HARMONY ENERGY

Powering a sustainable future

Our sustainability approach

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Introduction from our CEO

At Harmony Energy, our mission is to power a more environmentally, socially and economically sustainable future. By enabling renewable energy to flourish, our sites support a cleaner, more secure energy system, while putting us on the path to more affordable energy and driving economic growth.

The world we live in today

We are seeing first-hand the impact of a rapidly warming world. Extreme weather events, rising temperatures and climate-related risks affect people, economies and the planet. Simultaneously we face an unstable political climate.

'Keeping the lights on' is an ever-increasing challenge in this world. Reliance on volatile fossil fuel imports raises concerns about energy security and affordability.

Now is the time to act and accelerate the transition to a home-grown, lower-carbon energy system. We believe it can deliver a more environmentally, socially and economically sustainable future for generations to come.

The impact of our projects

Harmony Energy has evolved into a leader in developing, building, owning and operating utility-scale battery energy storage system (BESS) and renewable energy generation projects in Europe. Our projects play a crucial role in achieving climate goals. By maximising the potential of home-grown renewable energy sources, our projects support climate change mitigation, while strengthening energy security and putting us on the path to more affordable energy.

Delivering projects sustainably and responsibly

Sustainability and responsibility are fundamental to everything we do. We are guided by our core values of sustainability, collaboration, safety and innovation to leave the world in a better place than we found it.

Every industry faces challenges. We have made a strong start and are proactively facing our environmental, social and economic impacts head on.

We can also create a more positive footprint for our industry. We do that through carefully considering our impact throughout the project lifecycle. This involves community investment, biodiversity gains and creating skilled jobs at the heart of the energy transition.

Our sustainability approach

This document sets out our refreshed sustainability approach. It provides a framework to measure, manage and report on Harmony Energy's sustainability priorities, as identified by its key stakeholders. The approach covers Harmony Energy's majority owned projects in Europe.

Working together to make it happen

We combine a proven track record with deep expertise and a passion for advancing a clean, home-grown energy system. While we are proud of our recognised leadership in sustainability, no organisation can tackle these challenges alone. By collaborating with colleagues, communities, government and industry, we can make a meaningful contribution to a sustainable future for our company, our environment, and the communities where we operate.

Peter Kavanagh
CEO of Harmony Energy

Sustainability is at the heart of everything we do.

It enables us to achieve our purpose and supports our mission to become one of the leading developers, owners, and operators of utility-scale BESS in Europe.

The bigger picture

Achieving net zero represents one of the most significant challenges of our time. Rapid decarbonisation of energy systems will require a huge shift in the way we generate, distribute, sell and buy our energy.

Climate change

2024 was the hottest year on record, marked by unprecedented heatwaves and other extreme weather events around the world. Average global temperatures at the surface of the planet have now exceeded 1.5°C above pre-industrial levels.[2]

To limit global warming in line with the Paris Agreement, global greenhouse gas (GHG) emissions need to decrease by at least 45% by 2030 compared to 2010 levels.

With energy accounting for approximately three quarters of global GHG emissions, the energy sector has the opportunity and the responsibility to respond to the world's climate challenge.[3]

Decarbonisation of the energy system at scale and at pace is possible with the deployment of renewable electricity generation and BESS.

At COP28, 133 countries agreed to triple renewable capacity worldwide to at least 11,000 GW by 2030. At COP29, 65 countries signed the Global Energy Storage and Grids Pledge to grow energy storage capacity to 1,500 GW by 2030.

Energy security and affordability

Against the backdrop of developed economies' continued reliance on fossil fuel imports, geopolitical tensions have contributed to concerns about energy security as well as energy costs and affordability.

Renewable electricity generation combined with BESS can help address these concerns. Renewable generation is increasingly cost-competitive with fossil fuels. BESS can maximise the benefits of renewable energy production by storing low-cost renewable power for use at peak times, reducing energy system costs and supporting energy security.

