

BROAD REACH POWER

2021 ESG
REPORT





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Letter from the CEO



To Our Stakeholders,

These past two years have had a significant impact on the health and well-being of our people, our families, and our communities, and materially transformed the way we work and live. In addition to the global pandemic, Winter Storm Uri plunged our home state into days of misery, resulting in the tragic loss of life and billions of dollars of economic damage.

Although we experienced immense challenges, we were also presented with incredible opportunities for organizations to fundamentally rethink the way they do business and demonstrate their sustainable purpose. For Broad Reach Power (“Broad Reach” or “BRP”), this means understanding the important role of reliable and affordable energy in supporting our communities. The crises we all experienced highlighted the interconnectedness of our environmental, social, and economic systems and how cooperation and collaboration among all stakeholders is critical to recovery.

Broad Reach’s underlying values, our commitment to our investors and stakeholders, and our approach to environmental, social, and governance (“ESG”) management steered us through the uncertainty and have shown us the true importance of sustainability and the power of connection. We remain excited about the opportunities before us in this ever-changing energy sector. We are proud to be a leader in assisting our customers and partners across the energy value chain in their transition to cleaner and affordable renewable power.

The U.S. demand for lower cost and emission-free power generation sources continues to increase, solidifying the need for more battery storage assets. After launching our company in July 2019, we brought six battery storage facilities online and were operating a total of 60 MW at the end of 2020. During 2021, we executed on our strategy to become the premium energy transition company by adding an additional six sites to our portfolio and increased our operating capacity to over 300 MW as of December 31, 2021.

Our operations are strategically located in markets that are rapidly transforming with the addition of more low-cost and emission-free renewable generation. While these renewable resources are desirable because they reduce costs and emissions, they add more variation and risk to the grid. By deploying more energy storage systems like those at Broad Reach, we can strengthen the grid’s reliability by reducing this risk and further increasing the adoption of renewable energy sources.

We are dedicated to our role in delivering clean energy and to the continued integration of ESG considerations throughout our business operations. In 2020, we published our first Sustainability Report to increase transparency around our sustainability initiatives. Our efforts to continue to improve our overall performance are driven by our commitment to deliver industry-leading results and to be a valued community partner, caring environmental steward, and model employer.

Broad Reach is proud to present our 2021 ESG Report. We are inspired by the future of emission-free power generation, and we look forward to continuing to share our progress in the coming years.

Steve Vavrik
Chief Executive Officer



About Broad Reach Power

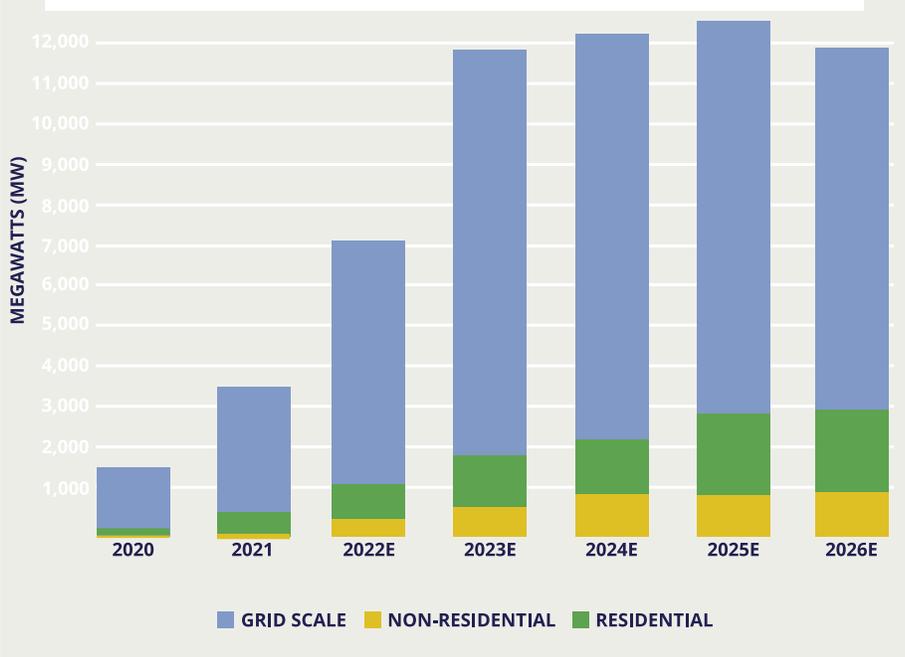
Broad Reach Power is a leading independent power producer focused on advanced energy storage and renewable operations across the U.S. We utilize advanced energy storage technology, power market analytics, and innovative customer solutions to improve the reliability of the grid while allowing for more renewable power generation to reduce the carbon intensity of the overall system. At the end of 2021, Broad Reach had 300 MW of storage assets in operation, 60 MW under construction, and control of a 21 GW development portfolio of utility-scale wind, solar, and energy storage power projects across the country.

Broad Reach is led by a team with deep industry knowledge across energy and renewables whose leadership and collective experience is shaping the future of the industry. Our leading energy investors include [Apollo Funds](#), [EnCap Investments L.P.](#), [Yorktown Partners LLC](#), and [Mercuria Energy Trading](#).

Formed in July 2019 for the purpose of developing, owning, and operating strategically located utility-scale standalone energy storage and renewable generation projects, Broad Reach has invested nearly \$450 million to date with a plan to continue significant deployment of capital through the next decade.

Energy storage represents a unique asset class in the power sector today. Its exponential demand increase is forecasted to be driven by growth in renewables and market pressure to retire older thermal assets, such as coal-fired power plants. At the time of this report, the U.S. has set an ambitious target to reach net-zero emissions in the power sector by 2035¹ with federal operations leading the way through an executive order to procure 100 percent carbon pollution-free electricity by 2030, at least half of which will be locally supplied clean energy to meet 24/7 demand². Energy storage, and in particular lithium-ion battery storage facilities, currently represent one of the most option-rich asset classes within the entire power industry market, having the ability to participate as both load and power generation. Additionally, they are flexible and quickly respond to unexpected changes in load and power generation almost instantly.

ENERGY STORAGE MARKET OUTLOOK 2020 - 2026



The U.S. market for energy storage is expected to grow to over 60 GW / 200 GWh of installed capacity by 2026, with over 48 GW / 161 GWh of front-of-the meter installations. At the time of this report, the U.S. has less than 4 GW / 10 GWh of installed energy storage capacity. Texas and California, two of Broad Reach Power's largest markets, are expected to be among the largest contributors to the growth of the sector.

