2023 Sustainability Report

Accelerating the shift to **clean energy**

APEX CLEAN ENERGY

Contents

A Note from **Our CEO**

Apex's mission to accelerate the shift to clean energy is more than just our core business—it's the key to unlocking a sustainable future. With close to 9 gigawatts of renewable projects already commercialized, our work—spanning nearly a decade and a half—is avoiding 690 million tons of carbon emissions over the facilities' lifetimes. Consider our 55 gigawatts under development, and that figure multiplies sixfold. Apex is executing at scale—and delivering.

For our company, 2023 was a year of strengthening the business for the long term. After years of unprecedented growth, our emphasis has shifted to maximizing value and efficiency. Apex's team of over 400 exceptional individuals has set its sights higher than ever—but we must be aligned in purpose to bring about the future we envision.

For this reason, we look to the values at the core of our work: safety, integrity, entrepreneurship, professionalism, and sustainability. These values ensure that the energy we produce is indeed clean, living up to our name and reputation. They provide a lens for us to consider our impact and serve as a clarion call for our mission, which grows more urgent by the day. They guide our everyday decision-making—because we recognize that what we do here is imperative, but how we do it is equally crucial.

Since the company's founding, Apex has sought solutions that extend beyond our core business to lower our collective environmental footprint, instill a culture of ethics and sustainable systems thinking, and establish innovative ESG programs and practices. Apexers, driven by a shared purpose and values, have established employee-led initiatives and practices in support of furthering our positive impact. In 2017, we recognized sustainability as an indispensable core value, and today, we plant a flag along our path to sustainability with this inaugural report.

Setting Ambitious Sustainability Targets

As a goal-oriented company, we are codifying Apex's ESG program: assessing our impacts and risks, establishing ambitious targets, and designing a clear strategy to reach them. Already, in our first year of formalizing the program, we have demonstrated remarkable progress. Looking ahead, we have set goals that truly lead the transition to a clean energy future responsibly and equitably:

We are committed to achieving net-zero emissions across our own operations by 2030. This will likely involve maximizing energy efficiency, procuring renewable power, investing in carbon removal projects, and supporting innovation in sustainable technologies and circular business models.

Apex will build on our industry-leading biodiversity work through a nature-positive approach that not only avoids and minimizes impacts, but actively contributes to restoring and enhancing ecological resilience. The Apex Conservation Grant Program will expand, and we will implement robust water stewardship practices.

We are enhancing the resilience of our supply chain and overall business through comprehensive risk assessments, engagement with suppliers on emissions reductions, and a vendor due diligence program emphasizing environmental, safety, and social impact criteria.

Apex is accelerating our diversity, equity, inclusion, and employee engagement efforts. We are targeting a female/male gender balance significantly better than our current 35:65 ratio by 2026, and we will imple-

ment new mentorship initiatives, workforce training programs, and an industry-leading employee engagement process. Expanding this approach to the broader industry, we aim to inspire and train the next generation of clean energy leaders, with a goal of reaching 2,000 future professionals through educational partnerships, internships, scholarships, and more by 2030.

Finally, we are reinforcing and constantly improving our ethical foundations—formalizing policies, conducting audits, providing comprehensive training, and upholding the highest standards of integrity in our work.

Reimagining Our Energy System

As Apex coalesces around these goals, we also recognize that this crucial transition to renewables will require universal participation. We are fortunate that the United States increasingly understands the risks of continued reliance on fossil fuels. There is greater consensus than ever that it is time to act, with nearly three-quarters of Americans supporting global climate change mitigation efforts, and more than two-thirds believing that renewable energy should be prioritized over carbon-intensive sources.

But significant work still lies ahead—not only in the massive buildout of clean energy required to meet U.S. emissions goals, but also in helping people understand why these goals are imperative. Our industry has the long-term runway to transform our nation's systems and meet its need for low-cost, reliable, emission-free energy, and to do so in a way that is both equitable and inclusive—enhancing local economies and ensuring that no one is left behind.

For our communities, investing in a sustainable future is an urgent necessity. Manifesting an adaptive and resilient world will require society to revolutionize many conventional practices—not the least of which is our approach to energy. We must accelerate that transition today, and we must do so with integrity and intentionality.

Embracing a Transformative Vision

The path to resiliency goes beyond adopting new technologies. It will require a groundbreaking perspective—one that challenges the status quo, fosters innovation, and paves the way for a sustainable and equitable planet for generations to come. These tenets are inherent to Apex's mission and work.

Our company's purpose is to bring into focus a world powered by clean, renewable energy generation—one that celebrates diversity and resilience, in our environment and in one another. We are taking bold steps toward that future, and with great optimism and determination, we know it is within reach. Together, let's work toward this change for the betterment of our world and all who call it home.

Ken Young
Chief Executive Officer

Our **Purpose** Our **Planet** Our **People** Our **Practice**

Since its earliest days, Apex has had a singular focus: we develop, finance, build, and operate renewable energy facilities, helping our partners—spanning the utility, corporate, health care, education, and government sectors—reduce their emissions. As a values-driven company, we have always strived to develop projects that go above and beyond, prioritizing responsible siting, ecological conservation, and community engagement.

We recognize, however, that realizing a sustainable, low-carbon future requires looking beyond our core business. It demands a holistic approach that embeds sustainability into every facet of our operations and decision-making.

That's why we are redoubling our efforts to minimize our environmental impact, foster a diverse and purpose-driven workforce, and ensure ethical, transparent governance. We have set ambitious goals, informed by our comprehensive 2022 materiality assessment. We will invest in the systems and expertise needed to drive data-based decisions. And we will hold ourselves accountable to all our stakeholders.

The transition to a clean energy future has reached an inflection point; it is both a business and a moral imperative. With a track record of leadership and an experienced, passionate team, Apex is well-positioned to help accelerate the shift. By comprehensively integrating sustainability into our business, we aim to not only power the transition to a low-carbon economy, but to raise the bar for what it means to be a clean energy company. We invite you to join us on this journey as we work to build a brighter, cleaner future for all.