Green transition is a skills transition

The transition requires a skilled workforce that can deploy low carbon technology. Sustainable economy skills and experience are key in the 21st century to achieving energy resilience.

The energy transition is driving jobs growth. For instance, in 2024, the total number of jobs in the solar sector increased by 5% to 865,000, with several European countries – Germany, France, United Kingdom and Italy – each employing over 100,000 people.

And the EU's Net-Zero Industry Act is expected to further grow jobs in clean energy, potentially reaching 2.5 million additional jobs in the sector by 2030.[4]

91% of newly commissioned utility-scale renewable capacity delivered power at a lower cost than the cheapest new fossil fuel-based alternative.[5]

International Energy Agency

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Materiality and engagement

A thorough review helped identify the priority sustainability topics that our internal and external stakeholders want Harmony Energy to address in the next few years.

The process

In the summer of 2025, we conducted a review of our current approach to sustainability. We did this by doing a 'materiality assessment' to inform what sustainability topics Harmony Energy should prioritise, compared to its 2022 assessment. This helped us to update our sustainability approach and reporting.

A 'material' sustainability topic is one that has the potential to impact the long-term viability of the company and is of concern to stakeholders.

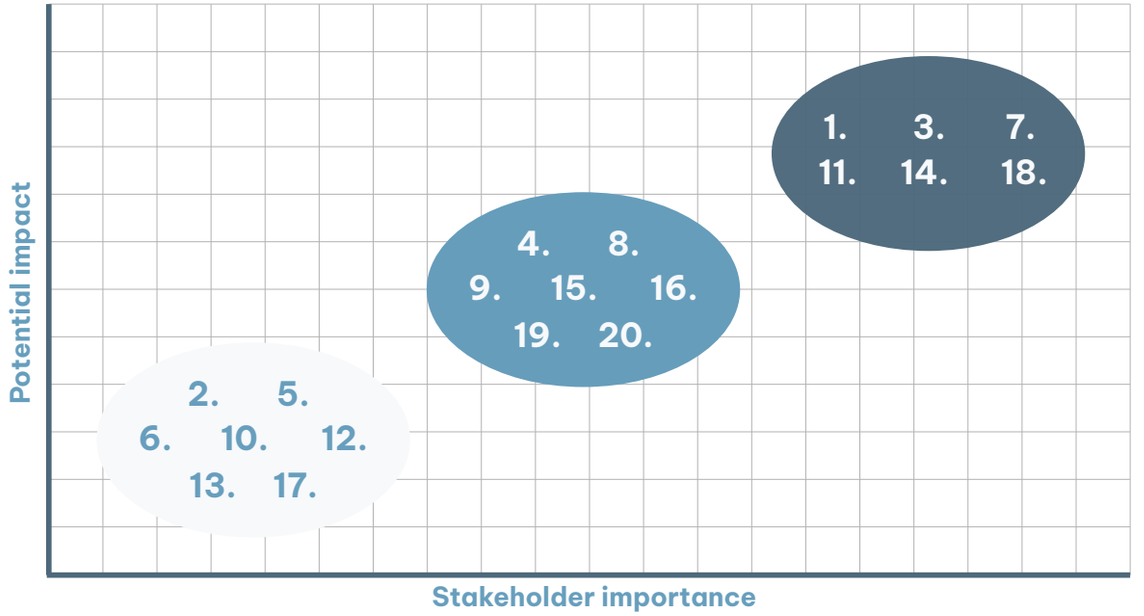
Two criteria are considered to assess the materiality of sustainability areas:

- Importance to key stakeholders: employees, investors, customers, suppliers, partners, peers, media, regulators and communities.
- Potential impact of Harmony Energy on the environment and wider communities – positive or adverse.

Alongside a peer, media and regulatory review, we interviewed 30 internal and external stakeholders. We also sent a survey to all employees. Combining our qualitative and quantitative analysis gave us a good sense of how the market and business had changed.

