Cubility AS

Sustainability Report

2022

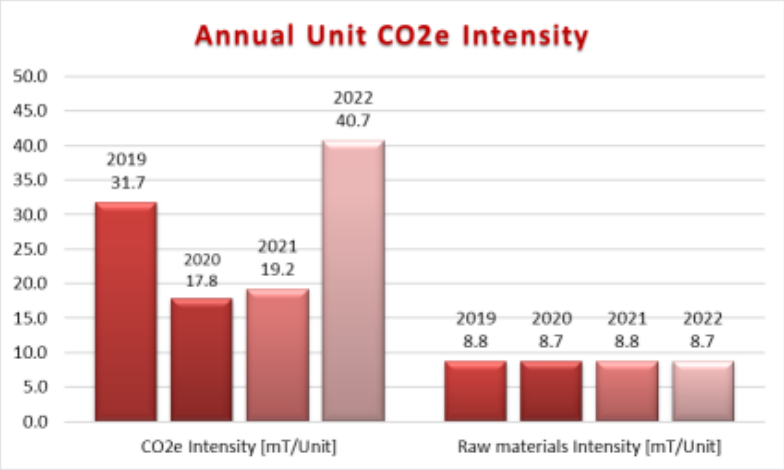
www.cubility.com

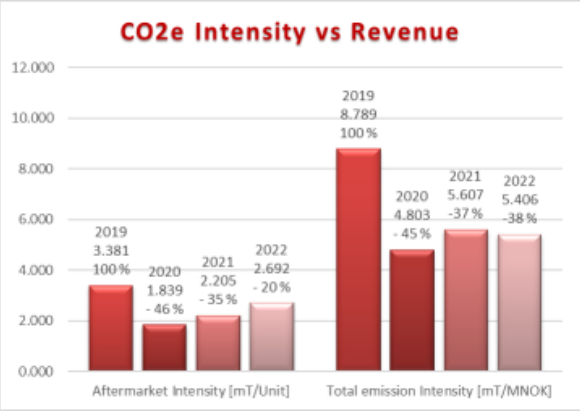
Nordic Sustainability Reporting Standard

SUSTAINABLE DEVELOPMENT GOALS

CUBILITY

Executive Summary





Our climate commitment

No one can do everything, but everybody can do something.

- Cubility operations are to be carbon neutral from 2025. Carbon Offsetting will be used to compensate our remaining footprint.
- We will increase the percentage of recycled materials to minimum 50% by 2025.
- We will be using 100 % renewable energy by 2025.
- Cubility should by 2026 have 30% of our revenue from industry segments other than Oil & Gas.
- We will continue to reduce our waste; the waste intensity should be below 200 kg / MNOK revenue by 2025 (20% reduction from 2021).
- More than 80% of our waste should be sorted into correct fractions.
- Remaining waste should either be recirculated or used for energy. Less than 1% waste should be defined as non-used waste by 2025.

Cubility will be a part of the solution to a better future.

CUBILITY®

About this report

Sustainability is becoming one of the most important and pressing themes of our age. Environmental, Social and Governance (ESG) are the three central factors in measuring the sustainability and ethical impact of a company.

Cubility have been reporting on ESG issues for a longer period with an increasing details year by year. We have during this time built a Management System ensuring the Environment, Sustainability and Governance matters are covered and integrated.

Cubility used 2021 to identify how sustainability responsibility will apply to us and our business. The legal aspects of sustainability are yet not applying to a company as Cubility. However, the moral aspects and responsibility to conduct our business in a sustainable way apply to us all.

Cubility want to ensure that we focus in the areas that matters. We are still learning but believe getting started is the best way to continue our learning process.

ESG factors, though non-financial, have a material impact on the long-term risk and performance of a company. Principally, companies that use ESG standards are more conscientious, less risky and are more likely to succeed in the long run.

The report is the result of data extracted from our ERP system. ESG data have been provided to our owners through a portal at Greenstone+. Greenstone+ provides sustainability reporting software solutions and is providing such reporting to all companies in the Triton Portfolio companies. Financial data guides our decision-making, but the non-financial data you`ll find in this report allows us to measure and drive meaningful change.

The CO_2e accounting / calculations have been performed by Carbon-Zero, a division of Data Engineering Project s Limited UK.

This report describes the relevance of ESG in the industry that Cubility is operating in. It highlights our key material ESG themes, assesses performance on those themes and provides an action plan to identify further value creation opportunities. The report is updated annually to monitor progress and keep the company focused on achieving our goals.

This report and data herein is also reviewed and approved by the board and management of Cubility.

Note: All judgements are, where possible, based on or backed by analyses conducted by Greenstone+ & Carbon-Zero

www.carbon-zero.uk
www.greenstoneplus.com

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CEO Introduction

Cubility will be a part of the solution to a better future.

During 2021, Cubility implemented actions for our journey towards a responsible and conscious road to meet our targets. Our work are not completed even though individual milestones are met.

Our focus is still on separation solutions and waste treatment, from solids control in the oil and gas industry, to a broad range of applications within fluid treatment in all sectors.

Cubility is traditionally operating in the Oil and Gas industry. We will continue operation in this market segment as our machine is providing a much smaller carbon footprint compared to traditional technology for solids control.

MudCubes are cutting operational cost, reducing waste and reducing carbon emission. The MudCube is part of the solution to reduce the overall impact of such activities until energy transition has made the industry redundant.

This sustainability report for 2022 is published as our second year and contains our reporting and status on the conscious transformation.

We have performed CO2e calculations for MudCube operations as well as a complete CO2e accounting for our operations from **2019** and forward.

Our direct carbon emissions are reduced (Scope 1 & 2) by installation of more efficient heating systems. Tracking the use of re-circulated steel as way to further improve in our product related CO2e footprint (Scope 3) is currently done.
Use of local suppliers are done in order to ensure minimum transport of parts in our supply chain.

2020 and 2021 was special due to the Covid pandemic. 2022 represented a more normal year in many ways, however Cubility business was heavily effected by closure of business in Russia as well as the Covid situation in China.

We are ensuring the wellbeing and safety of our employees. Our employees are considered a valuable asset. Use of electronic media for collaboration across different locations & borders are increasingly used by both us, our partners and customers. We nurse this momentum to minimize travel activities forward, to stay within a more sustainable level compared to pre-pandemic time.

Sustainable business is the only way to perform business going forward.

Kai Preben Sæveland (CEO)

«Compared to conventional methods, the MudCubes are cutting operational cost, reducing waste and carbon emissions. At the same time improving the working environment»

The MudCube provides:

43%	Less CO_2e
35%	Less waste
↗	Better working environment

Contents

This report applies the Brundtland Commission's definition of sustainable development – that we need to leave the Earth the same or better condition for future generations. Sustainability is a broad concept that covers a range of economic, social and environmental issues. In line with the NSRS process, we focus on climate-related topics first. This allows us to kick-start our sustainability journey and to raise our ambitions with time, eventually covering all dimensions of sustainability

Cubility at a glance

What do we do:

- Cubility's Head Quarters are in Sandnes, Norway. Cubility has agreements with selected partners around the world, providing global sales and support services to our customers.
- Our mission is to deliver innovative technologies that outperform our customers' expectations for efficiency and value for money, while at the same time mitigating the environmental cost of industrial activity, with a vision of a brighter and more sustainable future.
- Cubility is built by dedicated people who take great pride in developing and manufacturing high-quality products that will outperform your expectations.
- Cubility was established in 2005, with the ambition to develop an innovative and revolutionary replacement for the traditional 'shaker' systems in the O&G sector. The result of this development work is the **MudCube,** introduced to the industry in 2012.
- Since then, more than 200 of these unique machines have been delivered to customers across the world. Cubility has later expanded its core technology into other industries, and we promise that there will be more to come.