Apex's Emissions Impact

2022 Scope 1–3 Emissions vs. Emissions Avoided in $MTCO_2e$

- Apex Scope 1–2 Emissions: **1,376**
- Apex Scope 3 Emissions: **198,683**
- Emissions Avoided by Apex-Developed Projects: **19,301,861**
- U.S. Emissions in 2022: **6,343,200,000**

U.S. Emissions Context

2022 Emissions Avoided vs. U.S. Emissions in $MTCO_2e$

* Apex emissions impact calculated using the U.S. EPA's Avoided Emissions and Generation Tool (AVERT) based on regional marginal emissions rates for the 29 Apex-developed projects that were in operation during the year 2022. U.S. Emissions Source: U.S. Environmental Protection Agency.

Apex's Sustainability Framework

At Apex, we are determined to accelerate the shift to clean energy in a way that intentionally and positively impacts our communities, ecosystems, partners, and stakeholders. We invest in socially responsible practices and are eager to share our expertise and expand opportunities for others to advance collective progress around climate and resiliency.

Across the company, we are working to embed systems thinking into our decision-making at every level. We constantly seek to maximize the benefits of our work by reducing risk, increasing resiliency, and exploring new opportunities. Our journey is one of continuous improvement—evolving, adapting, and pushing boundaries to further the transition to a better, more sustainable future.

Targets and Objectives

Our **Planet**

Ongoing: Accelerate the Shift

Ongoing: Maximize the Benefits of the Conservation Grant Program

2025: Energize First Carbon-Neutral Project

2026: Set Water Stewardship Goal

2030: Adopt Circular-Economy Approach

2030: Achieve Net Zero for Our Operations

2030: Implement Nature-Positive Approach

2030: Refine Scope 3 Emissions Data and Set Reduction Target

Our **People**

Ongoing: Achieve Zero "Hurt" Rate and Zero Severe Injury and Fatality (SIF) Rate

Ongoing: Maximize the Benefits of the Community Grant Program

Ongoing: Uphold Our Top-Tier Employee Engagement Approach

2026: Strengthen Our Representation

2030: Develop the Future Clean Energy Workforce

Our **Practice**

Ongoing: Uphold Consistent and Ethical Conduct

2027: Implement Supply Chain Due Diligence Program

2030: Establish Resiliency Framework Across Business Operations

Materiality Assessment

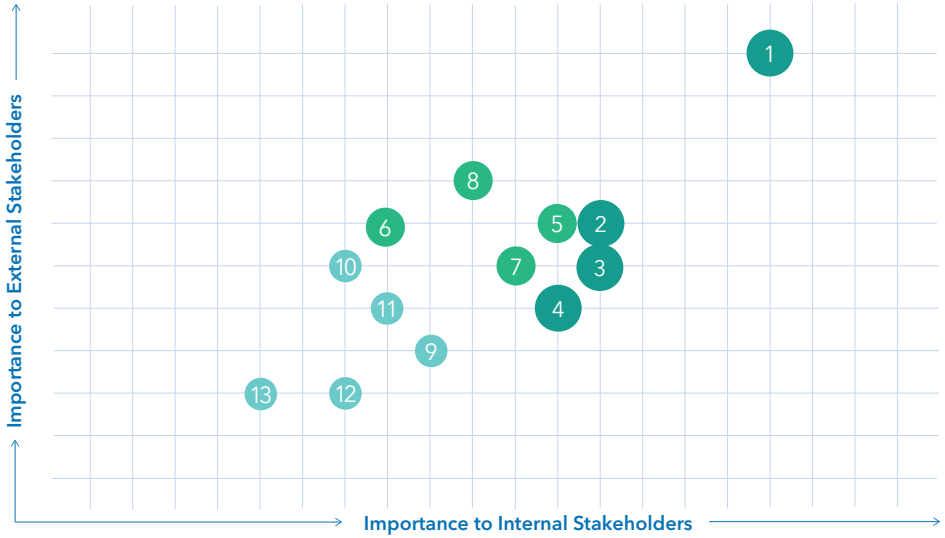
To focus our sustainability efforts, Apex hired an external party to conduct a materiality assessment, which identified and prioritized the environmental, social, and governance (ESG) topics most relevant to Apex and our stakeholders.* We will use this and future assessments as a road map to ensure that we are making the best decisions for our company and the planet moving forward.

Through comprehensive internal and external qualitative and quantitative information gathering from key groups (customers, raters and rankers, competitors and peers, NGOs and industry groups, and Apex executives and employees), the assessment identified 13 material ESG topic areas. Notably, all stakeholders were aligned on the number-one most important topic area: the Renewable Energy Transition, which is Apex's "north star" and reflected in our mission.

Apex used the results of the materiality assessment to focus on six priority topics in 2023, taking into consideration areas into which Apex has already invested significant resources, such as Diversity, Equity, and Inclusion (DEI), as well as areas still relatively nascent to the company, such as Supply Chain Impacts. The company's 2023 goals based on the materiality assessment and addressed in this report include:

1. Achieve a net-zero headquarters
2. Conduct a baseline greenhouse gas (GHG) inventory
3. Secure greater control over our supply chain
4. Identify and take advantage of opportunities to collaborate with industry partners to effect positive change in the industry
5. Illustrate continuous improvement of our ongoing DEI initiatives while forging new pathways in the standards of representation and education
6. Demonstrate our commitment to business ethics, with a specific focus on our corporate policies, transparency in our business operations, and diligence in our compliance training

2022 Materiality Assessment Results



Industry Leadership
1. Renewable Energy Transition
2. Natural Resource Conservation
3. Community Engagement
4. DEI

High Priorities
5. Corporate Governance and Business Ethics
6. Energy Use and GHG Management
7. Employee Experience
8. Supply Chain Impacts

Emerging Priorities
9. Environmental Justice
10. Resiliency and Adaptation
11. Cybersecurity
12. Water Stewardship
13. Material End of Life Management

* The assessment relied on these frameworks to identify the issues considered: GRI, MSCI, SASB, SASB Wind & Solar, Sustainalytics, and ISS.

Our **Planet**

Our **Planet**

Minimizing Carbon Impact

At Apex, we are working to combat climate change by generating renewable energy and minimizing our carbon footprint. Since our founding in 2009, Apex has commercialized more than 40 projects, reducing the emissions of our customers—from small, first-time corporate buyers to repeat-partner Fortune 500 companies, utilities looking to green the grid, and U.S. military garrisons.

As part of our unwavering commitment to sustainability and environmental stewardship, Apex has taken significant strides toward understanding our impact on the planet and establishing ambitious targets around our operational practices and corporate ethos.

