliminate emissions from own operations, which constitute a small share of the value chain emissions. Opportunities also exist to reduce emissions from the current product portfolio through targeted interventions, such as encouraging suppliers to set science-based targets and collaborating with logistics partners to transition to lower emission transportation options.

Given that the majority of the value chain emissions fall outside of Atea's direct control, societal change is crucial.

Atea commits to reach net-zero greenhouse gas emissions across the value chain by 2040



Operational model

At the forefront of our mission is a steadfast commitment to environmental stewardship, aiming to eradicate emissions from our operations. To accomplish this, we've set ambitious short- and medium-term targets.

We are increasing our procurement of renewable energy to power our operations, aiming to eliminate reliance on fossil fuels while enhancing energy efficiency across all operations. We have achieved our short-term target set for 2025 by transitioning to 100% renewable electricity: a substantial increase from the 39% achieved in 2019. This transition is projected to result in an annual reduction of approximately 6,000 tCO_2e. We remain committed to sourcing 100% renewable electricity through 2030 to support the achievement of medium-term targets set for reducing Scope 1 and Scope 2 emissions. Our medium-term target by 2030 is to achieve an 80% reduction in Scope 1 and 2 emissions while transitioning to 100% renewable energy sources, which is a notable increase from the 30% recorded in 2019.

To achieve these targets, we will continue to acquire Guarantees of Origin certifications for low-carbon energy procurement and, where possible, increase the production of renewable electricity for self-consumption. We are also electrifying company-controlled car fleet where it suits business needs and exploring opportunities to do so for service cars. Also, we are committed to improving energy efficiency in our operations.

While recognizing that even business travel and employee commuting collectively contribute less than 0.5% to our Scope 3 emissions, we remain committed to encouraging Atea employees to adopt environmentally responsible travel practices. This proactive approach empowers individuals to align with the company's climate objectives through their daily decisions and actions.

Data centers: a key focus area

In pursuit of energy efficiency, our data centers are pivotal to our operations. We are actively enhancing the energy efficiency of these facilities, which we own or have operational control over. Our approach includes adopting advanced cooling technologies, implementing server virtualization to reduce the number of physical servers required and transitioning to energy-efficient hardware. These measures not only contribute to achieving our targets but also optimize our operational performance, ensuring our data centers are cost-effective and resilient.

Various regulatory frameworks, such as the EU Taxonomy, the European Code of Conduct for Energy Efficiency in Data Centres and the Energy Efficiency Directive (EU) 2023/1791, play a significant role in guiding sustainable and efficient operations within the European Union.

- EU Taxonomy provides a classification system for environmentally sustainable economic activities. Under this framework, activities related to data processing, hosting and related services may qualify as environmentally sustainable if they meet specific criteria related to resource efficiency, GHG emissions and other environmental impacts
- European Code of Conduct for Energy Efficiency in Data Centres provides best practices and guidelines for data center operators to optimize energy use and reduce environmental impact
- Energy Efficiency Directive (EU) 2023/1791 sets binding measures to enhance energy efficiency and reduce consumption across various sectors, including data centers. As significant energy consumers, data centers play a crucial role in meeting the EU's energy efficiency targets.

By adhering to these frameworks, we not only ensure compliance with regulatory requirements but also leverage them as valuable guidelines for implementing best practices. These frameworks help us measure and monitor key performance indicators, enabling us to set industry benchmarks for sustainable IT infrastructure.

Our data centers in Trondheim, Oslo, and Umeå have been evaluated against the criteria of the EU Code of Conduct for Data Centres. Trondheim has now fulfilled all requirements and has officially joined the European Code of Conduct on Data Centres as a Participant. For the Oslo and Umeå data centers, a roadmap is being developed to achieve full compliance in the coming years.

Value chain model

Atea is committed to building a responsible value chain by addressing social and environmental impacts throughout the lifecycle of technology solutions. We actively promote ethical labor practices, sustainable sourcing, and efficient resource use, while partnering with industry stakeholders to advance a resilient IT sector that upholds human rights, reduces environmental impact and meets high standards of ethics and governance.

Collaboration with Responsible Business Alliance

As a Regular member of the Responsible Business Alliance (RBA), Atea is part of the world's largest industry coalition committed to improving supply chain conditions. Atea's Supplier Code of Conduct, which is based on the RBA Code of Conduct, applies to all suppliers. It emphasizes the importance of tracking, documenting and publicly reporting GHG emissions across all Scopes 1, 2 and significant categories of Scope 3. Suppliers are encouraged to enhance energy efficiency and reduce both their energy consumption and GHG emissions.

Atea's involvement with the Responsible Minerals Initiative (RMI) since 2016 further demonstrates its commitment to responsible sourcing, particularly in conflict-affected and high-risk areas. By aligning with the RMI and adhering to the OECD Guidelines for Conflict Minerals, Atea promotes transparency and responsible management systems within the supply chain. This approach supports the livelihoods of millions and fosters a sustainable IT industry that respects human and labor rights, reduces environmental impact and adheres to ethical and governance standards.

Supplier assessment program

As a value-added reseller, a significant portion of Atea's Scope 3 emissions is tied to supply chain and the associated manufacturing processes. Specifically, emissions from purchased goods and services range between 53% and 78% of Scope 3 emissions. Consequently, the strategic focus centers on understanding the sustainability efforts of prioritized suppliers, given their substantial environmental impact. These suppliers collectively represent more than 80% of the total procurement spend.

Atea has developed a comprehensive supplier assessment program that forms a key part of our responsible business practices. The program is designed to manage risks and verify the extent to which our suppliers meet expectations set by international guidelines, industry standards, our Supplier Code of Conduct and customer requirements. This includes respect for human rights and labor rights for both their employees and workers throughout their supply chain. The results also enable us to monitor progress over time.

Our in-house sustainability mapping tool is a central part of our program, consolidating the results of supplier assessments across more than 50 criteria. It includes detailed information on suppliers' policies, commitments, the maturity of their management systems to implement them throughout their value chain, as well as the depth and transparency of their sustainability disclosures. We assess factors such as Responsible Business Alliance membership, the contents and robustness of responsible sourcing policies, the maturity and quality of annual sustainability reporting, disclosures about supply chain issues and corrective action processes and SBTi-validated science-based targets.