Our key Stakeholders

- Customers
- Business Partners
- Shareholders
- Nature
- Employees
- Management
- Board Members
- Society

Legal form

- Organisational form: AS
- Organisational Number: 988 100 242

NACE Code

- C28.9 - Manufacture of other special-purpose machinery (primary).
- B9.1 - Support activities for petroleum and natural gas extraction (Secondary).

Key Suppliers:

- Cubility are using 85% local suppliers and the remaining 15% are in North Europe area.
- This is a conscious decision based on sustainability principles.

67,7 MNOK Revenue	**13** Full time Employees
0 Accident rate	**16%** Female on BoD

How we operate

Transparency is the foundation of sustainability reporting. We here invite our stakeholders to understand how we run our organisation by providing insight into our core values, internal management structure and level of sustainability integration.

How Do We Govern Sustainability

Our sustainability decision-makers.

The management and the CEO is our primary decision-makers.

The Board of Directors are mandated the supervisory role.

Person responsible for reviewing material topics & Head of Sustainability

Knut Haga

VP Production & Supply Chain.

Non-financial disclosures that have been included in our financial report.

Sustainability, Energy consumption and GHG emission for the respective reporting year is included in the financial report.

How we integrate circularity into our business model.

Increasing the use of re-circulated materials in the 316L used.

Action for 2023:

> 20% Re-circulated material in 316 L used.

Management Structure

How we structure management processes.

Cubility AS have a flat organisation whose governance structure has a minimum level of hierarchical supervision and where all employees are involved in these matters. Supply Chain personnel are more than others able to change our way forward. We have also appointed a Head of Governance / Compliance Officer in Cubility. The CEO is the ultimate responsible employee for governance in Cubility.

Committees of the highest governance body.

Our Board of Directors are directly involved in all decision making related to economic, environmental and social topics.

Our Commitments

Our values, principles, standards and norms of behaviour

Cubility is committed to responsible business practices and to conducting business to the highest ethical standards.

We strive to maintain stable and transparent relationships with all of our contractual 'partners in business' including, but not limited to, our employees, suppliers, advisers, agents, and clients.

As a minimum requirement, Cubility and our partners must adhere to Cubility Policies, to the legislation and regulations prevailing in the countries in which they operate, and to any relevant international regulations related to anti-corruption and business ethics.

Our Core Values

Our values, principles, standards and norms of behaviour.

Creativity: We shall be courageous and open-minded in our quest to identify the best mutual solutions together with our 'partners in business'.

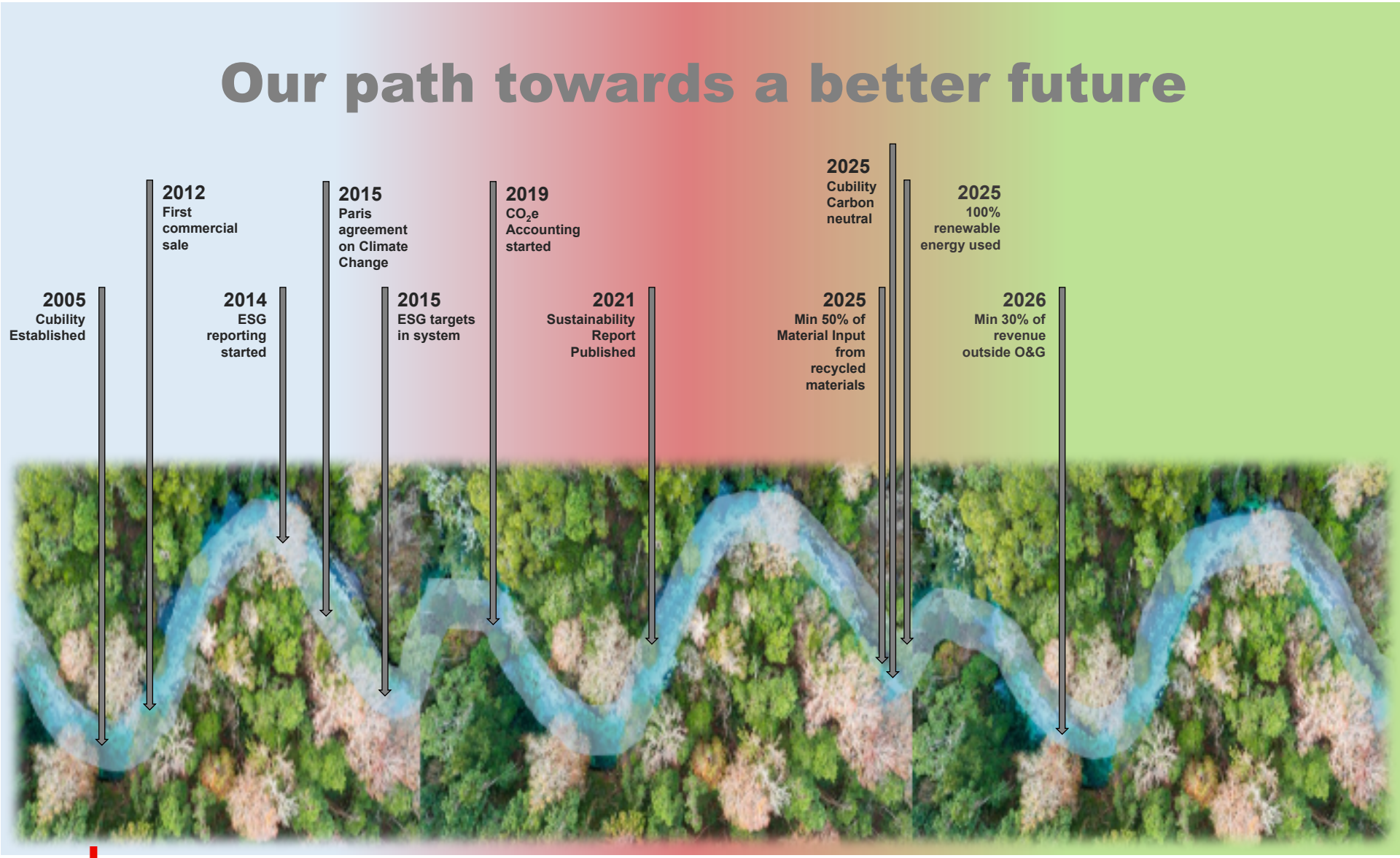
Reliability: We shall be a trustworthy company that our 'partners in business' can rely on, and shall aim to deliver to the highest ethical, societal and governance standards.

Efficiency: We shall encourage innovation and pursue efficiency and collaboration together with our 'partners in business'.

Determined: We believe in what we do, and know it takes team effort together with our Business Partners to become the best and deliver quality products and services.

Cubility Sustainability road map

Our path towards a better future



Overview of our key material themes

Highlighting ESG themes that are relevant to our business using a materiality map

- **ENVIRONMENTAL**
  - Material use
  - Energy & carbon
- **SOCIAL**
  - Employee health & safety
  - Impact of products & services
- **GOVERNANCE**
  - Supply chain control
  - Sustainability principles

CUBILITY

Our Achievements

Material use

- Cubility are building a machine for challenging processes and 316L is the main material in use.
- We have performed a CO_2e accounting of the process of sourcing parts, assembly, testing and delivery for the machine. We have also included the aftermarket parts & consumables in this accounting to get the full picture of emissions involved.
- The outcome of this CO_2e mapping can be used to identify adequate actions to reduce the carbon footprint we currently hold.
- We will be increasing the demands for recirculated materials in our supply chain to improve our performance going forward.
- We will also increase our focus on the transport solutions selected in general.

Energy & carbon

- Cubility works to ensure that its business activities are energy efficient and that the environmental impacts are reduced wherever possible.
- Travel activity need will be challenged to maintain the lowest possible activity for such beyond 2021.
- We have installed further air to air heat pumps to replace the Natural Gas heating system in our facilities.
- The test center have in the past been using a lot of electrical energy in combination with diesel-based heating for the fluids used. We have implemented a much more conscious decision path related to the use of heating.
- Our CO_2e accounting have been performed for 2019 and forward. This provides a solid basis for focus and improvement going forward.