What has changed since 2022?

- Compared with 2022, stakeholders placed a bigger emphasis on the topic of health and safety. This highlights the importance of maintaining the highest standards on our sites to protect workers and the public.
- Compared with 2022, the challenges of the solar and battery supply chain were increasingly prioritised by stakeholders: primarily labour and human rights, raw material and decommissioning concerns came to the fore.
- Broader topics such as energy security and affordability were mentioned more by stakeholders compared to 2022.
- Topics associated with the local impact of sites, specifically climate, biodiversity and community engagement and social vitality were considered to be of significant stakeholder importance and impact again in 2025 and were scored in the 'high' category.



H	1. Climate change mitigation	H	11. Labour and human rights
L	2. Climate change adaption	L	12. Diversity and inclusion
H	3. Emissions	L	13. Ethics and compliance
M	4. Land use	H	14. Community engagement and social vitality
L	5. Water	M	15. Wealth creation and employment
L	6. Pollution	M	16. Employee wellbeing
H	7. Biodiversity	L	17. Employee development
M	8. Waste	H	18. Health and safety
M	9. Circular economy and use of resources	M	19. Cybersecurity
L	10. Energy affordability	M	20. Energy security

Sustainability approach

At Harmony Energy, our mission is to power a sustainable future for everyone. For us, sustainability is not just about words, it's about action that benefits climate, nature and people.