In the coming years, we will reduce emissions to a minimum and invest in carbon removal projects to account for those that remain. That work has already begun, with the move to our sustainable mass timber headquarters, and it will continue with the establishment of our first carbon-neutral project site.

Because supply chain emissions are outside of our direct control, industry-wide partnership is critical. To better understand, and eventually reduce, our Scope 3 emissions, we look forward to collaborating with our largest suppliers to incorporate their ESG data efforts into our inventory.

Highlights

Targets

Accelerate the Shift

2023 294 MW → Ongoing 10 GW

In service of our mission, build/commercialize 1.4 GW in 2024 and 1–2 GW annually thereafter, with the goal of having a 10+ GW operating portfolio in 2030.

Refine Scope 3 Emissions Data and Set Reduction Target

2023 10% → 2030 100%

By 2030, refine our Scope 3 GHG emissions measurements, benchmark suppliers, and explore supply chain traceability opportunities. Set internal standard for data collection and develop plan for reduction.

Energize First Carbon-Neutral Project

2023 70% → 2025 100%

By 2025, achieve and sustain carbon neutrality across Wheatsborough Solar's operations, including energy production, transportation, and project activities.

Adopt Circular-Economy Approach

2023 5% → 2030 100%

Adopt an approach that minimizes waste, maximizes resource recovery, and establishes a sustainable model for the entire life cycle of our business operations by 2030.

Achieve Net Zero for Our Operations

2022 1,376 $MTCO_2$ → 2030 0 $MTCO_2$

No later than 2030, achieve net zero for Apex's Scope 1 and 2 emissions from a base year of 2022.

Minimizing Carbon Impact: **Our Core Business**

Where are we now?

Through origination, construction, and operation of utility-scale wind, solar, and storage facilities, distributed energy resources, and green fuel technologies, Apex is expanding the renewable frontier across North America.

Despite market challenges and policy uncertainty, the pace of our work is rapidly accelerating, with nearly half of Apex's commercialized projects realized in the past three years alone. This momentum generates obvious value not only for the company but also for our planet, as responsibly developing renewable power is one of the most influential ways we can create a sustainable future for generations to come. Our commercialized projects will avoid approximately 4 billion gallons of water withdrawals and displace more than 690 million tons of CO_2 during their lifetimes.

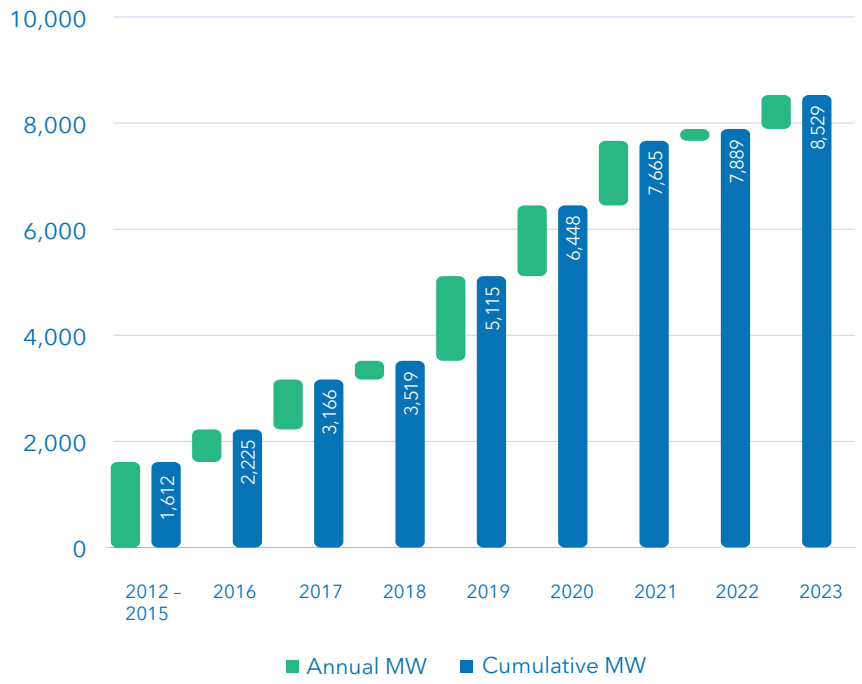
This is equivalent to filling 80 million bathtubs and removing more than half of the vehicles that populate roads and highways in the United States today.

In recent years, Apex successfully made the transition to an independent power producer and now owns and operates renewable facilities across the country. In 2023, we built more clean energy than ever in the company's history, brought our first battery storage project online, and expanded our scope of expertise to commercialize our first distributed energy resources (DER) portfolio.

What will we do?

With more than 55 gigawatts of clean energy in our development portfolio, the scale of our work has impressive potential in both the near and long terms. In 2024, Apex plans to build or commercialize 1.4 gigawatts of clean energy. In pursuit of our mission, we will continue or scale this pace of development year over year, with the goal of having more than 10 gigawatts of operational renewable energy in 2030.