To ensure a robust evaluation, we combine third-party sources like RBA-Online and sustainability certifications with in-depth analysis of publicly available data and direct input from supplier dialogues. This results in a comprehensive dataset that offers a clear view of supplier efforts across all sustainability dimensions, including labor rights and anti-corruption.

The tool supports ongoing engagement with suppliers, helping identify improvement opportunities and enabling accountability. It also provides valuable insights for Atea and its customers. In 2025, a new Partner Sustainability Forum was created, where information is shared on a quarterly basis with partner managers—responsible for partner relations in accordance with the vendor strategy at group, country, and business line levels—across Atea Group. This includes the results of supplier assessments, identified gaps, supply chain allegations and industry trends.

The program is reviewed annually and updated to reflect changes in risk profile, business model, stakeholder expectations, industry trends and legislation. For example, five new criteria were added in 2025 to deepen our understanding of supplier efforts, three of which relate to living wage, expanding on the one previously in place.

Atea Sustainability Focus

Atea Sustainability Focus (ASF) leverages the power of the Nordic IT buyers to drive change globally. Featuring a report produced annually, ASF provides the Responsible Business Alliance (RBA) and fellow members with an annual focus and a set of recommendations. The focus and recommendations are assembled by an advisory board that collects examples of sustainability and IT excellence from across the region. The specific recommendations provide a balance between deep ambition and what's achievable. This annual approach helps industry to focus its resources and progress faster to close that gap.

ASF provides multiple platforms for organizations and individuals to become part of the solution:

- Atea Sustainability Forum—Nordic event that gathers IT buyers and representatives from the global IT industry to collaborate and find paths to a more sustainable production and use of IT
- Leadership for change—The ASF Leadership for Change group is a network of leading Nordic IT buyers dedicated to promoting sustainable IT by establishing and sharing best practices in procurement and consumption
- ASF Roadmap—The ASF roadmap was initiated by the buyers in the ASF Advisory Board in order to speed up the transformation to a circular and net-zero IT sector. In collaboration with the IT industry, the roadmap outlines a number of actions that will be undertaken by Nordic IT buyers, evaluated and scaled if successful.

Enhancing IT sustainability through circular solutions

Circularity is a material priority for Atea due to its direct impact on our core IT services operations. Transitioning to a circular economy is essential for reducing waste, improving resource efficiency, and minimizing environmental impact. By embedding circular principles into our business model, we create cost savings, drive innovation, and strengthen our competitive advantage—while contributing to global sustainability goals and delivering value for both our business and society.

For more than two decades, Atea has extended the lifespan of IT equipment by offering services for circular management. Given the significant climate impact associated with manufacturing IT equipment, circular activities—such as extending the life of products through reuse and recycling for resource recovery—are especially important.

Atea's 1:1 circularity target

Atea's 1:1 circularity target aims to recover at least as many devices as are placed on the Nordic market annually. The target is intentionally defined around five high-impact customer device categories: mobile phones, laptops, monitors, tablets, and desktops. These categories were selected because they represent the majority of the environmental and social impacts associated with the production phase of ICT equipment, including embodied carbon, resource intensity, and labor related risks. While these products do not represent the majority of devices sold by Atea, they account for a material share of the total production footprint of customer devices.

Focusing the target on high-impact categories ensures that circular recovery efforts address the areas with the greatest sustainability relevance. Extending the target to low-impact or low-materiality categories would dilute its purpose and risk shifting attention away from the devices where improved circularity delivers the most meaningful environmental and social benefits. The defined scope therefore reflects a deliberate, impact driven approach rather than a volume based commitment.

Originally introduced under Vision 2030, the 1:1 target is now embedded in Atea's Transition Plan and business strategy. It supports the shift to a circular economy and complements our science-based targets, including those related to waste emissions. Progress is tracked annually using same-year sales and asset recovery data, ensuring consistency and alignment with business planning. Therefore, the metric does not rely on a fixed baseline year or baseline value, as it is recalculated each year. The target is absolute, long-term and outcome-oriented. It is supported by supplier engagement, customer services, and operational initiatives that promote reuse and reduce reliance on virgin materials.

The aim is to recover at least as many devices as are placed on the Nordic market annually, focusing on five high-impact categories: mobile phones, laptops, monitors, tablets, and desktops. The target applies to customer returns only and excludes internal or third-party returns.

1:1 Progress overview

These figures reflect Atea's progress toward the 1:1 target and offer insights into product-specific circularity dynamics. The data is based on actual transactional records and supports transparent, year-over-year tracking of circularity performance across key product categories.

Ratio of units sold to customers against the units recovered from customers

	Recovered		Sold		1:1 Ratio %	
	2024	2025	2024	2025	2024	2025
Laptops	214,792	268,968	742,172	831,395	29%	32%
Stationary computers	41,126	44,520	115,034	159,867	36%	28%
Mobile phones	72,433	80,846	238,802	252,147	30%	32%
Tablets	77,759	68,134	163,040	169,925	48%	40%
Monitors	39,474	40,184	344,567	378,945	11%	11%
Total	**445,584**	**502,652**	**1,603,615**	**1,792,279**	**28%**	**28%**

Potential savings through the reuse and recycling of equipment

Assessing avoided emissions has become increasingly relevant as organizations strive to meet global climate targets and comply with sustainability standards and regulations. By accurately measuring and reporting avoided emissions, organizations not only align with regulatory requirements but also help drive the development and scaling of innovative low-carbon solutions.

To support this, Atea has collaborated with IVL Swedish Environmental Research Institute to develop a robust methodology for calculating avoided greenhouse gas emissions related to asset recovery services. Since 2019, IVL has provided annual updates to ensure the methodology remains current and reflects evolving international standards and best practices. The most recent update, completed in December 2024, aligns the calculations with the latest industry frameworks, including the Net Carbon Impact Assessment Methodology for ICT Solutions, Guidance on Avoided Emissions, the Avoided Emissions Framework, and Enabling the Net Zero Transition. As a result, the updated methodology serves as the basis for calculations from 2025 onwards and is not directly comparable with historical figures due to changes in the underlying approach.

