Eco Data Center

2024 Sustainability Report

EcoDC Holding AB (publ) 559491-2098

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Scaling at the speed the industry demands while delivering on our sustainability commitments is no small task.

Peter Michelson – CEO

Foreword by the CEO

The world is rapidly digitalizing, and with the rise of AI, the demand for computing capacity is growing at an unprecedented pace. This transformation places immense pressure on energy systems and challenges how we build and operate data centers.

As we scale to meet these demands, we must also lead the way in responsible growth—pioneering new sustainability solutions while ensuring that digital infrastructure is built for the future. At EcoDataCenter, we are fully committed to this challenge. Our sustainability strategy is deeply embedded in our business strategy, guiding us in making the right long-term decisions.

I'm very pleased to see we are on track to deliver according to our strategy, which we set out in 2024. It is built on three key pillars.

Responsible Digitalization. We uphold the highest ethical standards, ensure transparency, and actively mitigate environmental and social risks in our supply chain. We say no to unsustainable workloads like crypto and strictly comply with laws and industry regulations.

Reducing Pressure on Nature. We are phasing out fossil fuels in our backup power to use less than 1% fossil-based energy by 2028—a goal we achieved in 2024. Our continued use of cross-laminated timber (CLT) in construction significantly reduces embedded carbon, setting a new standard for sustainable data center design. As liquid cooling becomes more prevalent, we see a growing opportunity to expand heat reuse, further integrating our infrastructure with local energy systems. In addition, we are on track to eliminate our dependence on groundwater for cooling by 2028 and aim to increase the share of recovered waste to 90%.

Caring for People. We prioritize local job creation when building new sites, maintain a strong focus on human rights across our value chain, and uphold labor rights in accordance with the Swedish labor market model. We actively work to improve diversity, support parental leave, , and ensure the right to collective bargaining for all employees.

Scaling at the speed the industry demands while delivering on our sustainability commitments is no small task. However, we believe that digital infrastructure must evolve responsibly—balancing performance, efficiency, and environmental impact.

We also recognize that transparency is essential to driving real progress.

This sustainability report marks an important milestone, allowing us to share our achievements, acknowledge challenges, and set ambitious targets for the future. Through innovation and collaboration, we are doing everything we can to ensure that our data centers are high-performing and as sustainable as possible.

Peter Michelson – CEO

Our belief

Digitalization is making the world a better place, improving the lives of billions of people, and enabling businesses to thrive. For digitalization to be possible, data centers are needed. Data centers are now a crucial part of our global and local economies. While society today faces a host of major challenges, digitalization is an important part of the solution, and it needs to be sustainable.

At EcoDataCenter, we aim to both enable and drive society's green transformation. We believe this is achieved by pushing boundaries and adopting a different approach to how data centers fit into our societies. A data center possesses unique capabilities that assist those around it. If we were to design data centers to integrate seamlessly into the local community ecosystem, they would function differently, enabling other industries to thrive even more.

2024 at a glance

CUE 2.6

g CO_2e/kWh

39% reduction in operational CO_2e emissions – while growing the business by 45% [1]

~60%

lower carbon footprint in the construction thanks to using low-carbon materials [2]

Recognised sustainability efforts

PLATINUM Top 1%
ecovadis
Sustainability Rating
AUG 2024

SME
CDP
Discloser
2024

CDP SME Climate Score B for 2024
(The highest SME score available in 2024)

Employee and customer satisfaction above set targets of 80 [5]

Employees	83
Customers	88

55%

of capital expenditure spent locally on companies in the same region as our data centers [4]

Moving towards **zero** groundwater usage

We built new infrastructure to source water from a nearby lake instead of using groundwater, improving sustainability and increasing the municipality's water supply redundancy

99,3%

renewable energy in operations [3]

Zero

tolerance for crypto

1. CUE = Carbon Usage Effectiveness (CO_2e/IT Load). Total Scope 1 and Scope 2 emissions (market based) included. Business growth measured in actual IT Load. Changes comparing 2024 to 2023.
2. Comparison made with conventional datacenter constructions, heavily relying on concrete and steel.
3. Includes all energy types used (district heating, electricity, fuel). We use 100 % renewable electricity, 25% Wind 75% Hydropower.
4. Local is defined as companies headquartered in the same region of Sweden as our data centers are built.
5. Based on employee satisfaction survey and NPS survey, both performed for 2024.

Development of EcoDataCenter 1 in Falun

Our history

2012. An idea is born. In March 2012, the idea of a circular system with the data center as the heartbeat started to evolve. The idea that we are only at the beginning of digitalization and that society needs to think about how data centers will be built quickly gained pace. Together with the local energy utility company in Falun, we started to explore a data center in symbiosis with their pellets factory.

2014. Formal start. In April 2014, we finally formed the company ECODC AB. The idea, concept, and timing were finally right.

2019. Launch of EcoDataCenter 1. After years of hard work, we opened the door to our first facility in Falun.

2020. Signing with BMW. In 2020, we got our most significant proof of concept so far. BMW GROUP became our largest customer. The best minds in the business also approved our thinking. Our circular thinking won the "Best Design" category at the DCD Awards.

2021. AI starts to gain traction. We signed up with the world-leading German AI company DeepL. We also invested EUR 100 million and began building the expansion at EcoDataCenter1, focusing even more on the wooden structure.

2022. Scope 3 GHG reporting to customers and sustainability awards. We broke new ground when we, to the best of our knowledge, became the first data center globally to give customers a monthly report on their Scope 3 emissions. Data Center Magazine also recognized us as one of the world's most sustainable Data Center Companies.

2023. Together with our owner, Areim, we raise over EUR 600 million to supercharge our growth.

2023. Expansion of EcoDataCenter 1. With a EUR 200 million investment, our campus in Falun will more than double its current capacity.

2023. We won one of the world's leading companies as a client, further ensuring that the industry's top minds validate our design.

2023. Our client, DeepL, was recognized for having one of the world's largest computer clusters, hosted at EcoDataCenter 1.

2024. We partner with CoreWeave to deliver one of Europe's largest AI computer clusters.

2024. Acquisition of parts of a former paper mill plant in Borlänge, Sweden. The site, spanning over 20 acres, will have at least 240 MW power capacity.

2024. We successfully issued inaugural SEK 1 billion senior unsecured bonds to enable further investments in critical AI infrastructure.

2024. EcoVadis rated our sustainability efforts Platinum, placing us in the top 1 percent globally. We also achieved the highest possible CDP rating.

2025. Together with our owner, Areim, we raised over EUR 450 million to supercharge our growth.

Turning risks into opportunities

AI is on the rise

→→ Digitalization and data centers will come under increased scrutiny in the coming years. Communities and regulators are putting more pressure on data centers to show their value.

At EcoDataCenter, this is an opportunity to show what a data center is and can be. We do this by ditching energy-intensive cryptocurrency mining, building in wood, reusing waste heat and designing data centers that are as efficient as possible.

With the increasing demand for computing power, data centers are consuming more energy and are expected to use even more in the future. This, in turn, translates to a massive carbon footprint – especially for companies that rely on high-performance computing (HPC) and for those using AI.

We help our customers cut their GHG emissions, reducing their carbon footprint by up to 98% compared to a data center in central Europe (based on a German standard power production mix). ←←

Located in Sweden

A great opportunity

We are a Swedish company. We pay our taxes in Sweden and operate in Sweden, so we have unique capabilities. Sweden is known for its abundant, low-cost, renewable energy sources, such as hydropower and wind power. It also benefits from an abundance of water and a cold climate, making it a perfect location to harness these benefits when developing new data centers.

These features help reduce the carbon footprint of the data center. In 2024, Sweden had one of the lowest electricity prices in Europe while being the second-biggest energy exporter in Europe (only behind France). Additionally, Sweden has a well-developed electricity grid that can support the significant power requirements of data centers. However, as demand for AI and HPC infrastructure grows, large-scale data center deployments could put increased pressure on the grid, requiring continued investment in transmission capacity and grid stability.

By working closely with energy providers and policymakers, we aim to ensure that data center expansion aligns with a resilient and sustainable energy system. This creates a win-win situation for our business and customers, as we can offer competitive prices while maintaining a low carbon footprint from operations.

Water is another key resource we have plenty of in Sweden. According to the Aqueduct Water Risk Atlas, all our sites are in the lowest risk areas. Even though climate change is making our winters shorter and summers dryer and warmer, the climate in Sweden is relatively cold, which means we don't need to cool the data centers as much as in many other places. Because of the cold climate, the excess heat from our data centers is a welcome resource for heating buildings in the cold period. Another advantage of operating in Sweden is the country's political stability and access to a highly skilled workforce.

Additionally, by being in Sweden, we can provide a level of security and predictability that is important for data centers. We also naturally have a very low risk of natural disasters, such as earthquakes, hurricanes, and flooding. All these factors, combined with our design and how we build and operate data centers, make EcoDataCenter a cost-competitive and low-carbon alternative for our customers.

Our Company

EcoDataCenter is a Swedish-based company that designs and operates data centers in Sweden. We are Swedish pioneers aiming to be the Nordic region's leading low-carbon and secure data center solutions provider.

We are a growing company. During 2024, our operations in terms of IT load, meaning the energy used by our customers, increased to 37,6 GWh from 26 GWh in 2023, representing an increase of roughly 45%. With the commissioning of our newest Data Center 1 C in Falun, our total installed capacity reached over 30 MW in 2024.

During 2025, we will continue to expand our installed capacity in Falun with the commissioning of Data Center 1 D. The combined Falun site has a total power capacity of 80 MW. All our clients rely heavily on the services we provide. When choosing EcoDataCenter as their colocation provider, security, redundancy, and sustainability have been at the core of many of our clients' priorities.

From our sites in Falun, Stockholm, and Piteå, our clients can serve their customers in Sweden, Europe, and globally, depending on their specific demands. The characteristics (such as latency, data sovereignty, full stack requirements, hardware configuration, and rendering time) of their product decide what market they serve and how often the client needs to interact with their hardware.

We offer Remote-/Smart Hands services to support our customers, or if they choose, they have their own personnel either stationed on site or visiting. Our clients vary enormously in terms of size, global presence, country of origin and what service or product they provide, which means the complexity of their organizations, as well as their supply chain and activities therein, are a cross-section of modern businesses.

Whether it is complex computations that are run, sensitive data that is stored, or the ability to provide services 24/7/365 from our data halls, having a reliable data center partner is considered a crucial part of our clients' value chain. Since we design and build our own data centers, our upstream supply chain activities can be described as more project-based than typical goods-producing companies. Rather than purchasing high volumes of raw materials to produce physical products, EcoDataCenter is characterized by sporadic purchasing of certain key items for its infrastructure, which drives the core business of selling data center services.

These occassionally purchased goods are predominantly purchased from Swedish suppliers and include electronics, backup power generators and installations, and construction materials for new data centers. We choose local suppliers and contractors whenever possible. We purchase most of our construction materials, such as wood, concrete, and steel, from Sweden. We also buy installations when we buy new data centers, such as generators, HVAC, pods, and other types of electrical equipment, to keep the servers and data centers in the right temperature, humidity, and air quality. The equipment is typically manufactured in Sweden or Europe, following European standards. However, electronic equipment generally has complex supply chains and contains many different materials, such as rare earth metals and other metals. We contract local construction companies when building our data centers. We also purchase large amounts of power and water.

EcoDataCenter's downstream value chain is characterized by its core business of selling data center services to customers in Sweden and globally. EcoDataCenter also sells waste heat from its data centers as an additional circular revenue stream. More information about the supply chain can be found in the section "Our supply chain".

Between 2022 and 2024, there were no significant changes in EcoDataCenter's core business activities, value chain, or supply chain. However, the construction of a new data center did affect the supply chain and procurement activities related to selecting new contractors and suppliers. We started operating a new data center in Falun in 2024. During 2024, EcoDataCenter also acquired parts of a former paper mill plant in Kvarnsveden Borlänge, Sweden. The site, spanning over 20 acres, will have at least 240 MW power capacity.

Governance

Our vision and sustainability roots

EcoDataCenter was founded based on a vision of being the most sustainable data center company in the world. This means that sustainability has been embedded in our DNA, decisions, and business processes such as marketing, sales, design, procurement, and operations from the start. Over the last few years, it has become more formalized.

EcoDC Holding AB (publ) is a group of Swedish companies where each data center forms their own company under the umbrella of EcoDC Holding AB (publ). Our headquarters are in Falun, Sweden. All operational sites are also located in Sweden.

We have three other operational sites in addition to the headquarters, two located in Stockholm and one in Piteå. Our owners are Areim, an independent Nordic fund manager and property owner.

Corporate governance at EcoDataCenter is governed by the Swedish Companies Act, as EcoDataCenter AB is a Swedish limited liability company.

The board of directors

The board of directors is responsible for decision-making and overseeing the management of the organization's impacts on the economy, environment, and people within the framework of EcoDataCenter.

The board is responsible for making strategic decisions, where sustainability impact and risks are embedded, that guide the company's direction.

The board is ultimately responsible for EcoDataCenter, making all significant decisions regarding management agreements, sustainability strategy, objectives, policy, documents, budgets, targets, risk limits, and reports.

The board is also responsible for appointing the CEO, who has the main responsibility for developing and updating the organization's purpose, values, mission statements, strategies, policies, and goals related to sustainable development, while the board of directors are responsible for its approval. EcoDataCenter's CEO is present during the board meetings.

The board oversees the organization's operations and steers the operations targets through ongoing reporting of KPIs (including sustainability KPIs) showing its impact on the economy, environment, and people. Pre-defined KPIs are reported quarterly to the board. The board gets relevant updates from the management team on the sustainability measures taken in the company and follows up on the quarterly reported KPIs. Certain additional reporting is done annually to the board (such as the employee satisfaction index).

To advance the knowledge and skills in sustainable development, the board has implemented regular meetings on ESG matters and regulatory issues to encourage employee development on sustainability topics. In addition, the board has introduced-internal training courses on various topics.

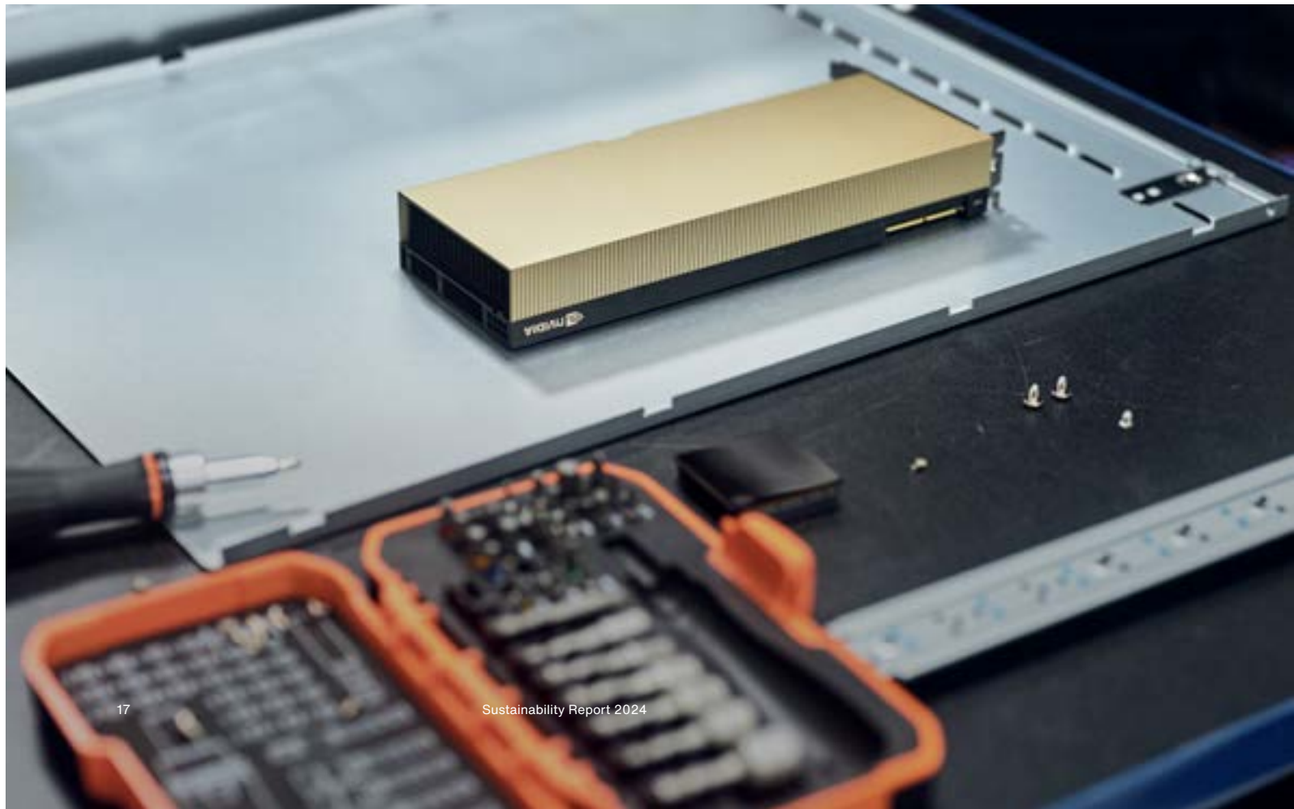
The board reviewed and approved this sustainability report, including the material topics informing the sustainability strategy, objectives, and controls. The board received a draft of the sustainability report. One week later, the limited assurance firm presented the results to the board. →→

→→ Before a new member joins the board, other engagements where there might be conflicts of interest are discussed and evaluated. Every board member is obligated to prioritize the interests of the company's shareholders. Should a conflict of interest arise, individual board members are expected to abstain from relevant discussions or decisions.

Conflicts of interest

Conflicts of interest are a natural part of all business and may arise in any situation involving stakeholders. The most important task for each board member is to objectively identify any conflicts of interest to be able to avoid them or prevent them, or if not avoidable, to manage them in an appropriate way.

If a conflict of interest concerns a board member, this person will not take part in the decision, ensuring an impartial and fair decision-making process. Before a new member joins the board, other engagements where there might be conflicts of interest are discussed, evaluated, and handled. Board members need to disclose any potential conflict of interest. Disclosures such as related party transactions are done in the annual report, which the board signs. There is no cross-shareholding with suppliers for the board members.



The composition of the board

The Board comprises experienced industry leaders, representing different ages, genders, and nationalities. No minorities, stakeholders, or executives from the company are represented on the board. The board's competences cover the Nordic real estate market, infrastructure, and from private equity and capital markets as well as telecommunication, IT, and the data center market. Leif Andersson, the founder, and chairman of our owners Areim, serves as the Chair of the Board of EcoDataCenter. He does not hold a senior executive position within EcoDataCenter. During the first part of the year, four men and one woman are in the board. For the second part of the year, five men are on the board due to parental leave. Below is an overview of the board members, their experience and commitments.

Leif Andersson

Significant commitments outside of EcoDataCenter
Leif Andersson is the sole founder of Areim and serves on the Board of Directors. He works actively with fundraising and transactions. Leif is also one of three voting members of the Investment Committee for Areim DC Fund as well as one of four voting members of the Investment Committee for Areim's flagship fund series.

Competencies
Has more than 30 years of experience in the real estate industry. Before founding Areim in 2003, Leif worked as the Head of Investments at AP Fastigheter.

Independence or dependence
Dependent

With the board since date
2019-09-13
2024-03-15 (Chair)

Erik Bertman

Significant commitments outside of EcoDataCenter
CEO Conscia full time role Chairman of Djursholms Country Club.

Competencies
25 years of experience and expertise in telecommunication and IT. Worked at EQT, E.ON, and COO at Microsoft Sweden.

Independence or dependence
Independent

With the board since date
2023-07-06

Johan Dettel

Significant commitments outside of EcoDataCenter
Senior advisor to Areim. Voting member of the Areim DC Fund IC. Serving on the board at Iver.

Competencies
15 years of experience in private equity and capital markets, focused on the TMT sector. Most recently, Johan was a partner at EQT where he acted as an investment advisor to the EQT funds and as a board member in several investments, including Iver, IP-Only, Adamo and Epidemic Sound.

Independence or dependence
Dependent

With the board since date
2022-05-20

Therese Norling

Significant commitments outside of EcoDataCenter
Fund Manager for the Areim DC fund. Responsible for Areim's DC platform and the DC fund, including implementing its investment strategy and fundraising activities. Full time role.

Competencies
14 years of experience in financial markets and real estate. Worked at Nordea before joining Areim 10 years ago.

Independence or dependence
Dependent

With the board since date
2022-05-20
until 2024-10-09

Robert Björk

Significant commitments outside of EcoDataCenter
Investment & Fund Manager for the Areim DC fund. Responsible for Areim's DC platform and the DC fund, including implementing its investment strategy and fundraising activities. Full time role.

Competencies
Prior to his role at Areim, Robert was at PwC Corporate Finance and VL Kempen Investment Banking.

Independence or dependence
Dependent

With the board since date
2024-10-09

Alex Lukesch

Significant commitments outside of EcoDataCenter
Head of European Investments at Madison International Realty. Full time role.

Competencies
19 years of experience in financial markets and real estate. Before joining Madison, Alex worked at Lincoln Property Company and Corus Bank.

Independence or dependence
Dependent

With the board since date
2023-07-06

Election of the board

The board is elected by an election committee and appointed by the shareholders during the Annual General Shareholder Meeting (AGM), according to the Swedish Company Act (Aktiebolagslagen in Swedish). The principal owner reviews the types of competencies needed on the board. Based on this competency review, board members may be added or replaced. The board member selection process is guided by identifying competencies facilitating the company's expansion. Areim, as the primary owner, proactively champions diversity, inclusion, and equality, ensuring equitable treatment for all employees irrespective of gender, nationality, age, or background.

The board is evaluated by the shareholders of the company through the annual general meeting. If deemed in the company's best interest, the shareholders will reelect the board for an additional year during the Annual General Meeting. However, members can be reelected earlier than the next AGM if there is a majority vote at an Extraordinary General Meeting to replace one or several board members.

Evaluation of the board

The board is evaluated annually to ensure that it has the right skills for its responsibilities, including ensuring that the company reduces negative environmental impacts from its activities. The board is evaluated by the company's shareholders through the Annual General Meeting. The AGM will decide annually on the board's discharge from liability ("Ansvarsfrihet"). If deemed to have acted in the best interest of the company, the shareholders will re-elect the board for an additional year. However, members can be re-elected earlier than the next AGM if there is a majority vote to replace one or several board members.

Remuneration of the board

Dependent board members are not remunerated for their seats on the board of directors. Independent board members are compensated at market level for a company in the same industry and size. Members of the board who are not employees of the main owner get a remuneration package consisting of fixed compensation in line with the market for a company of the same size and industry. In addition to the fixed remuneration, board members who are not employees of the main owner are also offered the opportunity to invest in the company through an incentive program. No other remuneration is given to the members of the board.

The fixed remuneration for the board is decided upon at the Annual General Meeting by the shareholders. The board decides on the fixed remuneration for the CEO. The CEO has decided on fixed remuneration for the management team. Each body is responsible for keeping the remuneration levels at market levels.

Responsibilities for the Executive Managers

EcoDataCenter's CEO is responsible for and manages the day-to-day operations of EcoDataCenter in accordance with the board's guidelines and instructions. The executive management team supports the CEO, a team that consists of nine members, of which two are women. The executive management team has extensive experience in senior positions across technology, IT, finance, and real estate in both Swedish and international companies. EcoDataCenter's executive management team is responsible for developing and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development. The Management team is responsible for developing and approving all sustainable development strategies and targets. The strategies and targets that have been decided were finalized by management in February 2024 and anchored with the board of directors in March 2024. Sustainability is represented in the executive management team by the CMO, heading up marketing and sustainability. Management is directly involved with stakeholders to ensure that processes are followed and monitored. →→

→→ They adhere to a yearly planning cycle, continuously monitoring key KPIs and projects. As part of our management system and in accordance with ISO management standards, we conduct an annual management review where sustainability topics are assessed, and yearly environmental and other targets are established. The outcomes are aligned with the sustainability strategy and are evaluated based on predefined KPIs. Additionally, we conduct management reviews annually as part of our management system and ISO standards. The executive team conducts reviews quarterly, analyzing the current situation based on the set sustainability targets. Remuneration is not linked to sustainability performance, but sustainability is deemed an integral part of the senior executive managers' work.

We do not currently have a bonus scheme, but we offer executive managers the possibility to invest in shares in a long-term incentive program. All managers have fixed pay in the form of a monthly salary. All payments related to employee terminations are according to collective bargaining agreements, i.e. if the notice period is 3 months, the employee is paid their monthly salary for 3 months. When employment ends, all outstanding vacation is also paid out. We do not currently have claw backs. Retirement benefits are paid according to collective bargaining agreements. All executive managers (senior management) are local, meaning they are based in Sweden around our significant locations (Stockholm, Falun, and Piteå). All are hired from the local community in our significant locations of operations, often close to the sites where they work. Roughly 50% of the executive management team is from around Falun and the rest are from the larger Stockholm area.

Sustainability Acknowledgments

During 2024 we received the following acknowledgments of our sustainability performance:

We received an EcoVadis Platinum medal in 2024

CDP SME Climate Score B for 2024 (The highest SME score available in 2024)

Our material topics

Determining Material Topics

Material topics are the topics that matter the most to a company from a sustainability perspective, but also from a business perspective. Our material topics assessment has been performed according to the GRI framework, with inspiration from ESRS. The assessment includes both the impacts of our business on society and the environment (impact materiality) and how sustainability topics affect the company in the form of business risks and opportunities (financial materiality). The two perspectives can also be referred to as inside-out (impact materiality) and outside-in (financial materiality).

Process to determine material topics

In 2024, we conducted an annual review of material topics, confirming their continued relevance. We are gradually aligning CSRD and ESRS requirements to ensure comprehensive double materiality assessments. The material topics for 2024 remain unchanged from 2023. However, we cross-referenced the full ESRS standards to ensure all relevant factors were considered. We will continue refining our understanding of key issues to focus on what matters most to us, our stakeholders, and the world.

1	**Identification** – We conducted training and workshops in 2023, gathering input from employees on sustainability impacts, risks, and opportunities.
2	**Analysis** – We reviewed standards, sector guidelines, stakeholder expectations, and industry benchmarks (such as Climate Neutral Data Center Pact and UN Global Compact, the UN Sustainable development goals, competitors, sustainability rating agencies etc.) to ensure alignment. We assessed all topics based on their significance and set thresholds for impact and risk levels.
3	**Prioritization** – Management assessed and identified prioritised topics based on scale, scope, and likelihood of impact.
4	**Stakeholder Engagement** – Our key stakeholders (owners, partners, suppliers, municipalities, and employees) rated topics by importance. Our most relevant material topics according to stakeholders are Ethics, Anti-Corruption and Responsible Business, Energy Use and Efficiency, Legal Compliance, Climate Impact, Health and Safety for Employees.
5	**Validation & Finalization** – We reassessed all identified impacts, risks, and opportunities to identify the significant (material) ones. We set thresholds for impact, opportunity and risk based on the scale, scope and remediability of the impact and the risk levels related to likelihood and financial impact. We finalized our material topics, listed below, and integrated them into our sustainability strategy and governance.These topics shape our sustainability reporting, strategy, targets, and risk management controls.

List of material topics

Material topics guiding strategy

When assessing our impacts, risks, and opportunities, we looked at the whole value chain. This list contains our material topics which have informed our strategy including our targets to reduce negative impact and increase positive impact and plans to mitigate risks and leverage opportunities.

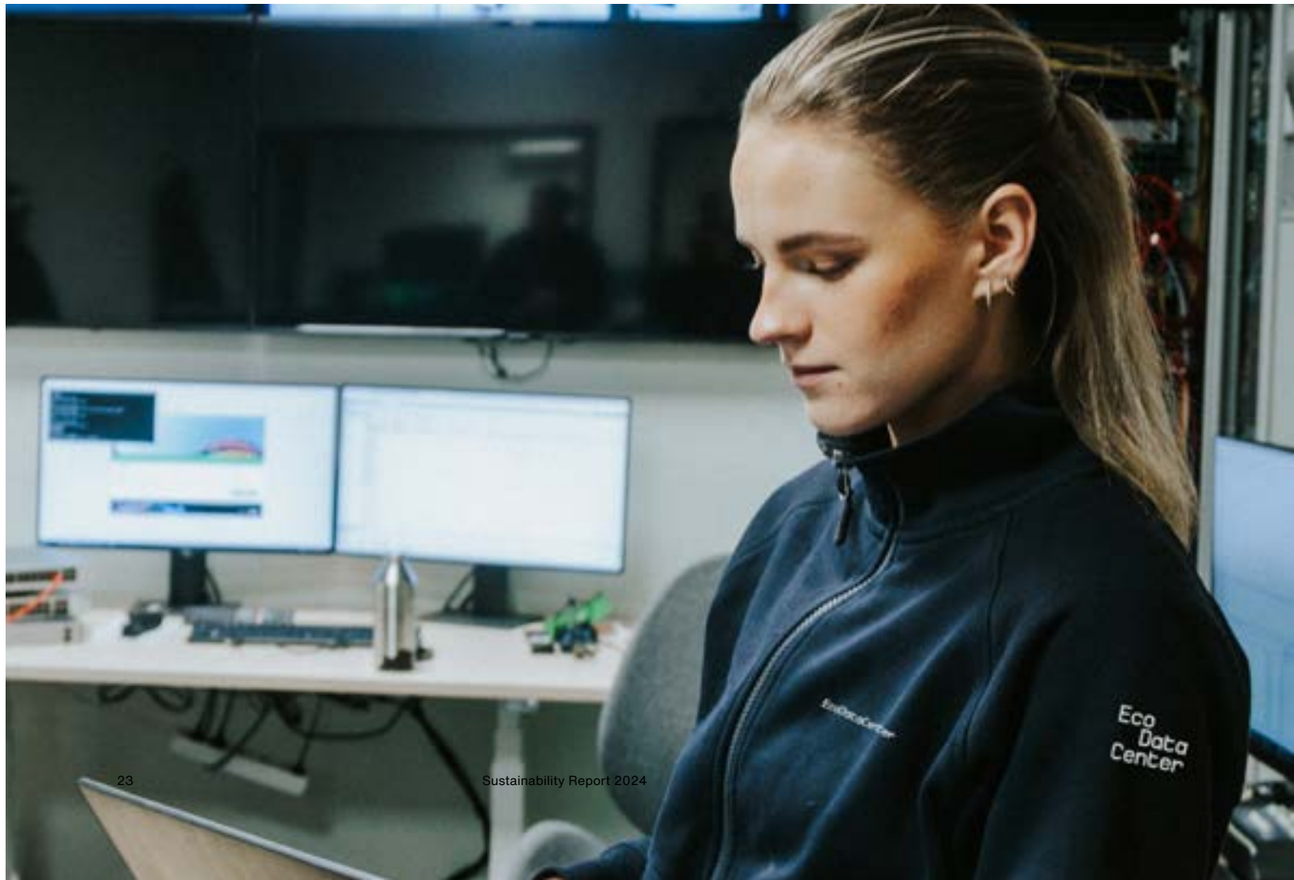
More about our impacts, risks, and opportunities and how we manage our material topics can be found under the later sections in the report.