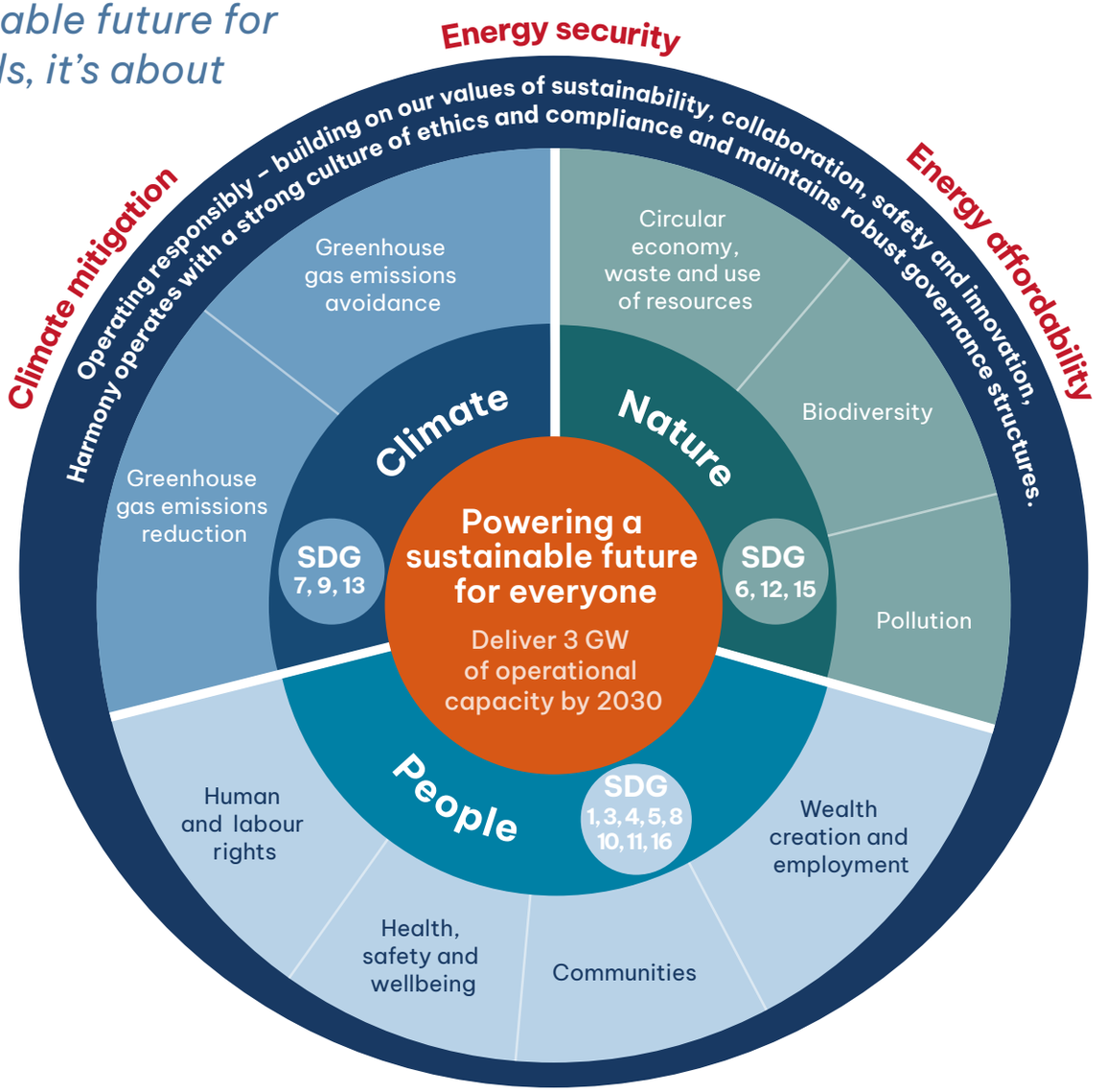
Powering a sustainable future

Harmony Energy develops, builds, owns and operates grid-scale BESS and renewable energy generation projects to create value for shareholders, while contributing to a more environmentally, socially and economically sustainable future.

Our projects support a cleaner, more secure and affordable energy system. We are committed to delivering projects sustainably and responsibly. Harmony Energy's sustainability approach, which was informed by a thorough materiality assessment, provides a framework to measure, manage and report on our priority areas of climate, nature and people for the next three years across our operations and supply chains. The approach covers Harmony Energy's majority owned projects in Europe.

We have identified actions to maximise positive and minimise adverse impacts of the business across our priority sustainability areas, which are aligned to the relevant Sustainable Development Goals (SDGs) and the Equator Principles. We are implementing systems to measure, monitor and report a set of sustainability indicators to track progress over time.

We recognise that we can't do this alone. We will work in partnership with industry through forums such as the Electricity Storage Network and Solar Energy UK, as well as other parties, to achieve system-level change.



Focus area – Climate

Our projects play a critical role in mitigating climate change by enabling the integration of more electricity from renewable sources into the grid, reducing reliance on fossil fuels.

Greenhouse gas emissions avoidance

Our renewable energy generation projects produce renewable energy that can help lower grid emissions.

Our BESS projects also contribute to climate change mitigation by enabling the integration of more electricity from renewable sources into the electricity grid, thereby supporting the decarbonisation of the energy system.

By storing excess renewable energy and supplying it during peak demand, our BESS projects reduce the need for renewable energy generation projects to be turned off and makes the most of renewable energy sources, as we transition away from fossil fuels.

Additionally, BESS provide essential grid frequency response and balancing services, reducing the requirement for such services to be provided by fossil fuel-based flexible generation. This therefore reduces GHG emissions.

Greenhouse gas emissions reduction

While Harmony Energy's projects contribute to climate change mitigation by supporting the decarbonisation of the electricity system, we also take responsibility for the GHG emissions associated with our activities.

We are committed to measuring and reducing our operational and supply chain emissions annually. This includes reducing the lifecycle GHG impact of our sites and equipment, as well as decarbonising our offices, events and travel.

We will assess climate change risks and opportunities associated with our activities and ensure appropriate adaptation measures are in place to respond to climate change.

We comply with regulations and best practice standards for all aspects of the environment, including GHG emissions and climate change.