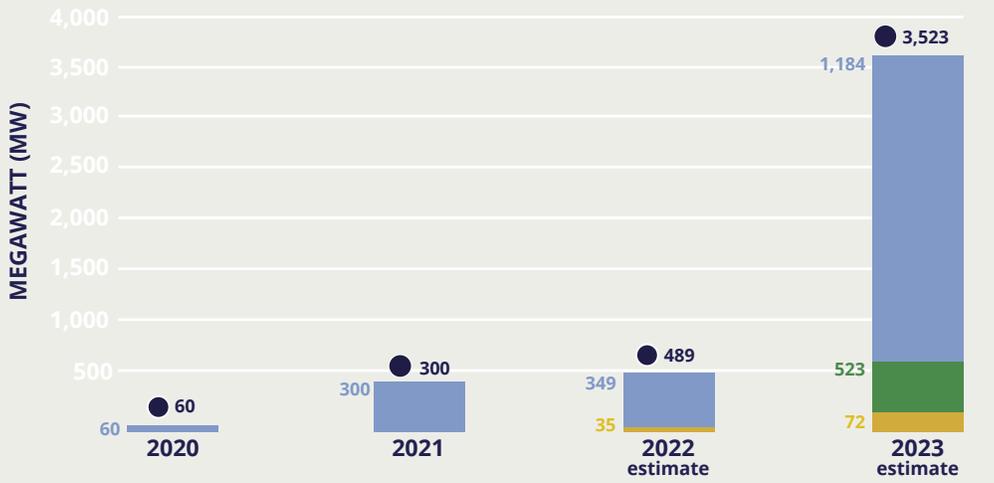
Source: Wood Mackenzie, U.S. Energy Storage Monitor: 2021 year-in-review

¹ Source: Whitehouse.gov, Briefing Room April 22, 2021, "FACT SHEET: President Biden Sets 2030 Greenhouse Gas Pollution Reduction Target Aimed at Creating Good-Paying Union Jobs and Securing U.S. Leadership on Clean Energy Technologies."

² Source: Whitehouse.gov, Briefing Room December 8, 2021, "FACT SHEET: President Biden Signs Executive Order Catalyzing America's Clean Energy Economy Through Federal Sustainability."

With the support of our deeply knowledgeable and experienced team, we have proven construction, operations, and trading capabilities to keep Broad Reach at the forefront of the energy transition. Broad Reach is aggressively growing a diversified portfolio through greenfield development and acquisitions.

TOTAL MEGAWATTS (MW) DEPLOYED

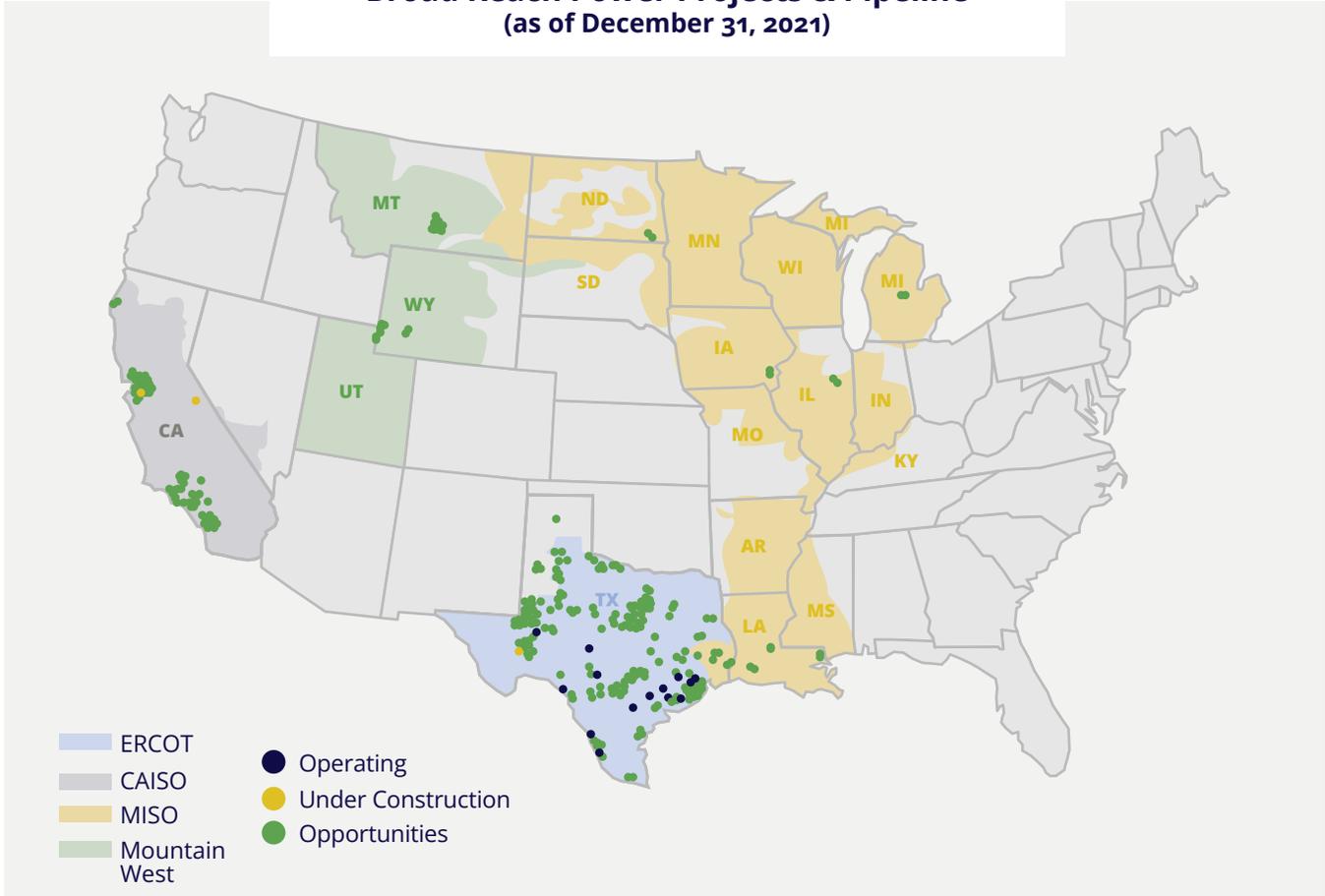


- Electric Reliability Council of Texas (ERCOT)
- California Independent System Operator (CAISO)
- Mountain West
- = MEGAWATT HOURS (MWh) DEPLOYED



Broad Reach is developing one of the largest portfolios of advanced projects in the most attractive markets for energy storage, the Electric Reliability Council of Texas (“ERCOT”), and the California Independent System Operator (“CAISO”) with a pipeline of over 18 GW. Broad Reach also has a 3 GW pipeline of utility-scale solar, wind, and energy storage power projects in Montana, Wyoming, and Utah. Broad Reach is actively working to expand this footprint to ensure the grid’s continued reliability and help meet the demand for lower cost and emission-free generation resources.

Broad Reach Power Projects & Pipeline (as of December 31, 2021)



Our Sustainability Strategy

HOW WE CREATE VALUE

By connecting optimized resources to meet customers' needs and efficiently meeting the needs of a changing electrical infrastructure, Broad Reach Power's purpose is to lead in the energy transition and deliver lasting value to our stakeholders. At Broad Reach, sustainability means achieving financial performance while operating in an ethically, socially, and environmentally responsible manner. Commitment to transparent communication of our sustainability efforts and a belief that sound ESG practices are integral to building resilient businesses and creating long-term value for all stakeholders is a top priority for Broad Reach.

Sustainability is fundamentally integrated within our overall business strategy. As our business expands, we have worked hard to develop a culture of integrity, being a good steward of the resources we are impacting, and being mindful of the many opportunities ahead where we can support the sustainability initiatives of our customers.

Energy storage is a critical component to bring more renewable energy online to meet the growing demand across the U.S. to decarbonize the electricity infrastructure. Broad Reach's storage facilities allow utilities and system operators to efficiently manage the electricity demand and supply that has become increasingly volatile as a result of renewable penetration, changes in customer demand, and greater frequency in climate change related impacts. These facilities greatly enable the up time, reliability, and safety of the entire system.