Employee health & safety

- Occupational health & safety (H&S) is top priority in the organization with inspections conducted on a quarterly basis.
- Cubility strive to form a dynamic organization based upon teamwork, with competent and motivated employees who take responsibility for meeting customer requirements and achieving our vision and goals.
- Absenteeism have traditionally been low in Cubility. Our performance have been in the area of 3,6% to 1,5% in 2016-2022. We have registered 2 ea. First aid accident from 2016-2022.
- H&S issues are reported and discussed by the board on a regular basis. An online handbook gives employees access to Cubility Management System, including H&S policies and regulations.
- We are performing an Employee Satisfaction Survey on a quarterly basis.

Impact of products & services

- Our MudCube have an important role to play in the O&G industry. Better filtration results in dryer cuttings. Dryer cuttings is less waste. CO_2e footprint is much lower using MudCube, compared to traditional shaker solutions.
- We are building our machine in 316 L as this materials is much more durable and does not require sandblasting and surface protection in the challenging environment they are installed.
- We do not have any waste streams to water or marine environment. Our waste stream are continuously monitored, and we have KPI`s established to secure improvements.
- We are also monitoring use of re-circulated materials in in 316 L purchased and targets are defined to ensure improvements.

Supply chain control

- Cubility have built a supplier base mainly using local manufacturers / suppliers (85%). This ensure a low CO_2e footprint both from electrical power and transport related to our parts.
- Remaining 15% of our suppliers are in neighboring countries located in Northern Europe. This is currently approx. 12% of the raw materials. We will try to reduce this further going forward.
- Our supplier philosophy is also supporting sustainability and governance principles, as exposure in these countries are low and the travel towards better sustainability more developed at this stage.
- We are screening our suppliers and such screening needs to be conducted minimum every 3 years. Audits and supplier visits are also performed according to ISO 9001:2015.

Sustainability principles

- Sustainability principles are embedded in our Cubility Management System (Policies, procedures and guidelines).
- We are performing regular training for our personnel within HSEQ & ESG areas.
- Our business partners are required to accept our governance through Code Business Ethics and Code of Conduct policies.
- Cubility has dedicated personnel working on ESG related matters. ESG is an embedded theme in our board reporting/meetings, management meetings as well as Town hall meetings.
- Top management and the owners of the organization undertake action to promote policies and fully support all objectives, safety measures and procedures as documented in our Cubility Management System (CMS). All employees are expected to do the same.
- Cubility is ISO 9001:2015 certified and is a supporter of the UN SDG`s.

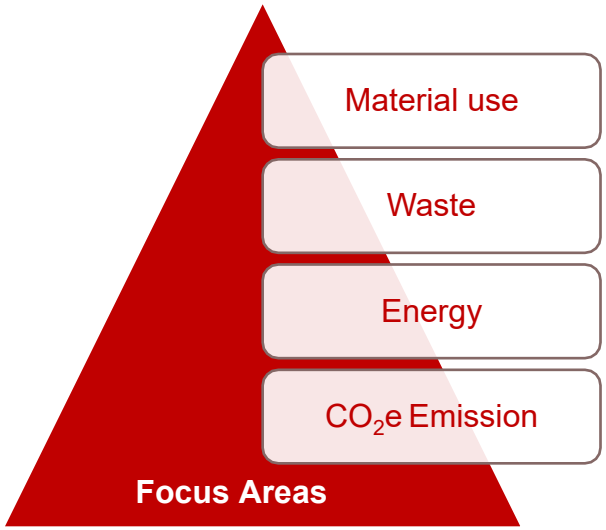
Plan & status

Area:	Focus Area:	Objectives:	Targets 2025:	Actions 2022:	Actions 2023:	Actions 2024:	Actions 2025:
E (Planet)	Climate change	Contribute to national and international carbon reduction targets.	**Carbon neutral** by 2025.	**Establish reference data** for 2019, 2020 & 2021 ☑	Replace company diesel vehicle with **electric vehicle.**	**Identify any other carbon energy** units possible to replace.	**Replace any other targeted carbon energy** units.
		Contribute to national and international carbon reduction targets.	We will be **using 100 % renewable energy** by 2025.	Natural Gas Heating should be replaced with **air-to-air heat pump heating** for warehouse and assembly area. ☑	We will transition from use of diesel heaters to **electrically powered heaters for Mud-heating** in our testing.	Purchase electrical power with renewable certificates.	
	Reuse and circular economy	Optimize resource use	Minimum **50% recycled materials** in our use **316L** materials by 2025.	**Increase** use of **recycled materials to 10%** by establishing routines and reporting of content. ☑	**Increase** use of **recycled materials to 20%** by adding more parts into the traced part of our purchasing	**Increase** use of **recycled materials to 40%** by adding further parts into the traced part of our purchasing	**Increase** use of **recycled materials to 50%** by adding even further parts into the traced part of our purchasing
		Reduce waste	Reduce waste intensity to **below 200 kg / MNOK** revenue.	**Establish KPI and historic data** for comparison. ☑	Perform **information campaign** with status, targets and actions.	Implement training as necessary to meet objectives.	
		Optimize waste treatment	**Less than 1%** of our waste should be landfill (**un-usable**) for either recirculation or heating).	More than **80%** of our waste should be **sorted** into correct fractions. **Ongoing**	We will improve sorting by promoting better sorting through targeted **information campaign** internally	Implement training as necessary to meet objectives.	
S (People)	Workers in value chain	Ensure workers rights and conditions	**Ensure contractual arrangements** with suppliers and subsuppliers crutial to business and products, **allow audits and involvement**. Increase female share above **25%**	**Establish supplier risk ranking tool / procedure.** **Ongoing**	**Complete risk ranking** of our suppliers. Implement **supplier policy**. Implement **DEI policy** and mandatory **DEI training.**	Perform **annual risk ranking** of suppliers. Implement policy into <u>many</u> contracts & agreements	Perform **annual risk ranking** of suppliers. Implement policy into <u>all</u> contracts & agreements
	Diversity, equity & inclusion	Be an inclusive employer with equal opportunities for all					
G (Governance)	Leadership and culture	Responsible business practices implemented and monitored.	Ensure that Cubility **maintain** an **industry leader position** in independent ESG evaluation (Greenstone+ or similar)		**Implement mandatory training in** all policies. Internal review and evaluation of policies and implementation.	Communication Ensure **ESG is on the agenda** in all meetings, internal or public information published.	
	Control Environment	Effective internal controls systems, policies and procedures					
	Disclosure and stakeholder engagement	Transparency and awareness to all stakeholders	**Establish a compliance management system** including policies, annual risk assessment, program and training	**Improve sustainability report** to ensure all elements expected by stakeholders are covered. ☑	Ensure **public reporting** of non financial issues by year end. Ensure **training program** is complete and performed.		Establish **external audit** of our ESG system

How to calculate emissions

Our climate impact

We aim to play our part in the green and sustainable transition. That means steering our efforts towards the areas where we can contribute the most – that is, where our climate impact is greatest



How to calculate emissions

Greenhouse gas emissions are categorised in three groups or "Scopes" by the most widely-used international accounting tools, the Greenhouse Gas (GHG) Protocol. We have specified which Scope each material topic covers in this report.

Scope 1 covers all direct emissions from the activities of the Cubility Group (Cubility As & Cubility Services AS. This covers fuels, combustion, company vehicles and fugitive emissions.