The methodology compares a reference scenario, where devices are left unused, with a solution scenario, where devices are reused or recycled. It covers a range of IT equipment types and uses average data from commonly processed models, drawing on manufacturer carbon footprint declarations and transport data. To ensure conservative results, it assumes that two reused devices are needed to provide the same service as one new device. The calculations consider emissions from manufacturing, transport, waste management, and the processes involved in preparing devices for reuse.

Results are reported as total net avoided GHG emissions, without allocating them to individual actors, to prevent double counting. These avoided emissions are not used for direct GHG targets but reflect the broader environmental benefit of circular activities. Some detailed calculation parameters and data sources remain confidential and are not disclosed externally.

These emissions are not included in the achievement of Atea's targets or the GHG emissions. As the methodology was updated in 2024, all figures reported from 2025 onward are calculated based on the new methodology and cannot be directly compared with historical values. For more information, see the Annual Report at atea.com/esg-overview.

Sustainable lifecycle management

More people today seek responsible management of IT products across their lifecycle. At Atea, we view sustainable Lifecycle Management (LCM) not merely as a service, but as a strategic framework for planning, valuing, and optimizing every stage of digital device use. Through LCM, we help customers accelerate digital transformation by improving affordability, reducing environmental impact, and enabling circular business models that strengthen IT governance and budget control.

The LCM Track framework is an Atea method created as a part of our LCM offering to help our customers align their IT strategy, business processes, and employee experience with the best lifecycle management practices. It's a comprehensive deep dive for customers who are either exploring their needs or aiming to maximize lifecycle management benefits. By using LCM Track, our customers will be able to unlock the power of a truly circular consumption of IT resources and gain insights into their current state and future potential.

Lifecycle Management is about:

- Managing the earth's resources responsibly
- Rewarding quality and ensuring that products have prolonged lives
- Recovering and circulating back valuable metals and components.

Carbon Credits

The SBTi Corporate Net-Zero Standard guides companies to align their climate targets with the 1.5°C goal. Companies must set near- and long-term targets to reduce emissions across their value chain, aiming to reach net-zero by 2050. They must also neutralize any remaining emissions through permanent carbon removal.

The SBTi encourages companies to engage in Beyond Value Chain Mitigation (BVCM) to support global net-zero efforts. BVCM involves actions outside a company's value chain, such as purchasing carbon credits or direct investments, to reduce or remove greenhouse gases. This approach aligns with the Intergovernmental Panel on Climate Change's (IPCC) call for immediate and deep emissions reductions to limit global warming to 1.5°C.

BVCM can involve various strategies, such as:

- **Purchasing and retiring high-quality carbon credits:** Companies can buy carbon credits from projects that reduce or remove GHG emissions, such as reforestation or renewable energy projects
- **Direct investments:** This includes funding climate protection projects or technologies that avoid or reduce emissions or remove and store GHGs from the atmosphere.

The goal of BVCM is to complement a company's internal emissions reduction efforts and support broader climate action.

To meet customer requirements, Atea has purchased emission reduction and carbon removal credits, which are disclosed annually through the CDP questionnaire. These credits are not part of Atea's GHG emissions reduction strategy and are not included in the emissions reductions reported by Atea. For its net-zero target, Atea will plan to invest in mitigation activities beyond its value chain only when the net-zero target is reached, following recommendations and developments in this area and adhering to the SBTi guidelines. Also, Atea will monitor developments in GHG removals and storage from its own operations and its upstream and downstream value chain, considering nature-based solutions when setting plans for achieving net-zero.

Carbon credits purchased per year

	2020	2021	2022	2023	2024	2025
Emission reduction offsets, tCO_2e			800	652		
Carbon removal credits, tCO_2e	1824	3500	2000	1130	307	190

Climate-related scenario analysis

For the physical scenario, the focal question posed was about the effects and impacts of a high-emission scenario on the resilience of Atea's data centers and offices. As an IT infrastructure company, Atea operates offices, logistics centers and data centers within the Nordic and Baltic markets. With 88 offices in seven different countries, climate change could potentially pose a risk to Atea's day-to-day operations.

Climate change is a pressing global issue with far-reaching consequences. Rising temperatures, extreme weather events, melting ice caps and rising sea levels are just a few of its effects. Rising temperatures, coupled with shifting precipitation patterns, entail various consequences for maintaining optimal conditions. Expected increases in temperatures could potentially impact both Atea's offices and data centers, in terms of higher demand for cooling.

Cooling systems may need to work harder to maintain optimal operating temperatures, potentially resulting in increased energy consumption. When the outside temperature reaches 12°C, this is the threshold when cooling equipment needs to start operating to keep the data centers functioning. Moreover, shifts in precipitation patterns could disrupt Atea's operations, increasing the chances of severe flooding incidents, making coastal offices and data centers vulnerable to the risks associated with coastal flooding. Additionally, various weather phenomena could be influenced. Elevated temperatures, combined with shifts in rainfall patterns, may result in more frequent and severe drought events. Therefore, we examined how weather events are forecasted to evolve under SSP1-2.6 and SSP5-8.5 scenarios, and the potential impact they could have on Atea's operations.

For the transition risk scenario, one of the focal questions used in our analysis was about how Atea might be affected by the pricing shifts in Guarantees of Origin (GOs) and the European Union Emissions Trading System (EU ETS) as part of the transition to net-zero by 2050. To mitigate global warming, numerous developed and developing nations have committed to achieving net-zero emissions by 2050, which could have both a direct and indirect impact on companies. Achieving net-zero involves phasing out fossil fuels and transitioning to renewable energy sources, along with implementing strong and ambitious climate policies and regulations. Both mandatory and voluntary market mechanisms, such as carbon pricing and GOs, will be essential in advancing the transition to a more sustainable economy.

Regulations such as carbon pricing are essential for enabling companies and society to transition to cleaner energy sources, impacting operational costs through higher energy and product prices. Additionally, GOs are instrumental in promoting the shift

to net-zero emissions by ensuring transparency and accountability in the renewable energy market. The heightened demand for GOs has led to increased prices, a trend anticipated to persist, particularly under an International Energy Agency (IEA) Net Zero by 2050 (NZE) scenario.