Lessons learned and review of material topics

The annual process of materiality assessment began in 2023 and was revisited during 2024. The process has resulted in improved clarity of the strategic priorities for us, which in turn serves as basis for an update in KPIs and goal setting which we now have communicated clearer than ever before in company history.

We have initiated several programs and refinement of policies thanks to this work, such as improving our supplier ESG assessment process and our customer risk assessment process.

The challenges in the materiality assessment have been to assess impacts, risks, and opportunities in comparable ways across the entire ESG spectrum, as quantification of risks as well as impacts and opportunities is difficult, due to inconsistency in underlying data availability and quality. To improve this, further attention should be paid to improved comparability of quantitative and qualitative materiality assessments.



	Material Topic	Materiality perspective	Management approach
GOVERNANCE	**Social impact from use of data**	⊕ Digitalization is an enabler for knowledge and sharing across the globe. We are indirectly helping society to develop through digitalization. ⊖ Potential negative impact from the use of the data that is stored on our site if we choose high risk customers. ! Reputational risks related to our customers and to the data they store or compute in our data centers. Customers' risks are also our partners' risks, for example suppliers, municipalities, and owners.	• We will continue working with customers who share our purpose of providing the benefits of digitalization. • We have a customer risk assessment process to minimize reputational risks related to customers and their data. **More on this topic:** In the sections Our company and Digitalization for sustainable development (choosing our customers). Targets, metrics and controls – Performance against targets found in the Governance Responsible Digitalization section. **Related GRI standards:** GRI: 2-6 Activities, value chain and other business relationships.
	Ethics and responsible business	⊕ No cryptocurrency shows integrity and being a role model for other companies in the sector since cryptocurrencies use a lot of energy and data center capacity. ✓ Opportunity to gain access to powered land by being a local company with high ethical standards. ⊕ Potential negative impact on the economy if we don't act responsibly with regards to corruption and bribery. ! Risk of not getting access to powered land and keeping agreed effect from the power grid being a large power consumer if not acting responsibly as a company. ! Risk of not meeting sustainability targets.	• We are developing an Ethics program which includes training in ethics and anti-corruption. • Our updated Code of Conduct will be signed by all our suppliers. • We will follow up regularly on our sustainability targets and assign ownership as well as setting plans for how to reach them. **More on this topic:** In the chapter Governance and in the Governance Responsible digitalization section in the chapters Responsible business, Bribes and anti-corruption, Remediation and Grievance mechanisms etc. Targets, metrics and controls – Performance against targets found in the Governance Responsible Digitalization section. **Related GRI standards:** GRI 205: Anti-corruption 2016, GRI 206: Anti-competitive Behavior 2016, GRI 2 General disclosures.
	Compliance with legislation and standards – New sustainability legislation and requirements	⊕ New sustainability regulations across Europe and globally help data centers become more sustainable. ✓ Opportunity to win customers because of our security and IT security practices. ! Risks related to new legislation. Risk of not having processes in place to comply with new legislation. ! Risk of greenwashing with our position around sustainability, we need proof for every claim.	• We have already started implementing the processes needed to report according to CSRD and we will keep adopting the principles of legislation and frameworks even when it does not legally apply to us if we think it improves our performance. • We see CSRD, the supply chain transparency legislation and other legal and voluntary initiatives as a chance to improve. We believe it also strengthens our competitiveness when the bar for what is a sustainable data center is raised. • We acknowledge that positioning around sustainability can be risky from a reputational perspective. However, we will keep inspiring our competitors and other stakeholders with sustainability and the only way is to communicate how we do this – with proper scientific back up for any claims we make. • We will keep working to ensure top security on our sites. **More on this topic:** In the Responsible business chapter, in the chapter About this report. Targets, metrics and controls – Performance against targets found in the Governance Responsible Digitalization section. **Related GRI standards:** GRI 418: Customer Privacy 2016. GRI 2 General disclosures.
	Supply chain risks and impact on environment and human rights	✓ Opportunity since we use local contractors with collective bargaining agreements and collaboration with unions and no temporary foreign labor. Many of our suppliers are in Sweden where Swedish legislation applies. ⊖ Potential negative impacts in our supply chain include forced labor, child labor, and pollution beyond tier-one suppliers, especially in electronics (and hence metal) sourcing. ! Reputational risks if suppliers are not managing environmental and social aspects well in their supply chains.	• We have strengthened our supplier selection process with further sustainability requirements. • We will continue to work closely with our critical suppliers and develop and deploy our Supplier sustainability program to reduce the negative impact in our supply chain. **More on this topic:** In the section about Supplier Sustainability. Targets, metrics and controls – Performance against targets found in the Governance Responsible Digitalization section. **Related GRI Standards:** GRI 204: Procurement Practices 2016, GRI 308: Supplier Environmental Assessment 2016, GRI 412: Human rights assessment 2016, GRI 407: Freedom of Association and Collective Bargaining 2016, GRI 414: Supplier Social Assessment 2016
ENVIRONMENT	**GHG Emissions & Energy use** This topic continues on the next page.	⊖ Usage of large quantities of electricity. ⊖ Use of Diesel for backup generators. ! Risks related to power availability and reputation related to using power being a large power consumer (transitional climate risks).	• We have a target of 99% fossil free energy. We are a phase out of fossil fuels from our operations. • We purchase 100% renewable electricity. Continuously evaluating PPAs. • Climate-related transitional and physical risks in the value chain will be assessed further. We will keep developing business models where we use energy in a circular way – sharing the waste heat with surrounding communities and partners. We will investigate how we can further be an energy hub in society.

✓ Opportunity ! Risk ⊕⊖ Positive/Negative impact ⊕⊖ Potential positive/negative impact

	Material Topic	Materiality perspective	Management approach
ENVIRONMENT	**GHG Emissions & Energy use**	! Risks related to ground water use related to climate change,	**More on this topic:** In the Environment Reduce pressure on the planet section, in the chapters Our Energy use, Our GHG Emissions, Towards Net Zero, and Climate risks. Targets, metrics, and controls – Performance against targets found in the Environment – Reduce pressure on the planet section. **Related GRI Standards:** GRI 302: Energy 2016, GRI 305: Emissions 2016
	Water use	✓ We are strengthening the water infrastructure by connecting surface water from a lake to Falun enabling secure water supply for the city in case of water scarcity. ✓ Thanks to low water scarcity in Sweden, including the areas where we operate, we can reduce energy use through the use of cooling water. ⊖ Use of ground water for cooling, the impact might get worse with climate change. ! Risks of water use related to low ground water levels when we need water the most during July-August. Water scarcity will increase with climate change.	• We will only use surface water for cooling in our permanent sites by 2028, this means phasing out the use of potable ground water for cooling making us more resilient to climate change. • We will replace the use of ground water in Falun with surface water. • We are reusing water where we have water cooling. **More on this topic:** In the chapter about Water in the Environment section. Targets, metrics and controls – Performance against targets found in the Environment – Reduce pressure on the planet section. **Related GRI Standards:** GRI 303: Water and Effluents 2018
	Generation of waste	⊖ Use of materials and generation of waste during construction. ⊖ Downstream generation of e-waste. ✓ Opportunity to help our customers give their servers a secure second life when replacing them.	We have a target to recover 90% of our waste, including construction waste. We will keep monitoring our waste and develop waste reduction programs. More on this topic: In the chapter about Circularity in the Environment section. Targets, metrics and controls – Performance against targets found in the Environment – Reduce pressure on the planet section. Related GRI Standards: GRI 306: Waste 2020
	Biodiversity	⊖ Potential negative impact upstream in our supply chain. ⊖ Impact on biodiversity from power use. ✓ Opportunity to increase biodiversity on our sites or off site. ! Risks related to site selection related to biodiversity.	• We will assess our biodiversity impact and set a biodiversity target by 2025. **More on this topic:** In the section on Biodiversity. Targets, metrics and controls – Performance against targets found in the Environment – Reduce pressure on the planet section. **Related GRI Standards:** GRI 304: Biodiversity 2016
SOCIAL	**Local communities & Stakeholders**	⊕ Contracting Swedish contractors means giving back to the local society. Helping society develop locally and learning about data center construction, IT, power and operations. Offering apprenticeships. ✓ Opportunities for further development of rural areas in Sweden when we establish our data centers ✓ Opportunity to grow, being a Swedish company with local executive management team, employees, and contractors, being from Sweden knowing the cultures, legislation etc. ⊖ Potential negative social impact from contractors' temporary foreign labor is a risk, according to stakeholders. ! Risk of not getting social acceptance for new sites in the local communities. ! Risk of societal push back for data centers with the AI boom.	We will continue our dialogue with stakeholders such as the local authorities and the local communities but also to further share our ideas about the data center as part of the ecosystem of infrastructure. We will keep working with our partners to ensure industrial symbiosis and circular business models. **More on this topic:** In the chapters about Supply chain Sustainability, Impact, Infrastructure investments, and Local commitment, Stakeholder engagement. Targets, metrics and controls – Performance against targets found in the Social Care for People section. **Related GRI Standards:** GRI 413: Local Communities 2016, GRI 204: Procurement Practices 2016, GRI 412: Human rights assessment 2016, GRI 414: Supplier Social Assessment 2016, GRI 308: Supplier Environmental Assessment 2016
	Attraction and retention of talent & Diversity	⊕ Satisfied employees, according to employee survey. ⊖ Few women in the company, low diversity in general. ! Risk for the company if we cannot attract and retain talent and employees from a diverse pool of talents. ! Risks if we grow as a company without a workforce that is trained in sustainability and other topics important to use as a company. ! Risk of not attracting women if gender diversity is too low.	• We will continue our efforts to stay an attractive employer for existing and new talents. • We have set gender diversity targets for our company and our ambition is to increase the share of women on leading positions. **More on this topic:** In the chapter about Diversity and Working conditions. Targets, metrics, and controls – Performance against targets found in the Social Care for People section. **Related GRI Standards:** GRI 401: Employment 2016, GRI 402: Labor/Management Relations 2016, GRI 404: Training and Education 2016, GRI 405: Diversity and Equal Opportunity 2016, GRI 407: Freedom of Association and Collective Bargaining 2016
	Health and safety	⊖ Health and safety incidents. ! Risk of incidents related to health and safety such as injuries and stress.	We will implement ISO 45001 to better work proactively with health and safety. Work environment management is an integrated part of our work and the decisions we make. Creating and maintaining a healthy and safe work environment is a high priority. EcoDataCenter's health and safety manual describes how we work to create a good and safe working environment. **More on this topic:** In the section on Health and Safety. Targets, metrics and controls – Performance against targets found in the Social Care for People section. **Related GRI Standards:** GRI 403: Occupational Health and Safety 2018

Our sustainability strategy

We want to inspire

Digitalization and AI are increasing the pressure on the environment and society. Data centers are the backbone of digitalization, and we have decided to be front-runners in practices that bring social value and minimize harm to nature. We want to inspire our peers, customers, and suppliers to reduce the environmental impact of digitalization. We want to push the standards for reducing environmental impact from data centers. We want to build data centers that help the local communities where we operate to thrive, using renewable energy and surface water to store or compute information. Together with our stakeholders, we have identified our material topics, meaning where we have actual and potential negative and positive environmental, social, and economic impact, as well as financial risks and opportunities related to sustainability.

These material topics have informed our sustainability strategy and targets. We have set targets to protect our planet and people across our value chain, and to ensure responsible governance of the company as well as how we do business. Based on our material topics and aligned with our company's strategy and business plan, we have developed a sustainability strategy with targets for our business's environmental, governance, and social aspects. The material topics and the sustainability strategy were developed in 2023, and all employees, as well as other external stakeholders, were offered the chance to give input. The board of directors reviewed and approved the material topics and related input in 2024. Our sustainability strategy, which is aligned with our business plan and the targets we have set for ourselves, will help us demonstrate our commitment. Our sustainability strategy has three pillars.

Responsible digitalization

We uphold the highest ethical standards, ensure transparency, and actively mitigate environmental and social risks in our supply chain. We say no to unsustainable workloads like crypto and maintain strict compliance with laws and industry regulations.

Reduce pressure on nature

We are phasing out fossil fuels in our backup power as one step towards achieving less than 1% fossil-based energy of total energy consumption by 2028 - a goal we have achieved for 2024. Our continued use of CLT timber in construction significantly reduces embedded carbon, setting a new standard for sustainable data center design. As liquid cooling becomes more prevalent, we see a growing opportunity to expand heat reuse, further integrating our infrastructure with local energy systems. Additionally, we are on track to eliminate our dependence on groundwater for cooling by 2028 and to maintain our share of recoverd waste above 90%.

Care for people

We prioritize local job creation when building new sites, maintain a strong focus on human rights across our value chain, and uphold labor rights in accordance with the Swedish labor market model. We actively work to improve diversity, support parental leave, and ensure the right to collective bargaining for all employees.

Transparency is key for credibility and credibility is fundamental for sustainability. We will measure and disclose our sustainability performance on our website, in the present and future annual sustainability reports, and on the CDP reporting platform. Since the company was founded, sustainability has been part of everything that we do, how we think, and the decisions we make every day. With our new sustainability strategy, this work will become more strategic, formalized, and long-term. Since the strategy was formally approved in 2024, we have not yet finalized all task →→ ownership and roadmaps. However, various sustainability targets and controls will be embedded into our company's processes, and ownership throughout the organization will be implemented.

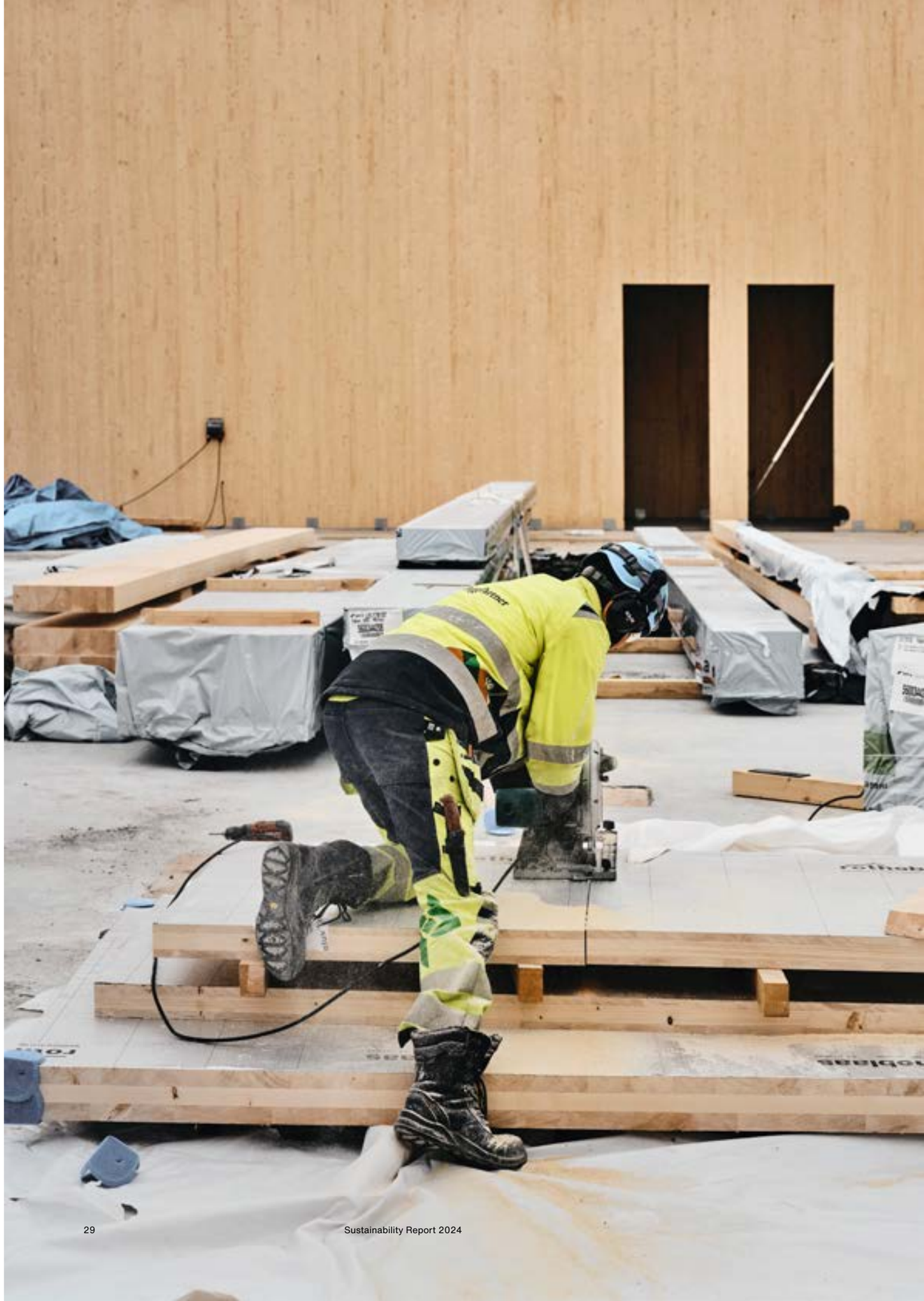
In 2025, we are advancing our sustainability strategy by launching a Sustainability Forum to enhance the distribution of progress and provide a cross-functional overview of performance towards set targets. The executive management team and the board regularly monitor these targets to ensure alignment with our strategic goals.

The executive management team oversees the strategy, delegating tasks and embedding it into relevant processes. Our sustainability strategy is integrated into existing company processes, including procurement, enterprise risk management, and ISO standards (9001 and 14001), ensuring consistent management of risks, opportunities, impacts, KPIs, and controls.

Throughout the development of our sustainability strategy, staff and management actively participate to understand the impact of our targets. Additionally, we are introducing sustainability training for all employees as part of our onboarding process, ensuring that everyone is aligned with our sustainability goals.

Stakeholders' expectations related to our material topics

Material topics	Stakeholders' expectations	Our targets and plans
Social impact from use of data	▪ Innovation and technology a driver for sustainability ▪ No crypto currency ▪ Low-risk customers and suppliers ▪ Partnerships with suppliers ▪ Zero corruption programs ▪ Compliance with new legislation	Innovative or circular use of energy in all our data centers through co-creation with partners
Supply chain risks and impacts on environment & human rights		Zero crypto currency
		Customer risk assessment process
Ethics & Responsible business		Zero tolerance for unethical behavior
Compliance with legislation and standards		Compliance with new legislation and frameworks, EU Taxonomy, GRI, CDP, ISO 14001, ISO 45001, Eco Vadis
		Supplier sustainability program for critical suppliers 2025
Energy use	▪ Low PUE – energy efficiency ▪ Renewable energy ▪ Low CUE – carbon intensity ▪ Climate risk awareness – future risks ▪ Water awareness – future risks ▪ Waste targets ▪ Biodiversity programs	More than 99% Fossil free operations
GHG Emissions		-70% carbon intensity CUE (Carbon usage effectiveness)*. **Scope 1 and 2 emissions, blackouts excluded. Reduction compared to base year 2022.*
		Refrigerants below GWP 675
Water use		Help our partners avoid 200 t CO2e per year by selling waste heat
		Set Scope 3 targets
Waste		Climate risk assessment
		No permanent use of ground water for cooling
Biodiversity		Support local water infrastructure where we have water cooling
		Minimum 90% recovered waste by 2028 (incl. Construction waste)
		Offer E-waste take back programs to our customers
		Map biodiversity loss and compensate on site and offset by 2025
Local communities and stakeholders	▪ Ensure local employment, development and social acceptance ▪ No temporary foreign labor ▪ Physically and mentally safe work environment for employees and contractors ▪ Diversity ambition	Local contractors and suppliers for all our sites
Attraction and retention of talent		Strengthen the local communities and data center construction capabilities by working with local suppliers, universities and schools. Apprenticeships in operations and in all our sites during construction.
		ISO 45001 certified by 2025
Health and safety		Customer & Employee satisfaction above 80
		70% Men 30% Women in the leadership team and managerial positions by 2028
Diversity		80% Men 20% Women in the company by 2028



Governance
Responsible digitalization

Our promise is to keep innovating and using our technology to push the bar for a more sustainable digital ecosystem with a lower negative impact on the planet and more value to society. Our ambition is to be the most competitive, reliable, secure, ethical, and sustainable data center services on the market. We promise to secure the customer's data at a competitive price with excellent customer service.

We demonstrate transparency and zero tolerance for unethical behaviour across our value chain. We stay away from cryptocurrency and continue to find partnerships with customers and other stakeholders who share our values. We monitor, assess, and comply with the requirements of our stakeholders. We are located in Sweden, one of the countries with the most stringent environmental and labor laws, where workers' rights and participation are natural. We are certified with ISO 9001, 14001, and ISO 27001, which helps us to systematically and continually improve our practices and performance.

Targets, metrics and controls – Performance against targets
On the following page are the targets, metrics, and controls we use to track our performance. Various stakeholders, such as our owners, municipalities, employees, and banks, have been involved in shaping the strategy and related targets. Since the targets were set in 2024, we still have limited possibilities to assess progress from year to year.

Material topic	Target, KPI or controls	2024	2023	2022	TREND	Comment
Social impact from use of data	Zero tolerance for cryptocurrency activities	Yes	Yes	Yes		
	Implement a customer risk assessment process by end of 2025	In progress	N/A	N/A		Implementation started in 2024
Supply chain risks and impacts on environment & human rights	Implement a supplier sustainability program for critical suppliers by end of 2025	Supplier assessments	Pilot deployed	N/A		Pilot started in 2023. Assessment process refined and done with key supplier for 2024.
Ethics & Responsible business	Zero tolerance for unethical behavior in own operations and value chain	OK				Member of IMM (Institutet Mot Mutor)
	Number of confirmed corruption incidents	0	0	0		
	Number of confirmed information security incidents	0	0	0		
	Security incident with impact for customers	0	0	0		
	Information security incident with impact for customers	0	0	0		
	Internal information security incident – access to our data	0	0	0		
Compliance with legislation and standards	Deploy annual sustainability training for all employees beginning in 2023	Training conducted	Training and workshop conducted	N/A		Training on anti-corruption provided to all employees during 2024
	Third-party validation of our sustainability data and performance through for example EcoVadis, CDP, and ISO 14001 certification	EcoVadis , CDP ISO14011 Limited assurance sustainability report UNGC	EcoVadis ISO14001 Limited assurance sustainability report UNGC	ISO14001		No legal violations in 2024. EcoVadis platinum. Sustainability report according to GRI standards and subject to a limited assurance. Using sustainability reporting system to follow up on sustainability data. Reported progress to UN Global Compact.

Responsible business

We do business responsibly

We want to be a role model and a sustainable business partner, which includes environmental stewardship, safe and healthy working conditions, and high ethical standards. We comply with the ten principles of the UN Global Compact deriving from the Universal Declaration of Human Rights, the International Labor Organization's declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.

We contribute to and support UN SDGs and we do business responsibly. This is shared with all new employees in the Staff Handbook and in our Code of Conduct. We aim to conduct due diligence with our business partners, and we apply the precautionary principle meaning that if something we do can cause harm to the public or the environment, the policy or action in question should not be carried out or be done differently. An example of where we have applied this is in the design of our data centers. For our newest data centers, we have altered the design of cooling to avoid traditional refrigerants. We have also changed the fire extinguishing gas for to one which does not contain PFAS. Our Code of conduct, including sustainability policy, our strategy and targets have been approved by our Executive Management team.

Our core values

Our core values guide how we act and make decisions in our everyday lives. They describe what we stand for, how we work, what we can achieve, and how we want to be perceived.

- **Engaged:** We engage ourselves to make the most of every situation and opportunity. With positive energy, we make things happen.
- **Responsible:** By being responsible, we build long-term relationships.
- **Attentive:** We have a keen sense and are receptive to signals that require our action.
- **Innovative:** We are driven to exceed our own and our customers' expectations.

Our Code of conduct

EcoDataCenter's Code of Conduct clarifies how we should behave in everyday life – as individual employees as well as business partners, employers, and social actors. Our code of conduct applies to all employees, consultants and contractors, board, and other partners, and contains the minimum requirements for us. The code of conduct ensures that our business is ethical and complies with legislation and other rules, ensures financial statements and other types of communications are correct, and it protects the company's assets and immaterial rights. All board members, new employees and contractors sign the Code of Conduct. Everyone is responsible for complying with our code of conduct. The managers are responsible for ensuring that the employees who report directly to them know the information.

Our supplier Code of Conduct

During 2024, we developed and distributed a supplier-specific Code of Conduct that includes everything mentioned in the company Code of Conduct while placing additional focus on supply chain risks, such as clearly stating our zero-tolerance policies against forced labour, child labour, Conflict Minerals, corruption, etc.

Legal compliance

EcoDataCenter is committed to adhering to the laws and regulations applicable to our operations. We engage solely in business activities that align with legal requirements and agreements and that are in accordance with our Code of Conduct. We do not involve ourselves in any activities that we cannot openly endorse or disclose, and we do not make business decisions based on personal interests or relationships. To make sure that we comply with and find information on new and updated laws and regulations, we subscribe to a third-party service. A review of upcoming changes in laws and regulations takes place twice a year. We are going through the new legislation in the Management review and we're externally audited to ensure this process is followed, to keep our ISO certificates. During the reporting periods of 2022, 2023 and 2024, EcoDataCenter committed no instances of non-compliance with laws that resulted in administrative or judicial sanctions and fines.

EU Taxonomy, CSRD and new legislation

We have identified the new legislation from the EU to pose a risk and an opportunity for us as a company. Some legislation will apply to us earlier, being a company in an article 8 fund according to the Sustainable Finance Disclosure Regulation, SFDR. However, EcoDataCenter does not directly fall under SFDR. We have started implementing parts of CSRD inspired by the double materiality assessment to future-proof our reporting. We use a reporting system for sustainability reporting, to increase transparency and traceability of our sustainability data.

In 2024, we reported EU Taxonomy eligibility and alignment to our owners, because they fall under SFDR. To increase our share of Taxonomy-aligned activities, a third-party certification performed by Bureau Veritas was conducted during autumn 2024. This certification showed conformity with the implementation of the relevant best practices of the JRC Code of Conduct on Data Center Energy Efficiency, in accordance with the technical screening criteria of the EU Taxonomy Climate Delegated Act, Section 8.1 'Data processing, hosting and related activities' in Falun.

This means that the share of assets which also meet the full set of DNSH criteria's set up under the EU Taxonomy are to be considered aligned. We have a commitment to not use any refrigerants with GWP above 675 in our buildings commissioned from 2024, which is a knock-out criteria for EU Taxonomy alignment, and we are continuously looking to replace the ones we have in existing buildings with Low-GWP alternatives.

Trusting relationships

EcoDataCenter aims to build trusting relationships with customers, suppliers, and contractors, and therefore follows the procurement and sales rules established within the company. We do not engage suppliers or contractors if we are aware that they have disregarded their obligations towards business partners or employees, violated laws, regulations, or agreements, or have unclear ownership structures. We treat our own and our customers' and partners' information with care, and we do not disclose information that we are not allowed to and that can harm us or our partners or give us unfair benefits on the market.

Responsible digitalization for sustainable development

Digitalization, like electricity or roads, is a neutral infrastructure with no inherent moral value. Its impact depends on how we utilize it. At our core, we advocate responsible and sustainable resource management, refraining from supporting industries that harm the environment or society. Instead, we implement sustainable practices across all our operations. Our commitment to offering a sustainable and conscientious solution for businesses seeking data storage and management sets us apart. While we strive to construct our data centers in the most sustainable manner possible, pairing this with meaningful purposes to benefit society is crucial. This is why we actively collaborate with esteemed customers such as DeepL translation services, the University of York, and Green AI, leveraging digitalization for positive societal impact.

Cryptocurrencies

At EcoDataCenter, we are committed to sustainability and ethical business practices. For this reason, we have decided not to engage in any activities related to crypto-currency. Cryptocurrency mining uses a large share of the energy consumed by data centers in the world and has a significant carbon footprint. It also raises ethical concerns about the potential for illegal activities and lack of regulation. We understand that this decision may not align with the views of everyone, but we stand firm in our commitment to sustainability and ethical business practices.

Bribes and anti-corruption

Bribes, hidden commissions, anti-competitive behavior, or any other illegal or unethical advantages are not permitted. EcoDataCenter employees must not participate in any form of cooperation or engage in any actions that could be perceived as anti-competitive, according to our Code of Conduct. EcoDataCenter supports international efforts to combat money laundering and takes its legal obligations seriously. In

2024, training about anticorruption by Institutet mot Mutor (IMM) was provided to all employees to further underline the importance and strengthen the knowledge of all employees in this area.