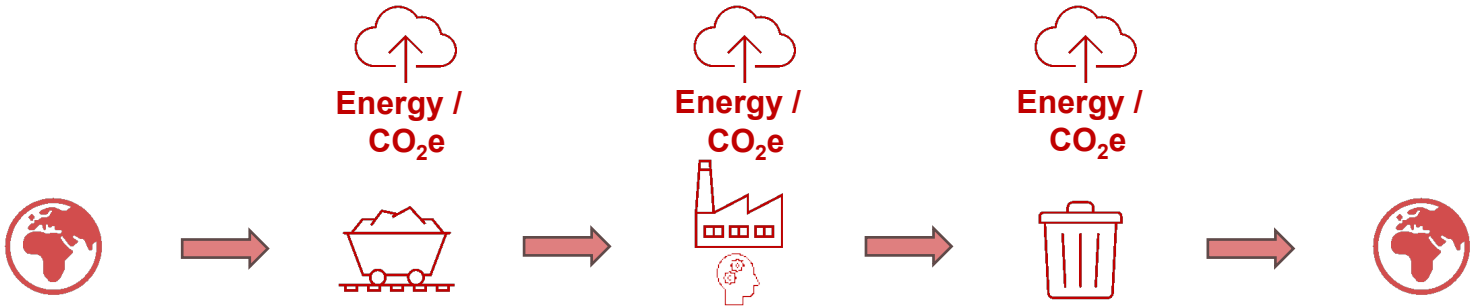
Scope 2 covers indirect emissions from electricity purchased and used under the organisation. This covers purchased electricity, heat & steam.

Scope 3 covers all other indirect emissions. Scope 3 are a consequence of the activities of Cubility Group, but occur by from sources not owned or controlled by Cubility. Included as part of our Scope 3 analysis is an assessment of our supply chain, considering the embodied carbon within spent raw materials as well as the manufacturing, shipping and logistics requirements, including travel, of the organisation.

Emissions have been determined using the UK government`s BEIS emission factors database and all overseas business facilities were calculated using a relevant nationally or internationally recognised methodology for assigning carbon emissions.

The results of this assessment have been documented in alignment with the UK GHG Protocol and reported as per scopes 1,2 & 3.

How we look at sustainability



Materials

- Materials are the substances we are purchasing – Ie. plastic, wood, metal, fuel etc. to make our product.
- Resource extraction for material use is responsible for half of the world`s carbon emission.

Us

- Cubility purchase parts, have these transported to us, assemble & test our equipment before these are moved to our customers.
- Our offices, workshops, test center etc. are defined as our facilities.

Waste

- Waste are unwanted or unusable materials, typically discarded from our facilities.
- CO_2e are also seen as a waste in this picture. We consider the emission for our facilities, embodied material emission as well as emission from all transport we perform.

Circ. Economy Opportunity

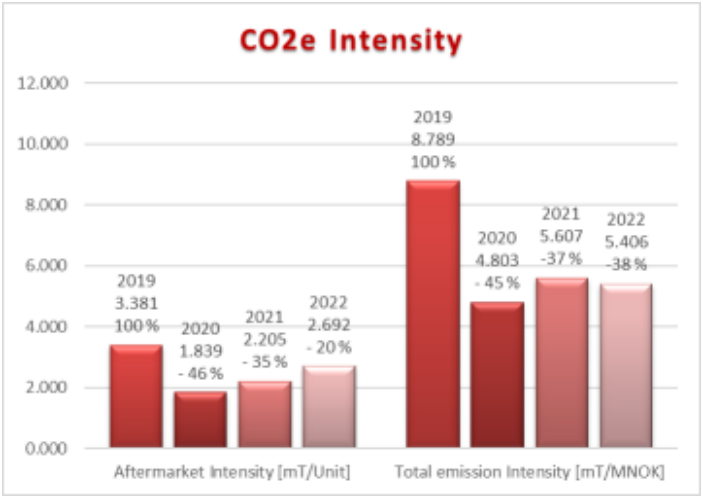
- Our target is to increase our use of re-circulated materials in our material input.
- We will investigate further opportunities in 2023.

Circ. Economy Opportunity

- Our target is to increase recirculation share of our waste while reducing our waste intensity.
- We will investigate further opportunities in 2023.

KPI details

KPI:	2019	2020	2021	2022
Non-Renewable Materials [mT]	90	120	113	55
Renewable Materials [mT]	10	14	12	9
Total Material Input [mT]	**100**	**134**	**125**	**64**
Waste Intensity [kg / Unit]	834	935	852	1667
Waste recycle rate [%]	78	76	80	63
Total Waste [mT]	**20,02**	**34,6**	**29**	**15**
Non-Renewable Energy [kWh]	290 912	64 915	145 566	113 968
Renewable Energy [kWh]	512 731	444 262	648 696	520 094
Total Energy [kWh]	**803 643**	**509 178**	**794 262**	**634 062**



Business Category:	2019		2020		2021		2022	
Scope 1 – Diesel, Natural Gas [mT]	52,214	88,6 %	11,113	63,6 %	26,168	76,3 %	7,124	51,6 %
Scope 2 – Electricity Norway / Russia [mT]	5,916	10,0 %	5,178	29,6 %	7,281	21,2 %	3,608	26,1 %
Scope 3 – Waste & Water [mT]	0,779	1,3 %	1,196	6,8 %	0,885	2,6 %	3,068	22,2 %
Total Cubility Facilities [mT]	**58,9**		**17,5**		**34,3**		**13,8**	
Raw Materials [mT]	210	27,6 %	323,7	49,2 %	297,5	46,0 %	78,7	21,5 %
After Market [mT]	293	38,5 %	252	38,3 %	256,4	39,6 %	182,3	49,8 %
Staff Travel [mT]	181,7	23,9 %	36,8	5,6 %	22,8	3,5 %	44,0	12,0 %
Shipping [mT]	13,7	1,8 %	22,8	3,5 %	2,0	0,3 %	2,8	0,8 %
Cubility Facilities (See above) [mT]	58,9	7,7 %	17,5	2,6 %	34,3	5,3 %	13,8	3,8 %
Russian Office / Operation					28,6	4,4 %	43,1	11,8 %
Cutting, Bending, Welding & Machining [mT]	4,1	0,5 %	5,2	0,8 %	5,0	0,8 %	1,3	0,3 %
Global Supply Chain [mT]	0,2	< 0,1 %	0,3	< 0,1 %	0,3	< 0,1 %	0,1	< 0,1 %
Total Cubility Group [mT]	**761,6**		**658**		**646,8**		**366,1**	
Carbon Intensity Cubility Group [mT CO_2e/Unit]	31,7		17,8	- 46 %	19,0	- 35 %	40,7	+28 %
Carbon Intensity Cubility Group [kg CO_2e / MNOK]	8.789		4.803	- 45 %	5.607	- 37 %	5.406	- 39 %

Material Use

KPI:	2019	2020	2021	2022
Non-Renewable Materials [mT]	90	120	113	54,9
Renewable Materials [mT]	10	14	12	9,2
Total Material Input [mT]	**100**	**134**	**125**	**64,1**

Improvement Target:

- We want to increase the quantity of recycled materials used in our products to **20%** by next reporting cycle.
- We will increase the percentage of recycled materials to minimum **50%** by 2025.

How to improve:

- Our initial approach have been to calculate all this material as virgin materials. We have started in 2022 to challenge our suppliers to report this figure. We met target to get traceability in place.
- We will increase the recycled materials used in the coming years.