With a presence in seven European countries, Atea provides a full range of hardware and software from the world's top technology companies. Atea operates offices, logistics centers and data centers, all of which contribute to significant energy consumption. Among these, data centers stand out for their substantial energy usage, driven by the cooling systems, continuous operation of servers and other essential infrastructure, therefore, in this scenario it was analyzed how GOs and carbon prices will impact Atea under the IEA NZE scenario. These scenarios are not direct forecasts, but rather descriptions of hypothetical, plausible futures. Scenario-based planning, therefore, attempts to highlight key uncertainties pertinent to Atea's business in different future states, rather than attempting to predict the future.

Transition scenarios: IEA NZE

Scenario analysis coverage: Company-wide
Temperature alignment of scenario: 1.5°C

The IEA NZE scenario is built on the assumption that society transitions towards meeting the goals of the Paris Agreement, ultimately limiting global warming to 1.5°C as compared to pre-industrial levels. In scenario analysis the focus was on how carbon pricing mechanisms and Guarantees of Origin could potentially impact Atea in the short-, medium- and long-term.

The Guarantees of Origin (GOs) market, vital for tracking and certifying renewable energy sources in the energy sector, has experienced significant shifts since 2021. Rising corporate demand, fueled by ambitious climate targets, has propelled GO prices upward, with European prices doubling from 2022 to 2023. This trend is expected to persist under the examined scenario IEA NZE, which encourages stringent regulatory practices towards achieving net-zero emissions.

As the demand for GOs surges, driven by both voluntary commitments and regulatory mandates, potential supply shortages loom. Weather-related risks, particularly affecting hydroelectric generation, pose additional challenges. Regulatory uncertainties, exemplified by Norway's past proposal to exit the EU GO scheme, threaten supply stability.

The IEA NZE scenario underscores the urgency for transitioning towards renewable energy sources, potentially leading to a compliance market where both suppliers and consumers are mandated to ensure a renewable energy percentage. Moreover, political and regulatory factors, including EU-wide regulations and country-specific subsidy schemes, influence the dynamics of the GO market, which as a result can suggest increased prices and volatility.

Initiatives like RE100's commissioning date limit aim to incentivize investments in recent renewable energy projects, fostering technological advancements and diversifying the energy mix. Analysts project solar and wind EU GO prices to range between 5-8 EUR/MWh from 2023-2030, reflecting growing market dynamics.

While escalating GO prices present financial risks, they also signify progress toward renewable energy adoption. Elevated prices are expected to drive larger investments in renewable energy infrastructure, facilitating the transition towards a sustainable energy future. Balancing regulatory frameworks, supply dynamics, and weather-related risks will be critical for ensuring the stability and growth of the EU GO market in the coming years.

Atea's business operations, including offices, logistics centers, and data centers, contribute to high electricity consumption. To address this, Atea has committed to procuring 100% renewable electricity by 2025 and plans to maintain this commitment thereafter. The company relies heavily on the market mechanisms of GOs to achieve this goal. Monitoring the development of the EU GO scheme is crucial for Atea from a financial perspective, as is considering other cost-effective ways of acquiring renewable electricity if future prices continue to rise.

In response to the net-zero ambitions, nations worldwide are committing to ambitious targets. To achieve these, they're employing various strategies, including governmental regulations, promoting electric transportation and implementing carbon pricing mechanisms. Currently, around 40 countries and over 20 cities have adopted carbon pricing, covering roughly half of global emissions. The EU ETS, the largest emissions trading scheme globally, plays a crucial role in this effort. Its prices have been rising significantly, reaching historic heights in 2023 due to increased emission reduction ambitions and growing investor interest in sustainability. However, these price increases pose negligible risks for Atea, leading to higher operational expenses and electricity bills. Carbon prices are projected to reach 140 USD by 2030, 205 USD by 2040 and 250 USD by 2050, which will have an indirect risk on Atea's operation due rising electricity prices until it becomes possible to cover most of the demand with renewable and low-carbon energies. According to the IEA NZE scenario, a shift towards greater demand for low-emissions sources is forecasted to occur between 2030 and 2040, meaning the EU ETS are most likely to pose a risk in the short- and medium-term before the company and society transition to a low-carbon solutions. Prices on electricity by 2030 are expected to increase by 13.17%.

The upcoming EU ETS 2, expected to be introduced in 2027, including road transport, could further impact Atea's transportation costs and increase the price of upstream transportation. Also, Atea is already impacted by indirect costs in its supply chain due to higher production costs for hardware components driven by carbon mechanisms. Currently, these costs average 0.17%, which may seem negligible. However, as carbon costs are expected to rise, particularly to meet the net-zero targets of the Paris Agreement, projections indicate a substantial increase by 2030. Under the IEA NZE scenario, the hidden cost of carbon is projected to average 4.94%, marking a significant escalation.

New carbon pricing mechanisms, including carbon tariffs, are emerging. These tariffs aim to ensure a level playing field between domestic and imported carbon-intensive goods. The EU Carbon Border Adjustment Mechanism (CBAM) is the first of its kind, set to take effect in 2026. However, such measures could significantly increase the hidden cost of carbon for many goods, by a factor of five or more, which could have a direct impact on Atea's expenditures.

Market mechanisms, such as GOs and carbon pricing create incentives for companies to invest in energy-efficient technologies and renewable energy sources. Atea could capitalize on this by offering sustainable IT solutions, such as energy-efficient hardware and data center optimization services. This approach would not only to provide alternatives in the market but also help reduce their own financial risk of increased energy and supply chain cost under the IEA NZE scenario.