Climate: our next steps

Our commitments, policies, metrics and actions for climate-related topics.

	Greenhouse gas emissions avoidance	Greenhouse gas emissions reduction
Our commitment	*Make a significant contribution to climate change mitigation through our BESS and renewable generation projects*	*Reduce our operational and supply chain emissions*
Relevant policy	Environment Policy	Environment Policy Sustainable Travel Policy
Metrics	Energy storage capacity (MW/MWh) (operational, under construction, shovel ready, in development) Renewable energy generation capacity (MW/MWh) (operational, under construction, shovel ready, in development) Total renewable energy stored (MWh) Share of energy from renewable sources of total energy stored (%) Estimated greenhouse gas emissions avoided through projects (tCO_2e) Equivalent number of homes powered (number)	Scope 1 greenhouse gas emissions (tCO_2e) Scope 2 greenhouse gas emissions (tCO_2e) Scope 3 greenhouse gas emissions (tCO_2e)
Actions	☑ Continue to develop and build high-quality BESS and renewable generation projects at pace, achieving 3 GW operational capacity by 2030 ☑ Contribute to the development and implementation of an Electricity Storage Network-endorsed industry carbon avoidance methodology for BESS	☑ Implement ISO 14001-aligned Environmental Management System (EMS) by the end of 2027 ☑ Implement Sustainable Travel Policy, with a commitment to avoid and reduce emissions associated with travel as well as to offset emissions from unavoidable air travel ☑ Switch to renewable energy tariffs for offices ☑ Collaborate with suppliers to reduce Scope 3 emissions ☑ Develop procurement sustainability standards for equipment used on sites

Focus area – Nature

Because climate mitigation is closely linked to nature, we protect the natural environment and, where possible, enhance it through our projects.

Biodiversity

In response to the threat global ecosystems are facing, we aim to enhance and protect biodiversity where we operate to ensure low carbon infrastructure has a net positive impact on nature.

To achieve this, we incorporate nature and biodiversity considerations at each stage of a project's lifecycle. We work with environmental specialists, including ecologists, to assess the impact of our projects on the existing plant and animal life and look for ways to leave sites in a better state than when we found them. These assessments inform project-specific habitat creation and maintenance action plans, which are designed to maximise biodiversity.

Our sites are designed wherever possible to deliver multi-functional land use, such as facilitating agricultural activities, promoting biodiversity, increasing habitats and supporting the recovery of land after intensive farming.

Circular economy, waste and use of resources

Our industry relies on finite resources to operate.

The current technology for our projects uses critical minerals such as lithium and copper. We aim to reduce our reliance on these raw materials as well as on other resources such as energy and water.

The construction, operation and decommissioning of our projects produce waste. We engage with contractors to encourage the measurement and sustainable management of waste, resources and pollution during site construction and operations.

We engage with equipment manufacturers to encourage sustainable and circular practices in the upstream supply chain, as well as across the lifecycle of our projects through to decommissioning.

Pollution and environmental incidents

We strive to minimise adverse environmental impacts and, where possible, maximise positive outcomes through our activities. We commit to continuously strengthening our environmental management systems and processes to improve environmental performance.

We are committed to preventing pollution, including air, water, soil and noise pollution resulting from our operations and supply chain.

Environmental incidents will be reported to the Board quarterly and externally annually.

Nature: our next steps

Our commitments, policies, metrics and actions for nature-related topics.