MW Commercialized, 2012–2023



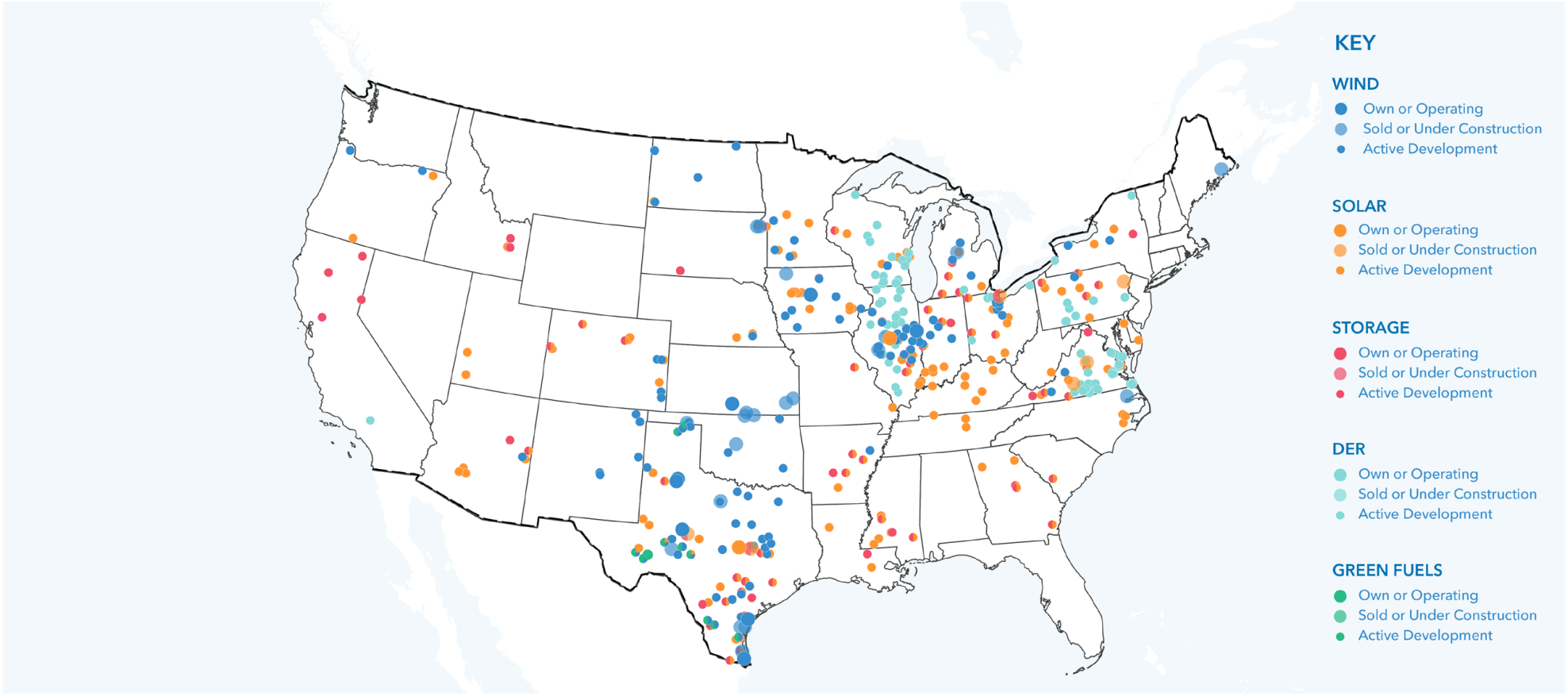
Between 2019 and 2021, Apex commercialized an average of 1.3 GW of clean energy annually. Apex's business model shift in 2022 from developer to owner-operator has set us up to build or commercialize 1.4 GW in 2024.

Our Core Business

How will we do it?

Today, Apex's new business model—that of a full-service, pure-play renewable energy company, is delivering at scale and enabling the continued advancement of our work. True to our entrepreneurial roots and core values, the company remains nimble, embracing flexibility within our commercialization strategy to drive returns and maximize value. In 2023, Apex launched its capital recycling program with the strategic asset sale of a wind and solar portfolio and financed the company's first-ever distributed energy projects.

Our work at the forefront of the nascent green fuels industry will further the benefits of our renewable energy facilities and expand decarbonization beyond the electric grid. By leveraging our long-established development expertise, leaning into our role as an owner-operator, and fostering strong relationships with new and repeat partners, Apex will continue to help our customers reduce their carbon footprints and accelerate the shift to the new energy economy.



Case Study 1: **Decarbonizing Hard-to-Abate Sectors**

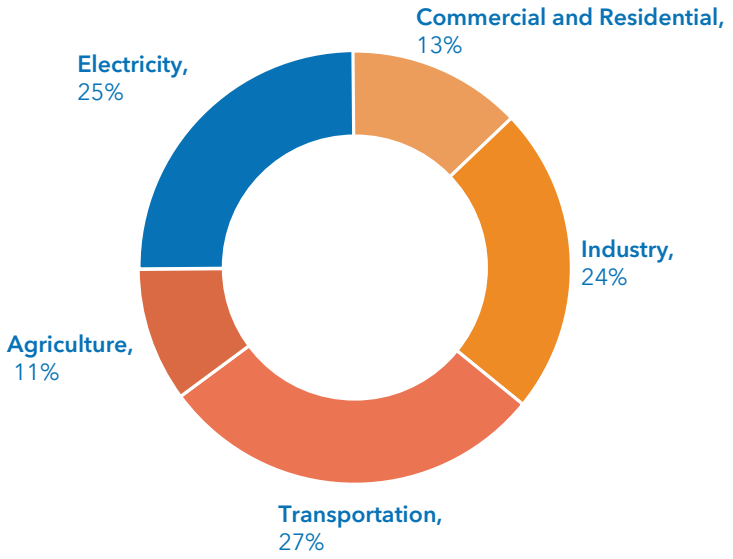
Fuels for Our Future

Green fuels are essential to the nation reaching net zero by 2050. Today, 25% of U.S. greenhouse gas emissions come from the electricity sector, whereas approximately 60% of carbon emissions are produced by sectors that are difficult to decarbonize with clean electricity alone.

Those sectors—particularly transportation (maritime shipping, aviation, tractor trailers, etc.), heavy industry (chemicals, steel, concrete), and agriculture (fertilizer)—will need to be decarbonized through other means; green hydrogen and its derivative fuels can provide this net-zero-carbon option. Global market demand for hydrogen and derivative fuels is anticipated to increase twofold by 2030 and nearly fivefold by 2050.