Broad Reach expects to continue our role as the industry leader in the two most attractive battery storage markets in the U.S. – ERCOT and CAISO. ERCOT has the largest generation capacity of zero-emission wind power in the U.S., and Broad Reach has captured strategic positions in Texas to invest in opportunities where the grid will benefit from our flexible, fast-responding assets. Our build-first approach and conviction around the value of the locations we choose has created an extensive portfolio with which we can offer value to the grid and customers long into the future.

CAISO continues to increase renewable energy penetration on the grid with more than 15 GW of installed solar plants and 8 GW of installed wind plants. This trend, along with natural gas unit retirements, is expected to continue; meaning that projects being constructed and developed by Broad Reach will play an increasingly vital role in CAISO's energy future. Because of our experienced talent, we are able to acquire projects in any stage of development and advance them through commercial operation, thus realizing the project's full value. Currently in CAISO, Broad Reach has two projects totaling 35 MW under construction and has over 8 GW of additional assets in development that will be constructed over the next several years.

Beyond these two markets, we have invested in strategic positions in the Mountain West to take advantage of the opportunities arising from state renewable mandates, local generation deficit, and constrained transmission coupled with renewables penetration. We are planning to develop and sell storage-firmed renewable power to Northwest utilities, which will reduce their emissions and further grow the renewable industry.



ESG AT BROAD REACH

Broad Reach believes the consideration of ESG factors are essential to developing a long-term vision for our company and to create value for our stakeholders. As a leading energy transition company, we must set high standards for how we execute our strategy and conduct our operations. Committing to integrating sustainability across our business rests on a foundation that includes our overall principles of governance and our impact to our customers, our communities, and our employees.

During 2020, Broad Reach began the process of tracking and reporting sustainability initiatives and issued our inaugural Sustainability Report in 2021. During 2021, steps were taken to enhance the monitoring of our overall ESG performance by expanding upon the reporting metrics of those ESG initiatives that are impactful to our business. We also began integrating the guidance provided by the Task Force on Climate-Related Financial Disclosures (“TCFD”) to articulate how the risks and opportunities presented by climate change and the energy transition are integrated into our overall business strategy. As energy supply and demand evolves, we are committed to adapting to future scenarios to inform our strategic decision making with sustainability in mind.



The specific metrics included in this report were determined by assessing the most relevant and impactful performance areas for Broad Reach, our investors, and other key stakeholders. This report follows the guidance of the Sustainability Accounting Standards Board (“SASB”) standards of the Value Reporting Foundation and the recommended disclosure topics for the Electric Utilities & Power Generation and Fuel Cells & Industrial Batteries industries. The SASB standards provide a standardized, common reporting approach that yields decision-useful metrics, helps us track progress, and enables comparability for our investors and other stakeholders. In addition to the disclosures recommended by SASB for our industry, we have also chosen additional priority topics for our business operations, which may be decision-useful to our stakeholders, such as those related to workforce diversity.



When evaluating our disclosures in relation to the SASB standards, users in some cases will need to normalize the data to make meaningful comparisons. As such, we have included certain activity metrics to aid users in their evaluation. Refer to our SASB index on page 23 which highlights our responses to the suggested SASB accounting metrics and includes the appropriate activity metrics to assess our disclosed data in a meaningful context.

The ESG disclosures contained in this report are for the year ended December 31, 2021, unless otherwise noted.

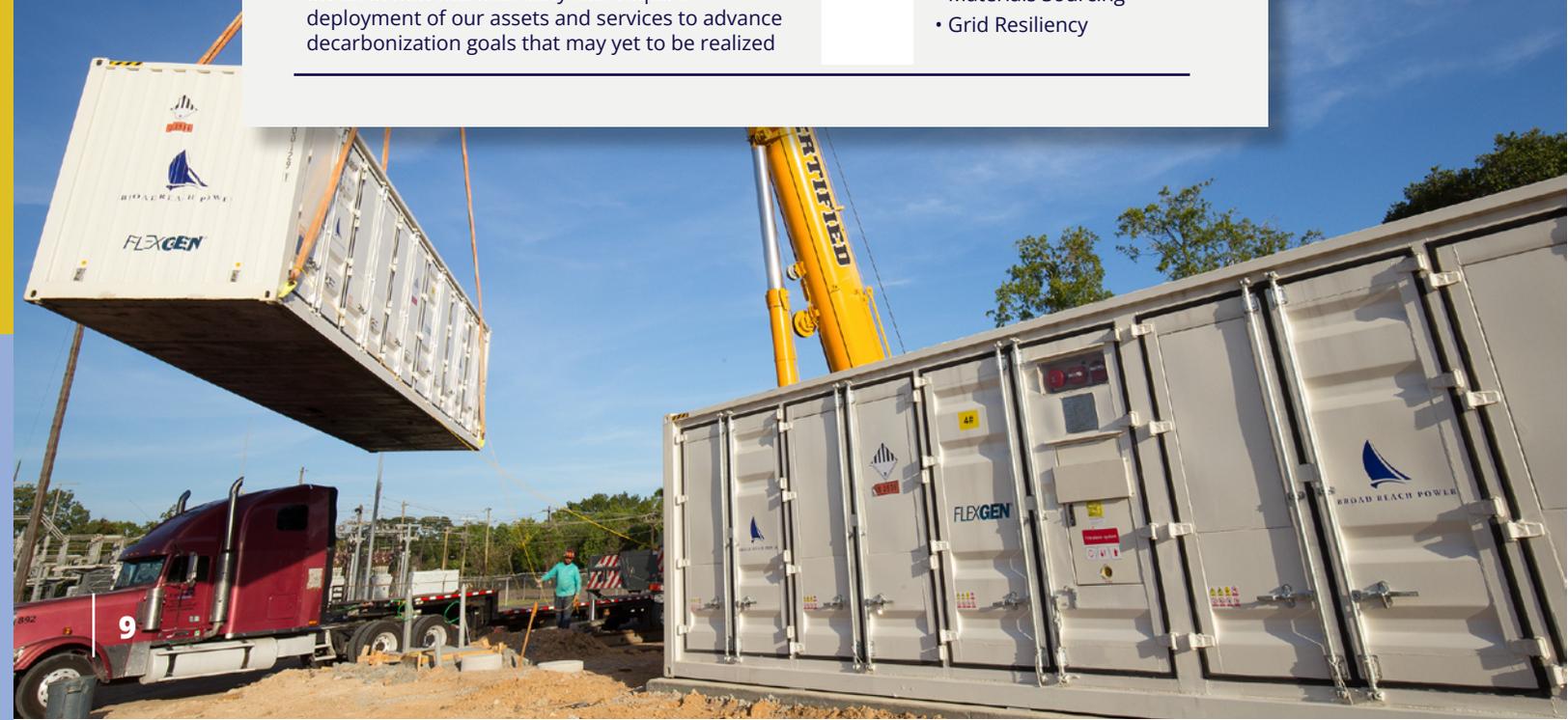
ESG FOCUS AREAS

The following table sets out the specific topics that we believe are significant to our sustainability approach and to our overall business strategy:

Broad Reach Power's Business Strategy

ESG Topic Areas

<ul style="list-style-type: none"> • Build a portfolio of strategically located energy storage and renewable generation assets in strategic markets looking to decarbonize • Pursue high quality construction, operations, and trading capabilities to maximize the utility of our assets 	<h1>E</h1>	<ul style="list-style-type: none"> • Greenhouse Gas Emissions • Air Quality • Water Management • Energy Management
<ul style="list-style-type: none"> • Grow our team of experienced and diverse professionals • Foster professional growth and skillset expansion for employees • Promote accessible, affordable, and clean energy throughout all communities • Foster a strong safety culture 	<h1>S</h1>	<ul style="list-style-type: none"> • Diversity & Inclusion • Workforce Health & Safety
<ul style="list-style-type: none"> • Maintain market leadership in advancing sustainable, high-quality assets to facilitate the energy transition • Build the largest portfolio of advanced projects in the most attractive markets for energy transition • Invest in new markets early that require deployment of our assets and services to advance decarbonization goals that may yet to be realized 	<h1>G</h1>	<ul style="list-style-type: none"> • Governance & Strategy • Risk Management • Product Efficiency • Product End-of-Life Management • Materials Sourcing • Grid Resiliency



Governance

CORPORATE GOVERNANCE & ETHICS

Strong corporate governance and the long-term interests of our investors are the focus of our Board of Directors and their commitment to our company. The Board oversees management of Broad Reach's business and affairs, reviews major strategic initiatives, and receives regular updates on the company's ESG initiatives throughout the year.

Our Board of Directors consists of nine members representing our investors with leadership capabilities in proven energy transition strategies. Diversity is a top priority at Broad Reach, and this is represented by our Board, which includes three women and one veteran of the U.S. military

Our management team is comprised of individuals who have strong backgrounds and proven track records in power development, battery systems, risk management, and energy trading. Together with our Board, our management team sets the tone for the way we conduct our business, integrate ESG into our operations, and further our commitment to enduring value.

We believe that strong governance means we conduct our business with honesty, integrity, and in accordance with all applicable anti-corruption laws. Compliance with Broad Reach's Anti-Corruption, Anti-Money Laundering, and Sanctions Compliance Policy is mandatory for all employees and contractors. This Anti-Corruption Policy outlines the principles, standards, and rules intended to ensure that Broad Reach and our officers, directors, and employees, as well as agents and third parties doing business with us or acting on our behalf, understand and comply with applicable anti-corruption laws.



ESG OVERSIGHT

Broad Reach's Board of Directors has ultimate oversight of the company's ESG strategy. During 2021, Broad Reach established an ESG Committee under the Board's direction. The ESG Committee is the primary decision-making body on all ESG matters and drives ESG initiatives based on business imperatives, industry developments, and best practices. The ESG Committee is comprised of members of management from each of our business groups and meets on a monthly basis. Responsibilities include identifying ESG topics that are relevant and material to Broad Reach's business to establish appropriate goals and monitor performance. We utilize our ESG disclosure and reporting process to identify risks and opportunities and share sustainable business practices across the company. We believe that integrating such practices fosters a culture that advances our commitment to integrating sustainability throughout our operations.

RISK MANAGEMENT AT BROAD REACH

Risk management is a fundamental part of our business. Our investors expect us to appropriately manage risk while also creating long-term value. Risk management is core to our project development business, our interface with counterparties purchasing from us, and our commodity trading. Our overall risk management approach includes the identification, evaluation, and monitoring of financial and operational risks.

We prioritize identified risks and opportunities according to financial impact, likelihood of occurrence, and magnitude of consequences, including consequences that intersect with our ESG initiatives. This process of identifying and prioritizing risks enables us to align our organizational priorities, including those related to ESG matters.

Climate Related Risks & Opportunities

We understand that climate considerations are driving changes in the energy industry, resulting in risks to our business. There is growing pressure on the power sector to lead the effort of combatting climate change, including future plans for net-zero emissions. We are determined to support climate change mitigation programs throughout our operations, and we are working to ensure that we continue to be well positioned for the opportunities that are expected to arise from the transition to a low-carbon economy.

As part of our risk management process, we are taking steps to understand the potential effects of climate change on our business and evaluate these risks and opportunities in the context of the following three categories: (1) transitional risks, (2) regulatory risks, and (3) physical risks.



Utility companies are recognizing the weather related impacts of their systems and are increasing emergency preparedness efforts that can be supported by Broad Reach's battery offerings. Broad Reach can be considered integral to their restoration plan in times of crisis.

MARKET FORCES & CONSUMER PREFERENCES

Risks

The acceleration of renewable energy procurement goals may require us to provide a greater volume of energy storage options to our customer base with additional cost and shorter deadlines.

BRP's Response:

We are well positioned to respond to this increased demand with our fleet and pipeline of battery storage systems. See further discussions regarding our battery capacity in product efficiency on page 15.

Opportunities

Increased customer interest in reliable, renewable, and/or zero-carbon power creates opportunities for growth and expands our market opportunities.

Our partnerships with leading energy investors, coupled with our network of expert engineering and development solutions, enables the timely execution of further integration of renewable energy and battery storage options in the power market.

LEGAL & REGULATORY ENVIRONMENT

Risks

Our projects may become subject to carbon pricing or mandates specifying electricity sources.

BRP's Response:

Our Risk Management team studies the business impact of various regulatory risks during the planning process and project structure to inform policy strategy in response to potential regulatory changes.

Opportunities

The operating profile of our assets is considered to be advantageous in carbon pricing scenarios as our operations are not a source of direct emissions, enabling us to provide a solution for utilities negatively impacted by carbon pricing.

In addition, our storage assets help to ensure reliability of the grid in the event of mandates specifying electricity sources such as solar and wind within the power market.

PHYSICAL FACTORS

Risks

Our battery storage assets could be compromised by severe weather events.

BRP's Response:

We include elements of physical weather considerations during our design specification process to ensure our assets remain reliable during times of extreme weather events, including the assessment of a 2°C or lower scenario on our product designs.

Opportunities

As climate-driven severe weather such as wildfires and hurricanes continue to intensify, this puts a strain on grid operations and highlights the resiliency of power solutions such as battery storage.



Environmental

As an energy transition leader in the power generation sector, Broad Reach is leading the transformation to a low carbon energy landscape. We understand the expectations and trust that this entails, and we strive to conduct our operations with minimal impact to the environment.

GREENHOUSE GAS EMISSIONS

We monitor the impact our operations have on the environment. We recognize the management of greenhouse gas (“GHG”) emissions is a significant operational, reputational, and regulatory focus for our industry. We also recognize the important role we play in delivering clean, reliable energy during the transition to a lower-carbon economy. In addition to supplying emission-free power, Broad Reach emits no direct emissions (“Scope 1”) in our operations. Our indirect emissions are discussed below in the Energy Management section.

Broad Reach emits no direct emissions (“Scope 1”) in our operations

“Scope 1” emissions are direct GHG emissions from sources that are owned or controlled by the reporting company. Indirect GHG emissions are a consequence of the operations of the reporting company but occur at sources owned or controlled by another company. Indirect emissions are referred to as either “Scope 2” or “Scope 3.” Scope 2 emissions account for the energy that is either purchased or brought into the organizational boundary of a company.