	Biodiversity	Circular economy, waste and use of resources	Pollution and environmental incidents
Our commitment	*Protect and enhance biodiversity across our operations and supply chain* *UK sites: exceed Biodiversity Net Gain of 10%* [1] *Sites outside the UK: avoid a biodiversity net loss, and where possible, achieve a measurably positive impact on biodiversity of at least 10% for all new sites*	*Promote circularity and the efficient use of resources throughout the project lifecycle* *Source materials that have a sustainable lifecycle impact*	*Minimise negative environmental impacts and prevent pollution, including air, water, soil and noise pollution resulting from our operations and supply chain*
Relevant policy	Environment Policy	Environment Policy	Environment Policy
Metrics	Sites with biodiversity impact assessment (%) Sites achieving a measurably positive impact on biodiversity (%)	Non-hazardous waste generated (weight) Hazardous waste generated (weight)	Reportable environmental incidents (number) Non-reportable environmental incidents (number) Environmental near misses (number)
Actions	☑ Assess and manage biodiversity impacts throughout the project lifecycle	☑ Engage with suppliers and industry to promote circularity in the BESS and solar supply chains ☑ Develop waste management plans for all operational sites by the end of 2026	☑ Implement ISO 14001-aligned EMS by the end of 2027

1. Biodiversity Net Gain (or BNG) is an approach to development that ensures new projects have a measurably positive impact ('net gain') on biodiversity, compared to what was there before the development.

Focus area – People

We champion a fair and just net zero transition that benefits workers and communities. We are committed to reducing negative outcomes, and wherever possible, delivering positive outcomes for people.

Human and labour rights

The renewable energy and storage industry has a responsibility to uphold social standards to ensure that the transition to a low carbon energy system is fair and just for workers and communities.

Our industry is associated with human rights risks – such as the potential violation of workers, communities and indigenous peoples' rights in supply chains.

We recognise our responsibility to both understand and prevent human rights risks associated with our activities. Our Human Rights Policy sets out our commitment to zero tolerance of human rights abuses in all forms. We are implementing robust processes to address these, as outlined in the 'supply chain' section of operating responsibly.

Health, safety and wellbeing

Health, safety and wellbeing are high priority areas for us. We are committed to protecting workers as well as the surrounding communities through maintaining high standards throughout the project lifecycle. This includes careful planning and robust safety protocols to prevent an incident occurring at any of our sites.

Just as we do not want anyone to come to any harm through our activities, we want to safeguard our colleagues' and contractors' health and wellbeing.

In a working environment that is driven by our passion to decarbonise our energy, it is important that workloads feel manageable and that working conditions are optimised to protect health and wellbeing.

We believe that high employee engagement enables us to achieve our purpose and mission. As such, we focus on creating diverse teams working in an inclusive and equitable culture in which everyone can thrive.

Wealth creation and employment

We aim to promote local employment and sustainable economic growth by using local suppliers and creating skilled green job opportunities for local people at the heart of the energy transition. We encourage contractors to do the same.

We deliver educational initiatives, such as talks and site visits for local schools and universities, providing opportunities for people to learn about renewable energy and biodiversity.

Communities

We carefully consider the local impact of our projects, and we strive to make a positive contribution to people who live and work nearby.

We engage with communities early in the development phase of a project and maintain relationships throughout the project's lifespan. We strive to build positive relationships with communities by engaging collaboratively and openly. We ensure that communities are actively involved in decisions that impact them by keeping them informed and providing opportunities to share their views, ask questions and have feedback integrated into project plans where possible.

We are committed to creating lasting positive impacts for the communities in which we operate. Each site has a dedicated community benefit fund to support causes and projects that are important to local people.

We also provide financial and volunteering support to local causes through our central charitable giving fund.

People: our next steps

Our commitments, policies, metrics and actions for people-related topics.