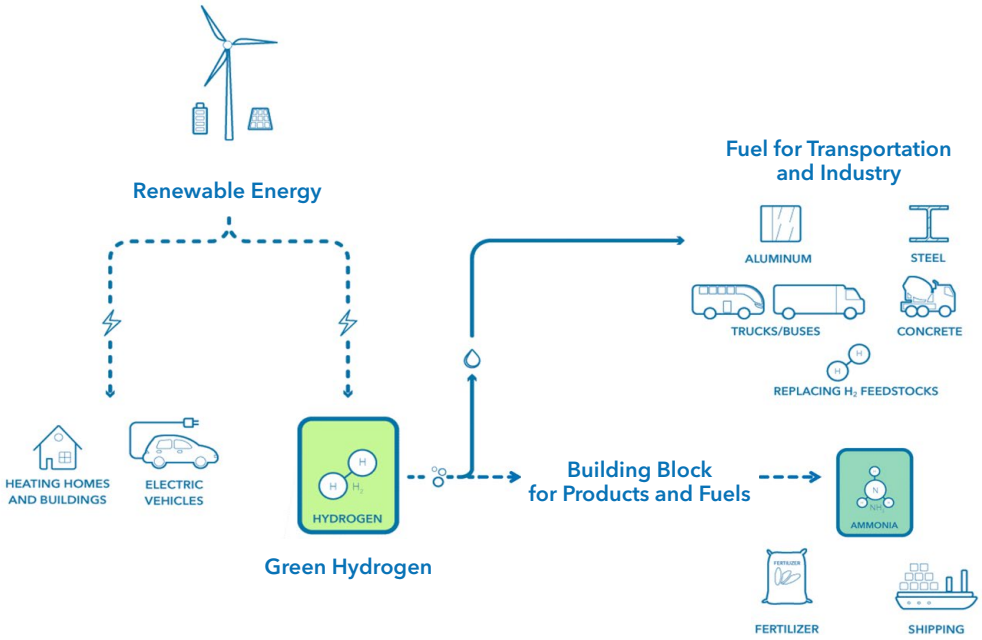
As a renewable energy company, often the biggest challenge we face is transmission: congested queues, uncertain timing, and unknown network upgrades, all of which can make projects incredibly difficult to develop. Green fuels represent an opportunity to deliver clean energy projects while working around those constraints—accelerating the shift in a groundbreaking way. Where transmission capacity is unavailable, we can turn electrons into molecules and transport them via pipelines or other means.

Total U.S. Greenhouse Gas Emissions by Economic Sector in 2020



Source: U.S. Environmental Protection Agency

Clean Energy to Clean Fuels



Pathways for converting clean energy electrons into clean fuels molecules, for various applications

Decarbonizing Hard-to-Abate Sectors

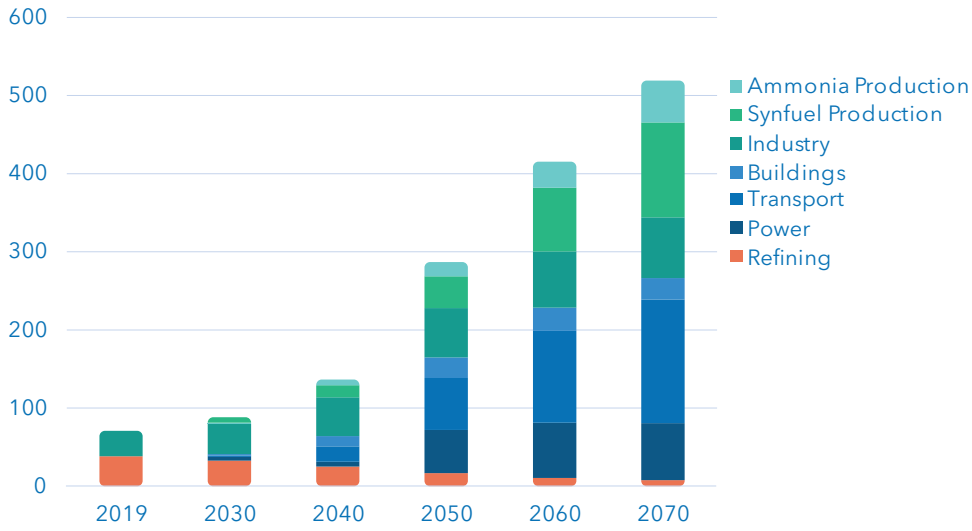
The Forefront of the Green Fuels Revolution

Since our early days, Apex's development strategy has centered on securing the resource and advancing projects in the right place at the right time. As our capabilities expanded to include green fuels, the approach remained the same. Apex has identified Texas as a prime location for green fuels given its access to two potential offtake markets: the industrial backbone along the Gulf Coast and international customers via export.

Apex, alongside strategic partners, is advancing the development of a green fuels production, storage, transportation, and export operation that would produce green hydrogen and derivative fuels in volumes not yet seen in the United States. The project will comprise hybrid wind, solar, and potentially battery storage facilities co-located with electrolyzers across Texas, totaling gigawatts of capacity and producing hundreds of thousands of metric tons of hydrogen annually.

This work builds on Apex's first experience in the space: a collaboration on the largest U.S. green hydrogen power purchase agreement (PPA) at the time. In 2021, Apex announced the 345 MW PPA and a development services agreement for a green hydrogen production facility. The power purchased will directly supply a hydrogen production plant with 100% renewables. The hydrogen plant, co-developed by Apex, will be the first and largest wind-supplied hydrogen project in the United States and one of the largest onshore wind-powered projects across the globe.

Historical and Projected Hydrogen Demand (by Industry) Through 2070



Source: International Energy Agency

Once operational, the plant is anticipated to produce over 30 metric tons per day of clean liquid hydrogen, enough to fuel the equivalent of over 2,000 light commercial vehicles or over 1,000 heavy-duty class 8 trucks.

Water and Hydrogen Production

One of the two primary feedstocks for hydrogen production is water, a commodity that can be scarce in parts of the United States, particularly the West. Apex is committed to sourcing water for its hydrogen portfolio without exacerbating current resource challenges. This includes prioritizing recycled water, accounting for local conditions (including availability, quality, system health, and community receptivity), and reducing consumption wherever possible.

To ensure sustainable water sourcing, all aspects of procurement and use (including sources, cooling technology, treatment, and disposal) will be decided on a site-by-site basis. To support this work, Apex has commissioned an environmental and water resource consulting firm and an environmental engineering firm that specializes in water procurement, treatment, and disposal design to evaluate all potential sourcing options (including municipal wastewater, produced water from oil and gas production, and groundwater) and identify the least impactful method.

Minimizing Carbon Impact: **Managing Our Emissions**

Where are we now?