Source: The Greenhouse Gas Protocol

Enabling Customer Stability

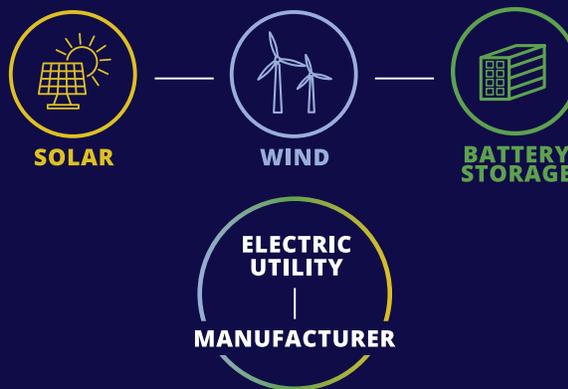
As our battery storage assets come online, they will further enable renewable energy sources on the grid, and reduce the need and demand for fossil fuels. Increased storage capacity on the grid allows for increased power supply from intermittent renewable energy sources, which drives the acceleration of thermal plant retirements. Our business strategy of storing excess power when demand is low, often when renewable energy is abundant, and then delivering emission-free power when demand is high, improves the power quality and stability on the grid for our customers.



Broad Reach is a Key Player in the Energy Transition

Our Energy Storage Assets:

- Address climate risks
- Supply zero-emissions power
- Replace thermal assets
- Consume no water
- Enable more renewable energy
 - Smooth supply curve
 - Allow modular siting
 - Alleviates price risks



AIR QUALITY

As a utility-scale independent power producer, we are subject to state and local permitting processes in the markets in which we operate. Permitting requires that we track criteria air pollutants including nitrogen oxides (“NOx”), sulfur oxides (“SOx”), particulate matter (PM₁₀), lead (Pb), and mercury (Hg). Given the closed-loop design of our systems, our operations do not emit any criteria air pollutants.

Our operations do not emit any criteria air pollutants.

WATER MANAGEMENT

Unlike many other power generation sources, our energy storage systems do not consume or use any water. Because our assets do not require water, Broad Reach can construct and operate in regions and sites where water supply may be constrained. This presents an opportunity for expansion of our operations, as well as the ability for our utility customers to mitigate water consumption and management concerns.

Our energy storage systems do not consume or use any water to operate.

ENERGY MANAGEMENT

At each asset site, we purchase wholesale power from the grid to store in our stationary lithium-ion battery systems. When this stored power is exported back to the utility grid, there is a small amount of energy consumed through cycling the batteries. In addition, retail power is purchased through a separate meter for auxiliary equipment on site. The power consumed through cycling the batteries and the retail power comprise our total energy consumed. We use this consumption to calculate our indirect, or Scope 2, emissions.

We delineate our imported energy from the grid between renewables and non-renewables. In 2021, 31% of our energy purchased from the grid was from renewable sources, compared to the total ERCOT-wide average percentage of 28.61%. This is an increase of 6% as compared to 2020, primarily due to an increased amount of renewable energy sources available, as well as a more aggressive operating profile that resulted in more charging during high renewable periods. We closely monitor renewable supply, as it is a fundamental driver of charging opportunity, and we expect the percentage of renewable energy in our wholesale purchases to increase as renewable generation continues to penetrate Texas and other markets. We are actively seeking opportunities to enter into direct off-take agreements with renewable producers to minimize our fleet’s reliance on grid-power and fossil fuels for our charging needs.

A key element of our model is the ability to schedule our wholesale import of power to occur when energy demand is lower and the grid less congested. We can time this import at night when wind energy output is most prevalent. With this business practice, our programmable load assists in providing grid congestion relief and is driving greater penetration of renewables in a congested power market.

OUR SUSTAINABLE SYSTEM DESIGN

As a zero-emissions power provider, we know that our battery energy storage systems must be sustainably designed. We must always take into consideration the impact and full lifecycle of our battery storage plants.

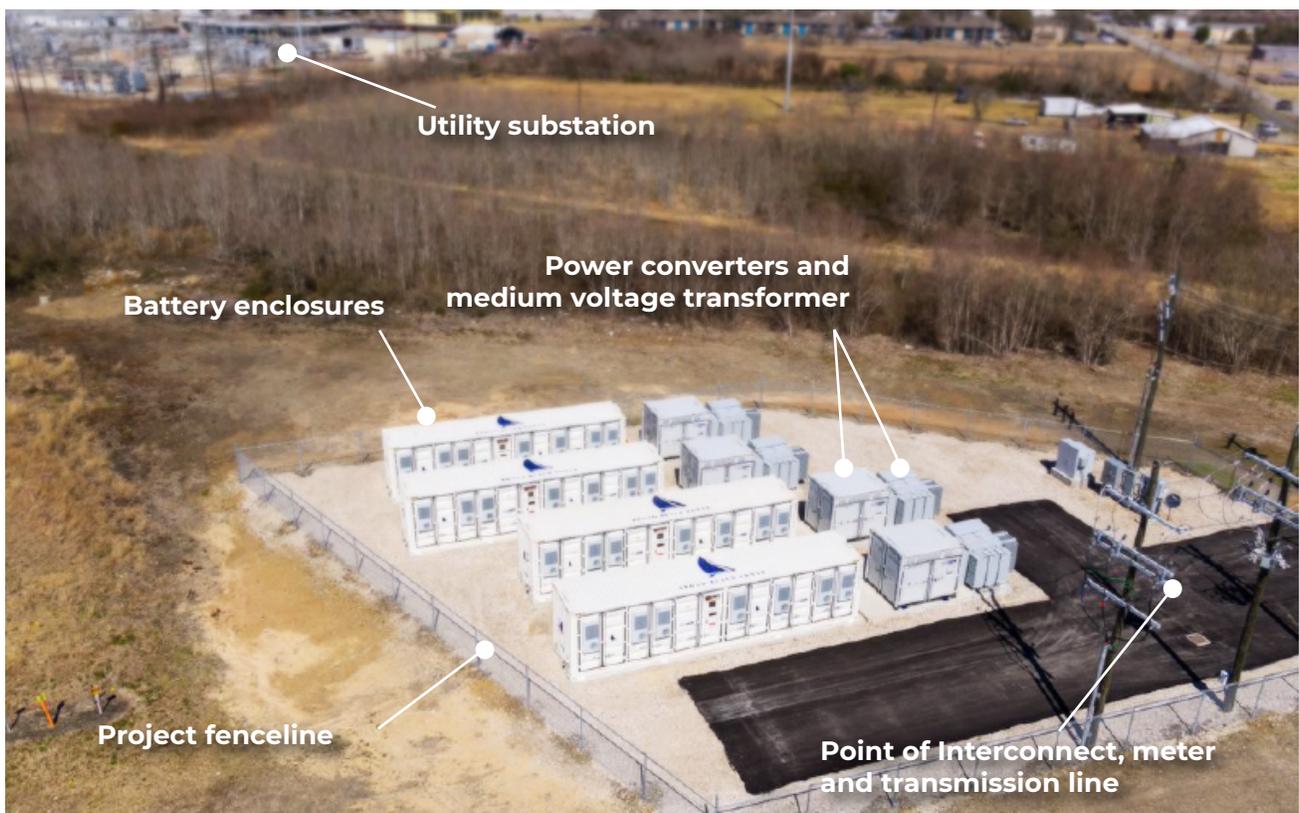
Our world-class system design and development capabilities draw from our expertise in project development and operation, our technical knowledge of batteries in various use cases, and procurement experience. Not only do we set high standards for our workforce, we are also committed to working with the best suppliers and vendors in the world.

Product Efficiency

Historically, one of the major barriers to battery storage adoption has been their higher costs. Today, pairing batteries with solar photovoltaic, or "PV plus storage," is already cost-competitive with other peak power sources. At Broad Reach, we embrace innovation that improves our batteries' efficiency and costs. We incorporate knowledge from data, operations, and asset management to enhance our battery effectiveness, such as increasing their capacity to pass these lower product costs on to our customers and grow our market share.