	Human and labour rights	Health, safety and wellbeing	Wealth creation and employment	Communities
Our commitment	*Avoid human and labour rights violations*	*Protect the safety and wellbeing of our colleagues, contractors and the public*	*Maximise positive socio-economic impacts of projects*	*Partner with our communities to make a positive contribution to their lives and livelihoods*
Relevant policy	Human Rights Policy Supplier Code of Conduct	Health and Safety Policy	Community Policy	Community Policy
Metrics	Key Tier 1 suppliers signed up to Supplier Code of Conduct (%) BESS and solar module suppliers with an independent ESG due diligence assessment (%)	Reportable accidents (number) Non-reportable accidents (number) Managers that received mental health training (%) Employee Net Promoter Score (number)[1]	Full time equivalent employees (number) Direct, indirect and induced jobs created through projects (number) Gross Value Added (GVA) by projects (£)	Donations towards community projects through community benefit schemes (£) Donations through central charitable giving scheme (£) Employee volunteering hours (number) Number of complaints (number)
Actions	☑ Conduct independent due diligence assessments on all BESS and solar module suppliers	☑ Implement ISO 45001-aligned health and safety management system by the end of 2027 ☑ Roll out mental health training for line managers	☑ Use local suppliers and create skilled green job opportunities and encourage our EPC contractors to do the same ☑ Collaborate with industry to build local skills and supply chain capabilities for the renewables and BESS industry	☑ Establish a community fund for each project, in alignment with Harmony Energy's new community benefit fund guidance ☑ Assess community impacts and implement a community engagement plan for each project

1. *Employee Net Promoter Score (or NPS) is a key metric for measuring employee engagement and loyalty.*

Operating responsibly

Operating responsibly is the foundation of our success. Our processes and culture play a central role in enabling us to deliver strong performance.

Governance, ethics and compliance

As a fast-growing company, we have a robust governance structure and we maintain a strong culture of ethics and compliance. This culture is underpinned by a suite of ethics and compliance policies, procedures and a mandatory training programme. We are guided by our core values of sustainability, collaboration, safety and innovation.

We take a zero-tolerance approach to bribery, fraud and corruption. We are committed to acting professionally, fairly, transparently, ethically and with integrity in all business dealings and relationships.

Through well-informed decision-making, supported by robust debate, we drive our success with the diverse professional, educational, socio-economic and cultural backgrounds of our teams, providing a wealth of knowledge, perspective and constructive challenge.

In support of its commitment to business resilience and safety, Harmony Energy has recently strengthened its internal capabilities through hiring key roles in the Information Technology and Health and Safety teams.

Cyber security

We are conscious that our increasingly connected world brings additional risks when it comes to security. We are working closely with cyber security specialists to develop and implement a robust set of policies and procedures to protect our business and prevent any interruption of service.

Supply chain

We recognise that there are risks in our supply chain. We are committed to promoting sustainable and responsible practices to strengthen supply chain sustainability and resilience.

Alongside sustainability requirements embedded in supplier contracts, we have introduced a Supplier Code of Conduct setting out the minimum standards our key suppliers are expected to uphold.

We commission rigorous, independent sustainability-related due diligence assessments on all our BESS and solar module suppliers to assess alignment with our Supplier Code of Conduct. We work hand in hand with suppliers to map our supply chain back to source and implement actions to ensure high environmental and social standards are upheld.

Embedding sustainability

Translating commitments into action is all about embedding sustainability throughout our business. Our sustainability governance and delivery model are focused on this principle.

Our governance

The Board of Directors has ultimate responsibility for setting Harmony Energy's sustainability approach, commitments and policies. The approach covers Harmony Energy's majority owned projects in Europe.