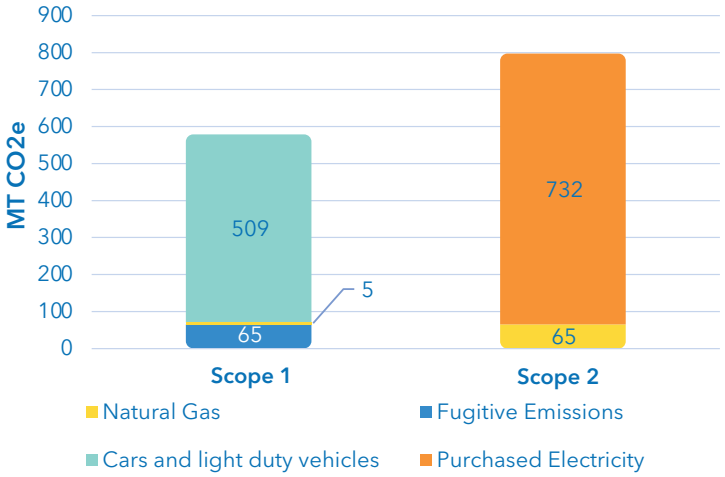
In 2023, we completed our baseline greenhouse gas inventory, assessing our 2022 Scope 1, 2, and 3 emissions following the GHG Protocol operational control approach. Although Apex had previously assessed GHG emissions related to our Charlottesville-based operations, our 2022 GHG inventory expanded the boundary to include emissions from our supply chain and all assets owned and/or operated by Apex. As such, the 2022 inventory serves as our baseline inventory moving forward. Apex's Scope 1 and 2 emissions calculations relied on actual data combined with some estimated use. Our highest emissions came from electricity use, followed by mobile combustion, natural gas, and fugitive emissions.

In 2022, we reached our first milestone in managing our emissions, moving into our new headquarters, which is net zero for electricity use. In 2023, we accounted for the carbon emissions from our corporate headquarters through energy efficiency measures, clean energy, and the purchase of renewable energy credits (RECs). To minimize Scope 1 and 2 emissions across our portfolio to date, we have incorporated energy efficiency measures and equipment into our corporate offices and our project operations and maintenance (O&M) buildings.

What will we do?

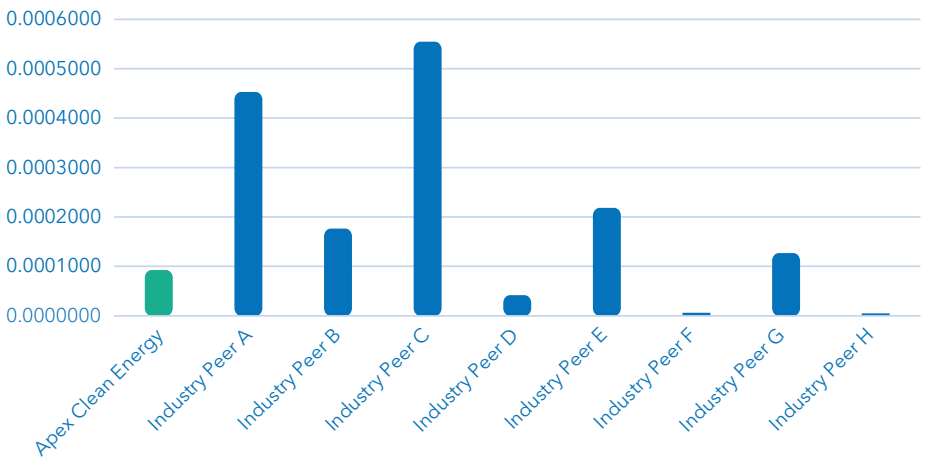
Apex intends to achieve net zero for our Scope 1 and 2 GHG emissions across our entire business operations by 2030 from a 2022 base year, meaning that we will reduce emissions to a minimum and invest in carbon removal projects to account for remaining emissions. A critical first step toward our net-zero goal is to establish a more streamlined and centralized data collection system. In addition, we will continue to promote home energy efficiency and low- or zero-carbon travel by employees (see p. 19 for information on our sustainability incentive programs).

Scope 1 and 2 Breakdown



Apex's Scope 1 and 2 emissions calculations relied on actual data combined with some estimated use.

Intensity (Scope 1 and 2 $MTCO_2e$/Revenue)



Data collected from publicly available information as of November 2023.

Managing Our Emissions

Building toward our net zero 2030 goal, Apex is developing our first carbon-neutral project, Wheatsborough Solar.[1] We will achieve and sustain carbon neutrality across the project's operations, including energy production, transportation, and project activities.

How will we do it?

To achieve net zero for our Scope 1 and 2 emissions by 2030, we will utilize renewable energy sources, energy efficiency measures, building retrofits, and investment in carbon sequestration and carbon offsets to reduce emissions even as we grow.

Moving forward, Apex will report annual GHG emissions and progress toward emissions-reduction goals, demonstrating accountability and fostering credibility. We are working with experts and exploring verification options to provide validation for these reduction efforts.

Strategies in Practice

At Wheatsborough Solar, a model for other Apex projects, the following measures will be considered as part of our emissions-reduction strategy:

1. Optimizing the O&M building envelope
2. Programming thermostats and lighting controls to adjust during unoccupied hours
3. Installing high-efficiency appliances, including a high-efficiency water heater and HVAC system
4. Phasing out gasoline-powered trucks for electric trucks, as availability, performance, and vehicle maintenance service allow
5. Educating staff about minimizing electricity and fuel consumption
6. Installing high-efficiency light switches and LED lightbulbs
7. Conducting energy audits periodically (e.g., every five years) to identify opportunities to further reduce energy consumption

To account for remaining carbon emissions, Wheatsborough may support emissions-reductions initiatives, including planting trees, purchasing RECs, funding research on clean energy use, paying for physical removal of carbon dioxide (CO_2) from the air, or other commercially reasonable solutions available in the future.

An energy-efficient operations and maintenance building at an operating Apex wind farm.

1. Carbon neutral is defined by Wheatsborough's power purchase agreement as "achieving a balance between carbon dioxide emitted due to the Project's operations and the carbon dioxide removed and/or avoided due to initiatives supported by and attributed to Wheatsborough, such as by planting trees and purchasing Renewable Energy Credits (RECs)."

Case Study 2: **Our Sustainable Home Base**

Apex's Corporate Headquarters

At its core, Apex Plaza is a physical manifestation of our company's mission. The tallest wood-framed building on the East Coast of the United States at the time of its completion, Apex Plaza is built from sustainably harvested cross-laminated timber (CLT) certified by the Forest Stewardship Council and Cradle to Cradle, rather than energy-intensive steel. The mass timber supplier owns and manages the forest from which the 1.6 million board feet of black spruce was sourced and processes the timber in its renewably powered factory.