Physical climate scenarios: SSP5-8.5

Scenario analysis coverage: Company-wide

This analysis examines how weather events are projected to evolve under the SSP1-2.6 and SSP5-8.5 scenarios, and their potential impact on Atea's operations. These scenarios have been chosen to provide a broader perspective of possible outcomes. The climate variables were compared in two different scenarios: the SSP1-2.6 scenario, which reflects strong mitigation efforts leading to lower greenhouse gas emissions, and the SSP5-8.5 scenario, a high-emission, business-as-usual trajectory dominated by increased fossil fuel activity. The analysis evaluates the same climate variables across all selected regions, which include Atea's data centers, logistics centers, and recycling centers. It also covers the two largest offices in each operating country, along with additional offices located within the boundaries of these regions. All climate variables span the time period of 2020-2060. The climate variables examined in this scenario analysis include projections of the maximum air surface temperature anomaly and the projections of cooling degree days (CDD). For precipitation, we examined the projected percent change measured against the reference period of 1995-2014. Atea operates in the Nordic and Baltics regions. These locations have low risk when it comes to severe storms and tropical cyclones. However, the regions are exposed to risks of increasing temperatures, changing precipitation patterns, flooding and drought events.

Analyzing these datasets underscores the importance of considering different socioeconomic and emissions scenarios when assessing future climate related risks. The differences between SSP1-2.6 and SSP5-8.5 scenarios highlight how mitigation efforts can influence the magnitude and variability of projected precipitation changes. Understanding these variations is crucial for adaptation and resilience planning for companies operating offices and data centers, especially concerning potential impacts on infrastructure related to water needs and HVAC systems to keep a stable operating temperature within the data centers in particular.

From quantitative analysis, temperatures and the frequency of long-term heatwaves are expected to increase across all examined regions in both the medium- and long-term. Changes in precipitation patterns are also likely to pose risks for Atea, increasing the likelihood of flooding, especially in locations near lakes or coastlines. To further analyze the potential impacts on Atea's data centers, logistic centers, recycling hubs and offices, the CDD values were used. For CDD, annual historical data from 2011-2020 was used to formulate a baseline. The average CDD per decade under each scenario for each individual location was then calculated. This approach allowed for estimated percentage changes in CDD across each region per decade.

The CDD data under both time horizons project substantial increases in cooling needs for buildings, presenting a financial risk if proactive measures are not taken. Rogaland (Norway) shows the most significant percentage change, with a 698% increase by 2060, followed by a 504% increase in Soer-Trøndelag (Norway) and a 410% increase in Jämtland (Sweden). However, in terms of the number of cooling degree days, Vilnius (Lithuania) poses the highest risk, with 411.7 days in 2060, followed by 391.31 days in Riga (Latvia) and 240.54 days in South Finland. This is particularly concerning for Atea's data centers, as cooling equipment must start operating when outside temperatures reach 12°C to maintain functionality.

Offices—The outcomes of the analysis showed that while some offices exhibited significant percentage increase in cooling degree days, the overall impact of these increases will not be substantial compared to the data centers due to the overall lower demand for energy (including cooling) consumption. The two offices where the highest increases are projected under the SSP1-2.6 scenario are Vilnius (Lithuania) and Riga (Latvia), and the same locations are projected under the SSP5-8.5 scenario in the long term. However, in the medium term (SSP5-8.5 scenario), Stockholm (Sweden) is expected to have the second highest increase in the number of cooling degree days in this decade.

Data centers—Under the SSP5-8.5 scenario, the most significant impact is projected for the data center in Vilnius (Lithuania). Between 2051 and 2060, the expected cooling degree days are projected to increase to 411.7 days, a substantial rise compared to the 2021-2030 decade, which had 210.7 days. Similarly, Southern Finland (Helsinki) is expected to see an increase to 240.54 cooling degree days by 2060, followed by an increase to 210.85 days in Copenhagen (Denmark). Despite the Rogaland region (Norway), where the Stavanger data center is located, showing the highest percentage change at 698% by 2060, this is not expected to have the highest financial or strategic impact on Atea's business due to the relatively small absolute increase in cooling degree days, which is projected to rise by just 19.05 days during this period.

Risks and opportunities

In the context of climate risk, risk preparedness, risk management and risk mitigation represent distinct but interconnected approaches to addressing the challenges posed by climate change. Risk preparedness involves understanding the potential impacts of climate-related events and developing strategies and contingency plans to respond effectively when such events occur, with an emphasis on readiness and resilience.

Risk management, on the other hand, encompasses a broader and ongoing process that identifies, assesses and prioritizes climate risks, followed by the implementation of measures to reduce these risks. It includes risk preparedness and mitigation but extends to continuously monitoring and adapting strategies as climate risks evolve. Risk mitigation focuses explicitly on actions taken to plan for climate-related events and minimize the severity of their adverse effects. It involves initiatives such as reducing emissions, fortifying infrastructure against extreme weather or diversifying supply chains to mitigate climate-related vulnerabilities. While risk preparedness enables readiness, risk management encompasses a comprehensive strategy and risk mitigation focuses on direct actions to address climate risks.

Risk management process

Atea's assessment of climate-related risks and opportunities spans short- (0-3 years), medium- (3-5 years) and long-term (5-30 years) horizons. This assessment is integrated within the Enterprise Risk Management (ERM) process, which is reviewed annually. The ERM process also identifies climate-related opportunities that could benefit Atea, its customers, and society at large. The Group's risk management and internal control guidelines, which include climate risks, are reviewed annually by the Board of Directors.

Any risk that exceeds the defined threshold is reported to both the Corporate Management and the Board of Directors. If the aggregated financial impact surpasses the materiality threshold, which is set at 2% of operating profits, the impact is deemed significant and communicated accordingly.

A dedicated team within Atea evaluates these risks based on their potential impact on the Group's operating profit. The identified risks and opportunities were evaluated through the double materiality assessment and outcomes are presented in the Annual Report.

The following table details each identified risk and opportunity, its potential impact, and the measures Atea has taken to mitigate or capitalize on it. This comprehensive approach equips Atea to effectively manage potential disruptions and seize emerging opportunities.

Transition risks

Policy and legal	**Increased carbon prices**
Long-term (5-30 years)	Regulations introducing carbon pricing could impact Atea's costs, especially due to the EU Emissions Trading System (EU ETS). This could increase compliance costs for data centers and facilities using fossil fuels, affecting various segments of Atea's value chain and raising the Cost of Sales and carbon taxes. These changes may push up prices for Atea's products and services. Policies monetizing emissions could alter market dynamics and a carbon tax on goods and services could affect Atea's Opex and Capex. Climate change could also complicate raw material availability and costs, increasing procurement expenses for IT hardware manufacturing.