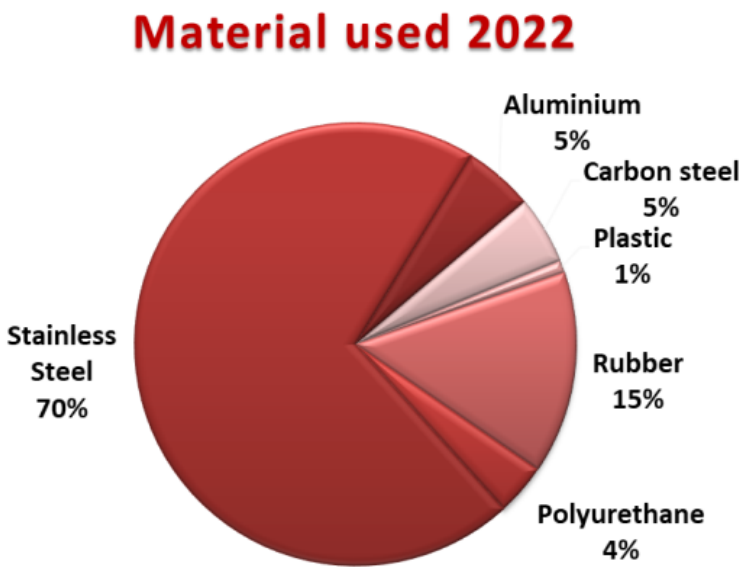
Materials

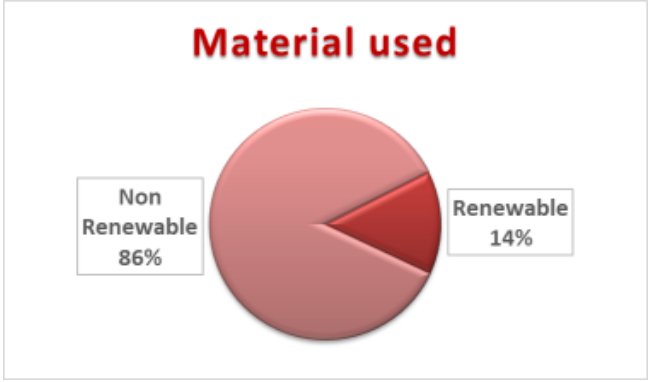
Method used to retrieve data:

- This data are extracted from our ERP system and the waste handlers reporting system.
- All materials used to build our machines are calculated by estimation (Exploded quantities / BOM x Units delivered).

Data uncertainty:

- The data can be regarded as high quality and accurate data.
- All steel calculated to be virgin steel as we do not have adequate data to define the part recirculated steel used at this point).
- Thus, one can assume that the share of renewable materials are higher than reported.

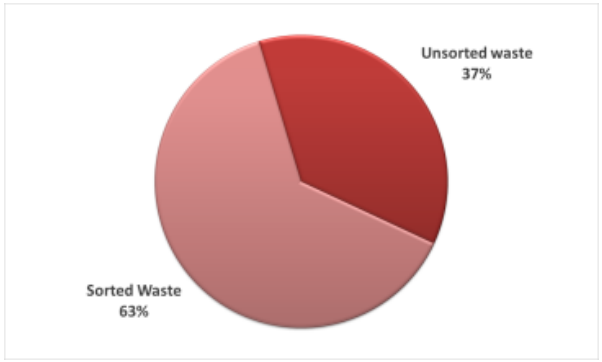




Our material input recycled have increased from 10 % to 14%

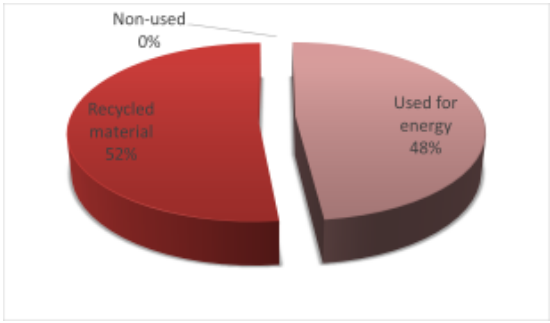
Waste

KPI:	2019	2020	2021	2022
Waste Intensity [kg / Unit]	834	935	852	1667
Waste Intensity [kg / MNOK]	231	253	250	218
Waste recycle rate [%]	78	76	80	64
Total Waste [mT]	**20,02**	**34,6**	**29**	**14,8**



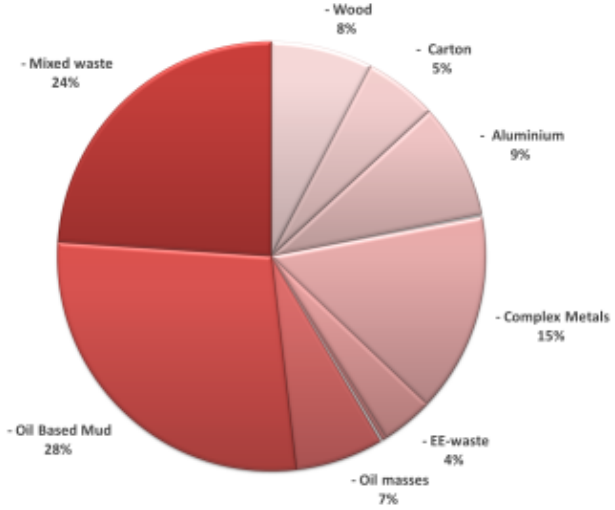
Improvement Target:

- We will increase our target for sorted waste in fractions to be larger than **80%** in 2023.
- We will keep our fraction of Non-used waste to consistently below **1%** by 2025.
- We want to decrease our waste intensity to below **200 kg / MNOK** revenue by 2025.



How to improve:

- We will improve sorting by promoting better sorting through targeted information internally.
- Information is also considered key factor on reducing non-used waste.



Method used to retrieve data:

- Data gathered from Supplier of Waste Collection Services.
- Environmental report downloaded from online portal.

Waste

Data uncertainty:

- The data can be regarded as high quality and accurate data.
- The vendors of these services have had mandatory reporting for quite some time now and thus maturity level should be good.

Energy

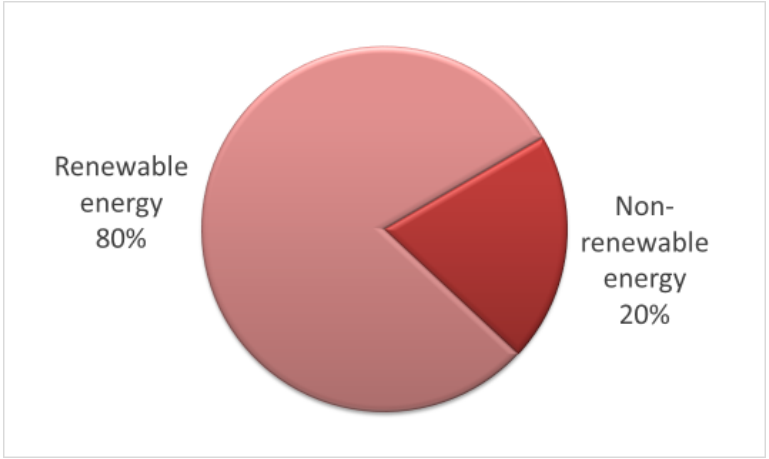
KPI:	2019	2020	2021	2022
Non-Renewable Energy [kWh]	290 912	64 915	145 566	128 491
Renewable Energy [kWh]	512 731	444 262	648 696	505 571
Total Energy [kWh]	**803 643**	**509 178**	**794 262**	**634 062**

Improvement Target:

› We will be using **100 %** renewable energy by 2025.

How to improve:

› We will transition use of diesel heaters into electrically powered heaters if possible. We have replaced natural gas heating with electrical (air to air) in 2022.



› Non-renewable energy sources are diesel used for vehicle & fluid heating + Natural Gas used for building heating.

› Electricity in Russia have been estimated as 15% renewable

Materials

Method used to retrieve data:

› Data gathered from Supplier monitoring our electrical & natural gas consumption.

› Other data (Diesel) from our ERP system.