To the best of our knowledge, EcoDataCenter did not commit any instances of corruption, anti-competitive behavior, or otherwise unethical behavior during the reporting period 2022-2024.

Risk assessments of anti-corruption

In our enterprise risk process, we have not identified any significant risks of anti-corruption related to our own operations or our value chain activities. However, we acknowledge that this might be an underestimated risk, working with large contracts, construction, and public officials.

In our assessment of sustainability-related risks, we have identified the area of anti-corruption as a risk for our company. However, we have not assessed the share of our operations subject to corruption risks. We have also identified the need to train people in this area, and during 2024, we had one formal and recorded training session for all employees in the company.

We have identified a need to improve our processes to minimize potential risks. Deploying a program is also a target in our sustainability strategy. We will further identify and assess risks related to this area, and roll out a program containing training and procedures to address risks related to business ethics in the coming years.

Anti-corruption policy

Our Code of Conduct regulates anti-corruption and anti-competitive behavior, communicated to our business partners and on our website. All our employees are responsible for complying with our Code of Conduct. All managers are responsible for ensuring that it is known, understood, and complied with, by their employees. All new employees and recently assigned contractors read and sign the Code of Conduct. All signed copies of the Code of Conduct are stored in our digital HR system.

Conflicts of interest

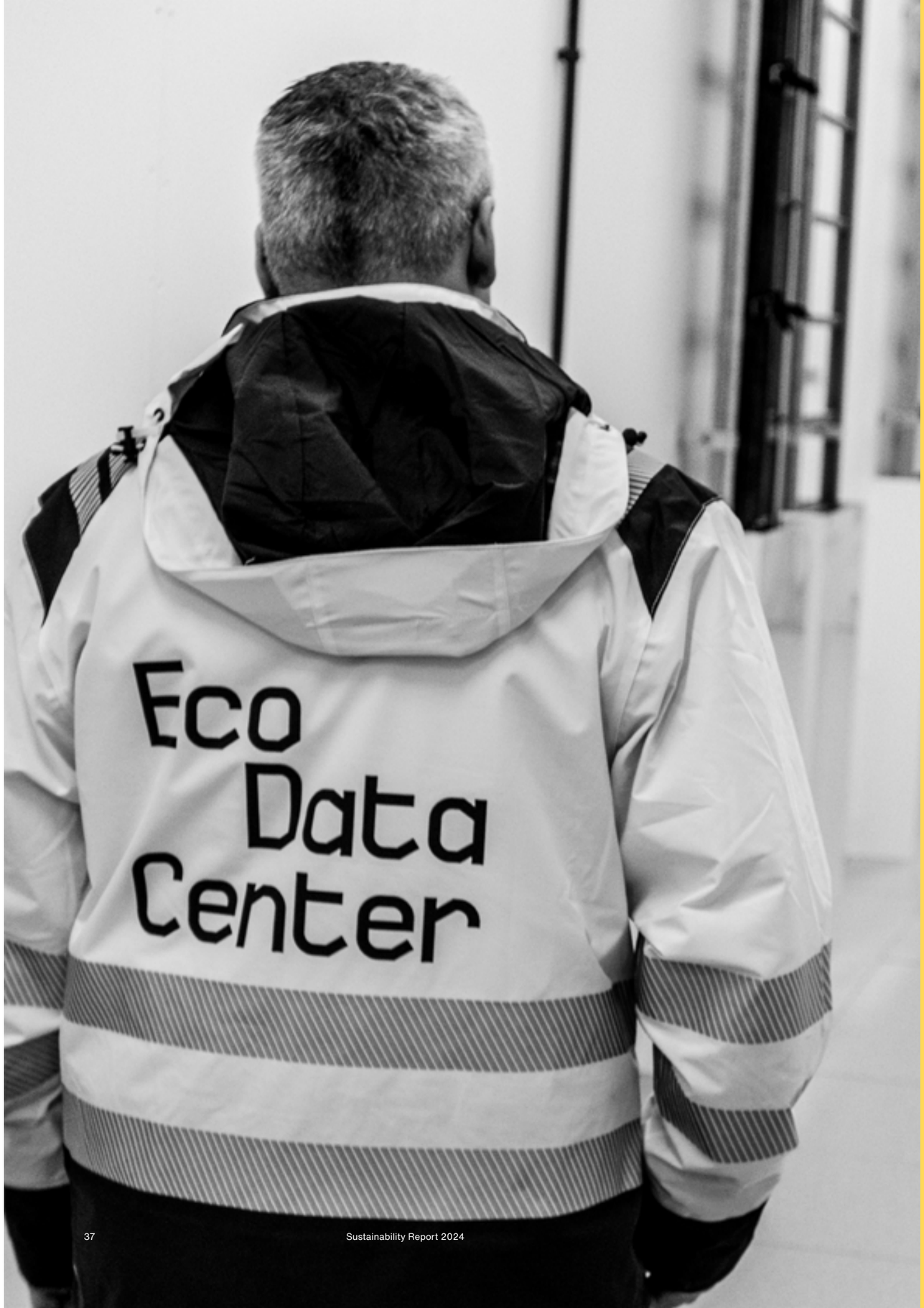
Our Code of Conduct describes how to manage conflicts of interest when an individual or the entity they work for is confronted with choosing between the duties and demands of their position and their private interests. We choose to be transparent about how we conduct our business while protecting our business assets and the privacy of individuals.

We do not engage in activities that we cannot openly support or account for, and we do not make business decisions based on personal interests or relationships. Bribes, hidden commissions, or other illegal or unethical favors are not allowed. EcoDataCenter employees shall not engage in any form of collusion or otherwise act in a way that could be perceived as anti-competitive.

Audits and Internal controls

The financial auditor assesses EcoDataCenter's financial records and yearly statement. The financial audit is performed in accordance with the Swedish Companies Act, the Swedish Annual Accounts Act, International Standards on Auditing (ISA) and accepted auditing norms in Sweden. The management of the Board and the CEO present an audit report at the Annual General Meeting. The auditor also performs a limited review of the voluntary Sustainability report.

Internal controls are managed via our management system. The system consists of defined policies, guidance, and routine descriptions, as well as customer agreements, laws and regulations that are followed on a daily basis. The management system is certified according to ISO 9001, ISO 14001, and ISO 27001.



Supply chain sustainability

Upstream sustainability challenges

Environmental and social risks in our supply chain are one of our material topics. We deem the environmental and social risks from our Tier 1 suppliers to be limited, but further up the supply chain, there are risks related to the environment and people.

It is very difficult to know the social and environmental impacts across the whole supply chain, especially higher upstream in the supply chain for the electronic equipment we put in our data centers and building materials for our new constructions. Potential negative social and environmental impact can come from further upstream in the supply chain, such as from the mines where the metals we use in our data centers are extracted.

There are several known cases of forced labor, child labor, and environmental negative impacts from the mining industry, and we have little knowledge about all materials in the components purchased by our direct suppliers for complex products. This is an industry-wide challenge, that must be addressed across companies and sectors.

Since environmental and social impacts in our supply chain is one of our material topics, we continously work to improve our supplier assessment process, piloted in 2023 and refined during 2024.

Supplier qualification

To ensure that the evaluation and selection of our Tier 1 suppliers are controlled and documented, we follow our supplier qualification process. The evaluation of our suppliers is managed and documented in our supplier management tool. According to our procurement process, new suppliers undergo financial due diligence control, and we ensure that they meet the technical criteria for the service or product they supply.

Critical suppliers are those with high spend, single source suppliers, or suppliers deemed to have a strong impact on quality or on the environment. All critical suppliers undergo further assessment. Besides meeting our financial and technical criteria, they need to have both quality and environmental management systems in place and be certified with ISO 9001 and ISO 14001. For suppliers and contractors, we do not require collective bargaining agreements, but we ask for similar agreements and require them to follow Swedish law whenever working on our sites.

We did not use social screening criteria for any new critical suppliers in 2024 since our top 90% spend suppliers were already existing partners for whom only environmental screening criteria had been used.

Supply chain risks and impacts assessed for the top 90% of suppliers

We have identified a need to better assess and document the sustainability performance of both our direct suppliers and their supply chains. There is also movement in legislation regarding Supply chain due diligence, which means there might be risks of future non-compliance if not properly addressed.

We did an annual desktop environmental and social assessment of our 2024 top 90% spend suppliers and contractors. Our top spend suppliers remained stable compared to previous years, indicating ongoing and well-established relationships. The annual assessment contained direct risks and impacts from suppliers or their services, such as construction activities on our sites, as well as indirect environmental and social impacts and risks, such as environmental risks or known negative impacts in their supply chains from the products we purchase. →→

→→ The highest risk or impact found was related to safety in construction and electrical installation work. Since we work closely with our suppliers on long-term contracts, we regularly bring this topic up. The topic is also high on our contractors' agenda. We work with contractors to monitor Occupations Health and Safety risks, incidents, injuries, and address related hazards with corrective actions.

The assessment of our 90% spend suppliers also showed risks in our suppliers' and contractors' supply chains. However, in our suppliers' supply chains, we have deemed some environmental risks and impacts medium, for example related to electronics and construction materials.

There is a negative environmental impact from almost everything produced. One way of reducing the environmental impacts of our supply chain is by choosing suppliers with strong sustainability performance. For the eight (8) suppliers assessed as covering 90% of our 2024 spend, the main areas of negative impact identified regard risks related to health and safety due to the nature of the work on a construction site and the large amount of electrical work on our sites.

However, health and safety practices are in place. None of the current suppliers received formal requests for improvement actions from EcoDataCenter during 2024, apart from the regular alignment meetings and feedback between us and our contractors. No supplier partnerships were terminated during 2024 due to suppliers' negative environmental or social impacts. Based on the assessment of our top 90% spend suppliers, we think that our top suppliers' sustainability performance is very strong, especially for those with higher impacts and risks, but we also see a need to collaborate further to address the negative impact on their supply chains. →→

Assessment of suppliers' supply chains	→→ To better understand and address our suppliers' environmental and social impacts, risks and opportunities, we are working with supplier dialogues based on ESG self-assessment questionnaires. In 2023, we had dialogues with two suppliers, including their sub-suppliers, to understand how well they know their supply chains. This was done in several meetings and by piloting our ESG self-assessment with environmental and social criteria. During 2024, two of our key suppliers did an ESG maturity self-assessment, and we had meetings to act on the results. The assessment contains questions about the companies, how they address risks and negative environmental and social impacts in their operations and supply chains, and if they have third-party verifications of their performance. Through the interactions, we also reviewed one of our suppliers' GHG accounting maturity and decarbonization plans. Based on these activities and learnings, we will further develop our processes to improve supply chain understanding and performance.
Improvements in the supply chain	Life cycle assessments (LCAs) (presented in the section Deep dive: Embodied carbon in our data centers) of our data centers show that with our wood-intense building construction, almost 80% of the total embodied carbon in our data centers comes from the equipment. The equipment with the highest embodied carbon impact includes batteries, UPS systems, and backup generators. This underscores the importance of evaluating suppliers' products for carbon efficiency. EcoDataCenter was the first data center company to utilize Alfa Laval heat exchangers that use SSAB Zero™ steel. The introduction of Alfa Laval heat exchangers made using SSAB Zero™, a recycled and emission-free steel, is a step forward in EcoDataCenter's mission to reduce emissions within the supply chain. Our steel pipe manufacturers' products have a 50% lower carbon footprint than the global average because of their extensive work in decarbonizing their operations and thanks to using a large share of recycled steel. The main source of emissions in our operations is the diesel used to test our backup generators. To further reduce the environmental impact of backup power, we have also worked closely with Neste to ensure that we can move away from diesel and use fossil-free HVO in our backup diesel generators. Climate control equipment is also a key driver of embodied carbon in our data centers.
Low risks for child labor and forced labor	We and our contractors on our site follow Swedish legislation on child labor and forced labor, which is prohibited since almost 100 years. According to Swedish Work Environment legislation, child labor is not permitted in Sweden, and work for people below 18 is regulated. However, there is a risk of child labor and forced labor in our upstream supply chain, since we purchase electronic equipment with complex value chains. We have not yet identified any significant negative environmental or social violations from any of our suppliers. Since our operations and direct suppliers are all located in Sweden, the risks of child labor or forced labor are generally very low. Despite this low level of risk, there are still processes in place in case any such human rights violations are identified. If any cases of child labor or forced labor are identified among our Tier 1 suppliers, we have a crisis plan to manage this.

De-risking the supply chain by choosing local suppliers

One way to de-risk our supply chain is by carefully selecting our contractors for our significant locations of operation. Our significant locations of operation are our headquarters site and data center sites, which are all located within Sweden. We strive to use local construction partners and contractors, and local suppliers, whenever possible, because we want to support the local economy in the communities where we operate, ideally companies in the same city or county.

In this report, "local" is defined as actors based in the same region as where we build a data center. The bulk of our spending on suppliers is for the construction of new data centers, including the installations in the data centers, construction worker contractors, and the wood we use to build the data centers which is locally sourced.

In some cases, the supplier we work with does not have their headquarters in the same region as us but has local offices who manage the business contract. These are marked as "national" although the economic impact of our activities would be local. Most of our capital expenditures come from the construction of new data centers. Roughly 55% of our capital expenditure is spent locally on companies in the same region of Sweden as our data centers are built (local). Another ~25% is spent locally on Swedish companies with headquarters and operations in Sweden (national). Therefore, roughly 80% of our annual capital expenditure is spent on companies located in Sweden, and roughly 20% of our capital expenditure is spent on Swedish companies headquartered globally outside of Sweden. Notably, in 2024, our top 6 suppliers by spend, accounted for 90% of our annual capital expenditure.

Laying the foundation for next generation of district heating

Suppliers

Type of supplier	Description of supplier and the main risks & impacts	Supplier Activities & partnership	Supplier sustainability commitments	% spend
Construction Local supplier Risk score: Medium	Main partner for construction. Purchased goods for our data centers is also included in the expenditures. Main impact areas identified are Health & Safety risks on construction site as well as environmental impact from construction.	Regular dialogues on environmental topics and safety with the contractor. Reporting sustainability data regularly to us. A self-assessment was done in 2024 showing overall progress in transparency and goal setting.	Commitment to become climate neutral by 2045. Long experience of LCAs and sustainable constructions with wood. Collective bargaining agreement and works closely with trade unions as most companies in Sweden. Anti-discrimination policy. Work to promote equality in the construction sector. Works with local sub-suppliers, and it is largely part of the company's policy. They offer apprenticeships and collaboration with schools. ISO14001, ISO9001, ISO45001	30%
Piping Local supplier, international sub-supplier Risk score: Low-Medium	Contractor for piping. The supplier has limited social impacts and risks associated with the work carried out at our sites. The environmental assessment was done based on dialogue with the sub-supplier, meaning the supplier of the pipes (OSTP), where main impact comes from stainless steel.	A self-assessment by the sub-supplier showed strong sustainability performance. Supplier EPDs from the sub-supplier for the products show the emissions from their products are significantly lower than market average according to their data.	Supplier: ISO 9001, ISO14001 Sub-supplier (pipe manufacturer): Climate neutral by 2025, Uses recycled content, 100% recyclable products, ISO14001, 45001, 9001	17%
Equipment in the data centers National supplier, from a global company Risk score: Medium	Supplier of data center equipment and installation service provider. Health & Safety Risks from electrical work carried out onsite deemed medium. Upstream environmental impacts and risks from electronics are deemed medium.	Long-term partnership with the supplier. Ongoing stakeholder dialogues and part of our material topics process. Collaboration on development for future data center solutions.	CDP A rating Carbon neutral operations by 2025. Net-zero in the value chain by 2050 (target validated by the Science Based Targets Initiative). EcoVadis Platinum, FTSE-4Good Index.	15%
Backup power generators National supplier, from a global company Risk score: Low-Medium	Supplier of back-up electricity generators. Upstream environmental impacts and risks from electronic equipment are deemed medium.	Self-assessment done by sub-supplier supplying backup generators. They have LCAs in place and ensure HVO can be used in their generators.	Net zero by 2025 (mother company) ISO 14001 and ISO 9001 certified (mother company)	10%
Electrical installations National supplier, from a Swedish company Risk score: low-medium	Provider of the majority of all electrical work services. Health & Safety risks are deemed high, since the partner is working with electrical installations to a large extent and at a high pace.	Contractor dialogues daily on safety. Reporting health & safety regularly to us. The supplier acts largely local, as the contracted work is managed by a local office.	Climate neutral in the value chain by 2045. Majority of branches have ISO 9001 and ISO 14001 certification. A smaller share of branches have ISO 45001 certification.	9%
Power utility Local supplier Risk score: Low	Provider of all purchased electricity in operational sites. Also waste partner for operational waste and supplier of water at Eco-DataCenter 1 in Falun. Low social risks, environmental impact of hydropower deemed medium.	Regular dialogues and reports of environmental data. Joint projects and investments for heat reuse and grid support.	Publicly owned, which means it is strictly controlled by laws and regulations. 100% Fossil free by 2025.	3,5%
Fire equipment National supplier Risk score: Low	Supplier and installation service provider of fire safety equipment. Social risks relate to operating on a construction site, mainly working on heights. Environmental impact is deemed low because of the scope of work.	Close collaboration on construction site.	ISO 14001 and ISO 9001 certified.	3%
Power and cooling equipment National supplier, from a global company Risk score: Low-medium	Supplier of power and cooling equipment. Upstream environmental impacts and risks from electronics are deemed medium.	A self-assessment was done for 2024 showing overall progress in information availability and goal setting.	ISO14001 and ISO45001 certified in Sweden and most production sites. Human rights policy and Conflict Minerals Report in place.	2%
Share of total 2024 spend				**~ 90 %**

Impact and infrastructure investments for local communities

At EcoDataCenter, we believe that data centers designed and built the right way will give back to the wider society, the local communities, and be part of a larger ecosystem of infrastructure. We invest a lot to make this happen.

In 2024, ~40 MSEK was invested as non-commercial related costs. This year, we have advanced across three major projects:

- District heating piping has been laid to a new real estate area near EcoDataCenter 1 in Falun. This will allow the new residential area to be heated with our waste energy.
- In collaboration with the local energy company Falu Energi och Vatten, we have strengthened the municipality's grid capabilities by contributing to the construction of a new substation. This is an indirect positive economic impact from our business which will enable the city of Falun to grow further.
- We have started redirecting water from a decommissioned reservoir in Falun, alleviating pressure on the utility water system. This will also provide our site with surface water instead of groundwater, which will increase resilience against droughts in the area as well as reduce our dependence on potable water.

Our total investments for these three projects alone amount to around 210 MSEK.

Local commitment

All of EcoDataCenter's sites contribute to local communities where they are located, through hiring local employees and working with local contractors. For each new data center location, there are various task forces and working groups that aim to establish a more participatory and inclusive development process. Although data centers have very minimal impacts on the local communities related to ongoing operations, there are more significant impacts related to new data center construction. These impacts include, but are not limited to, land excavation noise or pollution, removal of forest and other green spaces, and construction noise or pollution.

We believe that building a sustainable future starts with investing in our community and supporting local businesses and organizations. That's why we have made a commitment to sourcing locally as much as possible in our data center operations.

By using local labor and working with local companies, we are not only reducing our carbon footprint through shorter transportation distances, but we are also →→ investing in the growth and development of our local economy. This creates jobs, supports small businesses, and helps build stronger communities. Based on this approach, we assess that the indirect economic impacts of our business are mainly positive. We collaborate with the local university, and we are investigating collaborating with local schools and our suppliers for apprenticeships.

Thanks to our expansion and operations, we are helping to increase data center expertise in the area. In Falun, we have also started to work with the floorball club, IBF Falun. Additionally, we strive to use locally sourced materials in constructing and maintaining our data centers. This reduces our environmental impact and supports the local economy by keeping money within the community. We understand that building a sustainable future is a collective effort, and we are proud to be part of that effort by supporting our community and local businesses. Together, we can create a sustainable and thriving society for future generations.

For all new site developments, we engage with local communities. This has been the case in Falun, where we have the largest share of our operations, employees, and IT load. We do environmental impact assessments as well as an inventory of nature conservation value. We have also started a project to quantify biodiversity for new sites.

In Östersund, we have started looking into how we can deploy local community development programs, and the dialogue has already begun. In Falun, there is ongoing dialogue with the local community (see more in the section about Stakeholder Engagement). We also work with our employees and the occupational health and safety committee (see more under the section about health and safety). More about local grievance processes can be found in the following section.

Remediation and grievance mechanisms

We are not always right, and sometimes we need to be told we did wrong. When something has gone wrong and people are negatively affected because of our actions, things need to be put right. We try to solve the problems before they appear through dialogues with our stakeholders, but in the event of a conflict, or if some of our stakeholders think we did wrong, there are several ways complaints can be made against us by our stakeholders.

We meet people in dialogues to understand their perspectives when we build data centers that affect them. It can be local organizations, NGOs, local communities, or other types of local stakeholders. We also listen to how we can improve communication and accommodate meetings and interactions with them.

However, some processes of capturing critical concerns are formalized, such as whistleblowing, or part of a process according to Swedish law such as appeals.

Trade unions and work councils

Sweden is one of the countries in the world with the highest standards in terms of employee rights. Unions are part of our organizations and collective agreements are made. Employees can seek advice and raise concerns via the unions. Employees can also turn to the unions on legal matters, in case of non-compliance with legislation or other types of issues in the companies. Much of the grievance and remediation mechanisms are also built into the Swedish model and the Swedish workers' legislation.

Complaints on any discrimination can be made via the human resources function, the manager, workers' representative, the union, or the Whistleblower function on our external website. Anyone in Sweden can also raise a complaint to Arbetsmiljöverket, the Swedish Work Environment Authority which can then inspect the complaint. Grievance can be individual, on group level, for a policy or anything violating human rights and inclusion. If a person or a group is deemed discriminated against or harassed, there are investigation and remediation processes according to Swedish law.

The rights to appeal decisions on construction of new data centers

All our data centers are in Sweden, built according to the Swedish building permit process. An environmental impact assessment (EIA) needs to be done before we are given an environmental permit. In the assessment noise, impact on ground water, impact on the local environment, on biodiversity and culture is assessed. The environmental permit also includes potential negative impacts on the local community, such as increased noise levels, but also social and economic impacts of the establishment.

A part of the process is to invite interested parties to give their views and to assess if the environmental impact is significant. When we have proved that our new data centers will comply with legislation, we receive a building permit where the environmental impact, impact on health and safety, cultural impact, and how well the proposed building fits in with the surrounding landscape has been assessed.

After approval, any concerned party is allowed to formally appeal a permitting decision for four weeks, ensuring that anyone who is affected by our new data centers has the right to be heard.

Listening to our customers

It is important to us to understand how our customers perceive us. Every year, we evaluate our customers' experience with us through interviews. Our Net Promoter Score (NPS) in 2024 reached 88 out of 100. The NPS result increased from the previous year's score of 82 and surpasses relevant industry averages for Techonolgy and Services (66) and Cloud and hosting (37). It reflects profound collaborative efforts between our dedicated team and our invaluable customers. This result is not so much an indication of us outdoing others, but rather a testament to our collective commitment to excel – both within our industry and globally.

Our customers' feedback is essential to our growth and development as it influences all decision-making and strategic planning. Customer feedback and how we →→

→→ act upon it are intertwined – one cannot succeed without the other. And while we stand behind our products and services, what truly matters is their perspective. We have regular meetings to capture our customers' views.

Voices from our NPS survey
- "You are doing an amazing job, please continue."
- "Very accommodating and it feels very secure."
- "EcoDataCenter are always there for us and delivers to the highest level and are always very service-oriented and knowledgeable."

Dialogue with local communities and neighbors

Complaining neighbors and local communities will typically report any perceived harm to the municipality, but we want to capture their views before that. To keep the people living close to our data centers and construction sites informed, we send an information letter to neighbors to ensure they know of updates and expansion plans. We also offer study visits to our site for neighbors and other people who are interested.

Several study visits were held in 2024, and we regularly present our plans in various local forums to ensure a dialogue with people affected by our operations. Before new establishments take place, we engage early with local communities. Where we are planning to build our next data centers, which currently is in Borlänge, Östersund and Falun, we have regular meetings to understand the affected stakeholders as a part of the permitting processes. For all of these sites, we have had meetings with the municipality, the electricity provider, NGOs and others.

Critical Concerns and Whistleblowing

In the event of a violation or suspicion of a violation of the Code of Conduct or other types of unethical behavior, a report should be made. Critical concerns should be reported immediately to the highest governance body, the board.

Handling of critical concerns

The management team is directly involved in handling complaints of any type of critical concern. These can be done via the manager, workers' representatives, the union, the Whistleblower process, or the Swedish Work Environment Authority. Thereafter, concerns deemed critical are swiftly communicated to the highest governance body, the board. During 2024 we had no critical concerns reported.

Whistleblower process

In 2022, we implemented a whistleblower procedure. The whistleblower procedure is limited to serious misconduct and irregularities and not for reporting minor offenses between individuals or general dissatisfaction and complaints. The whistleblower channel functions as an alternative avenue for reporting, distinct from the standard reporting channels. Individuals can report via our external website, where a dedicated link is provided. There is a third-party person in the whistleblower function to ensure independence. Employees have the option to remain completely anonymous when whistleblowing. Since we implemented the procedure, in 2022, we have not had any cases of whistleblowing.

Stakeholder engagement

We interact with several stakeholders on many levels of the organization for different reasons. Engaging with stakeholders means that we can work proactively and identify risks and opportunities earlier in the process. The key stakeholders we engage with are those directly affected by our operations, and those that directly affect us. Some of them, if not already mentioned in previous sections of this report, are mentioned below.

Stakeholder	**Type, frequency, and level**
Local authorities	We are in close dialogue with local authorities to ensure social acceptance and that we can collaborate on various topics such as education or our operations. When we have new projects, we keep an even closer dialogue to reduce the risk of misunderstandings.
Customers	We have several ways of following up with our customers to hear their views. New customers' requirements are collected during the sales process and then implemented into operations. For existing customers, we capture customers' views in operations meetings monthly. We also follow up how they perceive us through a customer satisfaction survey. Requirements for existing customers are also implemented through change requests.
Employees	We do our employee satisfaction survey annually and annual personal development assessments. In addition, managers meet employees one-on-one on a regular basis so managers can understand if there are any health and safety-related issues and ensure that the employees develop. We have a working environment committee and a workers' representative.
Unions	According to Swedish labor law, we meet with union representatives in formal negotiations (MBL) but also in informal meetings, such as the union Unionen doing study visit at the sites.
Suppliers	We have a close collaboration with our suppliers, especially our contractors building our data centers to discuss various sustainability topics such as environmental topics, construction materials, health and safety or reporting. We have regular meetings with the contractors and with our critical suppliers. We have also piloted our supplier sustainability program which will help us understand where our suppliers are and how we can collaborate to reduce negative impact on nature and ensure good social conditions in the supply chain.
Local community	It is important to us that we feel valued in the local communities where we operate. We send out information letters to the local community in Falun, the neighbors to our site. We also have an ongoing dialogue with the municipality, and we invite the local community for study visits at our site. Where we plan to build new data centers, dialogues and forums where local people can vent their concerns and we can get valuable input are even more important. The right to appeal decisions is granted according to Swedish legislation.
Utility and energy companies	Regular dialogues with utilities about power and other utilities are held to ensure we can get the capacity needed for future establishments and in supporting the grid.
Owners	We have regular meetings with our owners on various levels of the organization, to ensure we have mutual understanding and collaboration.
Partners	We have several partners who we collaborate and keep a dialogue with, such as the local energy company Falu Energi och Vatten which uses our waste heat in Falun and Wa3rm, which uses waste heat from, for example, data centers. We are constantly searching for new partnerships in this area to continuously increase our share of reused waste heat.

Security and information security

Our location in Falun provides world-class security. It is a site with very low natural disaster risks (flooding, landslides, earthquakes, volcanoes, tornados, or other extreme events.) In addition, there are extremely small risks for man-made disasters, such as aircraft, truck, or railway accidents.

The closest major road is 300 meters from the site, the nearest railway is 1,4 km away, and the closest airport is 21 km away. There are no airway corridors or holding stacks for aircraft waiting to land nearby. The fact that EcoDataCenter handles sensitive information for our customers places high demands on our staff. Therefore, background checks are carried out on all staff and long-term contractors working on site. For some roles, the background checks are more rigorous. Furthermore, drug and alcohol tests can be carried out.

Employees and contractors working at our construction sites need to undertake EcoDataCenter specific training where security is part of the content. The training is carried out via a web portal (SSG) and is registered. After the training, the participants need to pass an exam. This training needs to be renewed on an annual basis. It is mandatory to use an electronic personnel ledger on our construction sites.

Layered Security Concept

EcoDataCenter's basic approach to site security design is the concept of layers of defense. This means that multiple consecutive layers of protective measures are deployed in concentric circles around our buildings, and within the data center building itself around each data room. The circles start from the outer perimeter with a unique natural rock wall and move inward to the area of the building or room with the greatest need for protection. We have cameras all over our sites, several fences, vehicle control, electronic access control and secure doors throughout our buildings.

Information security

We are certified according to ISO 27001, a standard for information security. The certification requires us to have an information security management system that meets the requirements of the standard, such as a system for detecting, reporting, and addressing information security weaknesses and incidents and handling sensitive data. The work with information security is a central part of the company. Guidelines, policies, informational texts and visualization are implemented to ensure a formal reporting structure with support systems. A Management Review is carried out on →→ an annual basis where participants from the executive management team together assess the effectiveness of the information security management system in relation to business objectives and goal achievement. Assigned employees are trained in how to act if an incident occurs, and awareness training is carried out on a quarterly basis.