Transition risks

Emerging regulations

E-waste management regulations

Medium-term (3-5 years)

Currently, Atea faces minimal financial impact from e-waste management regulations. However, as circular business models grow, e-waste management risks will increase, introducing new complexities. Atea's focus on circularity, through its Lifecycle Management (LCM) strategy and 1:1 goal, makes addressing these challenges a priority. The company must adapt to evolving regulatory frameworks, which will require stricter adherence, operational adjustments and sustainable e-waste practices. As the circular economy gains prominence, Atea needs to adjust its strategies to lead in sustainable practices and manage e-waste effectively.

Transition risks

Technology

Increased demand for low-carbon solutions

Long-term (5-30 years)

Global demand for low-carbon goods and services is rising due to environmental policies and the goal of limiting global warming to 1.5°C. ICT (Information and Communication Technology) products with lower emissions and reduced impact on natural ecosystems, along with digital solutions like cloud computing and AI are crucial for the low-carbon transition. Companies specializing in sustainable technology are likely to succeed. Atea risks falling behind if it doesn't adopt low-carbon technologies, potentially facing high replacement costs and losing customers who prefer low-emission solutions. To mitigate these risks, Atea must invest in low-carbon products and solutions and communicate its commitment to sustainability. Ignoring these challenges could lead to financial losses and a weaker market position.

Transition risks

Current regulations

EU Energy Efficiency Directive

Short-term (0-3 years)

The 2023 revised EU Energy Efficiency Directive (EED) promotes sustainable practices in the EU data center industry with stringent energy efficiency guidelines. It targets metrics like Power Usage Effectiveness (PUE) and Data Center Carbon Emissions (DCCE), aiming for a 11.7% reduction in energy consumption by 2030. From 2024 onward, data centers with an IT power demand of 500kW+ must publish a public EED report. For Atea, this means immediate regulatory changes, requiring compliance with new efficiency targets and reporting standards. Non-compliance could result in fines and damage Atea's reputation. Meeting EED standards may also necessitate investments in advanced technologies, impacting operational and financial strategies.

Transition risks

Market

Increased prices for Guarantees of Origin

Long-term (5-30 years)

The demand for renewable energy instruments like Guarantees of Origin is expected to rise, with prices doubling in the past year and likely to continue increasing. Factors include corporate demand, inflation, reduced hydro generation, and supply shortages due to climate challenges and grid expansion delays: leading to temporary price spikes. While higher prices may have a negligible financial impact on Atea, they pose a risk to achieving its climate targets: 100% renewable electricity by 2025, continued active annual sourcing of 100% renewable electricity until 2030 and 100% renewable energy by 2030.

Shift in customer demand

Amid growing environmental concerns, low-carbon solutions are crucial for resource efficiency and sustainability. The CSRD mandates companies to oversee their sustainability practices, including suppliers and customers. As consumer demand for low-carbon products rises, ICT providers like Atea must align with this trend to stay relevant and protect revenue streams.

Transition risks

Reputation

Stakeholder pressure

Long-term (5-30 years)

In a competitive market, Atea recognizes the importance of reputational risks related to climate change. These risks are key to our climate-related assessments. Atea commits to sustainable IT consumption, using the same solutions we offer customers. Failing to meet climate targets (e.g., like reducing GHG emissions or not achieving 100% renewable energy by 2030) could harm Atea's reputation. With a broad stakeholder base, Atea's brand and financial health depend on leading in the climate movement and adopting low-carbon technologies. Falling behind could erode brand value and lead to revenue loss.

Physical risks

Acute physical

Long-term (5-30 years)

Disruptions in the supply chain caused by extreme weather conditions and nature loss which could affect factories and/or resource extraction facilities

Atea relies on Original Equipment Manufacturers (OEMs): financial impacts are expected on physical assets and the value chain. Landslides resulting from heavy rainfalls may disrupt transportation, affecting deliveries. Flooding could increase costs due to higher prices on imported goods, as suppliers face extreme flooding or resource shortages, disrupting supply chain demand. Most of Atea's suppliers are in Asia, where the RCP8.5 scenario predicts more flooding and heatwaves. These events threaten infrastructure, potentially reducing production. Severe flooding and heat can cause facility shutdowns or lower production capacity, impacting component availability.

Nature loss could further amplify these risks for Atea's supply chain. If ecosystems that regulate climate have been degraded, for example through vegetation clearance during initial mining site development, natural protection against floods, landslides and storms disappear. This makes extreme weather events more damaging and costly for suppliers. Ecosystem decline also creates uncertainty around critical resources such as water for manufacturing and raw materials for components. Combined, these pressures can disrupt production and logistics, leading to shortages, higher prices and increased operational expenses. These disruptions could significantly affect Atea's expenditures, distribution costs and supply chain resilience.

Physical risks

Chronical physical

Long-term (5-30 years)

Changing temperatures and precipitation patterns

Climate change—including rising temperatures, extreme weather, melting ice caps and rising sea levels—has significant implications for all, but especially for companies in climate-sensitive regions. Atea, with 88 offices, logistic centers and data centers in the Nordic and Baltic regions, faces potential risks. Higher temperatures and changing precipitation patterns could increase cooling demands, leading to higher energy consumption, operational costs and a larger carbon footprint. Effective mitigation and energy-efficient solutions are crucial for resilience. Additionally, rising temperatures pose chronic risks to the supply chain, affecting raw material quality and increasing cooling demands in manufacturing, potentially disrupting production and raising costs.

Opportunities

Resilience

Long-term (5-30 years)

Low-carbon products and services

Atea's holistic approach addresses energy consumption and environmental impact by optimizing energy use in its own and customers' data centers. Compliance with EU directives like the Energy Efficiency Directive and Corporate Sustainability Reporting Directive is integrated into Atea's services. The demand for low-carbon products is rising: Atea's commitment to innovation puts it at the forefront of this market. By 2030, Atea aims to significantly increase its positive environmental impact, leveraging IT across Digital Workplace, Hybrid Cloud, and Information Management domains to help customers reduce emissions. Recognizing the carbon impact of electronic devices, Atea's Transition Plan emphasizes prolonging the life of these devices to curb emissions and minimize waste. Atea's operations focus on resource efficiency and the circular economy, with extensive reuse-and-recycle programs in the Nordic and Baltic regions. In 2025, Atea's take-back services recovered over 721,000 units. By extending the life of IT products, this resulted in 27,411 tCO_2e of avoided emissions through reuse and 4,568 tCO_2e through recycling, amounting to a total of 31,979 tCO_2e of avoided emissions.