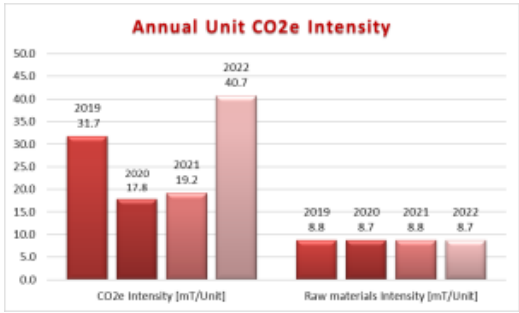
Data uncertainty:

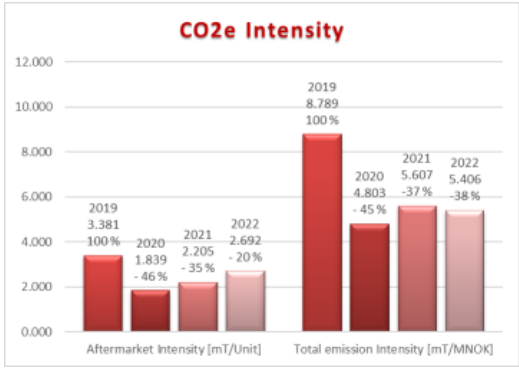
› The data can be regarded as high quality and accurate data.

› We have used data from Table 11 in the NSRS Implementation Tool on page 94 to define the split og renewable electrical power (98% and non-renewable electrical power (2%) in the Norwegian grid.

GHG Emission

Business Category:	2019		2020		2021		2022	
Scope 1 – Diesel, Natural Gas [mT]	52,214	88,6 %	11,113	63,6 %	26,168	76,3 %	7,124	51,6 %
Scope 2 – Electricity Norway / Russia [mT]	5,916	10,0 %	5,178	29,6 %	7,281	21,2 %	3,608	26,1 %
Scope 3 – Waste & Water [mT]	0,779	1,3 %	1,196	6,8 %	0,885	2,6 %	3,068	22,2 %
Total Cubility Facilities [mT]	58,9		**17,5**		**34,3**		**13,8**	
Raw Materials [mT]	210	27,6 %	323,7	49,2 %	297,5	46,0 %	78,7	21,5 %
After Market [mT]	293	38,5 %	252	38,3 %	256,4	39,6 %	182,3	49,8 %
Staff Travel [mT]	181,7	23,9 %	36,8	5,6 %	22,8	3,5 %	44,0	12,0 %
Shipping [mT]	13,7	1,8 %	22,8	3,5 %	2,0	0,3 %	2,8	0,8 %
Cubility Facilities (See above) [mT]	58,9	7,7 %	17,5	2,6 %	34,3	5,3 %	13,8	3,8 %
Russian Office / Operation					28,6	4,4 %	43,1	11,8 %
Cutting, Bending, Welding & Machining [mT]	4,1	0,5 %	5,2	0,8 %	5,0	0,8 %	1,3	0,3 %
Global Supply Chain [mT]	0,2	< 0,1 %	0,3	< 0,1 %	0,3	< 0,1 %	0,1	< 0,1 %
Total Cubility Group [mT]	761,6		**658**		**646,8**		**366,1**	
Carbon Intensity Cubility Group [mT CO_2e/Unit]	31,7		18,4	- 46 %	19,0	- 35 %	40,7	+ 28 %
Carbon Intensity Cubility Group [kg CO_2e / MNOK]	8.789		4803	- 45 %	5.607	- 37 %	5,406	- 37 %





Improvement Target:

- Our CO2e Intensity factor [mT/MNOK] should continue to decrease.
- We shall be carbon neutral by 2025.

How to improve:

- We have 2019 & 2020 numbers to compare with. Both these year have been much affected by the Covid19 Pandemic.
- We will reduce our CO2e related to raw materials by increasing amount of re-circulated 316L.
- We will consciously monitor and limit our travel activities going forward.
- Remaining emissions which may be unavoidable will be offset to achieve a status of Carbon Neutral, as a last resort by 2025.

Waste

Method used to retrieve data:

- Data gathered from Supplier of Waste Collection Services.
- Environmental report downloaded from online portal.

Data uncertainty:

- The data can be regarded as high quality and accurate data.
- The vendors of these services have had mandatory reporting for quite some time now and thus maturity level should be good.

GHG Product (2021)

The MudCube is an enclosed, lightweight and cost-efficient alternative which combines high airflow through a rotating belt with micro vibrators underneath.

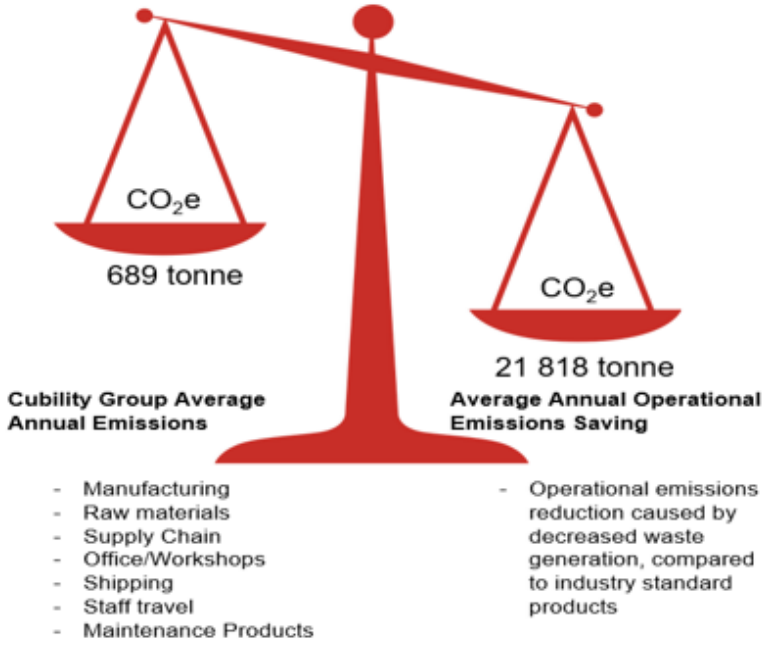
By improving separation, the MudCube helps to reduce the amount of waste product generated by increasing the volume of fluid that can be retained and reused. This outcome helps the operator to reduce their costs and reduce associated Scope 3 Greenhouse Gas (GHG) emissions.

The independent consultancy company CarbonZero (A division of Data Engineering Projects Ltd) have done a technical carbon emissions comparative assessment of a typical solids control operation using traditional shale shakers compared to MudCubes.

Net emission savings based on the installed base are summarised as follows:

Net Emissions Savings				
Year	Onshore Unit Savings (tCO_2e)	Offshore Unit Savings (tCO_2e)	Company Annual Emissions (tCO_2e)	Net Savings (tCO_2e)
2019	8,975	4,153	762	12,366
2020	18,360	3,866	658	21,568
2021	26,053	3,400	647	29,453
Total				**63,387**

Table 1–Net Emissions Savings



› Minimum 2 ea. Units would need to be in operation for operational Unit savings to outweigh Cubility's corporate emissions in 2021.

› On Average it takes 3,5 ea. operating days for a Unit's savings to surpass its share of Cubility's operational emissions, based on 2021 figures.

› Cubility' s average annual net saving (21,129 tCO2e) would be the equivalent of removing the emissions associated with electricity consumption for over 120,000 homes for an entire year. Based on Norway's average annual household electricity consumption, of 16,000 kWh.