Reporting of information security incidents for a full year is carried out on an annual basis through the management review.

Information security includes, for example:
- proper handling of information
- secure management of IT resources and third parties
- general safety awareness/behavior
- compliance with internal rules and external laws and requirements materials

A security incident management process is defined, covering the following activities:
- Security incidents (physical & logical) are detected via monitoring systems or reported by personnel.
- If an incident occurs, the guideline for Incident Management and Procedure for information security incidents is executed and the incident is evaluated.
- Depending on type of incident and severity, information is communicated to stakeholders, such as: EcoDC Executive management team, EcoDC Board of Directors, Customers, Authorities.

Every year, the incident management guidelines are revised and reviewed to ensure that incidents are handled in a structured manner, in the management review.

Customer privacy

Data can be very sensitive, and many of our customers do not want anyone to know where their servers and data are located. We have no access to our customers' data in the servers in our data centers, even if they are stored with us. We keep information about our customers confidential unless we have agreed to share customer stories. If information about our customers leaks, we have an incident management process for how to manage the situation. No instances of customer privacy complaints and losses of customer data were identified in 2022-2024.

Certifications and standards

EcoDataCenter and all the sites are certified for quality management according to ISO 9001, environmental management according to ISO 14001, ISO/IEC 27001 for information security. Our data center B in Falun is validated for EN 50600. We have also used the EN50600 standards as base requirements for the design of our data centers in Falun to minimum of availability class 3. Data center 1 B in Falun is validated for the data center standards EN 50600 as per below:

- BS EN 50600-1 2019 IT DC facilities and infrastructures, June 2019
- BS EN 50600-2-1 2021 Building construction, April 2021
- BS EN 50600-2-2 2019 Power supplies and distribution, June 2019
- BS EN 50600-2-3 2019 IT DC Environmental controls, June 2019
- BS EN 50600-2-5 2021 Security, April 2021

In 2024, we were awarded an EcoVadis Platinum medal with an overall score of 80 (+10 points from 2023). This puts us in the 99th percentile of companies in our industry.

In the category Environment, we scored 90, in Labor and Human rights 80, in Ethics 70 and in Sustainable procurement 80.

We will continue to develop the areas where we see improvement opportunities, and are humbly aware that the overall scoring scale is also becoming increasingly challenging from year to year. The results from EcoVadis have informed our internal programs on where to improve our performance in sustainability.

CDP (Carbon Disclosure Project) is a global disclosure system for companies, capital markets, cities, states and regions to manage their environmental impacts. In 2024, we disclosed to CDP under the newly established CDP SME Questionnaire.

Responding organizations are assessed across four consecutive levels which represent the steps an organization moves through as it progresses towards environmental stewardship. These four levels are SME Disclosure, SME Awareness, SME Management and SME Leadership.

In 2024, SMEs were scored at the Disclosure, Awareness and Management levels (B-D). EcodataCenter received a CDP SME Score B, which was the highest score available.

Memberships and commitments

We seek to support and be members of networks and associations that help us develop and influence others.

We are currently members of the following sustainability-related associations:

- UN Global Compact
- Carbon Neutral Data Center Pact signatory.
- The Swedish Anti-Corruption Institute (Sw: Institutet Mot Mutor “IMM”)

Environment
Reduce pressure on nature

Our ambition is to reduce the pressure on the planet from our operations. This implies cutting our carbon footprint across the value chain to mitigate our climate impact as much as possible. We purchase renewable electricity only and will keep phasing out fossil fuels and reducing emissions from our cooling equipment. Data centers use a lot of electricity and water, scarce resources that we share with the rest of society, and we will use these resources wisely.

Our data centers are designed to meet future demands, incorporating liquid cooling systems in response to elevated stakeholder requirements. We are also adapting to manage data centers in the increased temperatures and increased frequency of extreme weather.

From a resource perspective, we apply the principles of reducing, reusing, and recycling. We strive to optimize the use of energy, water, and materials in the design of new data centers, in equipment and material we buy, in our operations, and through sharing excess heat with others.

Targets, metrics and controls – Performance against targets
Below are the targets, metrics, and controls that we use to track our performance. Various stakeholders have been involved in shaping the strategy and related targets, such as our owners, municipalities, employees, and banks. Since the targets were set in 2024, it is not fully possible to evaluate the effectiveness of actions taken during 2024.

Communications of performance against targets
As part of our management system, we conduct an annual management review of our performance against targets. We also set new targets and analyze how to improve. We share our sustainability performance with all our employees through our sustainability report, on the dashboard in our reporting system, on our intranet, and on our external website. We also share emissions information with our customers in a monthly GHG emissions report, and we communicate our emissions in an open report on our website.

Material topic	Target, KPI or controls	2024	2023	2022	TREND	Comment
Energy use	PUE Power usage effectiveness	1,35	1,38	1,47		The company wide PUE dropped in 2024 due to higher IT load. This is a KPI, not a target.
GHG Emissions	>99% fossil-free operations by 2028 (excl. blackouts)	99,3%	98,2%	99,3%		Renewable energy share rose in 2024, driven by increased HVO use.
	-70% carbon intensity CUE (excl. blackouts)	2,6	6,2	4,9		CUE (CO_2e/IT load) dropped in 2024 due to more test runs on HVO instead of Diesel in Falun, plus higher IT load.
	-70% carbon intensity CUE (incl. blackouts)	2,6	6,2	4,9		CUE declined again, similar reasons as above, with no blackouts in 2024.
	Define Scope 3 emissions targets by end of 2024	Not on track	Scope 3 assessment done	N/A		Unprecedented customer demand led us to a need to revisit Scope 3 assessment, target to be set in 2025 based on updated business plan.
	Help partners avoid ≥200 tCO_2e/yr via waste heat reuse by 2028	118 tons CO_2e avoided	165 tons CO_2e avoided	163 tons CO_2e avoided		Issues with waste heat usage in Falun; working on improvements and new reuse solutions.
	Share of reused energy	6%	10%	18%		Identifying new ways to utilize waste heat.
	Implement low-impact refrigerants below GWP 675 in all new data centers by end of 2028	Yes	Yes	Yes		Mostly low-impact refrigerants in Data center 1A; ammonia used for Data center 1C.
Water use	No permanent use of ground water for cooling by the end of 2028	94% groundwater use. Switch initiated.	97% groundwater usage. Work initiated in Falun.	Plans to replace ground water in Falun		Falun project to switch cooling from groundwater to surface water is ongoing; Data center 1C now uses surface water.
	WUE (liters of cooling water withdrawal/kWh IT load)	0,70	0,91	0,84		Cooling water is only used in Falun; WUE is calculated for Falun and decreased in 2024 thanks to higher IT load.
Waste	Achieve ≥90% recovered solid waste by 2028, including construction and operational waste (incineration with energy recovery included)	94%	89%	90 %		Non-recovered waste decreased in 2024, covering both operational and construction waste.
	Offer E-waste take-back programs to customers by 2024	Program in place	Discussions started	N/A		Signed E-waste partner contract, but most customer equipment is not yet at EOL.
Biodiversity	Map, reduce, and compensate negative biodiversity impacts by end of 2025	Quantifying negative impacts and defining performance metrics	Discussions started	N/A		New site discussions started to assess and mitigate biodiversity impact while enhancing biodiversity where possible.

Our Energy use

Data centers require a lot of energy to run and cool our customers' servers. The supply and availability of power are at the heart of our business, which is why the growth of the company is heavily connected with an increased energy usage to safely operate customer equipment. Our top priority is to ensure a renewable energy transition and energy-efficient operations. The dominant energy source is electricity from renewable sources. We use a power mix of 75% hydro power and 25% wind power.

Looking at total energy consumption for 2024, 99,3% of our energy used is from renewable sources. We are progressing in replacing the diesel we use in our back-up generators with HVO, which is a biofuel. In Falun, we started replacing diesel with HVO at the end of 2023, which in 2024 resulted in a 65% usage of HVO in the total backup generator fuel use. In Stockholm, we supply back-up generators with the lower-emission diesel fuel called EcoParA, and we also have solar panels in our data center, producing roughly 250 000 kWh of electricity per year.

Our total energy usage increased from 2023 to 2024, since we commissioned our new data center in Falun, Data center 1C, and ramped up customer activity in Data center 1A, which was commissioned during 2023. Because of this, the electricity used by our customers increased by 45%, from 25.7 GWh/year to around 37.3 GWh/year between 2023 and 2024. During this time, we also continued to build our new data centers, using electricity also for construction processes.

While the biggest share of energy usage comes from purchased electricty, smaller portions of energy use are related to fuel consumption, purchased heating consumption, and consumption of our own produced electricity. We did not consume any steam during 2024. We do sell operational waste heat to district heating networks, however we did not sell any electricity, steam or cooling during 2024.

Our Energy Use in 2024 vs previous years

Energy category	2024 (kWh)	2023 (kWh)	2022 (kWh)	Comment
Purchased electricity	51 719 100	35 490 867	24 459 803	100% renewable electricity purchased
Own produced electricity	247 771	248 401	264 049	Own solar panels in Stockholm
Fuel* consumption (normal use**)	1 056 804	650 624	186 046	Diesel used in Falun and Piteå, and EcoPar used in Stockholm, and HVO used in Falun.
Fuel* consumption (abnormal use**)	0	6 099	N/A	No blackouts in 2024
District heating consumption	67 214	76 586	76 427	District heating consumption only in Piteå site
Total energy use	**53 090 888**	**36 472 577**	**25 250 374**	**Including construction and non-operating sites**
Electricity sold	0	0	0	No produced electricity was sold in 2024
Heating sold	2 979 454	3 529 432	4 426 843	Waste heat sold to local district heating networks

*For fuel conversion from liters to kWh, we used supplier specific conversion factors on energy intensity per fuel.
**Normal use includes planned backup generator tests. Abnormal use includes fuel consumption from unplanned blackouts.

Fuel as a complement for increased redundancy

Availability of the data center is at the core of our customer commitment. This is why redundancy, proper care, and maintenance of our technical installations are essential. We always have two redundant feeds of electricity to our data centers and onsite backup power generation. We also ensure a power supply in case of a blackout. To do this, we have backup power from UPS units with batteries, which immediately take over if both redundant grid supplies are simultaneously unavailable. When that happens, we then start our onsite power generators and keep them running until the grid supply is available again. Thankfully, though, we rarely use these back-up systems since the Swedish power grid is highly reliable. However, to ensure proper functionality of our onsite power generation systems, we perform regular tests which is why we use fuel.

Electricity usage overview

The IT load is the share of energy that our customers use for their servers (and a tiny share of it is energy used for our servers). This is the largest part of our total energy use, represented in the table below by electricity used by customers. This category increased between 2023 and 2024 because we grew our business with more capacity installed and more customers operating in our data centers. We also have our own servers at our sites, however, with very limited impact on energy use.

Electricity usage (kWh)	2024	2023	2022
IT Load (Electricity used by customers)	37 343 464	25 725 210	16 277 140
Electricity used by EcoDataCenter	14 623 406	10 014 058	8 446 712
Of which electricity used for construction	2 733 706	1 021 693	1 099 802
Other electricity not used for construction	11 889 701	8 992 365	7 346 910
Total electricity consumption	**51 966 871**	**35 739 268**	**24 723 852**

Electricity consumed under the category "Electricity used by EcoDataCenter" describes the amount of electricity needed to run our operations in a safe way, where the operation of cooling equipment represents most of the electricity consumed under this category, in addition to a smaller proportion used for offices, lighting and similar electricity consumption related to the buildings. The "Electricity used for construction" is electricity provided by EcoDataCenter but considered as outside of organization energy since it is used for upstream activities, not yet operational.

As an energy-intensive and growing business focused on supplying and ensuring availability of power and efficient operations of hardware, we do not expect a reduction of our energy usage in absolute terms. However, we pay great attention to the source of energy used and to constantly improving the efficiency of our operations.

Our Power usage effectiveness (PUE)

Power usage effectiveness (PUE, ISO/IEC-30134) is a baseline metric used to evaluate the energy efficiency of a data center. By calculating the ratio of the total energy consumption of a data center, including energy used to power IT equipment and cooling systems, divided by the energy utilized by the IT equipment itself (IT Load), provides an indication of how efficiently the data center uses energy. A PUE is typically presented per data center, however in this report we present a company-wide PUE as an energy efficiency ratio for our operations. It is worth noting that PUE is only taking energy into account and overlooking other indicators relevant to data centers such as water or total emissions.

Energy usage effectiveness PUE (Excluding power used for construction)

Type	2024	2023	2022
Renewable Fuel* (HVO) consumed (kWh)	682 126	0	0
Non-renewable fuel* (Diesel & EcoPar) consumed (kWh)	374 677	656 723	187 046
District heating consumed (kWh)	67 214	76 586	76 427
Electricity purchased excluding site works (kWh)	48 985 394	34 469 174	23 360 001
On-site solar energy consumed (kWh)	247 771	248 401	264 049
Total energy consumption (kWh), excluding construction and non-operating sites	**50 357 183**	**35 450 884**	**23 887 523**
Total IT load (kWh)	**37 343 464**	**25 725 210**	**16 277 140**
KPI (PUE)	**1,35**	**1,38**	**1,47**

**PUE2 (incl. Office, guard house not site work). Energy used for buildings (F2, F3, Piteå, Data center 1 A, B, Atlas, Tellus, and Office)/IT Load.

*For fuel conversion from liters to kWh, we used supplier specific conversion factors on energy intensity per fuel.

Increased efficiency in 2024

In 2024, our power usage effectiveness (PUE) for the totality of our data centers went down, meaning that we increased energy efficiency in our data centers or share of energy that went to the servers. Our PUE went down from 1,38 in 2023 to 1,35 in 2024. The reason for the reduced PUE is that the IT load (the denominator for the KPI), went up by 45% while the total energy usage increased by 42%. When we calculate our PUE, we have excluded power used for construction but include all other energy used to run our operations such as electricity, district heating, and backup power. We have also excluded the site in Borlänge which is not yet operational.

The meaning of PUE

A PUE value of 1,0 represents perfect energy efficiency, indicating that all energy consumed is used to power the IT equipment without waste. In other words, a lower PUE value means higher energy efficiency – which translates into reduced energy costs and a smaller carbon footprint.

This metric should, however, not be used to compare different data centers with each other. A very low PUE can quite easily be achieved by removing all the redundancies in electrical and mechanical systems in a data center, resulting in a substantial loss of expected availability. Theoretically, outdoor air could be led directly into a data center to save energy. But, with that, contamination will be brought in which risks damaging the equipment and in addition, the possibility of capturing the excess heat is lost. The physical security of such a solution also means the data center will be substantially impaired.

PUE and energy efficiency for Falun

Most of our customers are located on our campus in Falun, which runs approximately 90% of our total IT load. The campus specific PUE for Falun is disclosed separately in the table below. The complete Falun campus is also certified as compliant in accordance with the technical screening criteria for data center activities (Technical screening criteria of the EU Taxonomy Commission Delegated Regulation EU 2021/2139. Activity 8.1, Data hosting and processing), which is one of the criteria outlined to be classified as Taxonomy aligned.

Energy usage effectiveness (PUE) Falun	2024
Fuels: total HVO consumed (kWh)	682 126
Fuels: total fossil consumed (kWh) Diesel	193 521
Electricity purchased no site works (kWh)	40 908 317
Total kWh (excluding construction)	**41 640 033**
Total IT load (kWh)	**32 726 642**
PUE Falun (incl. back-up fuels for test-runs)	**1,28**
PUE Falun (excl. back-up fuels for test-runs)	**1,25**

The relevance of customer utilization rate in PUE calculation

As mentioned earlier, PUE as a metric has certain limitations. Factors influencing the operational PUE of a data center are the design, but also the occupancy rate and the customer utilization rate. Utilization rate shows the share of the power capacity contracted that is in use by customers, which can influence the PUE significantly. As an example, our Data enter 1B had a PUE of 1.19 (1.22 for 2023) during the complete 2024, which was achieved with a customer utilization rate below 50%. This is an indication that the overall energy efficiency increases with increased customer utilization rate in the data center.

Share of renewable energy

More than 99% of our energy used in 2024 came from renewable sources, and our target is to be at 99% by end of 2028. In 2024, the share of renewable energy increased because we started to use HVO in our backup generators and there were no blackouts which meant no abnormal fuel use. In total, 65% of our fuel used in 2024 came from renewable sources.

With digitalization comes great opportunities for society, but there is an overarching challenge to ensure that we don't create the problems of the future when solving the ones of today. We promise our customers and other stakeholders that we will aim for the most energy-efficient and future-proof technology and design in our data centers. This means using technology with the highest energy efficiency while not sacrificing other environmental impacts over the life cycle of our data centers.

Our share of renewable energy

Renewable energy consumption (kWh/yr)	**2024**	**2023**	**2022**
Electricity "other than IT load" (kWh)	14 375 635	9 765 657	8 446 712
Electricity "IT load" (kWh)	37 343 464	25 725 210	16 277 140
District heating renewable sources (kWh)	66 542	74 288	74 134
On-site electricity (solar) (kWh)	247 771	248 401	264 049
Renewable fuel consumption	682 126	-	-
Total renewable energy consumption	**52 715 539**	**35 813 556**	**25 062 035**
Non-renewable energy consumption (kWh/year)			
Fossil fuel consumption (normal use) (kWh)	374 677	650 624	186 046
Fossil fuel consumption (abnormal use) (kWh)	-	6 099	-
District heating non-renewable sources (kWh)	672	2 298	2 293
Total non-renewable energy consumption	**375 350**	**659 021**	**186 046**
Share of renewable energy consumed	**99,29%**	**98,19%**	**99,26%**

For fuel conversion from liters to kWh, we used supplier specific emission and conversion factors for Diesel, EcoPar A and HVO.

Reuse of energy

For 2024, our share of resued heat in relation to total energy use was 6%. We have two active heat reuse solutions, one in Stockholm and one in Falun. More information about our heat reuse solutions and how we see this as a crucial part of our business can be found on p. 68 "Our solutions for heat recovery - rudecing our partners' emissions"

Reuse of energy (ERF)

Type	**2024**	**2023**	**2022**
District heating recovery (kWh)	2 979 454	3 529 432	4 426 843
Fuels: total HVO consumed (kWh)	682 126	0	0
Fuels*: total fossil consumed (kWh) including EcoPar and Diesel	374 677	656 723	187 046
District heating consumed (kWh)	67 214,00	76 586	76 427
Electricity purchased excluding power used for construction (kWh)	48 985 394	34 469 174	23 624 050
On-site solar energy consumed (kWh)	247 771	248 401	264 049
Total energy (kWh)	**50 357 183**	**35 450 884**	**25 251 374**
KPI Share of reused energy (%)	**6%**	**10%**	**18%**

*For fuel conversion from liters to kWh, we used conversion factors from DEFRA or supplier for Diesel, supplier emission factors for EcoPar A and HVO.**ERF1 District heating recovery/(kWh incl. Office, guard house NOT site works). Energy used for buildings (F2, F3, Piteå, Data center 1 A, B, Atlas, Tellus, And Office)

Methodologies and assumptions for Energy data

All sites have reported their 2024 energy-related data on our sustainability reporting platform.

Among the key assumptions for energy data is how we account for the mix of HVO and diesel in our backup generators consumption, where we have both fuels simultaneously, gradually phasing out diesel and phasing in HVO. The methodology used is to measure the share of HVO and diesel in the tank in the beginning of each consumption period based on total volume and refill of HVO. From this distribution, we assume that the consumption of fuel will be relative to this distribution until the next refill of HVO, when a new mix of HVO and diesel will be calculated based on the updated added HVO volumes.

As with all our GHG emission calculations, we follow the Greenhouse Gas Protocol standards and aim to use emission factors which represent the relevant energy activity, geography, and period. For example, in 2024 we continued to use the latest emission factors from fuel suppliers, electricity suppliers, and reputable public sources such as Energiföretagen, Electricity Maps, and DEFRA. It should also be noted that when calculating transmission and distribution loss emissions related to purchased electricity, we assume a T&D loss value of 5% in our emission calculations. All emission factors and calculations are performed on our online reporting platform.

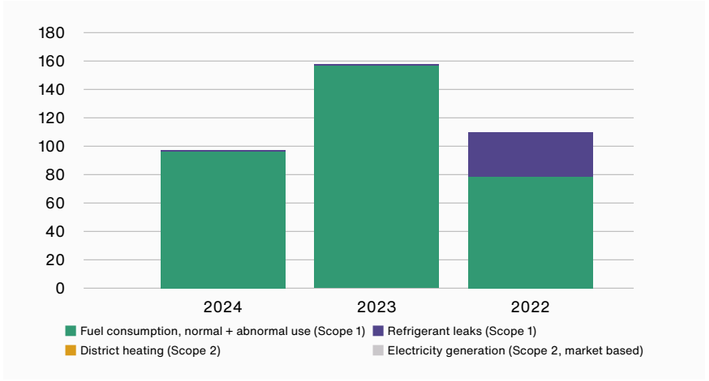
Our GHG Emissions

2022: Our GHG baseline year

Our base year for environmental performance and GHG emissions is 2022. This was the first year we collected energy and GHG emission data, and also the year we started our operations on a larger scale with our new data center in Falun. In 2023, we did the first scope 3 emission inventory and assessment, and we will continue to refine the methodology. Being a scaleup company, we expect to keep increasing our emissions, especially our scope 2 location-based emissions. Our scope 3 emissions will be quite irregular, since we will account for most of them when we construct a new data center and when our customers move in. All our GHG emissions are reported using the financial control consolidation approach. In line with the GRI Standards and the GHG Protocol, we use the financial control approach to consolidate emissions data for reporting purposes. Under this approach, we include all entities over which we have financial control, meaning we have the authority to direct the financial and operational policies of these entities to gain economic benefits. Entities where we do not have financial control but maintain operational influence are excluded from full consolidation; however, their emissions are disclosed separately, where relevant, in the category of Scope 3 emissions.

During 2024 our direct emission sources of GHG emissions in scope 1 were fuels and potential refrigerants. Sources of indirect scope 2 emissions were purchased electricity and heating. The largest part of our scope 1 and 2 emissions comes from testing the generators for backup power for our data centers. Main sources of indirect scope 3 upstream and downstream emissions were capital goods, purchased goods and services, and fuel and energy-related activities.

Scope 1 and 2 emissions



Since we use predominantly renewable-sourced electricity and heating, our scope 1 and scope 2 GHG emissions mainly come from testing our back-up diesel generators.

Scope 1 emissions

Diesel phased out for HVO

Our scope 1 emissions come from testing our back-up diesel generators to ensure that we have back-up power for our customers. We have set a target to have more than 99% renewable energy by 2028, which was met in 2024 thanks to the phase out of diesel in favor of HVO. We had scope 1 emissions from refrigerants in the HVAC systems from our cooling in 2022 and 2023. During 2024, no leakages were recorded, resulting in 0 kg of CO_2e from refrigerants used in our cooling equipment. In our new data centers, we are using no-GWP refrigerants.

Greenhouse gas emissions

Scope 1 emissions	**2024**	**2023**	**2022**
Fuel consumption* (normal and abnormal use) (tons CO_2e)	96	159	48
Refrigerant leaks (tons CO_2e)	0	1	31
Total tons CO_2e	**96**	**160**	**79**
Scope 1 emissions data coverage (% of emission sources)			100%

*Fuel consumption is calculated for most parts.

Scope 2 emissions

Scope 2 emissions come from the infrastructure, production, distribution, and transmission losses related to purchased electricity and purchased heating. We use our own waste heat to heat our facilities, except for in Piteå where we purchase district heating used for the office. We purchase 100% renewable electricity with no GHG emissions from the generation phase.

Location based (tons CO_2e)	**2024**	**2023**	**2022**
Electricity consumption (tons CO_2e)	1036,8	935,6	561,7
District heating (tons CO_2e)	0,6	0,6	0,6
Total (tons CO_2e)	**1037**	**936**	**562**

Market based (tons CO_2e)	**2024**	**2023**	**2022**
Electricity consumption (tons CO_2e)	0	0	0
District heating (tons CO_2e)	0,6	0,6	0,6
Total (tons CO_2e)	**1**	**1**	**1**

*We purchase 100% renewable electricity; this is accounted for as market-based emission factors.

Our marked based scope 2 emissions remained flat in 2024 thanks to the purchase of renewable certificates. The location-based emissions, however, increased slightly which is directly connected to our increase in total energy consumption.

Scope 3 emissions

Scope 3 scaling challenges

To understand the emissions from our offerings and help our customers know their emissions from their use of our offerings, we have done life cycle assessments (LCAs) or product carbon footprints (PCFs) for all our data centers. In 2023 we did the first scope 3 emissions inventory and a first assessment of our emissions along the value chain. For 2024, we have redone this, and our GHG inventory including scopes 1, 2, and 3 will be updated annually and the methodology will be continually improved as we grow more mature.

In general, most of our scope 3 emissions relate to scope 3 categories 1 and 2, Purchased goods and services and Capital goods purchased. Notable portions of our scope 3 emissions also relate to Scope 3 categories 3 and 4, known as fuel and energy related emissions and upstream transport. The other Scope 3 categories relevant to us but with much less significant impacts include categories 5, 6, 7, and 8, which are waste generated in operations, business travel, employee commuting, and upstream leased assets. All other Scope 3 categories were deemed not relevant and therefore are excluded in our reporting.

Actual scope 3 emissions (tons CO_2e)	**2024**	**2023**	**2022**
Category 1: Purchased goods and services	3 091	3 502	672
Category 2: Capital goods purchased for commissioned buildings that year	10 227	5 125	2 336
Category 3: Fuel- and energy-related emissions not included in scope 1 or scope 2	578	408	263
Category 4: Upstream transportation and distribution	456	350	99
Category 5: Waste generated in operations	24	31	56
Category 6: Business Travel	67	36	36
Category 7: Employee Commuting	89	72	72
Category 8: Upstream Leased Assets	1	2	2
Total Scope 3 emissions	**14 532**	**9 526**	**3 511**

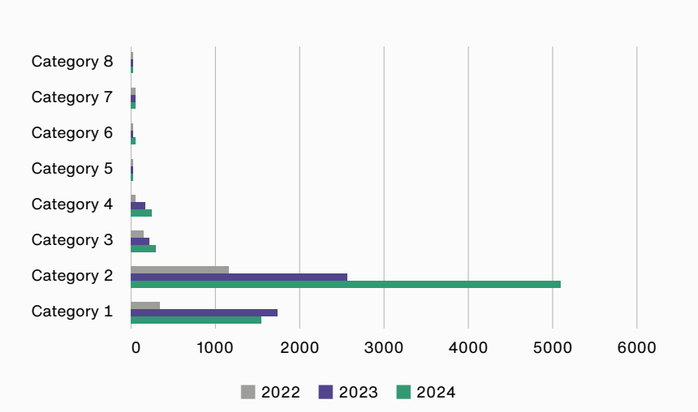
Overview of Scope 3 emissions

Embodied carbon from the equipment and construction materials of our data centers is the key driver of our scope 3 emissions. We account for all purchased goods and services and capital goods related to a data center in the year when the building goes from construction to operation. Our reported emissions from construction of new data centers will therefore keep being irregular, depending on when we commission them. This makes target-setting with absolute figures difficult given the scale-up phase, especially concerning scope 3 where there are challenges finding low-emission or zero-emission building materials.

The second largest source of emissions is the emissions from energy-related activities. This category includes emissions from transmission losses, emissions from manufacturing hydro power plants and wind turbines, and well-to-tank emission factors from the fuels we use. We used market-based emissions factors for the life cycle power generation emissions and for the grid losses. We expect an increase in scope 3 category 3 emissions since the upstream use of energy increases with business growth.

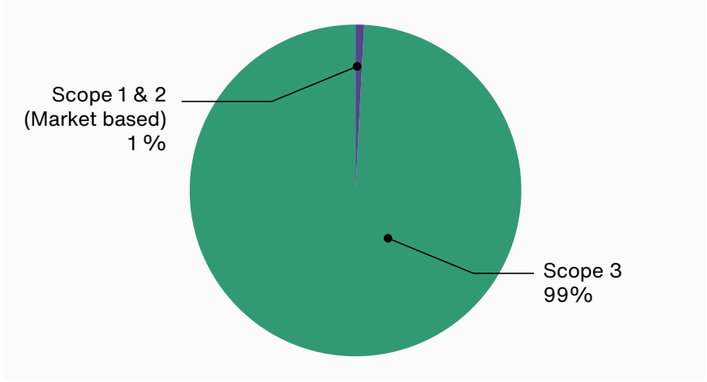
We have accounted for our customers' emissions (IT load) as scope 2 emissions. We have not included our office space in Stockholm in the reporting since the impact of 5-10 people in a shared office is deemed negligible.

Graph Scope 3 emissions per category



Total GHG Emissions per scope (market-based emissions)

Our emissions scope 1, 2 and 3 in 2024



The scope 3 emissions are usually the largest share of a company's emissions. In 2024, our scope 3 emissions were 99% of our total emissions.

Scope 1, 2, and 3 emissions

Scope 1, 2, and 3 emissions (tons CO_2e)	**2024**	**2023**	**2022**
Scope 1 and 2 emissions - location based	1 133	1 096	641
Scope 1 and 2 emissions - market based	97	160	79
Scope 3 emissions	14 532	9 526	3 511

Based on the above, our operational emissions (Scope 1 and 2) decreased by 39% in the market-based approach and increased by 3% in the location-based approach. This was achieved while the IT load, meaning the key business operations, increased by 45% during 2024. The value chain emissions (Scope 3), increased by 52%, mainly connected to the commissioning of the new Data center 1C during 2024.