Opportunities

Energy source

Medium-term (3-5 years)

Transition to low-carbon energy sources

Atea is actively pursuing Guarantees of Origin certifications for low-carbon energy procurement and aims to expand renewable electricity production for its own use. We are transitioning our company-owned car fleet to electric vehicles and evaluating similar opportunities for service vehicles. We are committed to enhancing energy efficiency across all operations, targeting an 80% reduction in GHG emissions by 2030. Source 100% of electricity consumption from renewable sources by 2025, continue active annual sourcing of 100% renewable electricity through 2030, and use 100% renewable energy by 2030. Key initiatives include installing solar panels, electrifying our vehicle fleet and improving energy efficiency in our data centers. Regular energy audits help us identify and capitalize on opportunities to reduce energy consumption, ensuring we lead in environmental stewardship.

Business areas influenced by climate-related risks and opportunities

Products and services

Atea has identified several risks and opportunities related to its products and services. One example is the increasing demand for low-carbon products and the risk that Atea may not remain in a competitive position. There is also an increased focus on environmental and climate-friendly products from society and customers, presenting an important opportunity to develop products and services that help customers drastically reduce their emissions. Atea will continuously develop new sustainable technology to meet these opportunities.

Strategic decision made—Atea has established two principal approaches to guide its strategy. The first is the 1:1 target, which strives for a balanced ratio of one IT unit sold to one IT unit recovered. The second is sustainable lifecycle management (LCM), which at Atea transcends the conventional view of a service or solution: it is an integral strategic pillar. This comprehensive approach entails the establishment of a robust framework that governs the planning, assessment and prioritization of all aspects of digital device lifecycle management. Atea's strategy is not just comprehensive: it's transformative, addressing the dual challenges of energy consumption and environmental impact head-on. By delivering solutions that optimize energy efficiency across Atea's own operations and those of its customers, Atea is not just adapting to a sustainable future—it is actively engineering it.

Supply chain and/or value chain

Atea sells IT products and services that are developed and manufactured by international technology companies. Atea does not manufacture its own products and distribution is mainly outsourced to logistics partners. This, of course, means that the value chains are complex, with many aspects beyond Atea's operational control. A climate-related risk in this context would be the disruption of deliveries from supply chain partners due to extreme weather events. This could lead to customer dissatisfaction, potentially decreased customer loyalty and eventually loss of revenue. This risk can translate to short-, medium- or long-term impacts, depending on the severity and frequency of the extreme weather occurrences.

Strategic decision made—One way Atea can use its strategy to mitigate climate-related supply chain risks is by creating accountability and putting climate on the agenda throughout its value chain. Working within the Responsible Business Alliance, Atea joined forces with others to implement a major change in its member Code of Conduct, which was updated in January 2024 and is included in Atea's Supplier Code of Conduct. This change requires all members and their suppliers to set reduction targets for greenhouse gas emissions at both corporate and factory level and to be accountable for them.

Operations

Changes in energy prices can be seen as a climate-related risk that may affect Atea's direct operations. Further forecasts indicate higher electricity prices in the coming years, as well as prices for purchasing Guarantees of Origin (GOs). This will increase Atea's direct costs, posing a risk to operations. Atea has set ambitious targets to reduce its own operational emissions by 80% by 2030 and achieve net-zero emissions by 2040. One of the reduction targets to achieve a net-zero future is to use 100% renewable electricity by 2025 and continue active annual sourcing of 100% renewable electricity until 2030, primarily through GOs. Increased energy- and GOs prices are influencing Atea's financial planning. To mitigate the impact of energy price fluctuations and increased pricing of GOs, Atea will invest in energy-saving activities to reduce its dependencies on the grid and related pricing mechanisms. Energy-saving activities are prioritized in Atea's strategy based on saving effect, internal rate and payback period.

Strategic decision made—Atea has invested in new smart buildings in both Oslo and Stavanger. These buildings function as "living labs," where Atea tests its own and its partners' products. The buildings are carbon-zero and energy-neutral, and Atea uses them to help its customers visualize how the office buildings of tomorrow will look and operate. An example of the energy-saving measures Atea has implemented in smart buildings is having them function on a single network, which consumes considerably less energy than running multiple separate systems. Through investments in solar panels, Atea aims to limit future climate-related risks, be resilient to increased costs and achieve the target of using 100% renewable energy.

Governance mechanisms

The heightened frequency and severity of extreme events significantly impact various economic sectors, particularly affecting organizations unprepared for the threats posed by climate change to their business models, assets, and infrastructure. Given the irreversible effects of climate change, companies are increasingly recognizing the associated risks and opportunities.

Atea evaluates climate-related risks and opportunities in line with IFRS S2, integrating these considerations into long-term business decisions and assessing them through a double materiality perspective. The Board of Directors is responsible for approving the Transition Plan and overseeing its implementation, including strategy, policies, objectives, and performance related to climate change. It also supervises the Group's overall risk management and internal control environment for both financial and non-financial reporting, ensuring compliance with relevant legislation and regulations.

The Audit Committee supports the Board by preparing matters for information and decision-making. It receives regular updates on the Transition Plan from the Corporate Governance and Sustainability departments, including progress on actions and achievement of objectives, and communicates this progress to the Board.

Responsibility for the effectiveness of Enterprise Risk Management (ERM) is delegated to the Chief Financial Officer. Atea's ERM processes involve identifying risks, assessing their probability and potential impact on business performance, reputation, and people, and mitigating key risks to an acceptable level. These considerations are integrated into both Group and regional strategies to safeguard Atea's long-term targets.