Preparing for the future – Climate Risk

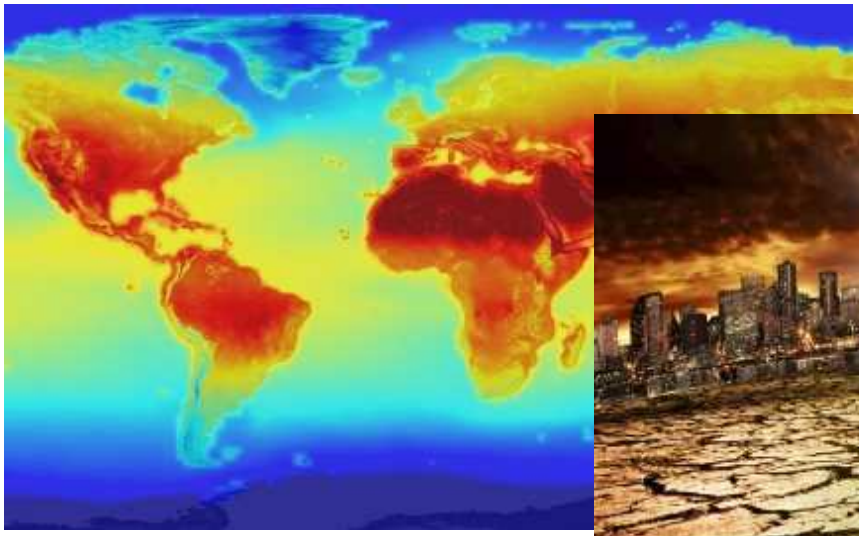
Climate change effects us in different ways. While some are becoming more vulnerable to flooding, others will experience disruptions to their global value chains.

The Nordic climate will become warmer, wetter and wilder. At the same time, climate change has resulted in climate policies – on the national and EU level – to reduce greenhouse gas emissions and adapt society to a change in the climate. These regulations also pose a risk. Climate change will also affect us, and we have to be prepared for this.

How we estimate climate risks

We have made an analysis of our own operations and predicted how these may be affected by climate change in the short-, medium-, and long term. In the process, we identified what climate risks and opportunities are expected to have the greatest impact on our activities and intend to prioritize topics strategically in line with our findings.

Our estimations are self assessment based and should be viewed as a first step towards making more comprehensive climate risk assessments in the future.



Climate Risks

Here is an overview over the climate risks that are expected to have the greatest impact to our operations in the short-, medium- and long term picture. The strategic importance of a risk depends on the potential scope of its impact in relation to our level of knowledge about the topic.

NSRS Index:	PRIORITY LEVELS BASED ON RELEVANCE AND IMPACT - KNOWLEDGE MEASURED BY AVERAGE			
		Short-term perspective	Long-term perspective	Knowledge level *(from 1 to 10, where 1 is lowest and 10 is highest)*
Transition	*Increased pricing of GHG emissions*	Low	Medium	5.0
	Enhanced emissions-reporting obligations	Low	Medium	5.0
	Mandates on and regulation of existing products and services	Low	Medium	4.0
	Substitution of existing products and services with lower emissions options	Medium	Medium	9.0
	Costs to transition to lower emissions technology	Medium	Medium	5.0
	Changing customer behavior	Medium	High	3.0
	Uncertainty in market signals	Medium	High	3.0
	Increased cost of raw materials	Medium	High	5.0
	Shifts in consumer preferences	Medium	High	4.0
	Stigmatization of sector	High	High	6.0
	Increased stakeholder concern or negative stakeholder feedback	Medium	High	5.0
Physical	*Increased severity of extreme weather events such as cyclones and floods*	Low	Medium	2.0
	Changes in precipitation patterns and extreme variability in weather patterns	Low	Medium	2.0
	Rising mean temperatures	Low	Low	2.0
	Rising sea levels	Low	Low	2.0

Climate Opportunities

Climate change entails a range of opportunities. As society adapts to changes, new climate-friendly demands will arise – in energy, infrastructure, products and services. The strategic importance of an opportunity depends on the potential scope of its impact in relation to our level of knowledge about the topic. Here is an overview of the key opportunities that we face based on these parameters.

NSRS Index:	PRIORITY LEVELS BASED ON RELEVANCE AND IMPACT - KNOWLEDGE MEASURED BY AVERAGE			
		Short-term perspective	Long-term perspective	Knowledge level (from 1 to 10, where 1 is lowest and 10 is highest)
Resource efficiency	*Increased pricing of GHG emissions*	Medium	Medium	4.0
	Use of more efficient modes of transport	Low	Medium	2.0
	Use of more efficient production and distribution processes	Low	Medium	2.0
	Use of recycling	Medium	High	5.0
	Move to more efficient buildings	Medium	Medium	3.0
	Reduced water usage and consumption	Low	Low	5.0
Energy source	*Use of lower-emission sources of energy*	Low	Low	5.0
	Use of supportive policy incentives	Low	Low	1.0
	Use of new technologies	Low	Low	1.0
	Participation in carbon market	Medium	Medium	4.0
	Shift toward decentralized energy generation	Low	Low	1.0
Products and services	*Development and/or expansion of low-emission goods and services*	Medium	Medium	5.0
	Development of climate adaptation and insurance risk solutions	Low	Low	1.0
	Development of new products or services through R&D and innovation	Medium	Medium	2.0
	Ability to diversify business activities	Medium	Medium	4.0
	Shift in consumer preferences	Medium	High	5.0
Markets	*Access to new markets*	Medium	Medium	3.0
	Use of public-sector incentives	Low	Low	1.0
	Access to new assets and locations needing insurance coverage	Low	Low	1.0
Recillience	*Participation in renewable energy programs and adoption of energy-efficiency measures*	Low	Low	2.0
	Resource substitutes/diversification	Low	Low	5.0

EU`s Taxonomy

One of the most pressing regulatory risks in the Nordic region, also for SMEs.

The EU Taxonomy is a new classification tool for sustainable private sector activities. By providing a set of industry-specific technical screening criteria, the Taxonomy dictates whether a specific private sector activity is sustainable or not. It is designed to counter greenwashing and to steer finance in a sustainable direction. While directly targeting large companies and financial actors, smaller organisations may be affected indirectly through its financial sponsors and upstream customers as they need the non-financial data from their SME customers in order to report on the taxonomy.

Nace Codes

The taxonomy classifies activities after NACE codes.

Are We Targeted By The Taxonomy?

We have analysed whether and our operations are affected by the Taxonomy. As for today, there are yet no technical screening criteria for our codes under the EU Taxonomy.