Carbon Usage Effectiveness (CUE)

Reduced emissions, increased IT Load

Carbon Usage Effectiveness (CUE) is a relative data center metric to measure the CO_2e from scopes 1 and 2 related to the IT load. This metric is our primary GHG emissions intensity ratio. CUE is defined as the relation between the CO_2e emissions produced by the data center and the energy consumption of IT equipment. This gives an understanding of the total GHG impact of operating a data center. Our CUE went down significantly in 2024, thanks to the big decrease in Scope 1 emissions from the phase-out of diesel in favor of HVO, in combination with a significant increase in IT load (+45%) thanks to more capacity made available in our Data center 1.

We have set a target to reduce our CUE by 70% by 2028 compared to our base year 2022. Comparing 2024 and 2022, we have reduced with over 45%, and we are well on our way with the ongoing phase-out of diesel and will continue our efforts for the coming years.

Carbon Usage Effectiveness	**CUE Blackouts included**			**CUE Blackouts not included**		
Year	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Scope 1 from fuels (kg CO_2e)	95 994	159 024	47 625	95 994	157 561	47 625
Scope 1 from refrigerants (kg CO_2e)	0	840	31 300	0	840	31 300
Scope 2 from district heating (kg CO_2e)	632	559	558	632	559	558
Total scope 1 and 2 emissions (market based) (kg CO_2e)	96 626	160 423	79 483	96 626	158 961	79 483
Total IT load (kWh)	37 343 464	25 725 210	16 277 140	37 343 464	25 725 210	16 277 140
KPI (g CO_2e/kWh)	**2,6**	**6,2**	**4,9**	**2,6**	**6,2**	**4,9**

Emissions outside of scopes: Biogenic emissions

The usage of HVO100 in our backup generators means we do not emit fossil-based CO_2 into the atmosphere upon combustion. However, there are outside-of-scopes biogenic emissions connected to the combustion of HVO100, which for 2024 amounts to 184 tons CO_2e, calculated based on that the combustion of renewable biogenic fuel is similar to the corresponding emissions from diesel in the combustion phase.

Our solutions for heat recovery – reducing our partners' emissions

Our responsibility to act against climate change

We believe that it is our responsibility to act against climate change. That's why we have implemented innovative solutions that not only reduce our own carbon footprint but also actively work to reduce emissions in our surrounding community.

Unlike traditional data centers that release heat into the environment and contribute to the formation of "heat islands", we search for ways to harness the excess heat from our data centers and transport it to the nearby thermal power plant or to other places where the heat is needed.

Additionally, by increasing the thermal power plant's pellet production with our help, we are reducing CO_2 emissions in and around Falun. This not only helps to mitigate the impact of climate change, but it also has a positive impact on the local community by supporting the development of sustainable energy solutions. For 2024, our investments in heat reuse infrastructure at Data center 1 in Falun amounted to 10 MSEK.

We want to sell more waste heat but are dependent on the recipient. We are constantly trying to find new ways of making use of our waste heat. Here are examples of how we use our waste heat.

- In Falun, our surplus heat is used to produce dry pellets. We also heat our ancillary and office buildings with heat from our customers' loads.
- In Stockholm, our excess energy is used for district heating – warming up our neighbors' house – as well as for our office buildings.

Avoided emissions Scope 4

We are convinced that a symbiotic industrial system, where excess energy is used wisely, delivers significantly greater long-term value than the short-sighted approach of simply releasing it. While we acknowledge the immediate cost-effectiveness of disposal, the sustainable and economic advantages of optimizing the use of excess resources such as waste heat will be long term sustainable. Our ambition is to give the waste heat from our data centers a second life. We sell waste heat in Falun, which is used to produce pellets, and in Stockholm we sell it to the district heating network, using a heat pump to get the right temperature. We also use the waste heat to warm up our own facilities.

All this second-life energy means it does not have to be produced somewhere else, avoiding emissions from energy generation. However, the share of reused energy is relatively low. We would like to share more, and we are investigating new ways of sharing our waste heat as we are also scaling our business.

We want to show that we have made these investments in liquid-based cooling systems and that we use energy more wisely than many of our competitors looking beyond the company's energy use. We see that the best way of quantifying this is through assessing and sharing our scope 4 avoided emissions.

We do not consider the savings in boiler size from the district heating company nor the negative impact from the water piping and extra equipment on our site. Neither have we included the energy produced from our solar panels in our avoided emissions' calculations.

To quantify our avoided emissions, we calculated avoided emissions from using our waste heat instead of producing new district heating. In 2024, thanks to the use of our waste heat, the avoided emissions were 118 tons of CO_2e. In total, →→ the avoided emissions have decreased compared to previous years, which mainly comes from a decline in waste heat reuse in Falun. During 2024, the need for energy at our recipient has been fulfilled from other energy sources than our waste heat. However, we are optimistic that the demand for our waste heat will increase due to increased prices for alternative fuels for this application, mainly biofuel.

Reuse of energy*	**Energy Reuse (kWh)**			**Avoided emissions (kg CO_2e)**		
Year	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
District heating recovery Stockholm	2 495 780	2 940 730	3 717 185	115	160	156
District heating recovery Falun	483 674	588 702	709 658	3	5	7
Total	**2 979 454**	**3 529 432**	**4 426 843**	**118**	**165**	**163**

*The emission factors used for avoided emissions are the local emission factors for the relevant district heating networks where our sites are located.

Methodologies and assumptions for GHG Emissions data

Our GHG emissions are calculated annually, using the Greenhouse Gas Protocol standards for scopes 1, 2, and 3 emissions. We collect activity data from both our own operations and our contracted construction activities. While most of this activity data is collected via our online reporting platform, some scope 3 emission categories are still collected manually. Thus, GHG emission factors and emission calculations related to these activities are managed on our reporting platform. In some cases, certain scope 3 emissions data and calculations are managed manually, such as purchased goods and services, capital goods, upstream transport, business travel, and upstream leased assets. All data and related calculations are reviewed using the 4 eyes principle. In general, our GHG emission factors are from reputable and public databases, such as Boverket, DEFRA, and Energiföretagen. When possible, we do use supplier-specific emission factors for certain fuels and purchased electricity. For some complex capital goods, we also use publicly available EPDs and PEPs.

In general, when selecting assumptions or selecting GHG emission factors, we strive to take a conservative approach. We assume a 5% transmission and distribution loss for all purchased electricity and purchased district heating. When detailed data on operational waste or construction waste is missing, we have made assumptions based on the type of waste fraction it is. Scope 3, Category 1a Contractor fuel consumption, the WTW (well-to-wheel) emissions were accounted for in 2024. In 2023 and 2022, only the WTT (well-to-tank) emissions from contractor fuels were accounted for.

Deep dive: Embodied carbon in our data centers

Building sustainable data centers

We are dedicated to building data centers in the most sustainable way possible to support the world's increased need for digitalization. We use eco-design principles to reduce the environmental impact of our buildings. Our commitment is to use building materials with lower environmental impacts and to implement sustainable practices in all aspects of our operations. Our ambition is to be leading the way in sustainable data center construction and to innovate and push the boundaries in the industry. We have started to see increased interest in the industry of building data centers in wood to a much larger extent to favor a reduced impact from the buildings. In the section "Energy efficiency by design" we provide more insights to our thoughts on data center design.

LCAs for all data centers

We have done LCAs or product carbon foot printing of all our built data centers. The data centers in Falun are largely built of wood, which is why the greenhouse gas emissions from the construction materials are lower than our other data centers. The largest share of emissions comes from equipment in the data centers. It should be noted that the LCAs are done with the best available information regarding construction material and equipment at any time.

The impact of building in wood - Comparison of embodied carbon from construction in our data centers

Building with wood

We are building data centers using significant amounts of wood materials, and to our knowledge we were the first data center company to build in wood. In our most recent data center, Data center 1C, the wood used amounted to 13% of the complete construction weight. We have chosen wood for several reasons. It is mainly locally produced close to where we build our data centers. It has a low environmental impact compared to many other construction materials, especially when it comes to its carbon footprint. It is also regenerative and simpler to manage at end of life compared to other materials.

Locally sourced Swedish timber

We intend to buy Swedish wood to build our data centers, responsibly grown and sawed nearby. The timber for the cross-laminated wood is certified according to FSC and PEFC's Chain of Custody and FSC Controlled Wood. The wood planks for our data centers come from Sweden and are also FSC Chain of Custody certified. An exception from the local sourcing is the wooden beams for the roof which, due to their length of a bit over 40 meters, are not available to source locally and therefore are sourced from Austria. They are transported to Sweden via train.

Wood vs steel: impact comparison

The framework was built using renewable cross-laminated timber (CLT). CLT is a type of engineered wood that is a sustainable building material that has a significantly lower carbon footprint compared to traditional building materials such as concrete and steel. In Data center 1C, our LCA study showed that the almost 2,000 tons of different wood used resulted in around 380 tons of CO_2e. The 485 tons of steel used in the building generated 1103 tons CO_2e. This means that on average, for Data center 1C, the environmental impact per kg of wood is around 12 times less than the impact from steel.

Wood as temporary carbon sink

Wood used in construction also acts as a temporary carbon sink, storing carbon for as long as it remains in the building and thereby preventing its release into the atmosphere. In our LCA studies and the emissions reported related to our built data centers, this effect is not taken into account as it is not permanent. However, it is worth noting that the total amount of biogenic CO_2e stored in the wood used in our Data center 1C is around 2650 tons CO_2e, which means the net effect of embodied carbon from the total construction, when including this perspective, gets close to zero.

Faster builds and better environments

Building with wood also improves the work environment for our contractors. Wood as a construction material has less health hazards such as dust and noise, compared to concrete. We also discovered that the construction time is faster than the traditional way, and the actual construction is easier due to the large pieces that are prefabricated and delivered in complete pieces.

So far, we have designed and built three data centers using wood, with a fourth one (1D) soon in place in Falun. These data centers in Falun, known as Data center 1A, 1B, and 1C, represent roughly 90% of our current IT load. Besides building in wood, which significantly lowers the carbon footprint, we also chose other low-carbon materials. For example, our steel pipes supplier OSTP produces pipes with a large share of recycled content.

EcoDataCenter design vs. conventional data center construction

Wood reduces carbon

By choosing low-carbon materials, our most recently built data centers, Data center 1C and 1A, has a ~60% lower carbon footprint per m2 compared to other data centers, because much of the concrete, steel, and insulation has been replaced by low-carbon materials such as wood.

Looking at the embodied carbon per m2 of data center, data centers built in steel and concrete have roughly 0,5 tons CO_2e per m2, whereas Data center 1A and 1C, fully designed and built by us, have roughly 0,2 tons CO_2e per m2, according to the LCAs performed. It should however be noted that this is for the construction of the building only, excluding installed data center equipment.

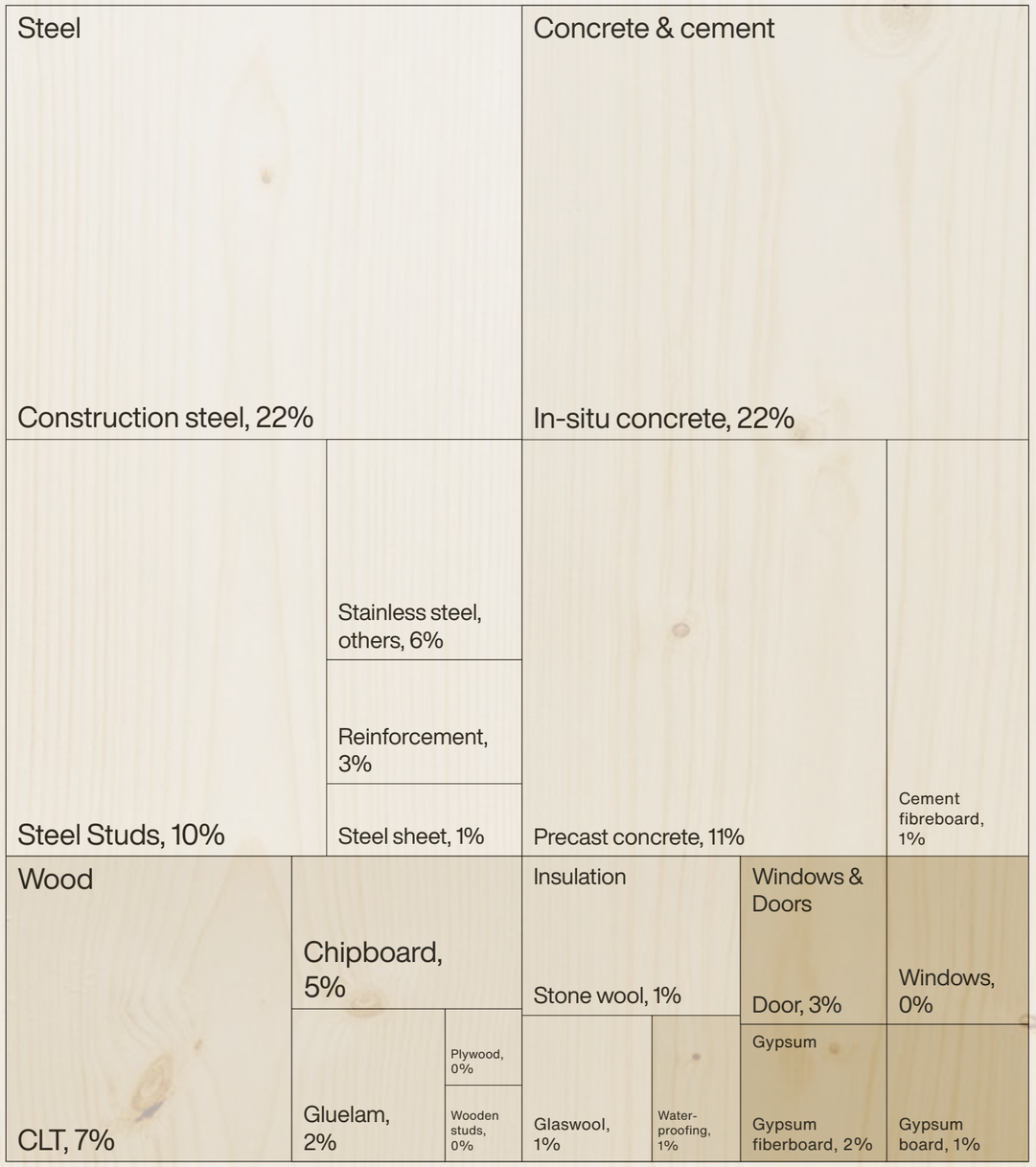
Scaling up wood-based design

If we scale this wood construction into a fictitious 5 000 m2 data center, the embodied carbon in the building amounts to approximately 2600-2700 tons CO_2e for the data center built in concrete and steel, and 1000 tons CO_2e for the data center built mostly in wood.

This means that we reduce roughly 1600 tons of CO_2e emissions in a 5 000 m2 fictitious data center when built mostly using wood compared to a data center built with more conventional methods.

Data center Building Size IT Load capacity	**Key building materials**	**Embodied ton CO_2e in building**	**Ton CO_2e/m2**	**Ton CO_2e in corresponding 5000 m2 DC**	**Comments**
Tellus 2 175 m²	Concrete and sandwich panels	1 180	0 , 54	2 700	Concrete 360 t CO_2e, stone wool 350 t CO_2e
Atlas 3 275 m²	Concrete and sandwich panels	1 690	0 , 52	2 600	Concrete 350 t CO_2e, stone wool 350 t CO_2e
Data center 1A ~11 000 m²	Wood and cross-laminated wood	2 160	0 , 20	1000	Built in CLT and wood to a large extent
Data center 1C ~11 000m²	Wood and cross-laminated wood	2 865	0 , 26	1000	Built in CLT and wood to a large extent,

*We compared the construction materials of our own data centers where we have different types of design. Atlas and Tellus, data centers we have not designed ourselves, contain more concrete and steel, and thus the GHG emissions per m2 are much higher than in Data center 1A and 1C which are our in-house-designed data centers.



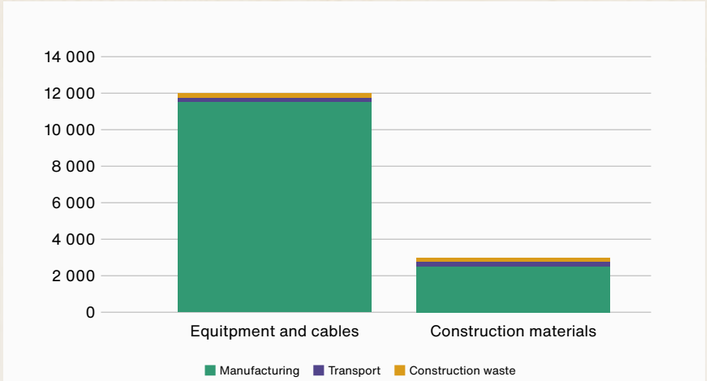
Scaling equipment impact through increased capacity - Insights from our latest projects

Refining LCA through each project

For each new data center we build, and thereby each LCA study we conduct, we learn and refine the calculation process and our thinking.

For our most recently built data center, Data center 1C, we have increased the IT Load capacity from 9 MW in Data center 1A to 12 MW in Data center 1C, while the total building area is very similar. Increasing capacity with 33% also means an increase in emissions from the equipment category of around 33% is to be expected.

For the construction, the increase is probably not as high as 33% but could be expected to be slightly higher since more equipment fitted into a similar area requires more structural robustness in the building. Typically, higher density data centers would mean more installed MW per m2 which would be beneficial when considering embodied carbon from the construction of building in isolation.



A crucial ingredient in the LCA is the availability of complete data about the building, such as equipment and material lists and specific Environmental Product Declarations (EPDs) for equipment and building materials. In the previous LCAs done, and still to date, there are areas of uncertainty connected to data availability and quality.

The main drivers of emissions in Data center equipment are batteries and UPS. For these two categories, we now have improved data thanks to supplier-specific EPDs. In the LCA for Data center C, as is part of our Scope 3 emissions of 2024, the emissions from equipment and cables amounted to 10 227 tons CO_2e. The uncertainty around how much embodied carbon that should be accounted for equipment in relation to the total of the building has now become clearer than ever before. However, different levels of information quality make it challenging to make comparisons between the LCAs.

Since supplier-specific EPDs were not in place last year, we used estimations based on market research of similar available equipment. However, now going back and applying the supplier specific EPDs on batteries and UPS of the Data center A, →→ which was commissioned in 2023, revealed that at least 1000 tons of additional CO_2e emissions should be added to the total reported embodied carbon of the Data center 1A, in these two equipment categories. Another 750 tons CO_2e emissions have been identified as missing equipment from Data center 1A, which is accounted for in Data center 1C.

As is visible in the comparison table above, we still see room for improving the completeness of data and quality of the underlying data in our LCA calculations. We also realize that using the installed power as functional unit is at least equally important to the previously used m2, as it puts better into perspective how delivered IT adds to the total embodied carbon. This is since equipment is a key driver for the total embodied carbon of the building, next to the construction, and the amount of equipment needed to run a data center is defined by the power it should be able to provide. As the demand for compute and overall IT capacity increase, these measurements become increasingly interesting to look at to understand the total impact of data center operations.

Building	**Data center 1C**	**Data center 1A***
Year of Commissioning	2024	2023
BTA (m2)	11 575 m2	11 320 m2
Installed IT Capacity	12 MW	9 MW
CO_2e from construction	2 865 tons CO_2e	2 437 tons CO_2e
CO_2e from equipment & cables	10 478 tons CO_2e	7 937 tons (6187) * CO_2e
TOTAL CO_2e	**13 343 tons CO_2e**	**10 374 tons (8624) * CO_2e**
CO_2e Emissions per installed IT Capacity	**1 112 t CO_2e/MW**	**1 153 t CO_2e / MW**
Confidence level in Emission factors used	Medium	Low
Confidence level data completeness	Medium	Medium

*Updated figures for emissions from equipment presented for Data center 1A, based on previously missing EPDs and data. The figure presented within ( ) represents the value disclosed Scope 3 emissions of Data center 1A in 2023.

Reduced emissions compared to an average European Scenario

Reducing 5,000 tons of CO_2e yearly

Beyond the reduced embodied carbon in our data centers, our own studies also show that the operational emissions are lower compared to data centers in other countries. This means that our customers typically reduce their carbon footprint from data when they have their servers with us compared to an average data center.

We have compared the emissions for a fictious customer in our data center in Falun with average fictious data centers in Europe. For our data center in Falun, we applied the PUE we have there, and we used the market-based emission factor of 0 for power for the EcoDataCenter scenario in the comparison. We compared our operational emissions with one with average energy efficiency PUE value and local-based emission factors for different countries in Europe.

Our study, conducted by the independent company Carbon3IT, compared a 1 MW IT load operating within 8 MW optimal IT load capacity data centers in Germany, the Netherlands, Sweden, and the UK.

According to the study, Germany's base case data center has 12 times higher annual carbon emissions than the base case in Sweden and almost 50 times higher than a data center in Falun, Sweden. A data center in the UK performs slightly better, yet still ~45 times higher than Falun. Overall, the results show that we can help our customers reduce their emissions by around 5000 tons CO_2e per MW IT Load per year.

Our relation to water

We use water for cooling our data centers

We use water for cooling our data centers, and typically the use is very low around the year except for during the summer period from mid-June to mid-August when the outside temperatures are high. This is why we have set a target to reduce dependency on ground water, because when we need cooling, the ground water levels are typically the lowest. We will move away from the use of potable ground water and use surface water from a nearby lake in Falun. We also use some domestic water, but very limited amounts.

We realize that water use from data centers in other parts of the world is causing both environmental and social issues. This is also reflected in customers' requirements and general expectations of the sector to cut the dependency on water.

Much of the water we use is evaporated and is not released as effluent. We have very limited water discharge, mainly from toilets in the office, going into the municipal sewage system and its water treatment.

WUE - Water usage effectiveness	**2024**	**2023**	**2022**
Total amount of water withdrawn in Falun (m³)	22 755	19 440	7 412
IT load in Falun (kWh)	32 726 642	21 441 119	8 859 935
KPI* (l/kWh IT load)	**0,70**	**0,91**	**0,84**

*WUE is only measured for Falun since this is the location where we use water for cooling.

The warm air is sprayed with water, cooling the air through the external cooling coils. This adiabatic cooling saves energy from cooling. Photo: Johanna Flood.

Our water use

	Water Withdrawal m3			**Water consumption m3**			**Water Discharge m3**		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
Third-party water* (≤1,000 mg/L Total Dissolved Solids)	0,00	0	0	0,00	0	0	5214,82	1402,00	709,00
Grey Third-party water (>1,000 mg/L Total Dissolved Solids)	0,00	0	0	0,00	0	0	0,00	0	0
Surface water (≤1,000 mg/L Total Dissolved Solids)	1638,77	595,00	663,00	0,00	0	0	0,00	59,00	0
Grey Surface water (>1,000 mg/L Total Dissolved Solids)	0,00	0	0	0,00	0	0	0,00	0	0
Groundwater (≤1,000 mg/L Total Dissolved Solids)	21342,84	19440,00	7458,00	17766,79	18574,00	7412,00	0,00	0,00	0
Grey Groundwater (>1,000 mg/L Total Dissolved Solids)	0,00	0	0	0,00	0	0	0,00	0	0
Seawater (>1,000 mg/L Total Dissolved Solids)	0,00	0	0	0,00	0	0	0,00	0	0
Recycled wastewater to or from other organization	0,00	0	0	0,00	0	0	0,00	0	0
Rainwater collected	0,00	0	0	0,00	0	N/A	0,00	0	N/A
Produced water	0,00	0	0	0,00	0	N/A	0,00	0	N/A
Total water volumes (areas with high water stress)	**0,00**	**0**	**0**	**0,00**	**0**	**0**	**0,00**	**0**	**0**
Total water volumes (areas with low water stress)	**22981,61**	**20035,00**	**8121,00**	**17766,79**	**18574,00**	**7412,00**	**5214,82**	**1461,00**	**709,00**

*Third-party water refers to municipal water suppliers and municipal wastewater treatment plants, public or private utilities, and other organizations involved in the provision, transport, treatment, disposal, or use of water and effluent (according to GRI).

Sources of water

All our withdrawn water is purchased from third party. In Piteå our water comes from the Municipal utility provider, which sources the water from the Pite Älven river. In Stockholm our withdrawn water comes from lake Mälaren through our utility company. In Falun we currently mainly use ground water from the neighboring municipality through a local utility company. During 2024 we started replacing the ground water withdrawn in Falun with surface water, a project that will continue during 2025.

Runoff water

We have little runoff water because of our sedum roofs absorbing the water at our largest site in Falun, leading to less eutrophication and pollution and other negative impacts on local water bodies. We also recycle the cooling water in Falun, leading to less water discharge from the site. The water is recycled for 24 hours and is then discharged to minimize the risk of listeria.

In Falun, we have also covered the land containing old pollution from the sulfur acid factory in the area, resulting in less hazardous runoff water. In Falun, the runoff water from the campus area can also be contained in a dam constructed by us. In case of external leakage of fuel or other liquids, or if there is a risk of contaminated water because of the emergency services putting out a fire, this water can be contained and then collected for proper treatment.

Water discharge

We have very limited polluted water discharge, and most of our water impact is water displacement when the water evaporates during the cooling of the data centers. Our water discharge is normally not polluted; it is mainly water from toilets and sinks emitted into the sewage system. Some water discharge also comes from cooling to the storm water system. All our domestic water discharge goes to the municipal water treatment facilities. The water treatment in Sweden is strictly regulated and monitored.

Reducing water use for cooling

Cooling our data centers is a tradeoff between water use and energy use. Either we use more energy for cooling, or we use more water. To save electrical energy in chillers we have deployed adiabatic cooling. This means that we don't need to use water for cooling. In case of drought or water shortage, we can minimize our water consumption at the cost of higher electricity consumption.

To reduce water consumption, we recycle our cooling water for 24 hours in Falun, then we let it out into the storm water system to mitigate risks of bacteria. This makes it hard for us to know exactly how much water has evaporated and has been returned to the storm water system. The water is not polluted when it is discharged. We assume that roughly 98% of the cooling water withdrawn which is used for cooling is evaporated (after being used in cooling system) and only the 2% remaining are discharged. In Stockholm and Piteå we don't use water for cooling.

To detect leaks, we monitor pressure in all our pipes that contain liquids. For critical systems we also utilize external water sensors under the pipes.

We are future proofing our data centers for liquid cooling, which will enable low energy consumption cooling and no use of water in the future. The cooling systems in all our data centers are all chilled water-based which means they can receive liquid-cooled servers. We encourage our customers to choose liquid-cooled technology. We also encourage our customers to choose hardware which can withstand higher temperatures – this means that we use less energy and water for cooling. By using adiabatic cooling – supported by water – we can reduce the total energy used for cooling.

Reducing dependency on groundwater and supporting water infrastructure

Ground water is a precious resource, and in Sweden we have plenty of lakes and surface water. We therefore want to avoid using ground water since this is becoming increasingly scarce, especially during the summer period. Increased temperatures and less areas covered with snow in the winter will lead to larger fluctuations of ground water levels, which will have a social impact on people and their water supply.

In Falun we are in the process of replacing the ground water with surface water. We have a target to permanently eliminate the use of ground water for cooling in our future sites. In Falun, we started the work to replace potable ground water with →→

→→ water of poorer quality. We, together with the local water provider, invest in new pipes and an upgrade of the water system for processing water from a nearby lake. Through this investment of roughly 20 MSEK, we are strengthening water infrastructure locally. During 2024, our groundwater usage was 93% (97% in 2023). Our newest building Data center 1C use water from this source, and for 2025, the plan is to continue to redirect from this water source for exisitng buildings.

The water will not need any chemicals to be cleaned, only filters, and it will be clean enough to meet our technical requirements to ensure that our equipment is not worn out. Drinking water will come from a different source. Other industries will also be able to use the same water infrastructure, so our investment can hopefully bring value to other local actors. We also, through this investment, increase the water resilience in the city of Falun by enabling an additional local water supply for industries.

Water risks

Our data centers are in central and northern Sweden where the water risks are low, according to the World Resources Institute tool Aqueduct Water Risk Atlas. Both current and future water risk levels and water stress levels are considered very low in the geographic areas where our data centers are located.

Site	Current overall annual water risk	Projected water stress (2030)	Projected water stress (2050)
Falun, Sweden	Low (0-1)	Low (<10%)	Low (<10%)
Piteå, Sweden	Low (0-1)	Low (<10%)	Low (<10%)
Stockholm, Sweden	Low (0-1)	Low (<10%)	Low-medium (10-20%)
Östersund, Sweden	Low (0-1)	Low (<10%)	Low (<10%)
Borlänge, Sweden	Low (0-1)	Low (<10%)	Low (<10%)

Source: WRI Aqueduct Water Risk Atlas

Water footprint across the value chain

Across our value chain, water use mainly comes from the materials we use in our data centers. Concrete, steel, glass, and batteries have a large water footprint related to their production. Producing steel, cement, and glass consumes a lot of water in several processes. Cooling water is often used in the mines where ore and other minerals are extracted. However, there are limited studies of water footprints, since they depend on where the materials are produced and refined, and because materials often have complex supply chains. This is why we cannot currently quantify the water footprint related to such building materials we purchase. In our design, we are striving to find the sweet spot of wood use. We have replaced much of the concrete and steel used in traditional data center designs with wood. This is also assumed to reduce our total water footprint, since the wood that we use are grown in non-irrigated production forests, which typically have a lower water footprint compared to planted forests, but also to the building materials it replaces, concrete and steel.