Approval

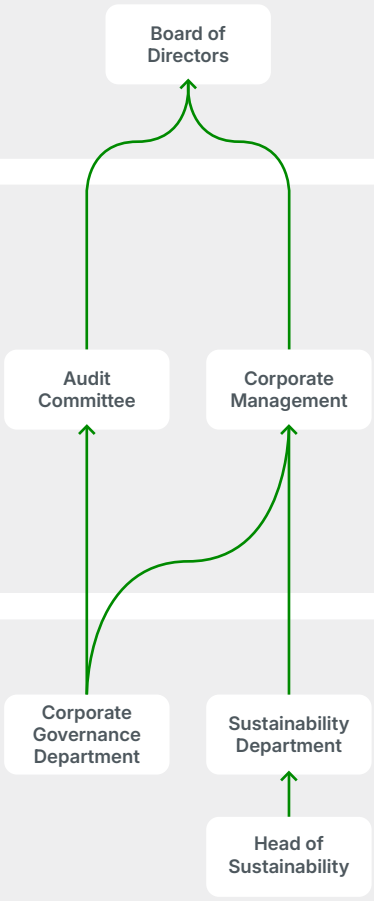
- The **Board of Directors** plays a pivotal role in Atea's Sustainability Governance. The Board is responsible for reviewing and overseeing the Group's Environmental, Social, and Governance (ESG) practices. This includes monitoring progress against set targets, ensuring compliance with regulations, approving the Transition Plan, scrutinizing annual non-financial data, and approving the Group's double materiality assessment.

Oversight

- The **Audit Committee**, on behalf of the Board, reviews and oversees the Group's ESG practices, including monitoring progress against set targets, ensuring adherence to regulations, addressing climate- and nature-related issues, and reviewing the integrity of ESG disclosures. The Committee provides annual recommendations to the Board regarding key policies and practices.
- **Corporate Management** is responsible for overseeing the company's sustainability performance, assessing risks and opportunities, and implementing the Board-approved sustainability strategy. In collaboration with the Sustainability and Corporate Governance Departments, Corporate Management sets and reviews policies, ensures the quality of sustainability data and disclosures, and drives progress toward the company's sustainability objectives, with the CFO and COO playing pivotal roles.

Implementation

- The **Corporate Governance Department** oversees the accuracy, completeness, and compliance of Atea's sustainability data and reporting, supporting the Board and Audit Committee with reliable information for decision-making and disclosures.
- The **Sustainability Department** develops and executes Atea's sustainability strategy, sets targets and works with Corporate Management to integrate sustainable practices across the company.
- The **Head of Sustainability** implements the Group's sustainability strategy at the national level, monitors progress, and works with local process owners to achieve Atea's sustainability goals in each region.



Enterprise risk management structure

The ERM structure below the Board of Director level is organised as three lines of defense.

First line: Compliance Officers representing business operations—Comprises Group and subsidiary business representatives, ensuring a balanced and complete bottom-up process. Subsidiary management and Group functional heads conduct an annual risk review, in which all identified key risks are described, discussed and evaluated. They are individually and collectively responsible for ensuring that mitigating actions are implemented to reduce the identified risks to an appropriate level as well as assessing the effectiveness of implemented mitigating actions.

Second line: Compliance Committee—Comprises Group management members and is responsible for communicating and ensuring risk compliance as well as evaluating the ERM processes. The Committee develops the overall risk strategies and scope for the ERM processes and reviews their effectiveness. The Committee also reports on assessed risks, effectiveness and mitigating actions to the Audit Committee.

Third line: Audit Committee—Oversees the development of the ERM system, the ongoing reporting on assessed risks, and the mitigating actions taken. Responsible for monitoring the overall status of ERM governance (i.e., its performance and relevance).

Risk management and internal controls over sustainability reporting

The Audit Committee carries out an overall assessment of the risks related to the sustainability reporting processes at least once a year. As part of their risk assessment, the Board of Directors and the Audit Committee continuously consider the risks and the measures that need to be taken with a view to mitigating or eliminating such risks. Based on the outcome of the risk assessment, revisions to the relevant policies and manuals are considered and implemented.

The Board of Directors and the Audit Committee assess Atea's organizational structure and staffing in key areas at least once a year. The aim is to ensure a well-defined organizational structure, unambiguous reporting lines, delegated authorities and documentation, appropriate segregation of duties to use the internal control mechanism called "the four-eyes principle." They also establish and approve Group-wide procedures and controls related to both the financial and non-financial reporting process.

The aim of Atea's control activities is to ensure the policies, manuals and other procedures defined by the Board are adhered to. These activities also help ensure that any errors, deviations or omissions are prevented, detected and corrected in the reporting. Atea regularly reviews and adjusts reporting processes and controls intended as needed to further mitigate risks.

The internal controls applied to sustainability reporting at Atea include several key measures. Each section of the report is reviewed by at least two designated individuals to ensure accuracy, following the four-eyes principle. Data is analyzed to identify and question outliers and figures are compared to previous years to review significant changes. In this way, errors are caught and corrected during the reporting process before the report is published.

Control activities, including monitoring

Control activities at Atea are defined based on ongoing risk assessments. The Group Risk and Compliance (GRC) team ensures that reporting processes outlined in Atea's policies are implemented and monitored, maintaining a uniform structure for the Group's internal controls.

These activities ensure adherence to the policies, manuals, and procedures defined by the Board of Directors, helping to prevent, detect, and correct errors, deviations, and omissions. Atea regularly updates reporting processes and implements new controls to mitigate risks effectively.

Control activities are conducted according to specific requirements regarding frequency and documentation. This includes verifying the existence of reported assets, performing reconciliations, and conducting financial analyses. The scope and frequency of these measures depend on the risk assessments and ratings for each region. Any weaknesses, lack of control, breaches of group policies, or other material deviations identified during control activities are reported by GRC to the Audit Committee. GRC prepares a report for each control visit, summarizing findings, which are then discussed with the Audit Committee. Critical or principle-related findings are conveyed to the Board of Directors for their consideration.

In addition to GRC's reports, Atea ASA's external auditor reports any material weaknesses in the Group's internal control systems related to financial reporting to the Board of Directors. When weaknesses or faults are detected, the Audit Committee oversees the GRC's response and ensures that agreed actions to strengthen risk management and internal controls are implemented as planned.