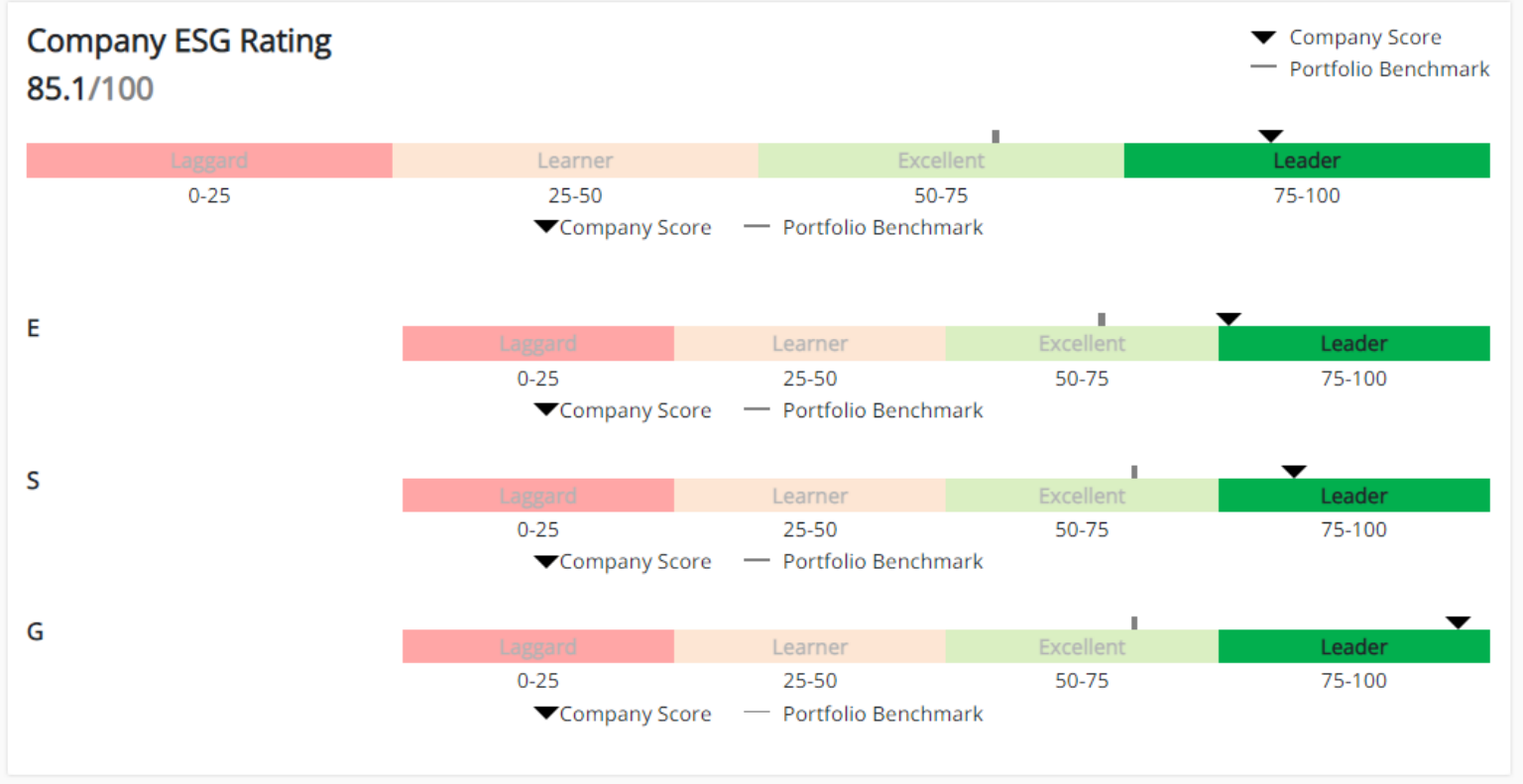
- 28.92 - Production of Machines & Equipment for mining, quarrying and construction.
- 09.10 - Support Activities for petroleum and natural gas extraction.

European Commission

Sustainable finance: Commission welcomes deal on an EU-wide classification system for sustainable investments (Taxonomy)

ESG rating (2022)

- ESG have been an important issue to Cubility and our owners for many years. We have been subject to 3rd party (Greenstone+) reviews of our management system specifically related to ESG matters. These reviews are used to obtain a status and identify the areas for further improvement.
- We strive to be an industry leader also in these areas and will continue our quest to obtain Leader Score in all 3 categories.



Targeted UN SDGs* for Cubility

Topic	SDG Goal		SDG Target	Contribution	KPI
Material use		Build resilient infrastructure and promote inclusive and sustainable industrialization and innovation. Ensure sustainable consumption and production patterns.	**9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean environmentally sound technologies and industrial processes. **12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Cubility aims to contribute positively by increasing the resource efficiency of offshore structures as MudCube is more energy- / emission- efficient compared to shaker technology. Cubility aims to contribute positively by increasing the use of recycled materials in our products.	➢ CO2e calculations ➢ Recirculated materials used. ➢ Sorting of waste ➢ Waste intensity ➢ Explore circular economy opportunities.
Energy & carbon		Take urgent action to combat climate change and its impacts.	**13.2:** Integrate climate change measures into (national) policies, strategies and planning.	Cubility aims to decrease negative impact by increasing use of renewable energy, improve efficiency on energy solutions used and offsetting the carbon emissions of our operations.	➢ Renewable energy used ➢ Carbon footprint ➢ Explore circular economy opportunities.
Employee health & safety		Ensure healthy lives and promote well-being for all at all ages. Promote Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	**3.8:** Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all. **8.8:** Protect labor rights and promote safe and secure working environments for all workers.	Cubility aims to contribute positively by contribution to our employee's health and safety, our close society as well as using our impact towards business partners towards the same goal. Cubility aims to increase positive impact by having practices and policies in place that protect labor rights and promote safety of all workers.	➢ Employee Satisfaction score. ➢ Absenteeism score ➢ ISO 9001:2015 certification ➢ Business Partner Risk Assessment
Impact of products & services		Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	**14.1:** By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.	Cubility aim to contribute positively as our machine provides better filtration with less carbon footprint. We will continue our quest to investigate product carbon footprint.	➢ Product Carbon footprint.
Sustainability principles		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all.	**16.6:** Develop effective, accountable and transparent institutions at all levels **16.7**: Ensure responsive, inclusive, participatory and representative decision-making at all levels	Cubility aims to contribute positively by integrating sustainability principles throughout all parts of the organization. Building knowledge in this areas will be key and further challenge our suppliers accordingly.	➢ Business Partner Risk Assessment. ➢ 3rd party ESG rating ➢ Triton ESG focus & action plans

Transparency Act

A new Transparency Act relating to enterprises' transparency and work on basic human rights and decent working conditions was adopted by the Norwegian Parliament on June 18th 2021 and came into force on July 1st 2022.

The purpose of the Transparency Act is to promote companies' respect for basic human rights and decent working conditions.

Cubility must carry out due diligence assessments every year in accordance with the Transparency Act and publish an account of the assessments. This report comprises the company's duty to account for the due diligence assessments conducted by the company in the period of July 2022 – June 2023.

Cubility has its own Code of Conduct and Ethical Guidelines that anchor our work with human rights and decent working conditions. The guidelines includes our work to fulfill the requirements set out in the Transparency Act. A human rights risk management program is in place, and human rights due diligence on supplier activities are implemented.

Ambitions & Progress

We work continuously on assessment of risks related to the company's activities and make use of our business contacts (suppliers and business partners*) in this respect. Furthermore, the company works continuously on implementing measures to achieve the ambitions set by the company.

Supplier Risk Ranking Procedure – Completed

Supplier Risk Ranking 2022 – Completed

Implement further requirements into supplier policy – 2023

Implement policy into many of our contracts – 2024

Implement Policy into all or our contracts – 2025

Improve supplier Risk Ranking method – 2025

Cubility have developed a risk ranking tool to support this process. The tools is building on the existing supplier evaluation process, ERP data as well as our business part risk tools. We have obtained a systematic overview of the first-tier suppliers, our business partners and other know sub-contractors. The supplier are defined as high, medium or low risk through the tool.

Cubility have not revealed any violations of human rights or decent working conditions in the reporting year. We have also not identified any significant risk of breach / negative consequences as mentioned.

Cubility acknowledges that we have just started the process and the results so far reflect that our due diligence as only "scratched the surface".

We strive continuous improvement also in our supplier risk evaluation process and accuracy. Contractual conditions should over time be implemented to ensure full supplier traceability.

What`s Next?

Sustainability is a complex matter.

What`s good for the planet in one minute, may be deemed harmful a few months later in the light of new research.

It is extremely difficult to have a positive impact in place without creating some level of harm in another. We nonetheless do our best and aim to constantly improve and keep our selves updated.

WE WELCOME YOUR FEEDBACK

This is our first step towards sustainability reporting for Cubility . Our plan and status shown in this report serves at our reference for future improvements.

Year 2022 was the first year for Cubility to define actions based on having CO_2e accounting from 2019 and forward available. We have completed most of our actions defined for 2022 and will continue our work going forward.

As we gain experience with time and learn from the process, we will also raise our ambitions.

We welcome any feedback, input or ideas you might have.

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This report issued according to the Nordic Sustainability Reporting Standard – NSRS Beginner level. This report is adapted to the Global Reporting Initiative (GRI), the Non-Financial Reporting Directive (NFRD) and the Task-Force on Climate-Related Disclosures (TCFD). This does not mean that the report is aligned with these frameworks.