Methodology and assumptions for Water data

Water data has been collected and reported by site, based on cross-checking internal water meters with external bills from suppliers. Some of our buildings only have meters for water withdrawal and do not have meters for discharged water. For these buildings, where no significant water consumption is taking place, the assumption that Water withdrawal equals Water discharge have been made. This is the case for non-operational buildings, as well as for our buildings in Stockholm and Piteå where we don't use water for cooling. Where we use water for cooling, we have made an estimation of the share of water going into the liquid cooling that is going out as discharged water. We first deduct the share of water, which is not used for cooling, and then assume that roughly 98% of the cooling water withdrawn is evaporated (consumed during cooling) and roughly 2% of the remaining water is discharged. While we report on water withdrawal, consumption, and discharge from our operations, we do not yet report on water impacts related to purchased goods, services, or capital goods for construction of our new data centers. In addition to our operational water reporting, we also assess our sites general water risk and water stress levels using the WRI Aqueduct Water Risk Atlas tool.

Circularity

Generation of waste

We fully support the 3R waste hierarchy of reducing the use of materials, reusing products and materials as long as possible and finally recycling them. When recycling is not possible, the waste is used for energy recovery. Only a small fraction of our waste is disposed of in landfills.

Most of our waste is generated in construction activities when we build new or adapt existing data centers. When we build new data centers, we try to reduce the generated waste as much as possible, to be resource efficient both from an economic as well as an environmental perspective.

Packaging is a large waste stream, coming from things we buy during construction. The packaging waste is sent to recycling. Almost all our waste is recycled, most of it to become new paper or plastic, but also to become compost or energy.

Some waste is also generated during operations, from our offices and lunchrooms. The waste operators used for our operations are municipality-owned waste operators, controlled by Swedish authorities.

Our data centers have a long lifespan, and we assume at least 30 years, aiming for at least 50 years. The installations inside of the data centers, such as control systems, cooling equipment, and piping, are expected to be replaced every 15-50 years. We do what we can to maximize the life span of the installations if it does not affect the quality of our services. At the end of life, they will be taken care of by recycling companies to ensure that as much of the material as possible is reused, recycled, or incinerated to produce energy. If we look at the broader value chain, the replacement of our customers' servers in our data centers contributes to a lot of electronic waste. The servers are usually replaced every 3-5 years.

Reduce

We design our data centers with the ambition to use the equipment needed in the most efficient way. By doing this, as well as prioritizing flexibility on which kind of server equipment should be run in the data center, we aim to prolong the life span of our data centers and of the installations inside of them to cater multiple technological cycles.

Reuse (and prolonging lifespans)

We build future-proof data centers with good performance which will last in the future. We make our waste energy available to our partners to reuse. We have made reuse solutions available to our customers' servers through partnerships with a circular company. During 2024, as well as 2023, we contributed to a research project called European Ecosystem for Green Electronics (EECONE), partly funded by the EU and the national Swedish government. EECONE has several components, where our role is to support research into the environmental impact of reusing server equipment in data centers.

Recycle

Most of our waste is recycled or incinerated to create energy. In general, most of our paper, plastic, gypsum, metals, wood and organic waste are either recycled or incinerated for energy recovery. The combustible waste is sent to incineration with energy recovery, the heat is used for heating the houses and the food waste is composted and used to produce biogas Our contractors' construction waste is handled by a private company, certified with ISO 9001, 14001, and 45001, and controlled by the Swedish state. In some cases, mixed or unsorted combustible waste is incinerated with heat recovery and used in the Swedish district heating network. Lastly, a small portion of our waste is disposed of in landfills, but this is a minimal share of our total waste which we continuously try to minimize.

Material use in our data centers

Roughly 90% of our total data center capacity is in our in-house-designed data centers in Data center 1. We have three data centers which we acquired after they were built and three larger data centers that we have designed and built ourselves. Naturally, the data centers we design ourselves are the ones we have the most control over. We have designed them to reduce the material impact, and a large share of the materials is wood.

Our waste

Our waste is primarily generated during our construction activities. The construction waste includes not only the largest volumes but also the most complex fractions of waste, which is reflected in the construction waste reported for 2024. Below we share an overview of operational waste and construction waste:

Type of waste	2024 Weight (Metric Tons)	% of total waste 2024	% of total waste 2023	Method of treatment
Operational Waste				
Food waste to compost and biogas	4,44	0,60%	1,00%	Recycled
Metals for recycling	0,09	0,01%	0,00%	Recycled
Plastic for recycling	2,16	0,29%	1,00%	Recycled
Paper for recycling	5,28	0,71%	1,00%	Recycled
Mixed waste for recycling	3,16	0,42%	0,00%	Recycled
Wood untreated, for recycling	0,54	0,07%	0,00%	Incineration with energy recovery
Mixed waste to energy recovery	10,58	1,42%	1,00%	Incineration with energy recovery
Mixed waste for disposal	3,04	0,41%	0,00%	Landfill disposal
Total Operational Waste	**29,29**	**3,93%**	**4%**	
Construction Waste				
Metal to recycling (mainly mixed metals but also small portion batteries, electronics, lights, cables, aerosol)	77,41	10,38%	8,00%	Recycled
Gypsum to recycling	58,14	7,80%	11,00%	Recycled
Cardboard and paper to recycling	26,96	3,62%	5,00%	Recycled
Sewage	11,85	1,59%	1,00%	Recycled
Other waste to recycling (waste oils, glycol)	5,88	0,79%	1,00%	Recycled
Wood waste to energy recovery	272,74	36,58%	34,00%	Incineration with energy recovery
Other waste to energy recovery (combustible waste, mixed waste, paint cans, chemicals, aerosol, oil)	218,07	29,25%	26,00%	Incineration with energy recovery
Plastic to energy recovery	2,80	0,38%	0,00%	Incineration with energy recovery
Mixed waste to landfill (landfill sorted, landfill non-organic)	34,94	4,69%	11,00%	Landfill disposal
Insulation to landfill	5,02	0,67%	0,00%	Landfill disposal
Gypsum to landfill	2,48	0,33%	0,00%	Landfill disposal
Total Construction Waste	**716,29**	**96,%**	**97%**	

Combined operational waste & construction waste

When combining the operational waste and construction waste, we see that a total share of 93,9% is recovered either by material recycling, composting, biogas production, or incineration with energy recovery. There was a significant increase in total waste generated during 2024 in connection with the construction phase for Data center 1C and the next building, Data center D, which both took place during 2024.

In 2024, 25,6% of our operational and construction waste was recycled, 0,6% composted and 67,7% was reported as incinerated with energy recovery. The remaining 6,1% of our waste was disposed of by other methods. The waste to landfill almost exclusively comes from construction works of our new data centers.

Combined (Type of waste)	2024 Weight (Metric Tons)	% of total waste 2024	% of total waste 2023	Method of treatment
190,93	25,6%	307,44	61,7%	Material recycling
4,44	0,6%	2,76	0,6%	Composting and biogas
195,37	26,2%	310,2	62%	Total waste sent to recycling
504,73	67,7%	134,05	27%	Incineration with energy recovery
45,48	6,1%	54,18	11%	Landfill disposal
745,58	**100,00%**	**498,43**	**100,00%**	

Hazardous waste

We have a waste management procedure for how to ensure safe management of hazardous waste. It is not allowed to transport hazardous waste without authorization. We use authorized waste operators for all our sites to take care of the hazardous waste. The transport of hazardous waste is registered through the Swedish Environmental protection agency, Naturvårdsverket, and the amount of waste is reported annually to Naturvårdsverket. We typically have very little hazardous waste.

Category	2024 Weight (Metric Tons)	2024 % of waste	Method of treatment
Non-hazardous waste	**742,93**	**99,65%**	**Non-hazardous waste** Most to incineration for energy, smaller portion to material recycling, and very minimal amount to landfill.
Recycling	195,14	26,17%	
Incineration w energy recovery	504,35	67,65%	
Disposal	43,44	5,83%	
Hazardous waste	**2,65**	**0,35%**	**Hazardous waste** Most to landfill, but also small amounts to incineration & recycling.
Recycling	0,23	0,03%	
Incineration w energy recovery	0,38	0,05%	
Disposal	2,04	0,27%	
Total Waste Generated	**745,58**	**100,00%**	Various, see separate tables above for construction waste & operational waste

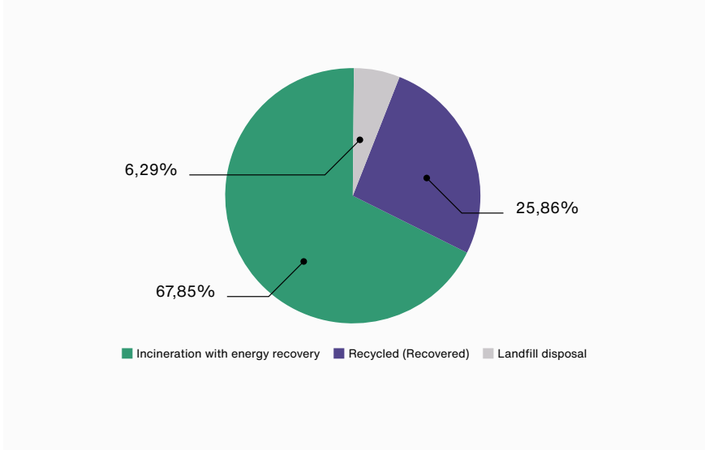
Our waste targets

Growth challenges absolute targets

Being a company in a growth sector, it is nearly impossible to set absolute targets and meet them. We will continue building data centers and the construction processes will inevitably produce waste. More data centers will also generate more waste from operations. This is why we have focused our waste target on minimizing disposed waste. 90% of our waste shall be reused, recycled, or if no other option exists, incinerated with energy recovery by 2028. This is what we refer to as recovered waste, which does differ from how GRI defines recovered waste. According to GRI's definitions, incinerated waste with energy recovery is not deemed waste recovery, but rather as disposal. To meet the target for construction waste, we need to work closely with our contractors for correct waste management.

During 2024, the target of 90% of waste going to recycling or incineration with energy recovery was met, with 94% vs 89% for 2023. This is great progress, but it should be considered that our total waste volume increased by almost 50%, why the percentage reduction of disposed waste in absolute terms was only around 10 tons compared to 2023. In total, we still see a need to identify how the waste from our construction works can be reduced, reused, or recycled. In 2024, our contractors reported their waste figures to us directly in an annual report.

Waste handling 2024
(by weight)



IT Recycling – reducing e-waste

During 2024, we set up a partnership with Stena Recycling which means that we now can offer customers a take-back service of their servers at the end of life. The servers can then be reused or recycled depending on the customers' IT security practices.

Methodology and assumptions for Waste data

Our waste data consists of activity data both from our own operations and from our contracted construction activities. All waste is treated offsite, with no waste treated onsite. As displayed in the waste tables above, most of our waste in 2024 was diverted from disposal in landfills and sent to incineration for energy recovery, material recycling, and other recovery activities including composting and biogas production. While we aim to minimize the amount of our waste which is sent to disposal, we do have some waste fractions which are sent to incineration with energy recovery and a smaller portion which goes to landfill.

The waste data from our own operations is of high quality and it's quite clear how the various waste fractions are treated. The waste data from our contracted construction activities comes from our contractors, therefore it's more difficult to confirm the data quality in terms of how the volumes, fractions, and treatment methods are reported. We are working with our contractors to further improve this report. All our waste data is collected via our online reporting platform, where the GHG emission factors and emission calculations are also stored. We currently use GHG emission factors from the DEFRA database for our waste emission calculations. But we aim to obtain more supplier-specific emission factors for waste treatments in the future, as construction is the largest share of our waste emissions, and the emission factors can vary a lot.

Environmental protection on our sites

Continual environmental improvement

We work according to ISO 14001 which means understanding our negative impact on the environment and reducing it through continual improvement. Our activities are also subject to an environmental permit, based on an environmental protection assessment. Hence, there are special conditions for:

- Emissions to air
- Emissions to water
- Management of waste
- Noise

As a part of the environmental permit per establishment, we are obliged to annually report on specific potential negative impacts assessed as part of the permit process.

Chemical management

Chemical management is not a material topic to us, because the risks and impacts from our use of chemicals are deemed low. To ensure we choose chemicals with the least negative impact on humans and the environment, we have chemical management instruction and processes in place. The instruction covers all the handling of chemicals and chemical products in our operations and the roles and responsibilities related to chemical management. The instruction also describes how we prevent and manage chemical incidents and leaks.

Anyone who buys or uses chemical products or goods must assess the risks, and only approved chemicals can be used. Chemicals are stored in the designated area.

We either have a system helping us to monitor chemical use, or we use external contractors to ensure we manage chemicals safely. We avoid dangerous chemical products and articles that can be replaced by less dangerous ones or use alternative technologies. This is called the substitution or product choice principle. The PRIO prioritization guide is a tool to help our employees eliminate hazardous substances and products to reduce risks to health and the environment. The PRIO list is developed by The Swedish Chemicals Agency.

The Swedish Work Environment Authority is responsible for rules and requirements for systematic work environment management for workplaces with chemical risks. The requirements include, for example, investigating and assessing risks, taking measures, and labelling containers and pipelines. Operations that are subject to authorization and notification under the Environmental Code are subject to self-monitoring requirements under the Ordinance (1998:901) on the self-monitoring of operators.

Anyone using chemicals must be able to account for the chemicals used and provide safety data sheets and risk assessments for them upon request. The chemicals must be well labeled with their contents, and safety data sheets are available at the workplace.

When we use chemicals in places where there is a risk of release directly into the environment, temporary protective measures should be applied such as absorbent cloth and spill trays.

We have procedures for incidents related to leaks of chemicals. For larger leaks, we have containment in place.

Phasing out PFAS

To reduce our dependence on PFAS, often called the forever chemicals from their persistence, we have decided to change our standard design for fire extinguishing gas from one containing PFAS to a gas only containing inert gases such as nitrogen and argon for our new developments. This requires changes in building and technical design, but we believe it is the right thing to do to protect people and nature from PFAS, and to mitigate future financial risks related to potential PFAS bans.

Reduced NOx and SOx from alternative generator fuels

Emissions to air, except for GHG emissions, are currently not deemed material. We have emissions into air from combustion of fuels in our back-up generators. The emissions are NOx and CO, hydrocarbons, and particle matter. Although HVO reduces the share of NOx and SOx compared to fossil-based diesel, we recognize that emissions into the air might become more significant while expanding our operations, which we monitor closely.

Our data centers in Stockholm use diesel made from natural gas. This type of fuel emits less CO_2, less sulfur oxides (SOx) and nitrous oxides (NOx) leading to reduced acidification from our backup generators. Also, the particle matter from combustion of this type of fuel is lower making the air quality better.

Dust from construction works

For any work that may lead to dust formation, we have specific procedures to ensure dust is not spread. The dust is controlled through water and salt reducing the air pollution for neighbors and employees. Dust is not deemed a material topic to us.

Noise levels

We check our noise levels and report this to the municipality when testing the generators and when changes in operations may lead to higher noise levels. When a new data center is built, near-field measurements and calculations are made. Noise levels are not deemed a material topic to us.

Biodiversity

Our dependence and impact on nature

We and other companies need to do what we can to protect nature and prevent pollution across our value chains. We want to understand our dependence and impact on nature and boost biodiversity to compensate for the use of nature to build and operate our data centers.

We are dependent on nature as a company and as humans – without nature, we cannot build our data centers, and we as humans cannot survive. Sadly, almost everything we do has a negative impact on the planet. This is why biodiversity is a material topic to us (and to everyone on this planet). While we did not report on the biodiversity GRI standard in 2023, we have collected more information during 2024 and by this report according to this standard.

Fourfold biodiversity impact areas

We have identified four types of impact on biodiversity across our value chain. Apart from the obvious impact from land use to build data centers and pollution on our site during construction works and operations, we also have an impact on biodiversity from the materials we use to build our data centers as well as from the power we use.

Our main activities, products and services, include the operation of data centers, which ultimately means a potential negative impact on power and water usage.

The following four Biodiversity impact categories have been determined as most significant to our business:

- Habitat Loss and Fragmentation (connected to establishment)
- Energy consumption and climate change (connected to operations)
- Water usage (connected to operations)
- Air and noise pollution (connected to operations and construction)

We however deem our significant biodiversity impacts from these activities/services as relatively low. However, the establishment of new sites could have a substantial negative impact on biodiversity depending on where and how those are built.

The severity of negative impacts affecting biodiversity and ecosystems depends →→ on several factors such as the area selected, the amount of groundwork needed, surrounding areas, and previous establishments on the location. We aim to assess, control, monitor, and reverse these impacts in our site selection process with ambition to minimize the negative impact on biodiversity from our establishment.

Protecting and restoring high-value areas

We aim to protect and restore areas of high biodiversity value, when possible. We are collaborating with external experts to assess how we can compensate for our negative biodiversity impacts. We also take actions to reduce the negative impact on biodiversity from our establishments as a part of the environmental permit process for each new establishment. What is done in each project varies a lot as it depends on the needs of the local area, where we are committed to doing our part in minimizing the negative impact on biodiversity of our business. As an example, we are establishing new roosts for bats and common swifts (Apus apus) on our newly acquired site in Borlänge in collaboration with the municipality of Borlänge. The project was started during 2024 and will be completed during 2025.

Our site Data center 1 in Falun does not impact biodiversity to a very large extent, since it was built at the site of an old chemical factory and close to the old Falu copper mine, which was in operation for almost a millennium. The Falun site is also contaminated due to previous chemical production. The site has been remediated but is still contaminated because of sulfuric acid production. The impact on the cultural environment was also deemed low. There is a limited negative impact on waterways from our site in Falun, according to the Environmental impact assessment done by third party consultants. In Stockholm, our data centers are in industrial areas.

Strategic future site selection

For future sites, we are taking biodiversity into account, choosing sites where negative impacts on nature are low. We also see financial risks related to biodiversity impacts, because of longer lead times, which is why we have potential biodiversity impacts as a criterion into our site selection process. But it should be noted that our facilities also tend to be in areas which are already developed with roads, buildings, and other existing infrastructure. In general, we have few facilities, and they tend to be buildings of less than 200.000 m2 and have minimal geographical footprints.

Our Impact on Biodiversity

Mandatory external EIAs for new builds

We assess our sites to understand their proximity to protected areas and areas of high biodiversity value. We used various assessment tools in this work, including tools from the Swedish Environmental Protection Agency, European Environment Agency, United Nations, International Union for Conservation of Nature (IUCN), and Swedish University of Agriculture (SLU). In addition to these desktop assessments, we are obligated by Swedish law to have external partners perform environmental impact assessments (EIAs) prior to new construction projects.

These detailed environmental reports highlight biodiversity risks and opportunities and guide our efforts to minimize our negative impacts and compensate for negative impacts where possible. Some identified impacts of our construction and operations include air pollution, emissions to soil and water, light pollution, sounds and vibration, and land use change and fragmentation. We acknowledge these impacts and have begun implementing green roofs, bird houses, and bat houses to minimize such negative impacts on biodiversity.

We also assess our sites to understand their proximity to protected species, and areas where such species are monitored on a regular basis. We used the “Artdatabanken” map tool from the Swedish University of Agriculture (SLU) in this work. The tool is based on species red list classifications from the Swedish Red List of species produced by the Swedish Species Information Centre at the Swedish University of Agriculture (SLU). The Swedish Red List encompasses animals, plants, and fungi and is revised every fifth year based on the global IUCN Red List.

Biodiversity Impact of in our supply chain

It is hard to scientifically quantify the impact of biodiversity from our supply chain, but LCAs give us an idea of the negative impact by understanding impact on climate change, acidification, and eutrophication.

Acidification means more acidic land and water systems. It leads to the dissolution of soil and leakage of its components into water. This pollutes water and leads to reduction of species and even negative effects on human health. When building our data centers, some of the most significant raw materials from an acidification point of view are steel, concrete, aluminum, and various wood-based products such as wood.

Biodiversity impact from energy use

We use a lot of power to run our data centers, and even if we purchase renewable power, which is good from a GHG emissions perspective, we acknowledge that there is still a negative impact on biodiversity from these energy sources. According to our earlier LCA the life cycle assessment of the first data center we built, Data center 1B, the majority of acidification, which has a negative impact on biodiversity, comes from usage of wind power.

Eutrophication is another issue which leads to negative impact on biodiversity. Through eutrophication, near the bottom of lakes or coastal waters die since they cannot reach sufficient oxygen intake. Freshwater eutrophication from our data centers is almost entirely caused by operational energy use, specifically from the purchased electricity sourced from hydro power. We are monitoring and reevaluating these potential and actual impacts of our business as a part of our annual material assessment process.

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas:

EDC site location*	Type of operation	Total area (m2)	Control	Protected areas and areas of high biodiversity value overlapping, adjacent to, or in close proximity**
Falun	DC & HQ	83 000	Owned	Overlapping: None Adjacent: None Within 5 km: 1 cultural reserve, 2 nature reserves, & 1 national nature conservation area
Piteå	DC	16 200	Owned	Overlapping: 1 water protection area Adjacent: None Within 5 km: 1 nationally protected area
Stockholm	DC	11 000	Owned	Overlapping: None Adjacent: None Within 5 km: 1 nature reserve & 2 national city parks
Borlänge	DC (not yet operational)	220 000	Owned	Overlapping: None Adjacent: 1 nature reserve Within 5 km: 2 nature reserves, 2 water protection areas, & 2 national conservation agreement areas

*Exact locations of our data centers are not reported, to ensure customer privacy.

**Overlapping (located on EDC site), adjacent to (bordering EDC site within 1 km), or in close proximity (within 5 km).

IUCN Red List species and national conservation list species with habitats in areas affected by operations*

EDC site	Critically endangered (CR)	Endangered (EN)	Vulnerable (VU)	Near threatened (NT)	Knowledge deficient (DD)
Falun	None	None	None	None	None
Piteå	None	None	None	None	None
Stockholm	None	None	None	None	None
Borlänge	None	None	None	None	None

* Results are based on a desktop assessment, using the SLU Artdatabanken species map tool. On-site biodiversity assessments may bear different results.

Sedum roofs

A climate adaptation measure

Our data centers in Falun have sedum green roofs covered with plants. This compensates to some extent for the land use of our data centers, and they boost biodiversity compared to a normal roof. Sedum roofs also have other benefits, such as preventing flooding from runoff water. With climate change, extreme weather such as heavy rainfall will be more frequent, which is why we also argue that sedum roofs are a climate adaptation measure. Water is stored in the plants and substrates instead of running off roofs and into the sewage system. The sedum roofs also have a long lifespan, reducing the use of materials for roof replacements. Sedum roofs also typically provide better energy performance for the buildings and improve air quality.

Progressing in the Biodiversity area

As has been presented in the sections above, we realize that our impact on biodiversity is a complex topic which requires expert knowledge and more efforts to make substantial progress. Therefore, during 2025, we aim to have several of our operational sites assessed by external biodiversity experts according to the CLIMB (Calculating Landscape Indices for Measuring Biodiversity) method to further help us quantify, minimize, and compensate for negative biodiversity impacts of our business.

Climate risks

→→ Physical climate risks overall are not deemed material for our operations. We have done a separate climate risk assessment with a deep dive at our Falun site and a more general overview of our other sites. The assessment concludes that the financial impacts from physical climate change risks to our operations are deemed low to medium. Taking the targets and controls we have put in place as a response to the risks into account, they are deemed low.

The chronic physical risks were all deemed low except for the ground water risk, which was deemed medium with regards to when we need water for cooling as well as the risk of heat waves and heavy precipitation. The ground water levels are the lowest when we need cooling water the most, in July and August. This may also cause reputational risks if not managed. The potential negative impact from water use in the future was deemed material and has been reported under the Water section in this report. Transition risks are risks related to how the company manages to adapt to changes in legislation and public pressure. To mitigate risks related to ground water, we have decided to not use ground water permanently for future sites which reduces the physical and reputational (transition) risk.

Being a data center using electricity in an increasingly electrified society may cause reputational harm if power becomes increasingly scarce. We monitor this on a regular basis, and we are considering various ways of supporting renewable power production and the grid. When it comes to adapting to a low-carbon society, we are already on our way with transition plans to phase out the use of fossil fuels to more than 99% of our energy use. Reporting related to our material topic Energy use is done in the section about Energy use in this report. Reporting related to the material topic GHG Emissions is done in the corresponding chapter in this report.

However, when taking our mitigating actions into account, the financial implications from physical risks are deemed negligible to low. (Negligible: 0-1% drop or increase of EBITDA, Low 1-5%, Medium: 5-25%, High: 25-50% Critical: Above 50% drop of EBITDA).

The physical climate change risk was assessed with external tools and resources from reputable sources - such as SMHI, World Bank, UN, and WRI - when available. Each climate change risk was also classified as low, medium, or high. Most chronic and acute climate change impacts were categorized as low risk, a select few impacts were categorized as medium risk, and no impacts were categorized as high risk (see Tables 1 and 2 below for a complete summary).

The assessment of our Falun site was completed inspired by the guidlines from the EU Taxonomy Appendix A: Generic criteria for DNSH to climate change adaptation, in section “I. Criteria” and in section “II. Classification of climate-related hazards”. It was also completed using inspiration from the guidelines from the EU CSRD ESRS E1 Climate Change ESRS 2 IRO–1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities. We will complete additional climate risk assessments for our new sites.

A “high emission climate scenario” was considered in this climate change risk assessment, whenever possible in the available tools used. RCP 8,5 was used when possible.

Climate risk assessment of new sites
When we plan new data centers, we take environmental and social criteria into account according to EN 50600 and best practice. We do an Environmental Impact assessment according to Swedish and EU legislation. We also take biodiversity into account; it is linked to EIA and the environmental permit. ←←

Towards net-zero

In this section we will describe some of the actions we have taken and aim to take towards net-zero in our own operations as well as in the design of our data centers.

Energy efficiency by design

The most sustainable energy is the energy which is not consumed. We work holistically when designing our data centers. Here is what we do to cut emissions through energy efficiency across the life cycle.

1	Being in Sweden, our data centers are in naturally cool places where we can use free cooling and reuse the excess heat. This saves energy for us, but it also gives us the energy we use a second life when our partners use it.
2	We place our data centers where there is plenty of renewable electricity, so that the energy we do use causes as little impact on the climate as possible.
3	We build our data centers out of wood to a large extent. The energy used to produce wood compared to steel or concrete is very low across the life cycle. The wood we use is also grown and processed locally, not far from our sites, which makes the energy used for transport lower. We even modified our building design so that we could source our wood locally.
4	Our topology for the electrical and mechanical installations, which is called distributed redundancy, means a higher utilization rate per installed capacity component. Our customers' servers require two redundant electrical feeds in, and we have four separate feeds. We combine these feeds in six different ways, allowing the latent power to be reduced compared to a traditional dual feed system. The bottom line is that we can operate our capacity components at 75% utilization rate instead of 50% and this leads to smaller quantities of copper, steel, electronics, equipment and in the end a smaller building footprint compared to a traditional topology. For the customer, the feeds to the servers are always separated and redundant but they still benefit from the environmental and financial savings.
5	All the equipment we use in our data centers is chosen with a life cycle cost in mind. This means a large investment to start with, but lower energy use and energy cost in the long term. A few examples from our data centers in Falun are high efficiency UPS systems, properly sized pipes to reduce pressure drop and thereby pumping power, VFD-controlled pumps and fans, LED lights, HVAC that is on when people are in the building, and motion-controlled lighting.
6	We have optimized redundant solutions in our data centers to enable varied utilization rates, which often is the case in data centers. During ramp-up, the data center will not operate on design load and equipment will be oversized. All systems are at the same time designed to provide additional capacity if another system should fail, which is extremely rare, but the additional capacity is a requirement of our customers. This means that the systems normally operate at a much lower load than the nominal load, and often not at the most efficient operating point. To overcome this, we always evaluate if a single large component can be replaced with two smaller and different sized components. Instead of having one optimal operating pump we then get three optimal operating points. This gives us more flexibility and enables more efficient operation of the data centers over time. For our new data centers, we utilize this philosophy for pumps, UPS systems, and power production.

Energy efficient cooling

Much of the energy we use in our data centers for our own installations is for ensuring a proper temperature for our customers' servers. Our design allows for flexibility of which utility we base our cooling on being either water or electrical energy. We can either use more water for adiabatic cooling and less electrical energy for chillers, or vice versa, less water and more electrical energy to increase condenser temperatures. We can also offer our customers server liquid cooling, since all our data centers are chill water-based. Liquid cooling means that the heat from the customers servers is being transferred directly to a liquid instead of the traditional intermediate medium air. In Falun, to save energy, we have chosen adiabatic cooling because of the abundance of water. In Stockholm and Piteå we do not utilize adiabatic cooling water.

1	The cooling systems in all our data centers are all chill water-based, which means they can directly connect liquid-cooled customer loads. Chill water-based cooling systems also enable the reuse of excess heat.
2	We always try to influence our customers to choose hardware which can withstand higher temperatures, so we don't need to cool the servers so much. This means that energy reusage capability is improved or that we can more easily use the naturally cold air from outside, also during summer, thereby requiring less energy for cooling.
3	We also try to influence our customers to use new technology, such as liquid cooling of the servers. Liquid can transport heat more effectively and liquid cooling is also more energy efficient at a system level. Liquid cooling enables the CPU or GPU hardware to be utilized at 100% or more since the liquid extracts the heat from the components much quicker than air. This means that fewer liquid cooled servers can be installed to achieve the same computing capacity compared to air cooled servers. This in turn means more computing capacity per data center and less materials used and consequently less energy used to produce the materials.
4	In Falun, we have large water tanks, or thermal buffers, containing more than a thousand cubic meters of chilled water. This water is cooled during the night, or when there is abundance of renewable power in the electrical grid but can then be used during the warmest hours of the day, enabling us to offload mechanical chillers and thereby save energy. It can be compared to what a BESS (Battery Energy Storage System) does for the electrical system, but we do it indirectly with a thermal buffer. These water tanks also provide onsite makeup water for the adiabatic cooling if all our utility water feeds should become unavailable simultaneously.
5	We have adiabatic free cooling which means that the chillers will have to be engaged at a higher external temperature than if we had only dry coolers.