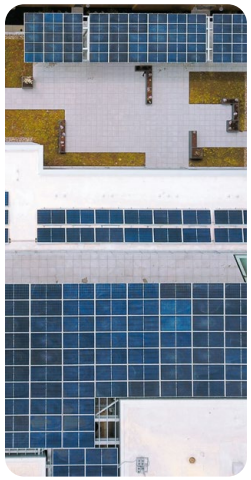
Carbon storage is an important component of building with CLT. Working forests act as a carbon "sink": healthy trees remove CO_2 from the atmosphere, release oxygen, and sequester/store carbon. Using mass timber as a building product reduces the carbon footprint by storing CO_2 in the same way a healthy tree would (one square meter of timber stores approximately one metric ton of CO_2).

Reduced construction time also provided carbon savings; construction of the mass timber frame for Apex Plaza took 16 weeks, which is 1.2 to 1.4 times faster than other building methods.

Design Details: Sustainable from the Ground Up

Apex Plaza is designed for the future; the modular design allows it to be disassembled or repurposed for the next use. It includes state-of-the-art efficiency measures, including high-performance window glazing and mechanical systems that minimize energy use. The parking garage features electric vehicle charging stations, supporting Apexers' drive to reduce their commuting-related emissions. The green roof terrace on the third floor provides urban habitat and stormwater retention.

The building's multi-level solar array produced 360,830 kWh in 2022, which offset 110 metric tons of CO_2 (per the EPA Power Profiler tool). The array was originally sized to support all of Apex's energy use, but in response to long-term policy and capital, the company more than doubled in both size and planned square footage from 2020 to 2023; to ensure that we offset the entirety of our energy usage at Apex Plaza in 2023, Apex purchased RECs. Last year, Apex Plaza was net zero for our electricity use, achieving two years early our emissions reduction target for the Green Business Alliance, a leadership circle of Charlottesville-based businesses that have committed to deep emissions reductions. Apex committed to a 75% reduction by 2025 based on our 2019 energy consumption.



Results[2]

2,990 $MTCO_2$ Carbon Avoided

GHG emissions avoided: 809 metric tons of carbon dioxide ($MTCO_2$) (vs. concrete/steel) and 2,091 $MTCO_2$ (carbon embedded in the wood)

Saving Material and Time

CLT's prefabricated nature produces almost no construction waste. Additionally, it provided **20% schedule savings** and **90% less construction traffic** than would be expected with a concrete and steel structure.

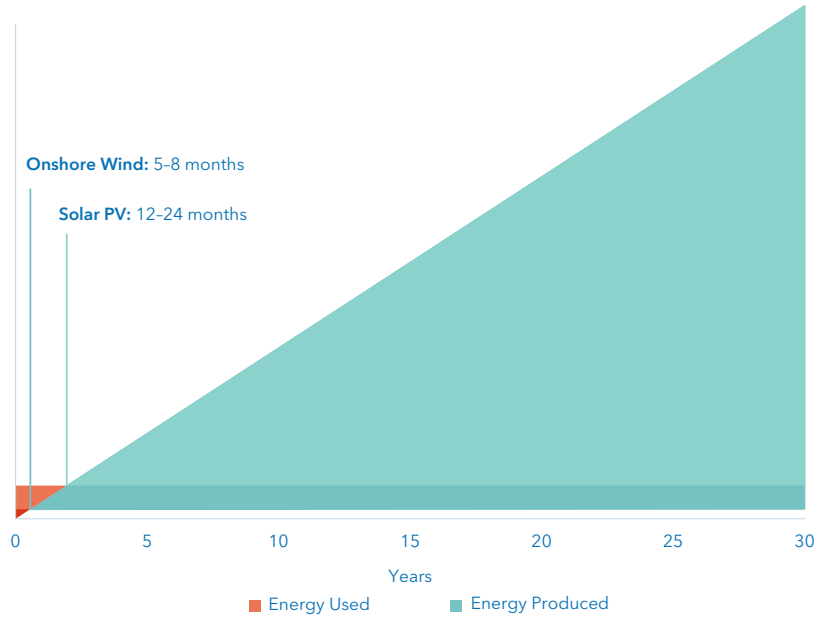
2. Calculations by architect William McDonough + Partners.

Powering **Supply Chain Partnerships**

Where are we now?

Apex is committed to understanding and reducing emissions impacts throughout our supply chain. Results of our baseline GHG inventory indicate that the vast majority (over 99%) of our emissions are Scope 3 emissions from our supply chain, a substantial portion of which come from embodied carbon in wind turbine and photovoltaic module components (see visuals on page 18). Both wind and solar facilities reach energy payback within 5 to 24 months, providing emissions-free energy for the remainder of their approximately 30-year lifespan. Because these items are essential for reducing global CO_2 emissions, collaboration with partners to reduce emissions is critical to our success and that of the industry. We are eager to do our part to support industry innovation and standardization.

Energy Payback Period Across Life Cycle of Wind and Solar Facilities



The payback period is the time it takes for the energy produced to equal the energy used throughout the life cycle of the plant, including manufacture, installation, operations, maintenance, and disposal. For onshore wind, the average is 5 to 8 months; for solar PV, the average payback period is 12 to 24 months.

A critical component of collaboration will be supporting and encouraging our supply-chain partners as they work to collect and calculate emissions data for their products. For our baseline calculations, our initial Scope 3 emissions data was estimated based on environmentally extended input-output (EEIO) analysis; spend data was used for Scope 3 categories where an appropriate industry-level EEIO emission factor was applied to calculate emissions.[3] Although this was a helpful first step toward estimating our Scope 3 GHG emissions, we need more specific, reliable data to better understand our Scope 3 emissions and continue to make meaningful progress toward reductions goals.

Apex, alongside the renewable energy industry, promotes responsible decommissioning and the pursuit of circularity, with prominent turbine manufacturers now producing and implementing recyclable blades and processes. At our solar facilities, we are exploring partnerships with panel recyclers and are recycling the majority of our construction waste, which is packaging and shipping materials; in 2024, we aim to expand that to include broken solar modules. Building on this work, we are committed to adopting a circular economy approach that minimizes waste, maximizes resource recovery, and establishes a sustainable model for the entire life cycle of our business operations by 2030.

What will we do?

In service of our 2030 goal, this year we are refining our Scope 3 GHG emissions measurements, benchmarking suppliers, and exploring supply chain traceability opportunities that extend to environmental concerns.