*In instances where there have been high ancillary service prices, **our assets outperformed with lower cycling which reduced the degradation of the batteries.***

As the most option-rich asset within the power industry arsenal, and with limited capital and compliance risk, our storage batteries have the ability to amortize significant development and infrastructure costs while riding the declining cost curve of replacement cells. Further benefits of our business model include the advantage that batteries work in both high and low commodity price environments, have low fixed operating costs, and are option-laden with the ability to participate as both consumer and generator of power.



Our stationary lithium-ion batteries are highly efficient. When comparing battery efficiency, three key metrics are considered: storage capacity, coulombic efficiency, and operating lifetime. A battery's storage capacity is measured by the specific energy of the batteries and is calculated as the ratio of nominal energy in watt-hours to the mass of the product in kilograms. When considering the energy removed from a battery during discharge, coulombic efficiency is referenced, which compares the amount of energy removed during discharge divided by the energy used during charging to restore the battery's original capacity. A battery's lifecycle is calculated as the number of times the battery can be fully charged and discharged, or "cycles," until capacity degradation occurs. We continuously research ways to increase our storage capacity and extend our battery lifecycle.

Product End-of-Life Management

We believe that product design and lifecycle management of our battery energy storage systems is imperative for sustaining a long-term accretive business model. Broad Reach is committed to the continuous innovation and improvement of our battery efficiencies in an effort to pass along lower costs to our customers.

The recovery and recyclability of critical materials in our industrial batteries can help us achieve significant cost savings as well as insulate us from the risk of rising prices or the unavailability of key materials. We strongly believe that with effective end-of-life management and recycling programs, we could face lower costs of capital, given our lower supply risks, as well as minimize regulations and their respective compliance costs.

Broad Reach models and plans for every location's battery and site end-of-life. Although we have performance guarantees with our battery suppliers where they assure specific performance metrics down to 60% battery state of health, when determining end-of-life, we design our systems to take our batteries

to slightly below 40% capacity degradation. Since our business uses lithium-ion batteries, which have zero hazardous materials in normal use, its components are almost entirely recyclable. Approximately 95% of the weight of our products are either recyclable or reusable, and we believe that with further technology development, lithium-ion recyclability could reach 100% in the future. Other site and plant materials include concrete as well as high value cables, which can easily be either salvaged or recycled.

Broad Reach is aware that the storage market will require robust end-of-life solutions and management. We are currently exploring environmentally-sound processing and refining technologies to solve the environmental impacts of batteries and end-of-life products.

*Broad Reach estimates that up to **95%** of an asset by weight is **recyclable** by its end-of-life.*

Our sites are constructed with a minimal footprint, and since they do not require the use of water or chemicals, the assets can be relocated and remediated at end-of-life. Due to the simplicity of remediation, once all the plant materials and structure are gone, only concrete would remain and the land could be reclaimed. We design our plants to last 20 years on a conservative basis and with regular maintenance, can achieve an expected life of 30 years. None of our projects reached end-of-life in 2021.

MATERIALS SOURCING

Broad Reach sources batteries that are comprised of cathodes made from lithium oxide and hydroxide precursors, iron phosphate, and anodes made from graphite, all non-hazardous and non-critical materials, as well as phosphate, which is heavily mined all over the world for fertilizer. While these elements are abundant, with little exposure to scarcity or compliance issues, we understand that the global sourcing of materials is an important issue. We rely on the technical expertise and deep experience of our design, engineering, and procurement professionals to ensure our batteries are from reputable suppliers and will meet the high expectations of our systems. When sourcing battery suppliers, we perform thorough due diligence prior to making battery selections and signing any commitments.

Supply Chain Management

Broad Reach recognizes that our responsibility as a leader in the energy transition extends beyond our corporate initiatives to also include companies throughout our value chain. We must encourage our suppliers to adopt sustainable practices to reduce environmental harm or socially damaging activities in their operations. The supply chains for our lithium-ion batteries are complex and the raw materials extraction and production facilities are located across the globe. As such, certain ESG issues are inherent in the sourcing of these materials such as the potential for exploitative labor practices, the environmental impacts of mining and processing, as well as GHG emissions resulting from the extraction, processing, transportation, and manufacturing phases of battery production. Broad Reach is aware of these potential issues which are specifically addressed within our Code of Business Conduct and Ethics, as well as our Supply Chain Protocol, and we require our suppliers to agree to abide by these policies in order to be awarded a contract. We are committed to responsible sourcing and acknowledge the importance of supply chain impacts on sustainability.

GRID RESILIENCY

Grid resiliency is critical for maintaining confidence in our power systems. Power supply interruptions cause substantial disruption to the economy, and can have severe impacts on the lives of those affected. As utilities add more renewables to their grid and older assets are retired, there will be increased demand for fast-responding, reliable power.

While our deep experience in battery system design and development helps increase the reliability of our assets, an important reliability factor is how our assets are managed. Our 24-hour asset operations center employs a central monitoring system that manages the performance, availability, and safety (including lithium-ion cell temperatures and voltages) at all times. This central system can dispatch power from our fleet in real-time and change unit output as needed.



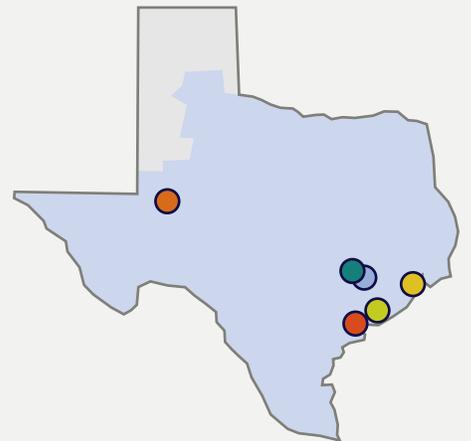
Testament to our Asset Reliability

At Broad Reach, we apply our deep experience in battery system design and power plant development and operations to ensure our assets are reliable. We use components including lithium-ion batteries in our systems, which are not subject to failure in extreme weather.

In February of 2021, the state of Texas was challenged with extreme cold temperatures over multiple days, testing the reliability and resiliency of the power grid. Complete outages and “derates,” or partial unavailability of generation capacity, were driven primarily by weather-related issues. Extreme weather caused equipment issues, such as frozen sensing lines, frozen water lines, frozen valves, ice accumulation on wind turbine blades, ice or snow cover on solar panels, exceedances of low temperature limits for wind turbines, and flooded equipment due to ice melt. Equipment outages and derates were caused by trips related to control system failures, excessive turbine vibrations, and other equipment problems.

BROAD REACH ERCOT ASSETS PERFORMANCE IN FEBRUARY 2021 (WINTER STORM URI)

DATE	ALVIN	ANGLETON	BRAZORIA	HEIGHTS	MAGNOLIA	ODESSA	TOTAL
2/14/21	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/21	100.00%	100.00%	100.00%	100.00%	100.00%	91.67%	98.61%
2/16/21	100.00%	95.83%	100.00%	100.00%	100.00%	100.00%	99.31%
2/17/21	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
2/18/21	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
2/19/21	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
TOTAL	100.00%	99.31%	100.00%	100.00%	100.00%	98.61%	99.65%



For the duration of this challenging event, Broad Reach’s six battery storage assets performed as intended, providing critical reserve service to the ERCOT grid with over 99% uptime availability across the fleet. While this was an unfortunate event, it allowed us to provide a solution that also served as a demonstration of the reliability of our assets and that our focus on sustainability strategy and ESG matters.