Data centers supporting the energy system

While data centers use a lot of electricity, they can also be used as energy storage helping the power grids stabilize and supporting storage during peaking power, reducing the need to burn fossil fuels. Data centers are poised to play an increasingly vital role in the energy system as the world shifts towards renewable energy sources to meet electricity demand. As renewable power production often delivers electricity in an unbalanced manner, the need for a stable grid becomes more crucial.

Data centers offer significant potential to assist utilities due to their large energy storage capacities and operational efficiencies.

In 2023, we implemented a Battery Energy Storage Solution (BESS) at our Piteå site, marking the initial step before a broader rollout across our company. Currently, we are evaluating a wider range of approaches to optimize grid services and our energy solutions further, aiming to enhance societal benefits beyond our current contributions.

100% Renewable electricity

We are only buying renewable electricity. The energy mix we purchase is 75% hydro power and 25% wind.

Solar power from our site in Stockholm

The roof on one of our data centers in Stockholm has solar panels generating the energy use for roughly 10 Swedish houses per year. An average Swedish home uses roughly 25000 kWh, and in 2024 our data center PV plans produced roughly 250 000 kWh.

From diesel to more sustainable fuels for backup power

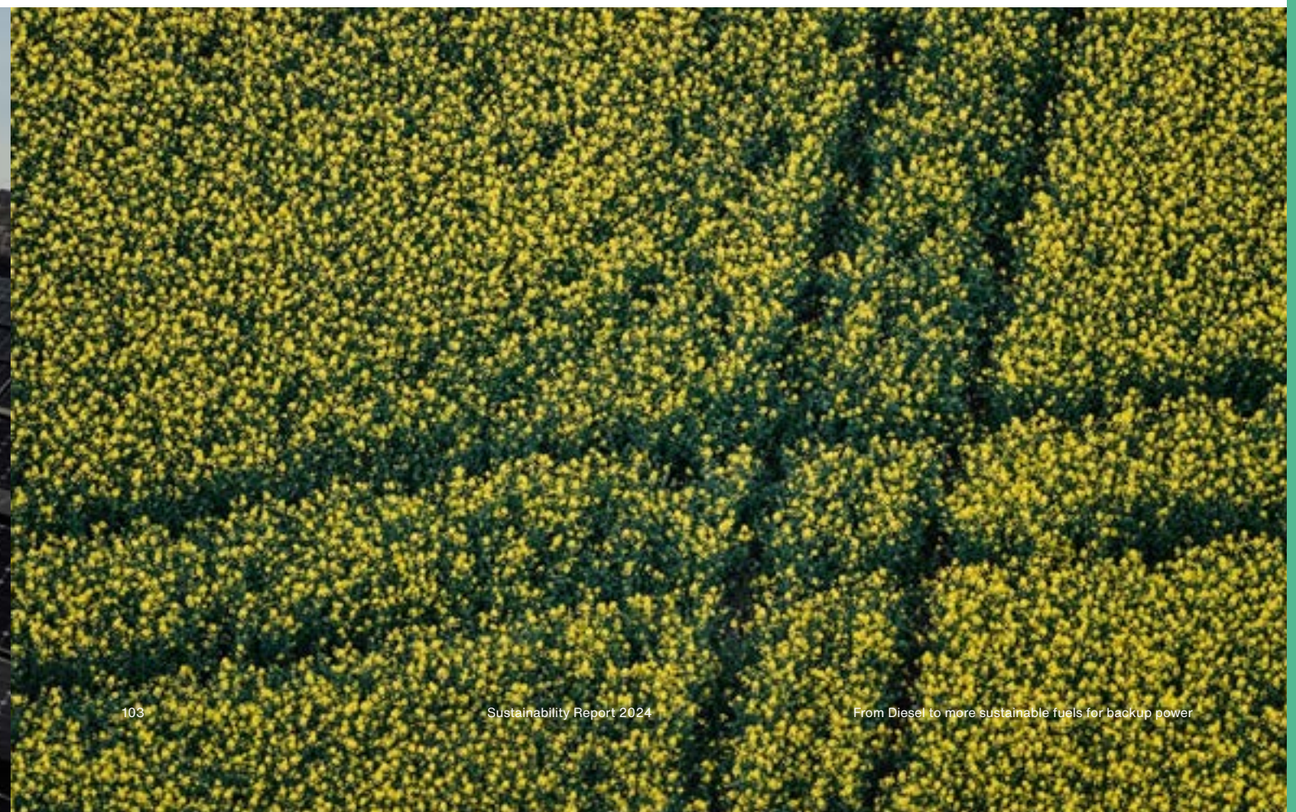
Our scope 1 emissions mainly come from back-up diesel generators being tested on a regular basis. To cut our emissions, we have decided to step away from the use of fossil fuels wherever feasible. We have set a target to use more than 99% renewable energy by 2028. This means that our future sites will use HVO. In 2024, we started to use HVO in Falun as a crucial step in moving away from the use of fossil fuels.

The transition to nearly fossil free data centers are expected to increase operational costs by roughly 3 million SEK and will also avoid emissions of 2500 tons CO_2e until 2028, compared to if we had used diesel in our future expansions.

Refrigerants – towards low and no GWP

Refrigerants are liquids and gases which are needed for cooling. If they leak, they can cause a significant climate impact. In Sweden, it is required by law to report leaks annually to the authorities for companies with more than 14 tons of CO_2e in refrigerants. During 2024, we have had no reported leakages from our cooling equipment.

In our Data center 1, we have primarily installed chillers with R-1234ze, which is a refrigerant with a very low GWP. In our newest data center in Falun, Data center 1C, we use R-717 ammonia as refrigerants, with 0 GWP. These chillers will also allow much more efficient operation with the COP, the coefficient of performance, being almost doubled. The only downside with these chillers is the capital investment, which is substantially higher.



Climate report Customer Monthly Scope 3 GHG emissions

We provide our Climate report and the methodology behind it to help our customers report their Scope 3 emissions from our data centers, a requirement if material according to CSRD or other relevant legislation. In our Climate and Water report, we will share our customers' share of emissions and water use coming from running their equipment in our data centers.

We also account for the embodied carbon emissions. The buildings, the infrastructure, the staff working in our company, and the business travel have also been allocated to our customers' data for more transparency. We have created a methodology based on the GHG protocol, and also applied our scope 3 emissions to our customers' data, inspired by the carbon accounting methodology developed by the E-liability institute.

Electric cars and EV chargers

Our ambition is to have a low emissions car fleet. In our benefit car fleet, five out of eight benefit cars were electric and the remaining 3 were hybrids, as per 2024-12-31. In 2023, we installed EV chargers. We currently have 7 EV chargers on our sites in Falun, Stockholm, and Piteå.

Smart hands and remote hands – reducing our customers' travel emissions

We offer several of our customers remote services, reducing travelling and thereby GHG emissions for our customers. Our Remote Hands and Smart Hands services cover everything from simple tasks like cabling and rack installation to more advanced operations. It is performed by a group of staff with broad and solid knowledge about data centers and can be customized to fit the client's needs.

Social
Care for people

We believe in caring and sharing. This is why we want the heat from our data centers to boost growth in greenhouses and make cold houses warm. We care for our stakeholders such as employees, suppliers, contractors, customers, local communities, and our partners. We also care for our indirect stakeholders, the consumers of data and the communities along our value chain who might be impacted negatively by the extraction of materials to build our data centers, or by the use of data from our data centers.

We think that safe, healthy, and happy employees are more committed and perform better. We want our company to be psychologically and physically safe, which is why we eliminate hazards in our workplace and reduce occupational health and safety risks in a systematic way. We commit to all internationally recognized human rights across our value chain and seek to work in accordance with the UN International Bill of Human Rights and the principles concerning fundamental rights. We mostly do this by choosing local suppliers and contractors whenever possible, giving back to the communities where we operate.

Targets, metrics, and controls – Performance against targets
Below are the targets, metrics, and controls that we use to track our performance. Various stakeholders have been involved in shaping the strategy and related targets, such as our owners, municipalities, employees, and banks. The targets were set in 2024, which is why we are still limited in the evaluation of the effectiveness of the actions.

Material topic	Target, KPI or Controls	2024	2023	2022	TREND	Comment
Local communities and stakeholders	Apprenticeships in our own operations and in all our sites for construction works	Yes	Yes	Yes		Various apprenticeships and student workers in 2024.
	Local contractors and suppliers for all our own operations and construction sites	Yes	Yes	Yes		30% of our spend went to local contractors for our construction works in Falun.
Attraction and retention of talent	Maintain customer & Employee satisfaction above 80	Customer satisfaction score 88 Employee satisfaction score 83	Customer satisfaction score 84 Employee satisfaction score 86	Customer satisfaction score 79 Employee satisfaction score 82		EcoDC is becoming increasingly attractive for talent as the visibility in media increases
Diversity	Minimum 20% Women in the whole company by end of 2028	16% women, 84% men (including consultants)	17% women, 83% men (including consultants)	12% women, 88% men (including consultants)		Target was set in 2024, action plan under development
	Minimum 30% Women in the executive management team by end of 2028	20% women, 80% men	25% women, 75% men	33% women, 67% men		Target was set in 2024, action plan under development
	Minimum 30% Women in managerial positions by end of 2028	17% women 83% men (including executive management team)	19% women 81% men (including executive management team)	Not measured		Target was set in 2024, action plan under development
Health & Safety	Third-party validation of occupational health and safety system according to ISO 45001 certification by end of 2025	Delay in implementation	N/A	N/A		Due to unprecedented demand in 2024, this work has been delayed.

Our employees

EcoDataCenter AB, currently, at the end of 2024, had 70 total people in its workforce, where 63 were employees and 7 were consultants. Employees are individuals who are in an employment relationship with the organization, according to national law or practice. Workers who are not employees are considered to be agency workers, apprentices, contractors, sub-contractors, self-employed people, and other persons working for organizations other than the reporting organization. The total workforce is currently 16% women (11 people) and 84% men (59 people). Although EcoDataCenter AB is characterized by a predominantly male workforce, we do have targets to increase female representation throughout all levels of the company.

The total workforce includes people of various ages but predominantly consists of people between the ages of 30 and 50. Up until mid-year 2022, all people in the management team were also over 50 years old. Since 2023, the age diversity in the management team is higher. Additional information about the workforce, hiring, and turnover can be found in the tables below. All data about the workforce presented in the tables below was gathered using a simple headcount method by the Human Resources department after the end of 2024. Since we are a small and growing company, the total workforce is quite small and, in some cases, it is dependent on external consultants.

We have not divided the workers per region because of the small population and that individuals can easily be identified.

2024 summary of work force, hires, and turnover by gender

	Men		Women	
Total workers (including consultants)	59	84%	11	16%
Total employees (excluding consultants)	53	84%	10	16%
Number of hires	20	87%	3	13%
Number of turnover	9	82%	2	18%

2024 summary of work force, hires, and turnover by age

	under 30		30 to 50		over 50	
Total workers (including consultants)	11	16%	36	51%	23	33%
Total employees (excluding consultants)	11	17%	33	52%	19	30%
Number of hires	6	26%	12	52%	5	22%
Number of turnover	2	18%	7	64%	2	18%

2024 summary of work force by type of employment

Permanent, temporary, or non-guaranteed hours	Men	Women
Permanent employees (excluding consultants)	53	10
Consultants	6	1
Temporary employees	0	0
Non-guaranteed hours employees	0	0

Full-time or part-time	Men	Women
Full-time employees	53	10
Full-time consultants	6	1
Part-time employees	0	0

Workers who are not employees

We contract local companies for construction work related to groundwork and excavation, electrical work, pipe work, and building construction. In 2024, the estimated number of workers who were not employees on-site reached over 300 people, according to our project manager and the contractors. Workers who are not employees are for example agency workers, apprentices, contractors, sub-contractors, self-employed people, and other persons working for organizations other than the reporting organization. A standard headcount approach was used to collect this information about the total number of hours worked per contractor and month and estimate the corresponding number of people to manage the hours in the reported period. These workers primarily worked with three types of tasks including building construction, electrical work and pipe work. Based on reported project hours, we see that contracted workers dedicated over 400,000 work hours to our new construction projects Data center 1C and 1D during 2024. In addition, several re-building projects on our existing sites are contributing to the total hours spent by non-employees.

There are fluctuations in the number of non-employee workers on-site throughout 2024, but only due to normal reasons related to the nature of large construction projects and how different skills and workforce are needed at different stages. While the number of our own employees is growing steadily, our engagement with contracted workers is less predictable and is dependent on when we begin construction of new data centers.

2024 summary of workers who were not employees

Type of work tasks	Number of workers
Electrical work and installations	137
Construction work	91
Pipe work	65
Ventilation work	5
Land excavation work	11
Maintenance	6
Total number of workers	**315**

Diversity, equity and inclusion

EcoDataCenter is based on a fundamental view of the equal value of all people. All employees should have equal rights, opportunities, and obligations regardless of gender, transgender identity or expression, ethnicity, religion or other beliefs, disability, sexual orientation, or age. The equity and diversity work at EcoDataCenter aims to create a tolerant work environment free from discrimination, offensive behavior and harassment, a work environment where all employees' abilities are developed and utilized.

Inclusion and anti-discrimination

Science shows that diversity in the workforce increases creativity, broadens our horizons, and increases competitiveness. We want everyone to feel welcome and valued in our company and we want everyone to feel listened to so we as a company can grow stronger by harvesting the best ideas from everyone. We foster a welcoming and inclusive working environment where individuals of all sexes, genders, ethnicities, religions or faiths, disabilities, sexual orientations, and ages are valued and respected.

Diversity and discrimination are regulated by Swedish legislation, and internally we have a Diversity and Equal Treatment Policy and our Employee handbook guiding us how to do this. Complaints on any type of discrimination can be done via the manager, workers' representatives, the union, the Whistleblower function, or the Swedish Work Environment Authority. If an incident of discrimination occurs, it would be reported internally to the relevant manager and HR department, either by personally reporting the incident or anonymously reporting the incident in our whistleblowing system. An investigation would then be completed.

We also follow our inclusive recruitment process to ensure we treat people equally in the recruitment, promotion, salary-setting, and onboarding of employees. As part of the onboarding process, we ensure awareness on inclusion and anti-discrimination. Managers are trained in anti-discrimination, harassment, and victimization in the workplace, in our internal Basic Leadership and work environment training. Zero cases of discrimination were reported or identified during 2024, or during previous years 2023, 2022, or 2021. Our new office is also accessible by wheelchair.

Gender diversity

The data center industry is largely dominated by men, and this goes also for us. We have set targets to increase the share of women in our company. The global average in data centers is 8% women, according to a study by Uptime Institute. In the wider sector, roughly 30% of people in managerial positions are held by women.

We have decided to aim to have 20% women in the company by 2028 and aim to have 30% women in both managerial positions and in the executive management team. We see that this is an ambitious target, however considering our expected growth rate in relation to the overall availability of competence, diversification is a natural next step for the data center industry. To encourage a larger and more diverse workforce, we collaborate with some of our local contractors to engage in more proactive actions towards youth and education to foster the attractiveness of our sector and its related competences.

EcoDataCenter

16%
Women in the company as of 2024

Goal: 20% women in the company by 2028

17%
Women in managerial positions 2024

Goal: 20% women in managerial positions by 2028

20%
Women in executive team as of 2024

Goal: 30% women in the executive team by 2028

Global Outlook

8%
Women in data center companies

Few women in data centers (UI)

~30%
Women in managerial positions

* Uptime Institute
https://journal.uptimeinstitute.com/data-centers-are-short-staffed-boys-clubs

Diversity disclosures

Compared to 2023, there were no significant fluctuations in the number of employees or the diversity of our employees. Notably, we did increase our total number of employees, which is natural with the company's growth. We did shift from 4 men and 1 woman in our board of directors in 2023 to having 5 men in 2024, due to maternity leave. We are also still meeting or nearly meeting our targets for percentage of women in our work force, despite some small fluctuations.

2024 Gender diversity of employees (incl. consultants)	**Men**	**Women**	**2024%**	**Targets**
Board of directors (separate from employees and consultants)	5	0	0% women 100% men	No target for EcoDataCenter
Executive management	8	2	20% women 80% men	30% Women in the executive management team by 2028
Managerial positions (excluding executive management)	7	1	12% women 88% men	
Managerial positions (including executive management)	15	3	17% women 83% men	30% Women in managerial positions by 2028
All employees (excluding executive management and managerial positions)	44	8	15% women 85% men	
All employees (including executive management and managerial positions)	59	11	16% women 84% men	20% Women in the company by 2028

2024 age diversity of employees (incl. consultants)	**<30**	**30 - 50**	**>50**
Board of directors (separate from employees and consultants)	0	4	1
Executive management	0	7	3
Managerial positions (excl. executive management)	1	2	5
All employees (excl. executive management & managerial positions)	11	36	23

Family-friendly parental leave

It is illegal in Sweden to discriminate anyone during recruitment because of family plans. In fact, Sweden has some of the most generous parental leaves in the world, and to be home with the children is a legal right during more than one year for the parents. On top of the generous family-friendly legislation in Sweden, EcoData-Center also offers extra compensation for parents, ensuring they will get 80% of their pay during their parental leave.

In 2024, mainly men were on parental leave, and this also comes naturally as our workforce is predominantly men. The rate of employees returning to work after parental leave was 100% in 2024. The rate of retention of employees retained 12 months after returning to work following a period of parental leave was also nearly 100% in 2024.

2024 summary of parental leave by gender	Men	Women
Number of employees entitled to parental leave*	54	10
Number of employees who used parental leave	10	1
Number of employees who returned from parental leave	10	1
Number of employees who returned from parental leave (and were still employed after 12 months)	9	1

*Permanent employees are eligible for parental leave, while consultants are not eligible.

Working conditions, unions, and collective bargaining

The direct impacts, risks, and opportunities related to collective bargaining and rights to join unions have been deemed low in our operations as well as from our contractors and Tier 1 suppliers, mainly because we and our suppliers operate in Sweden. However, there are potential risks further up our supply chain related to human rights (see more in section about our supply chain). We can also see an opportunity for us as a company with collective bargaining agreements and a model of doing business which includes collaboration with the unions and having local contractors with the same standards.

In Sweden, the conditions for workers are regulated by law. Sweden has one of the most stringent legislations globally for workers' rights. There is even a model called the Swedish Model which is almost 100 years old, which welcomes a dialogue between employers and employees, often with the union in close collaboration. All workers are allowed to associate freely and to join trade unions. In fact, they are encouraged to join unions because it is how we do business in Sweden.

We have a representative for the employees, which is required by Swedish legislation. We have a working environment committee meeting regularly to improve employee health, safety, and wellbeing, consisting of the representative for the employees and the employer. Any employee or the union can also reach out to local authority Arbetsmiljöverket (Swedish Work Environment Authority) if they feel the work environment is not satisfactory or safe. The authorities can also do inspections on demand or unexpected. To ensure physical health and safety, we do risk assessments and have a systematic approach to mitigate risks.

We also have collective bargaining agreements for 100% of the employees (except for the CEO) and all our employees have the legal right to join unions. The collective bargaining agreement controls working hours, breaks, vacation, overtime, pay, and where and how work takes place. →→

→→ Social and organizational work environment to create a psychologically safe work environment to prevent stress, working hours, and discrimination, is regulated by Swedish law.

We source most of our products and services locally from Sweden, where collective bargaining typically applies and collaboration with unions is standard. We will not engage suppliers or contractors if we are aware that they have breached their obligations to business partners or employees, violated laws, regulations, or contracts, or have unclear ownership structures.

Notice periods for changes

Notice prior to the implementation of significant operational changes that could substantially affect employees is provided to employees and their representatives, according to collective bargaining agreements. This is only different in the case of the CEO, who has a 6-month notice period.

Notice of major changes is required by law and collective bargaining agreements to be negotiated with the employer's side. This is done in a multiple-step process. The employer sends a request for negotiations to the trade unions. The trade unions typically want at least 10 days' notice. A negotiation takes place and is concluded by consensus. The change is implemented. Depending on the type of change, this can take anywhere from a week to a month for implementation. For example, a change in a working time schedule must be notified at least two weeks in advance.

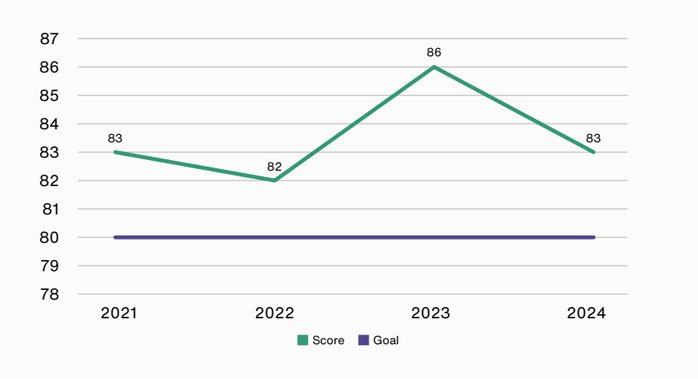
The only notice period specified in our collective bargaining agreement (Technical Services Agreement) is for changes in work schedules, where the notice period must be at least 2 weeks. But normally this process is longer to also include a few weeks for negotiation with relevant trade unions. Otherwise, there are no specified time-frames for operational changes, other than for dismissal.

The collective bargaining agreement also stipulates the notice period for termination of employment by the employer. People hired less than 2 years have a 1 month notice period, from 2-4 years of employment the notice period is 2 months and then the notice period increases by the years of employments up to 6 months.

In the event of termination of employment for a larger number of employees, we would communicate this to the Swedish authority Arbetsförmedligen. If 5-25 people are affected, the notice should be made at least two months before the employees' employments are terminated. If the number of affected employees is higher, the notice period to the authorities is four months.

Employee satisfaction

To assess the physical and psychological work environment perceived by our employees, we do an annual employee satisfaction survey. The questions are based on science. In 2024 in our employee satisfaction survey, we scored 83 of of 100, which despite a small decline compared to 2023 (86) means above our target of 80. We continuously monitor this area and the annual results, where one of the key areas of work during 2024 has been to clarify roles and responsibilities as we grow rapidly.



Salary and remuneration

We have all our operations in Sweden where minimum wages don't exist as in many other countries. In general, this also applies to temporary workers and contractors.

The highest governance body, the board, is not involved in remuneration policies, only for the CEO. How we set salaries and remuneration are decided by the collective bargaining agreement where it is stipulated what general factors decide the remuneration. The union is one key stakeholder in remuneration policies for the company, but also the employees get to have a say. For executive managers, the salary and incentive programs is decided by the CEO with support from HR.

For suppliers and contractors, we do not require collective bargaining agreements, but we ask for similar agreements and require them to follow Swedish law whenever working on our sites.

Equal pay

Equal pay is regulated by law, and we do an annual salary mapping of men and women to ensure there are no unreasonable differences in salary between men and women. Unreasonable differences can be that the salary differs for two individuals with the same education and experience. The mapping is documented and stored. We do not have a bonus scheme for any person in the company.

Because of our small workforce, we currently do not have enough data to do a statistical comparison between men and women in the same role.

The ratio of women's basic salary to men's for employees and managerial staff is presented in the table below. For 2024, the average woman employee earns 98% of the average employee salary for men. The average woman in a managerial position earns 71% of the average salary in managerial positions for men. Because of the small number of employees, we have chosen not to break down the figures by site of operations.

2024 ratio of basic salary of women to men by employee category

Employee category	Ratio of basic salary of women to men
Employee	98%
Managerial positions (including executive management team)	71%

Compensation for working overtime, odd hours etc.

Employees have the right to special overtime compensation except where otherwise agreed. The employer and the salaried employee may agree that special compensation for overtime work will not be paid since the overtime is compensated by a higher salary or extra days of annual leave above the statutory annual leave. Such agreements will apply to salaried employees in managerial positions or salaried employees who have working hours not susceptible to verification or who are free to decide on the disposition of their own working hours. In other cases, special reasons must exist. The agreement should relate to a period of one annual leave year, except where otherwise agreed by the employer and the salaried employee.

Ratio of annual compensation

In 2024: The CEO's annual compensation vs median annual compensation excluding the CEO was 472%. In the same year, the highest paid non-CEO vs the median annual compensation for the employees (except the highest paid and the CEO) was 356%. The highest paid increase was 5,45%, the median pay increase was +3,1%. The data was extracted from actual salary revision documentation.

Employee development and training

To build and develop a competent and motivated workforce is material to our success as a company, where the development and training plays an instrumental part. Our employees' development is managed through annual performance development assessments where we look back at the previous year and look ahead to what future training or other types of personal development are needed. We also have regular meetings between employees and managers.

Development is an ongoing process, and we encourage our employees to grow. According to Swedish law, any employee has the right to study and take a break from work and then come back. All new employees complete onboarding training, including an introduction to the Code of Conduct.

We have started developing EcoDataCenter Academy, a set of internal training courses in various levels. Training hours during 2024 were not documented in all cases, but the data in the tables below show the recorded training hours, provided by the HR department.

Training records were monitored for 2024 in our HR system. We got some of the training hours data from our training platform, and the average number of hours spent per training was estimated to two hours. We held a sustainability training and workshop with all employees, where only a few were absent because they had to run the operations. The workshop lasted for two hours. During 2024 average training hours per man were 2.22 hours and average training hours per woman were 10.55. But men received more total training hours in general during 2024, which is reasonable considering the percentage of male employees is much higher than the percentage of women. Employees and managers received similar average amounts of training hours during 2024.

We are assessing how we can make sure that training and development activities are distributed to all employees in relevant ways and working towards ensuring that all employees undertake a minimum of 4 hours of recorded training per year, without stating a maximum, as this may vary a lot from role to role.

In the case of need for transition assistance programs to facilitate continued employability, we would do this on a case-by-case basis. We would also support employees' career endings resulting from retirement or termination of employment.

2024 summary of total employee training hours by gender and employee type

Type of training	Training hours for men	Training hours for women
Standard employee training	131	116
Managerial training	26	8
Sustainability training	100	19

2024 summary of average annual training hours per person

Gender	Average training hours per person
Men	2.22
Women	10.55

Employee type	Average training hours per person
Employees	3.55
Managerial	3.40

Performance appraisal

Currently all employees receive annual performance reviews from their managers, but these reviews are not recorded centrally. In 2024 such performance reviews were stored centrally, making them easier to monitor and report on. During 2024, performance reviews were documented for most employees. Full-time consultants are also entitled to performance review and development talk. We have chosen not to break down these figures per employee category, because the numbers are too small, and people can be identified too easily. It should also be noted that certain employees which were hired during 2024 may not have an annual performance review until a later date, after they have worked a sufficient period of time.

2024 performance reviews by gender

	Men	Women
Number of employees that received performance reviews	39	8
Number of total employees	59	11
Percentage of employees that received performance reviews	66%	73%

2024 performance reviews by age

	<30	30 - 50	>50
Number of employees that received performance reviews	6	24	17
Number of total employees	11	36	23
Percentage of employees that received performance reviews	55%	67%	74%

Fun at work

Having fun at work is important to us. We believe that this contributes to a strong commitment and a good team spirit, which in turn produces the right results. There is a connection between our employee satisfaction scores and our customer satisfaction scores: Happy employees make happy customers.

Flexible work arrangements

Today's technology offers great opportunities to work anywhere, anytime, providing flexibility that, when used properly, is good for both the individual and the organization. However, technology does not replace the need for physical presence in the workplace and human encounters are superior when it comes to building co-operation, team spirit and culture. It is the responsibility of every manager to ensure that tasks and responsibilities do not give rise to unhealthy workloads and that the organization of working hours does not lead to ill health among employees.

Benefits

We offer our employees fruit, coffee, and tea. All employees are also offered SEK 3 000 as a wellness allowance. Through the collective bargaining agreement, we offer pensions and group life insurance, security of employment insurance, and the option for extra pension installments. We also offer additional health insurance to all employees.

Occupational health and safety

Work environment management is an integrated part of our work and the decisions we make. Creating and maintaining a healthy and safe work environment is a high priority for us so everyone comes home safe.

EcoDataCenter's health and safety manual describes how we work to create a good and safe work environment. The manual is based on the Work Environment Act (AML) and associated regulations (AFS) from the Swedish Work Environment Authority. The AML contains basic provisions and sets out general requirements which we apply across all our operational sites. The regulation that clarifies the employer's responsibility for work environment management and how it should be fulfilled is AFS 2023:1 on systematic work environment management, SAM.

The health and safety manual serves as the foundation of our occupational health and safety management, although our work is not currently audited by external or internal parties. The health and safety management system of EcoDataCenter applies to all employees and all workers who are not employees who work on-site with groundwork, construction, piping, electricity, and other tasks related to new building activities. The manual contains instructions, guidelines, procedures, forms, permits, and checklists.

Since the work performed during construction of our new data centers is carried out by external contractors, such workers are not as highly controlled by our OHS practices as our own employees.

In the future we also aim to have all our operational sites certified according to ISO 45001 for occupational health and safety management.

Roles and responsibilities

Managers with direct reports have a delegated responsibility for tasks related to the work environment, including ensuring that the work environment is satisfactory regarding the nature of the work. We regularly, and when changes occur, such as related to new or leaving employees, examine, and risk-assess our physical, organizational, and social work environment to take the necessary measures to create a safe and secure workplace.

The key activities we use in our health and safety work consist of:

- All incidents and accidents that occur are reported and investigated so that we can learn from them and take action to prevent similar incidents from occurring again.
- We do safety rounds at all our operational sites at least quarterly, and weekly for our construction sites.
- Occupational health and safety factors are considered when evaluating contractors and purchasing new equipment.
- We comply with relevant legislation in the work environment area.
- We annually monitor our systematic work environment management.

Preventative work

Once a year, HR, together with management and safety representatives, if available, review sickness absences from the previous year to see if the reasons for absence are work-related. The results of these reviews can form the basis for further investigation of the work environment.