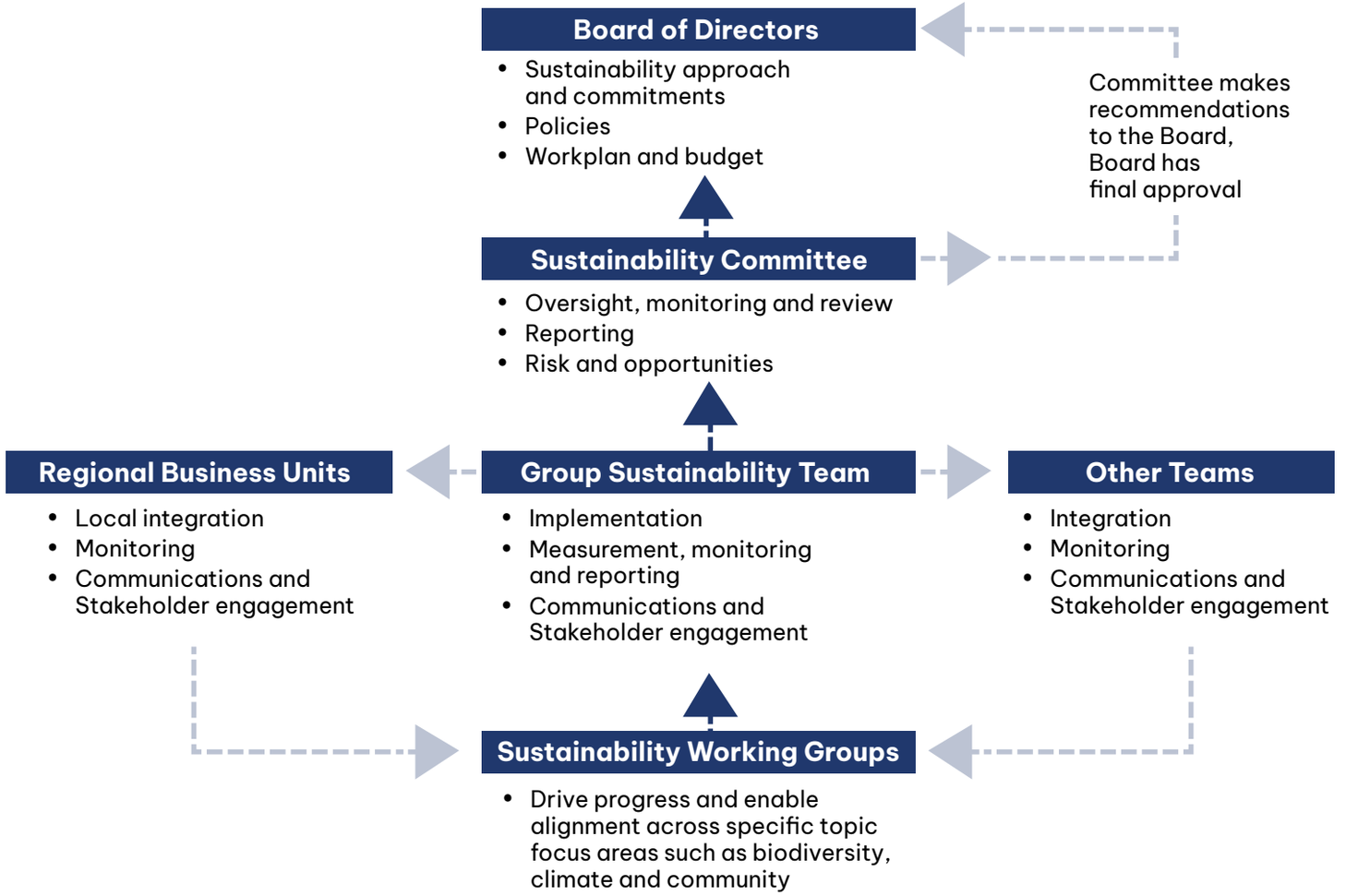
The Sustainability Committee oversees, monitors and reviews Harmony Energy's sustainability approach and performance and makes recommendations to the Board on sustainability matters.

Our delivery model

Harmony Energy Group Sustainability Team, led by the Head of Sustainability, is responsible for integrating the sustainability approach into key business areas and measuring, monitoring and reporting on sustainability performance. The Group Sustainability Team advises the Board, the Sustainability Committee and business functions on sustainability matters.

Teams and Business Units are responsible for integrating the sustainability approach and associated initiatives into their activities.

Topic-specific working groups comprised of sustainability champions will be established to drive progress, facilitate collaboration and enable alignment across Teams and Regional Business Units.



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