In addition to making the grid more resilient, our storage projects also provide utilities and grid operators with more options to bring the grid back online after an emergency such as a hurricane or tropical storm. Because they are emission-free, do not use scarce water resources, and are both small as well as modular, they can be constructed near customers with minimal intrusion.

Social

At Broad Reach Power, our employees know they make a difference and are committed to the goal of providing our customers access to flexible, reliable, and environmentally beneficial power. We are focused on creating a culture that encourages excellence, attracts employees, and supports all of our highly talented professionals. We strive for the best performance of our workforce by enabling an inclusive culture that benefits from a wide range of backgrounds and deep experience. In addition to our positive work environment and corporate culture, we offer competitive compensation, benefits, and opportunities for personal and professional advancement.

Based on Broad Reach's February 2022 culture survey, "I am proud to work at BRP" was the highest ranking topic. Common feedback on how our team defined success was based on the meaningful work of our company.



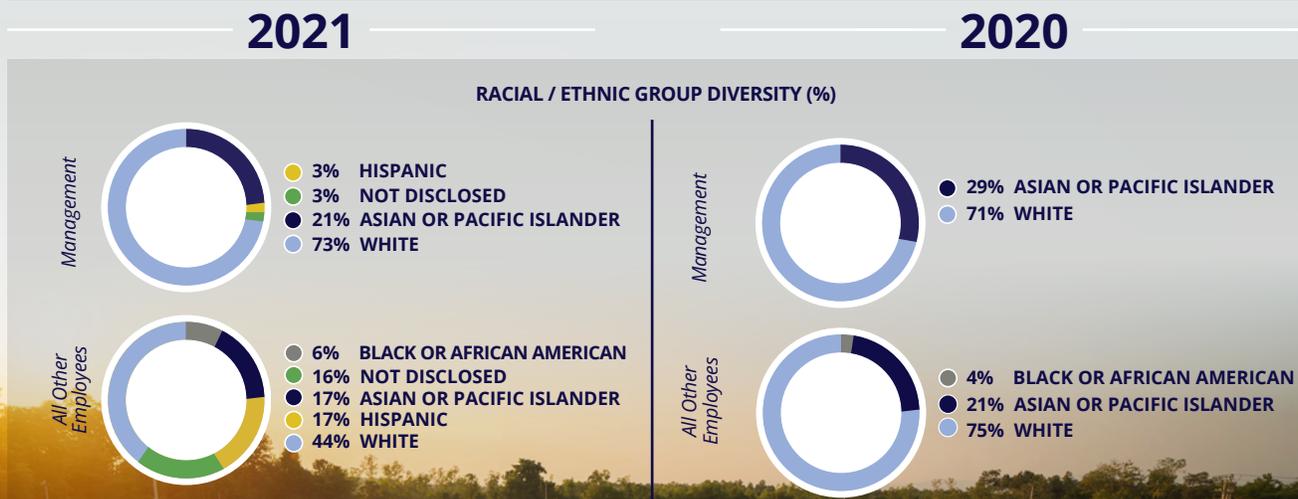
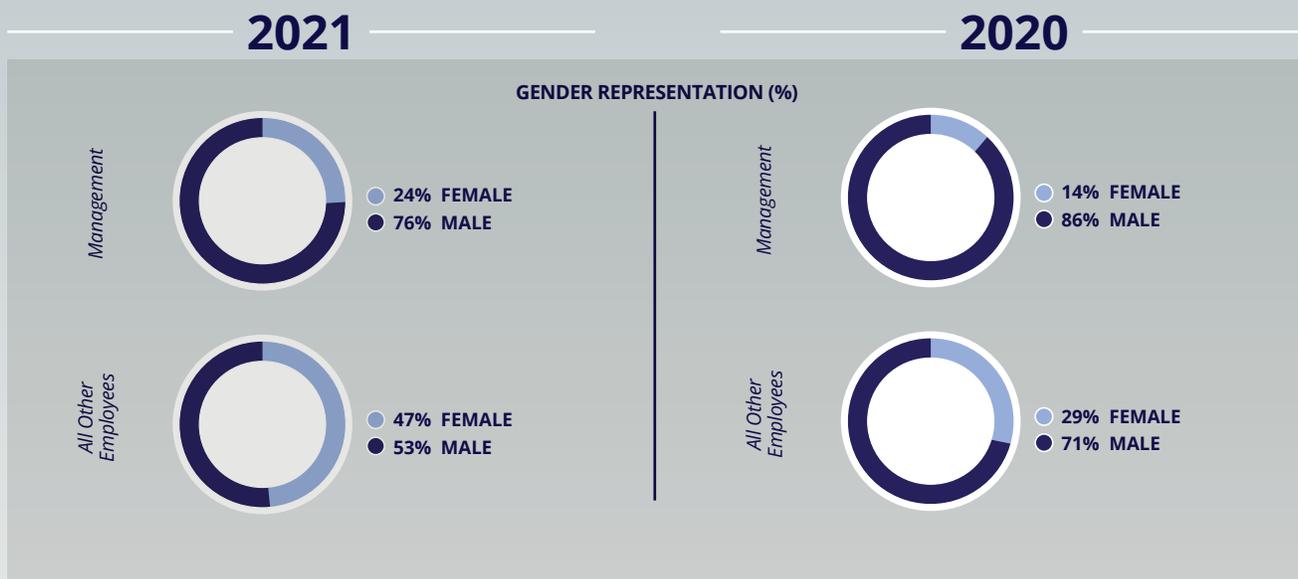
*Broad Reach offers a **Tuition Reimbursement** program to employees for **up to \$5,000 per year**. Employees are also encouraged to participate in conferences, seminars, trainings, and events to further their career development.*

We pride ourselves in having assembled a highly technical and experienced team. Broad Reach is led by a team comprised of solar, wind, and storage experts. Additional disciplines at the company include project development and operations, technical knowledge of batteries in a variety of use cases, commercialization, risk management, and trading. Our skill-sets mean Broad Reach is a leader not only for project development, but also in the active management of the commercial positions of our strategic asset base.

EMPLOYEE DIVERSITY, EQUITY, & INCLUSION

As Broad Reach's team is expanding, so are our efforts to further incorporate diversity, equity, and inclusion into the fabric of our culture. We seek to have a strong commitment to innovation, teamwork, and integrity and we realize that our company requires a dynamic and diverse workforce that is representative of the communities in which we operate.

As we work towards being the leading energy transition company, we seek a qualified, energetic, and committed team to help us grow. We nearly doubled our workforce from 31 employees in 2020 to 52 employees in 2021. We seek candidates with diverse backgrounds who are passionate about ESG. Our projects make a difference, and the Broad Reach team is proud of our impact. We know that diverse backgrounds lead to innovative ideas. Our employees are engaged, driven, and encouraged to seek out new ways to further embody our sustainability strategy. Employees of all disciplines recognize how ESG is advancing our mission to provide reliable, zero-emission power to the grid. We are proud of the progress we have made in our diversity efforts, as highlighted in the tables below:



WORKFORCE HEALTH & SAFETY

The health and safety of employees and others is a fundamental concept that is crucial to our long-term success. Workforce safety is an important condition of employment at Broad Reach – as equally important as our commitment to excellent environmental performance in all aspects of our business. We are consistently evaluating our process to enhance our protocols to ensure the safety of our team. We will continually strive to conduct company business in a manner that safeguards individuals, the environment, and the communities in which we do business.