The health and safety committee were launched in 2023 and consists of 2 people from management and 4 people from the general employee workforce. The committee meets every 4 months and manages the health and safety manual, training materials, review of risk assessments, review of safety rounds, communication, and other relevant materials related to health and safety. This committee is the decision-making body for any changes to the existing health and safety practices.

Although data centers are not as high-risk as many other types of work environments, Eco Data Center employees conduct regular health and safety rounds. These aim to identify risks and hazards at EcoDataCenter's operational sites, which could potentially cause injuries. Risks and hazards can also be identified after an accident or near miss has occurred. The 7 identified risks and hazards identified during 2024 included several winter ice risks, one height work risk, one risk related to working alone, one risk related to poor signage in a high-risk area, and one under dimensioned eye wash station. Most of the hazards were identified during safety rounds, although the height work risk was reported directly by an employee. Results from health and safety rounds and accident investigations are the basis for identifying actions to eliminate or minimize hazards and risks and continually improving workplace health and safety. Employees also have the right to remove themselves from workplace hazards, without reprisal. Although only 3 incidents occurred (only 2 resulted in injuries) and very few hazards were identified in 2024, we strive to further improve our incident reporting and work to minimize risks and hazards.

We have procedures for how to act in case of emergencies. We regularly perform fire drills and emergency evacuation drills, in line with Swedish regulations. This ensures that if any emergencies do occur, our employees are aware of how to safely react.

Health and safety training

EcoDataCenter 1 conducts health and safety training based on the risk profiles of employees. For example, a person working in construction has a higher risk profile than an office worker. Training covers topics including PPE, fire safety, emergencies, accidents, injuries, first aid, and more. CPR training courses are held every year for existing employees, and for all new employees when relevant. Training material is managed by the operations department, which also keeps records. Additionally, fire alarms and evacuation drill trainings are performed on a regular basis, in line with Swedish law. During 2024 the total number of health and safety related trainings amounted to 93.

Health and safety during Construction

When we build our data centers, our sites are also construction sites with all that this entails. Health, safety, and responsibilities in a construction site are regulated by Swedish law, through what is called (BAS-P, Principal Designer) and the performing phase (BAS-U, Principal Contractor). We also ensure that our customers follow our safety procedures, since they can physically be present to manage their IT equipment on a construction site. For each project, a project-specific health and safety plan is written and is provided to customers.

Risk assessments

We carry out a risk assessment before starting new work to identify, assess, and address risks before starting any work. The risk assessment should be completed and sent to the people responsible at the site. This also applies to our contractors. Quarterly health and safety rounds are conducted by employees on an ongoing basis and at all operational sites, and on a weekly basis for our construction sites. The objective of such health and safety rounds is to identify risks and hazards which could potentially cause accidents and injuries. Furthermore, this allows for precautionary actions to be taken to eliminate or minimize hazards.

Specific safety risks

There are some hazardous jobs in our operations that require extra care and planning. We have special procedures, training, and permits to ensure safe working. Our staff work according to the electrical safety instructions SSG 4500, and we require that anyone carrying out switching or electrical work in our facility has valid electrical safety training according to SSG 4500, ESA (Swedish Electrical Safety Instructions) or equivalent. This means that electrical installations and repairs may only be carried out by or under the direction of a qualified installer. Access to electrical rooms, such as switchboards, is prohibited to unauthorized people. We also have specific health and safety controls in place for different types of high-risk work such as hot work, working with electricity, and chemical handling.

Permit to work

To carry out certain high-risk work at our sites, employees and contractors shall always have a work permit in the form of clearance from their contact person. Some work requires specific permits, such as hot work, electrical work, and work with scissor lifts, in consultation with the contact person.

Incidents

Incidents and accidents should always be reported to prevent injuries and accidents at work. The same applies to hazards and near misses. In 2024 and in previous years, accident and injury data for employees were reported at each operational site and recorded locally. Beginning in 2024, more detailed data was more systematically reported using a sustainability reporting platform.

During 2024 only three reportable incidents occurred at our operational sites. Of these three incidents, only two resulted in injuries which were considered minor. No work-related fatalities or high-consequence injuries occurred in 2024. Since only two reportable injuries occurred in 2024, the rate of work-related injuries was one injury per 63,741 hours of work.

Workers who were not employees, present at EcoDataCenter's construction sites, also experienced 27 reportable accidents during 2024. These accidents were related to our contractors performing the construction activities for a new data center. Since 27 reportable injuries occurred to such workers in 2024 and the total number of worked hours of such workers was 469,706 in 2024, the rate of work-related injuries was one injury per every 17,397 hours of work. The hours and incident data for workers who are not employees have been reported to EcoDataCenter for each contractor per project.

Alarms at data centers	In the data centers we have an extinguishing system that is activated automatically. When the extinguishing system is blocked, the fire alarm will be activated in the event of a fire. The evacuation alarm is linked to the emergency services. There is a gas alarm installed in the cooling corridors.
Evacuation and assembly point	We have evacuation procedures with alarms and assembly points. Evacuation plans are posted in appropriate places in all premises and the assembly point for the building is marked on them. We also have this information in our onsite app. We keep escape routes clear when working in the facility, and don't block them with work equipment or materials.
First aid and defibrillator	First aid supplies are available within the site area at several locations. We also have a defibrillator.

2024 incidents and injuries among employees

Type of injury	Incidents	Description	Injury rate*
Fatalities	0	N/A	0
High-consequence injuries	0	N/A	0
Minor injuries	2	1 cut on forehead 1 sprain of back	0.000006
Accident without injury	1	No injury incurred	0.000008

*Based on the number of injuries per total 2024 employees worked hours (127,482).

2024 incidents and injuries among workers who were not employees

Type of workers	Type of injury	Incidents	Description	Injury rate*
Construction, electrical, pipe, vent, and land workers (incidents with contractor own employees, incidents with contractor sub-contractors, incident with apprentice)	Minor injuries (no fatalities or high-consequence injuries)	27	8 cuts 9 impacts (to back, chest, knee, legs/ ribs/forearm) 2 electrical shocks 2 pinches 1 case of debris in eye 1 twist to knee 1 twist to finger 1 chemical inhalation 1 vein rupture 1 injury from existing condition	0.00006

*Based on the number of injuries per total 2024 estimated working hours of workers who were not employees (469,706 hours).

2024 type of injury hazards identified among employees

Identification method	Management action
Safety rounds	Sand and other anti-slip measures
Reported by employee	Additional bridges for safer access
Safety rounds	Increased monitoring while operating on duty

2024 type of ill-health hazards identified among employees

Identification method	Management action
Safety rounds	Enlargement to sufficient dimension
Safety rounds	Installation of additional signage

Healthy employees

In the collective bargaining agreement, there is insurance that if our employees fall ill, they will still get 80% of their pay. On top of this, all our employees are offered private health insurance.

We are investigating the need for health checkups for our employees. For the time being corporate healthcare services are provided when necessary.

As part of the annual appraisal between employee and manager, there is an opportunity to discuss both physical and mental health and work-life balance. If there is a need for further dialogue on employee health, the occupational health service is available to employees through their manager or HR.

Preventative health measures

EcoDataCenter also promotes health and safety among employees by offering an annual health benefit of 3,000 SEK. Ample vacation days are provided to all employees, in line with relevant collective bargaining agreements. Parental leave is also granted to all employees in line with relevant collective bargaining agreements and Swedish law. Employees are also offered working from home possibilities, allowing for more flexibility. Occupational health care is offered to employees when necessary. EcoDataCenter also provides additional health insurance to all employees.

Work-related ill health

Work-related ill health of employees during 2024 was very minimal, amounting to only 2.65% of all worked hours (3,380 hours of ill health leave compared to 127,482 total hours worked). It is not relevant according to Swedish law whether ill health derives from work or outside work. The employer still has a responsibility to offer rehabilitation. Therefore, we do not have a distinction of work-related or non-work-related ill health hours, and some of the ill health leave reported in 2024 could be related to reasons outside of the workplace. There was 1 significant case representing most of the work-related ill health leave. Other minor cases accounted for a much smaller portion of ill health leave. There were no cases of fatalities as a result of work-related ill health. In general, data centers are not as high-risk for work-related illnesses compared to many other industries such as chemicals, manufacturing, mining, or construction.

The main hazards for work-related ill health are loud work environments in server rooms and chemical handling of coolants in pump rooms. Additional hazards, related to an under-dimensioned eye washing station and inadequate signage in a high-risk area, have also been identified by regular health and safety rounds performed at the operational sites. The loud work environment hazard was addressed via implementing requirements for using ear protection (PPE). The chemical handling hazard related to coolants was addressed in 2023 by implementing safe storage requirements. But one incident of chemical inhalation during 2024 has shown us that this is still a risk area. Additionally, work-related stress was identified as a work-related ill health hazard, due to a very limited amount of such ill health leave during 2024. The ill health hazards identified in the safety rounds have not resulted in any ill health leave during 2024.

2024 ill health of employees

Total worked hours	Total ill health hours	Percentage ill health	Description of cases
127 482	3 380	2 , 65%	The majority of ill health hour increase comes from one case which occurred outside of the workplace .

About this report

This Sustainability report is issued by EcoDataCenter Holding AB (publ). This is our second external sustainability report. There are no restatements of information in this report. We relase a sustainabilty report on an annual basis.

The sustainability information in this report have been reviewed (limited assurance) by external auditors. Sustainability reports for previous years are available at www.ecodatacenter.tech.

Senior executives have been involved in the decision to have this external assurance, as well as the process of screening various assurance providers.

The reporting period and scope are the same as for our financial reporting, and both our sustainability information and financial information are presented in this report. The reporting period is from January 1, 2024, to December 31, 2024, and for sustainability data we have also added data for our base year, 2022.

EcoDataCenter's sustainability report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and the Greenhouse Gas Protocol standards for emission accounting. EcoDataCenter's sustainability report has also been prepared in accordance with the requirements of Swedish Swedish Annual Accounts act (that applied before July 1, 2024) on a voluntary basis.

This report was published on May 5, 2025 on a voluntary basis after review and approval from the Board of directors of EcoDataCenter. The previous Sustainability report was released on May 6, 2024.

For questions about this sustainability report, contact John Wernvik, Chief Marketing & Communications Officer john.wernvik@ecodatacenter.se.

Entities in reporting

This report is issued by EcoDC Holding AB (publ), 559491-2098. Entities included in this report are our site in Falun and its operations (EcoDC Falun AB, 559083-6366), our two sites in Stockholm (EcoDC Stockholm AB, 559261-3177), and our site in Piteå (EcoDC Piteå AB, 556668-1044), our acquired site in Borlänge (EcoDC Borlänge AB 559281-4767), EcoDC Östersund AB (559377-6221), our parent company (EcoDC AB, 556969-1065) and our holding companies (EcoDC Group AB, 559489-6978, EcoDC Holding AB (publ) 559491-2098, EcoDC 2 AB, 559494-6401). Not included in this report is the environmental data for the shared office we rent in Stockholm as well as where we do not have any reporting activity. This is the same scope as for our financial reporting in this report.

During the year, no mergers, acquisitions, or disposal of entities were made. Our newest data center Data Center 1C, became operational in 2024, in Falun. The material topics are applied for the organization, but environmental aspects are assessed locally for each data center too, closer to the operations as part of environmental management according to ISO 14001. The material topics related to construction mainly apply to the Falun site. In April 2025, after the balance sheet date, an agreement has been signed to divest the sites in Piteå and Stockholm.

Controls of reported data

Health and safety data and environmental data such as energy, water and waste have been reported from each data center as well as from our main contractor. The environmental data used in this report was reported from each data center. One person and one backup were appointed to report environmental and safety data. The people →→ were trained on the platform and were offered help from the sustainability team whenever needed. Environmental data such as energy, fuels, and water are something we monitor monthly. We also charge customers based on the power used from their servers, and we have electricity meters for all customers. The waste data was provided by the waste operators and logged into our system. The safety data was reported in a separate system and the incidents and hazards were then reported in our sustainability reporting system. Company-wide information was collected and reported by the company functions responsible for the processes. HR data was collected by HR in excel tables provided by the sustainability team. Qualitative data was collectively collected by various functions and reviewed by the whole management team including the sustainability function.

The ambition was that data reported is reviewed by at least two more people than the one reporting it. The data was also compared to the previous year to ensure no units of measure had been used incorrectly. Emission factors were applied in our sustainability reporting system.

We strive to integrate our IT systems with our sustainability reporting tool to minimize the risk of reporting errors as well as reducing time for reporting to increase actions needed to improve our performance.

ANNEX GHG
emission methodology

Scope and approach

EcoDataCenter strives to consistently and transparently report on its scope 1, 2, and 3 GHG emissions. Our base year is 2022 because it is the first year we collected reliable sustainability data. In 2023, we completed our first annual Scope 3 emissions inventory and assessment, resulting in a full scope 1, 2, and 3 emission inventories. Our approach to GHG emission accounting follows the Greenhouse Gas Protocol standards and we will keep refining the methodology.

Our GHG emission accounting approach includes EcoDataCenter Group and the data centers owned by the Group. This includes the office, data centers, and construction works in Falun; the two data centers in Stockholm; and the two data centers in Piteå. We account for all GHG emissions and removals from facilities over which we have financial or operational control. We have complete financial control over our data centers, while operationally the customers' choices influence our emissions to some extent. As an example, we can choose to purchase renewable electricity and the type of fuels we want to use, but our customers' hardware influences the amount energy we use. This is why we chose financial control as the GHG emission accounting approach. Our customers' energy-related GHG emissions are hence accounted for as Scope 1 and 2 emissions, rather than scope 3 emissions because they are largely in our control.

Our GHG inventory including scope 1, 2, and 3 will be updated annually and the methodology will be continually improved as we grow more mature.

Biogenic emissions, emission factors and greenhouse gases included

According to DEFRA methodology, biogenic CO_2 emissions are one of several activities labelled 'outside of scopes' by the GHG Protocol Corporate Accounting and Reporting Standard because the Scope 1 impact of these fuels has been determined to be a net '0' (since the fuel source itself absorbs an equivalent amount of CO_2 during the growth phase as the amount of CO_2 released through combustion). The emissions of greenhouse gases from all our scope 1, 2, and 3 activities (containing any of the Kyoto protocol greenhouse gases CH4, N2O, HFCs, PFCs, SF6, NF3) have been converted to CO_2-equivalents. For refrigerants, the emission factors used came from accredited service staff and reported annual data to the local municipalities. For fuels, the emission factors used for Diesel, HVO100 and for EcoPar A from the supplier. Scope 3 emission factors came from DEFRA, Boverket, and supplier EPDs, guarantees of origin, or other climate footprints.

Data collection and quality

The operational GHG data is managed and collected in the reporting software as of 2023. Prior to 2023, all data was reported manually. The data related to GHG emissions is reported from each data center. It will also be publicly disclosed through CDP annually and in our sustainability report. Data for 2022–2024 is considered to have sufficient quality and accuracy, allowing for the completion of a full Scope 1, 2, and 3 GHG inventory. The methodologies are transparently described and applied consistently and thoroughly during data collection, data review, and emission calculations. The 2022–2024 GHG emissions inventories are considered to be relevant, inclusive, and transparent – following the accounting approach. The LCAs or PCFs that are produced to calculate emissions for category 1 and 2, are done by external consultants and reviewed by us.

Data reporting and assurance

We apply a four-eye principle for the data we collect. The Sustainability manager is responsible for reviewing data, emission factors, calculations, and methodologies. The Sustainability manager is also responsible for ensuring that people who report and verify data are trained to have the right skills for reporting. The Sustainability manager manages the annual sustainability reporting and ensures assurance requirements are met. data is partly collected in our sustainability reporting system where emission factors are pulled from the sources we have chosen. Our 2024 emissions data was subject to a limited assurance by EY.

Emission factors

Emission factors used in our calculations are documented in the sustainability reporting platform. Our emission factors are sourced primarily from respectable public databases, but also from supplier data, EPDs, and PCFs in some cases. Key emission factor sources include the DEFRA Emission Factor Set for Advanced Users, Boverket (the Swedish National Board of Housing, Building and Planning) building climate database, and EPDs for purchased electricity and heat from suppliers such as Vattenfall and Pite Energi.

Key assumptions

In general, very few assumptions are made in our GHG emission accounting. In scope 1 and 2, we have highly accurate activity data, emission factors, and the ability to identify errors or abnormalities. Therefore, we do not have any significant assumptions in scope 1 and 2. In scope 3, some assumptions must be made for calculations related to business travel, employee commuting, and purchased goods and services. Assumptions for employee commuting were that 62 employees commuted using medium-sized Diesel engine cars an average of 30 km round-trip per day for 226 total commuting days, because there were 251 workdays in Sweden in 2024 and an assumption of 25 vacation days per employee was made (and 8 employees were assumed to have worked at home). In a small number of cases, certain business travel assumptions were made related to travel distance based on origins and destinations, round-trip travel distances, average distance per SEK, and hotel country locations. Wastewater is omitted from scope 3 because it was deemed insignificant, and the DEFRA emission factors are the only such factors available but are not relevant in a Swedish context given how the energy mix in the UK differs from the energy mix in Sweden. GHG emission values for capital goods come from EPDs from the product suppliers when available, and when not available the values come from EPDs of similar products scaled as necessary. Lastly, we allocate GHG emissions from construction materials and capital goods to the year the data center is commissioned.

Recalculations

It is important to compare our GHG emissions year-on-year. For 2024, no recalculations have been made. We commit to recalculate our baseline 2022 emissions according to the GHG Protocol, ISO 14064-1, and SBTi recommendations when necessary. If we sell or buy a data center, we recalculate the baseline because the changes are typically large and will have an impact on the baseline and targets. If we build new data centers, however, the change will be deemed organic, and a baseline adjustment is not required according to the standards. If relevant emission factors change, or if we identify calculation or reporting errors, this may trigger a baseline adjustment if the changes are above 5% of the year's emissions. When recalculating GHG emissions, we use an all-year approach reducing the need to recalculate the baseline the year after. We reassess our Scope 3 emissions annually, at least for the categories with the largest impact such as Scope 3 Categories 1, 2, and 3 and as our assessment methodology matures.

Auditor's Limited Assurance Report on EcoDC Holding AB (publ)´s Sustainability Report

To EcoDC Holding AB (publ), corporate, identity number 559491-2098.

Introduction

We have been engaged by the Board of Directors of EcoDC Holding AB (publ) to undertake a limited assurance engagement of EcoDC Holding´s Sustainability Report for the year 2024. The company has defined the scope of the Sustainability Report on pages 130-141 in this document.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on pages 124-127 that are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative) that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) *Assurance engagements other than audits or reviews of historical financial information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagements vary in nature from, and are less in scope than for, a reasonable assurance engagement conducted in accordance with International Standards on Auditing and other generally accepted auditing standards.

The firm applies International Standard on Quality Management 1, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of EcoDC Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Consequently, the procedures performed in a limited review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. The conclusion based on limited assurance procedures does not provide the same level of assurance as a conclusion based on reasonable assurance.

Our procedures performed in the limited assurance engagement are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

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

Conclusions

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Stockholm, 29 April, 2024
Ernst & Young AB

Katrine Söderberg	Marianne Förander
Authorized Public Accountant	Expert Member of FAR

EcoDataCenter 2024 GRI Content Index

EcoDataCenter has reported in accordance with the GRI Standards for the period January 1, 2024, to December 31, 2024. The information in our 2024 Sustainability Report and in this GRI Content Index have been prepared in accordance with the international GRI Standards for sustainability reporting of economic, environmental, and social impacts. The GRI Universal Standards were used and no GRI Sector Standards were used for the 2024 reporting.

Updates to disclosed GRI indicators

2024 was the second year that EcoDataCenter published its Annual Sustainability Report in accordance with the GRI Standards. Based on recommendations as part of the external limited assurance of this Sustainability Report, a reassessment has been made to the selected GRI indicators disclosed, based on the business activities and locations of EcoDataCenter. This has resulted in a reduction of disclosed GRI indicators for 2024, ensuring that the GRI disclosures listed are material, concise, and relevant to the business activities for EcoDataCenter. →→

→→ It should be noted that no data points presented in the Annual Sustainability Report have been excluded between the reporting year 2023 and 2024, with a single exception of Biodiversity where the reported data for 2024 has been done in accordance with GRI 403. For this disclosure, which was omitted for 2023, more information and data points have been disclosed for 2024 as compared to 2023 to include content of the GRI 403 disclosure.

GRI Indicators excluded in reporting from 2023 to 2024

Not considered material to the activities and locations of EcoDataCenter	202-1. 302-4, 302-5, 304-3, 305-6, 305-7
Considered overlapping with other GRI indicators based on current activities and locations of EcoDataCenter	202-2, 403-10, 408, 409

GRI Indicators added in the reporting for 2024

Biodiversity indicators that were omitted for 2023	304-1, 304-2, 304-4

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
General Disclosures		**Mandatory**			
GRI 2: General Disclosures 2021	2-1 Organizational details		Our company	**p. 14**	
	2-2 Entities included in the organization's sustainability reporting		About this report	**p. 124**	
	2-3 Reporting period, frequency and contact point		About this report	**p. 124**	
	2-4 Restatements of information		About this report	**p. 124**	
	2-5 External assurance		About this report	**p. 124**	
	2-6 Activities, value chain and other business relationships		Our company	**p. 14**	
	2-7 Employees		Our employees	**p. 108**	
	2-8 Workers who are not employees		Our employees	**p. 109**	
	2-9 Governance structure and composition		Governance	**p. 16**	
	2-10 Nomination and selection of the highest governance body		Governance	**p. 20**	
	2-11 Chair of the highest governance body		Governance	**p. 18**	
	2-12 Role of the highest governance body in overseeing the management of impacts		Governance	**p. 16**	
	2-13 Delegation of responsibility for managing impacts		Governance	**p. 16**	
	2-14 Role of the highest governance body in sustainability reporting		Governance	**p. 16**	

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
	2-15 Conflicts of interest		Governance	**p. 16**	
	2-16 Communication of critical concerns		Governance	**p. 47**	
	2-17 Collective knowledge of the highest governance body		Governance	**p. 18**	
	2-18 Evaluation of the performance of the highest governance body		Governance	**p. 20**	
	2-19 Remuneration policies		Governance	**p. 20; p. 114**	
	2-20 Process to determine remuneration		Governance	**p. 20**	
	2-21 Annual total compensation ratio		Governance	**p. 114**	
	2-22 Statement on sustainable development strategy		Governance	**p. 32**	
	2-23 Policy commitments		Governance	**p. 32**	
	2-24 Embedding policy commitments		Governance	**p. 32**	
	2-25 Processes to remediate negative impacts		Governance	**p. 46**	
	2-26 Mechanisms for seeking advice and raising concerns		Governance	**p. 47**	
	2-27 Compliance with laws and regulations		Governance	**p. 33**	
	2-28 Membership associations		Governance	**p. 53**	
	2-29 Approach to stakeholder engagement		Governance	**p. 48**	
	2-30 Collective bargaining agreements		Working conditions, unions, and collective bargaining	**p. 112**	
Material Topics		**Mandatory**			
GRI 3: Material Topics 2021	3-1 Process to determine material topics		Our material topics	**p. 22**	
	3-2 List of material topics		**Our material topics**	**p. 24**	
Indirect economic impacts		**Local communities & stakeholders**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Impact and infrastructure investments for local communities	**p. 44**	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		Impact and infrastructure investments for local communities	**p. 44**	
	203-2 Significant indirect economic impacts		Local commitment	**p. 44**	
Procurement Practices		**Environmental and social impact, risks, and opportunities in the supply chain**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Supply chain sustainability	**p. 38**	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		Supply chain sustainability	**p. 38**	

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
Anti-corruption		**Business Ethics and compliance**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Bribes and anti-corruption	**p. 36**	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption		Bribes and anti-corruption	**p. 36**	
	205-2 Communication and training about anti-corruption policies and procedures		Bribes and anti-corruption	**p. 36**	
	205-3 Confirmed incidents of corruption and actions taken		Bribes and anti-corruption	**p. 36**	
Anti-competitive Behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics		Bribes and anti-corruption	**p. 36**	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Bribes and anti-corruption	**p. 36**	
Energy		**Energy use and energy efficiency**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our energy use	**p. 56**	
GRI 302: Energy 2016	302-1 Energy consumption within the organization		Our energy use	**p. 56**	
	302-2 Energy consumption outside of the organization		Our energy use	**p. 56**	
	302-3 Energy intensity		Our PUE	**p. 58**	
Water and Effluents		**Water use**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our relation to water	**p. 78**	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		Our relation to water	**p. 78**	
	303-2 Management of water discharge-related impacts		Our relation to water	**p. 78**	
	303-3 Water withdrawal		Our relation to water	**p. 78**	
	303-4 Water discharge		Our relation to water	**p. 78**	
	303-5 Water consumption		Our relation to water	**p. 78**	
Biodiversity		**Biodiversity**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Biodiversity	**p. 90**	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Our impact on Biodiversity	**p. 93**	

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
	304-2 Significant impacts of activities, products and services on biodiversity		Biodiversity	**p. 90**	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		Our impact on Biodiversity	**p. 93**	
Emissions		**Climate change**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our GHG emissions	**p. 62**	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		Scope 1 & 2 emissions	**p. 63**	
	305-2 Energy indirect (Scope 2) GHG emissions		Scope 1 & 2 emissions	**p. 63**	
	305-3 Other indirect (Scope 3) GHG emissions		Scope 3 emissions	**p. 64**	
	305-4 GHG emissions intensity		Carbon Usage Effectiveness (CUE)	**p. 67**	
	305-5 Reduction of GHG emissions		Total GHG emissions per scope	**p. 66**	
Waste		**Waste**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Circularity	**p. 82**	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		Our waste	**p. 84**	
	306-2 Management of significant waste-related impacts		Our waste	**p. 84**	
	306-3 Waste generated		Our waste	**p. 84**	
	306-4 Waste diverted from disposal		Our waste	**p. 85**	
	306-5 Waste directed to disposal		Our waste	**p. 85**	
Supplier Environmental Assessment		**Environmental and social impact, risks, and opportunities in the supply chain**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Supply chain sustainability	**p. 38**	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		Supply chain sustainability	**p. 38**	
	308-2 Negative environmental impacts in the supply chain and actions taken		Supply chain sustainability	**p. 38**	
Employment		**Attraction and retention of talent**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our employees	**p. 108**	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		Our employees	**p. 108**	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		Our employees	**p. 108**	
	401-3 Parental leave		Our employees	**p. 108**	

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
Labor/Management Relations		**Attraction and retention of talent**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Working conditions, unions, and collective bargaining	**p. 112**	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes		Working conditions, unions, and collective bargaining	**p. 112**	
Occupational Health and Safety		**Health and safety**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Occupational health and safety	**p. 117**	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		Occupational health and safety	**p. 117**	
	403-2 Hazard identification, risk assessment, and incident investigation		Incidents	**p. 120**	
	403-3 Occupational health services		Healthy employees	**p. 122**	
	403-4 Worker participation, consultation, and communication on occupational health and safety		Occupational health and safety	**p. 117**	
	403-5 Worker training on occupational health and safety		Occupational health and safety	**p. 117**	
	403-6 Promotion of worker health		Healthy employees	**p. 122**	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Healthy employees	**p. 122**	
	403-8 Workers covered by an occupational health and safety management system		Healthy employees	**p. 122**	
	403-9 Work-related injuries		Incidents	**p. 120**	
Training and Education		**Attraction and retention of talent**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Employee development and training	**p. 115**	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		Employee development and training	**p. 115**	
	404-2 Programs for upgrading employee skills and transition assistance programs		Employee development and training	**p. 115**	
	404-3 Percentage of employees receiving regular performance and career development reviews		Employee development and training	**p. 115**	
Diversity and Equal Opportunity		**Diversity and inclusion**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Diversity disclosures	**p. 111**	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		Diversity disclosures	**p. 111**	
	405-2 Ratio of basic salary and remuneration of women to men		Salary and remuneration	**p. 114**	

GRI Standard	Disclosures	Related material topic	Location in 2024 annual report	Page number	Comments
Non-discrimination		**Diversity and inclusion**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Inclusion and anti-discrimination	**p. 110**	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		Inclusion and anti-discrimination	**p. 110**	
Freedom of Association and Collective Bargaining		**Attraction and retention of talent**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our material topics + Supply chain sustainability / Impact and infrastructure investments for local communities + Local commitment	**p. 22; p. 38; p. 44**	EcoDataCenter identifies very low risk in its own operations. This disclosure is material, but only relevant to suppliers in the supply chain.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Remediations and grievance mechanis; Employees – working conditions, unions and and collective bargaining; Supply chain sustainability	**p. 46; p. 112; p. 38**	EcoDataCenter identifies very low risk in its own operations. This disclosure is material, but only relevant to suppliers in the supply chain.
Local communities		**Local communities**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Our material topics + Supply chain sustainability / Impact and infrastructure investments for local communities + Local commitment	**p. 22; p. 38; p. 44**	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		Supply chain sustainability / Impact and infrastructure investments for local communities + Local commitment	**p. 38; p. 44**	
	413-2 Operations with significant actual and potential negative impacts on local communities		Supply chain sustainability / Impact and infrastructure investments for local communities + Local commitment	**p. 38; p. 44**	
Supplier social assessment		**Environmental and social impact, risks, and opportunities in the supply chain**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Supply chain sustainability	**p. 38**	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		Supply chain sustainability	**p. 38**	
	414-2 Negative social impacts in the supply chain and actions taken		Supply chain sustainability	**p. 38**	
Customer privacy		**Business Ethics and compliance**			
GRI 3: Material Topics 2021	3-3 Management of material topics		Security & Information security	**p. 50**	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		Security & Information security	**p. 50**	

Enabling the **green transition**

EcoDataCenter

Sustainability Report 2024