Broad Reach has a culture of safety to keep zero incidents as our target. As of December 31, 2021, we maintained our record of zero incidents with multiple projects under construction. We are proud of this effort and plan to build on our zero incident record in the future through the establishment of robust reporting processes, including the monitoring of health and safety of our construction contractors.

COMMUNITY ENGAGEMENT

Broad Reach prides itself on being a good citizen and neighbor in every city and county where we operate. We value the people, businesses, and organizations that make up these communities and we are committed to being a trusted member.

Our employees regularly donate time and talent throughout the year to various local causes. We believe it is important for employees to feel engaged and empowered to give back. Volunteer efforts remained challenging in 2021 due to the ongoing pandemic, however, as we continue to grow, we will evaluate opportunities to engage with our communities on an individual, location, and company level.



About this Report

The information included in this report has been subjected to Broad Reach Power's policies surrounding the disclosure of financial and non-financial data. All data included in this report was not subject to a third-party audit verification process.

FORWARD-LOOKING STATEMENTS

Certain information included in this Sustainability Report may constitute forward-looking statements within the meaning of applicable securities laws, including but not limited to statements regarding Broad Reach Power's plans to: move forward with identified climate change opportunities, foster programs regarding diversity and inclusion, and plans to seek opportunities to further integrate sustainability factors into our business. Readers are cautioned not to place undue reliance on forward-looking statements as they are subject to a number of assumptions and known and unknown risks and uncertainties that may cause the actual results, performance, or achievements of the company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained herein are made as of the date of this document. The company assumes no obligation to update or otherwise revise these forward-looking statements, whether as a result of new information, future events, or otherwise.



2021 SASB Index

ELECTRIC UTILITIES & POWER GENERATION (Code IF-EU) FUEL CELLS & INDUSTRIAL BATTERIES (Code RR-FC)

The Sustainability Accounting Standards Board (SASB) framework aims to provide a standard for companies to disclose financially-material and decision-useful ESG information to investors and other stakeholders. The index below maps our performance under each of the suggested disclosure topics for the Electric Utilities & Power Generation and Fuel Cells & Industrial Batteries sustainability accounting standards according to SASB's Sustainable Industry Classification System (SICS®), as these industries most accurately reflect our business operations. Other topics disclosed throughout this report beyond the scope of these standards are not reflected in this index.

SASB CODE	ACCOUNTING METRIC	UNIT OF MEASURE	2021
Greenhouse Gas Emissions & Energy Resource Planning			
IF-EU-110a.1	Gross global Scope 1 emissions	Metric tons Carbon Dioxide Equivalent (CO ₂ e)	0
	Emissions-limiting regulations	Percentage (%)	0%
	Emissions-reporting regulations	Percentage (%)	0%
Air Quality			
IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O), (2) SOx, (3) particulate matter (PM ₁₀), (4) lead (Pb), and (5) mercury (Hg)	Metric tons (t)	0
	Percentage of each in or near areas of dense population	Percentage (%)	0%
Energy Management			
RR-FC-130a.1	Total energy consumed	Gigajoules (GJ) Metric Tons (CO ₂) ¹	203,446 19,727
	Percentage grid electricity	Percentage (%)	69%
	Percentage renewable	Percentage (%)	31%
Water Management			
IF-EU-140a.1	Total water withdrawn	Thousand cubic meters (m ³)	0
	Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)	0%

¹ Carbon dioxide emissions calculated using eGRID emission factors and ERCOT data for 2021 by analyzing usage in 15-minute increments.

SASB CODE	ACCOUNTING METRIC	UNIT OF MEASURE	2021
Product Efficiency			
RR-FC-410a.1	Average storage capacity of batteries, by product application and technology type	Specific energy (Wh/kg)	106 Stationary/Lithium-ion
RR-FC-410a.3	Average battery efficiency as coulombic efficiency, by product application and technology type	Percentage (%)	89% Stationary/Lithium-ion
RR-FC-410a.5	Average operating lifetime of batteries, by product application and technology type ²	Number of cycles	298 Stationary/Lithium-ion
Product End-of-Life-Management			
RR-FC-410b.1	Percentage of products sold that are recyclable or reusable ³	Percentage (%) by weight	95%
RR-FC-410b.2	Weight of end-of-life material recovered	Metric tons (t)	n/a
	Percentage recycled	Percentage (%)	n/a
RR-FC-410b.3	Description of approach to manage use, reclamation, and disposal of hazardous materials	n/a	Page 16
Grid Resiliency			
IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Number	0
Materials Sourcing			
RR-FC-440a.1	Description of the management of risks associated with the use of critical materials	n/a	Page 17
Workforce Health & Safety			
IF-EU-320a.1	Total recordable incident rate (TRIR)	Rate	0.0
	Fatality rate	Rate	0.0
	Near miss frequency rate (NMFR)	Rate	0.0
Electric Utilities & Power Generation Activity Metrics			
IF-EU-000.B	Total electricity delivered ⁴ to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers and (5) wholesale customers	Megawatt hours (MWh)	45,373
IF-EU-000.D	Total electricity generated	Megawatt hours (MWh)	45,374
	Percentage by major energy source	Percentage (%)	Energy Storage-100%
	Percentage in regulated markets	Percentage (%)	0%
IF-EU-000.E	Total wholesale electricity purchased	Megawatt hours (MWh)	56,512

² Represents the average number of cycles for the 12 sites that had operating periods during 2021.

³ Represents the estimate of an asset by weight that is recyclable by end of life. No assets reached end of life as of December 31, 2021.

⁴ Represents total electricity delivered to the grid.

TCFD Reference Table

TCFD ELEMENT	REFERENCE
<p>GOVERNANCE <i>Disclose the organization's governance around climate-related risks and opportunities.</i></p> <p>Broad Reach Power's Board of Directors and management teams work in tandem to prioritize ESG matters. Those priorities include climate-related risks and opportunities, which impact our governance structure, policy setting, and decision making. Our ESG Committee is responsible for providing strategic direction and overall management of ESG matters, including providing periodic reporting to our Board.</p>	Page 10
<p>STRATEGY <i>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</i></p> <p>Sustainability is fundamentally integrated into our overall strategy. We are determined to support climate change mitigation programs throughout our operations, and we are working to ensure we continue to be well positioned for the opportunities expected to arise from the transition to a lower-carbon economy.</p>	Page 7 Page 13
<p>RISK MANAGEMENT <i>Disclose how the organization identifies, assesses, and manages climate-related risks.</i></p> <p>As part of our risk management process, we consider climate-related issues. We prioritize identified risks and opportunities according to financial impact, likelihood of occurrence, and magnitude of consequences. This process of identifying and prioritizing risks enables us to align our organizational priorities and monitor emerging issues that may shape our future risk exposure. We prepare proactively for risk, both in our efforts to avoid disruption in the short term and to ensure viability of our business in the long term.</p>	Page 11
<p>METRICS & TARGETS <i>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</i></p> <p>We measure and track any GHG emissions using the suggested disclosures issued by SASB for the Fuel Cells & Industrial Batteries and Electric Utilities standards and by following the guidance of the GHG Protocol.</p>	Page 13