3. EEIO analysis provides a simple and robust method for evaluating the linkages between economic consumption activities and environmental impacts, including the harvest and degradation of natural resources. Justin Kitzes, "An Introduction to Environmentally-Extended Input-Output Analysis," *Resources* 2, vol. 4: 489–503 (2013), https://doi.org/10.3390/resources2040489.

Powering **Supply Chain Partnerships**

We recognize that we need formal collaboration at the highest level to make meaningful change. In 2023, we signed the Principles for Purpose-Driven Energy Procurement with the Clean Energy Buyers Association (CEBA), which represents a community of over 330 energy customers and partners striving to achieve a 90% carbon-free U.S. electricity system by 2030. Moving forward, we are exploring opportunities to engage more broadly with partners who have a direct impact on our supply chain. Furthermore, by 2027, we will establish a supply chain due diligence program.

How will we do it?

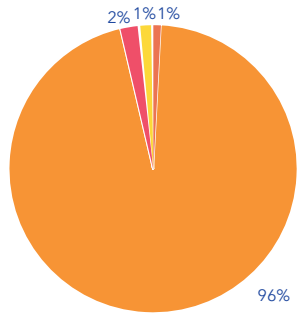
In 2024, Apex plans to set up internal procurement benchmarks to help guide our own decision-making so we can consider our climate strategy prior to engaging suppliers. We will begin to map spend to suppliers and identify emissions related to specific purchases. We look forward to working with our biggest suppliers to incorporate their ESG data efforts into our inventory. Because supply chain emissions are outside of our direct control, industry-wide partnership is critical; we look forward to continuing to engage with our suppliers to reduce these emissions.

To responsibly manage materials at the end of their life cycles, we aim to support a closed-loop supply chain for critical materials used in our clean energy infrastructure. Within our own operations, we will develop and implement internal circular design guidelines for all new infrastructure projects, ensuring that they are designed with end-of-life management in mind. We will responsibly decommission our projects, utilizing renewable energy sources and advanced technologies to minimize the carbon footprint associated with decommissioning activities.

Externally, we intend to develop partnerships with suppliers committed to taking back and responsibly managing materials at the end of their useful life, promoting a cradle-to-cradle approach. We will collaborate with industry peers, research institutions, and government agencies to share knowledge and best practices for sustainable material end-of-life management, contributing to the development of industry-wide standards and guidelines.

Vendor	Type	% of Total Purchased Goods and Services (PG&S) Emissions
Turbine Purchase ExWorks	Turbine and turbine generator set units manufacturing	43%
PV Module Material	Nonmetallic mineral products	20%
BOP Contractor	Construction	15%
Turbine O&M Service	Commercial and industrial machinery and equipment repair and maintenance	4%
BESS Cell and Module Material	Other miscellaneous electrical equipment and components	4%
Utility System Upgrade	Utilities buildings and infrastructure	2%
Private Roads Access	Construction	2%
Utility Expense	Utilities buildings and infrastructure	1%
Turbine Miscellaneous	Turbine and turbine generator set units manufacturing	1%
Project Acquisition Cost	Legal services	1%

Scope 1, 2, and 3 Emissions



Case Study 3: **Cornerstone Programs**

Low-Carbon Commuting

The Drive Electric Program is one of two incentive programs that focus on reductions of work and travel emissions. Apex provides a cash bonus to support Apexers who purchase all-electric or plug-in hybrid vehicles.

To help Apexers reduce emissions from commuting by car to work, Apex provides the **Parking Cash-Out Program** for employees who choose to use alternative modes of transportation. Employees who forgo the benefit of a company-paid parking spot receive a monthly cash benefit.

Drive Electric: **15% participation** since program inception; all-electric or plug-in hybrid vehicles

Parking Cash Out: **11% participation** since program inception; forgoing a parking spot

In the Community

The Solar Nonprofit Grant Program supports nonprofits nominated by engaged employees, offering grants for solar power systems. This initiative aligns with corporate sustainability goals, fostering renewable energy adoption while empowering communities. By harnessing solar energy, qualifying nonprofits reduce operating costs, promote environmental stewardship, and enhance their capacity to serve their mission effectively.

Energy and Efficiency at Home

Our Solar Incentive Program incentivizes employees to adopt sustainable energy practices by offering financial support for purchasing and installing qualified solar power systems in their residences. This initiative not only reduces individual energy costs but also contributes to our collective environmental responsibility.

Apex has two financial incentive programs in support of reducing energy use at home: the **Home Energy Efficiency Program** and **Electrify Everything**. Apex will cover the cost of a home energy audit and will also provide a partial reimbursement for energy efficient upgrades such as insulation, air and duct sealing, HVAC upgrades, energy efficient water heater replacement, programmable thermostats, and window/door replacements. Additionally, the company provides an incentive to Apexers who purchase battery-assisted bicycles and electric versions of household tools.

Home Energy Efficiency: **14% participation** since program inception; receiving a home energy audit, and installing insulation, air and duct sealing, HVAC upgrades, energy efficient water heater replacement, programmable thermostats, or window/door replacements

Electrify Everything: **30% participation** since program inception; lawnmowers, string trimmers, blowers, and e-bikes

Home Solar Power: **6% participation** since program inception; installations represent 245.8 kW collective capacity

Our **Planet**

Protecting Our Environment

As a company with a core value of sustainability, Apex endeavors to develop sites responsibly, minimize our projects' impacts, and promote ecological balance. Independent of our project development work, our industry-leading Apex Conservation Grant (ACG) Program contributes $1,000 per MW commercialized by Apex to support local and regional ecological conservation and restoration.

We intend to expand the benefits of this program, and by 2030, Apex commits to a nature-positive approach in all we do, aiming to conserve nature and ensure the resiliency of the ecosystems and communities where we do business. We envision a company-wide net-positive impact on biodiversity, ecosystem functionality, and climate stability through our work on ecological restoration, conservation, and water stewardship across our portfolio.

By 2026, we aim to establish water stewardship guidelines to minimize water usage and adopt responsible water management practices across our operations. For context, our electricity production (wind, solar, storage) requires no direct freshwater withdrawals; our energy generation in 2022 avoided withdrawals of 4.345 billion gallons of water compared to fossil fuel production. Because our clean fuels projects will require substantial water resources, this is a primary focus for Apex in the coming years.

Highlights

Targets

Maximize the Benefits of the Conservation Grant Program

2023 100% → Ongoing 100%

At commercialization, Apex will contribute $1,000 per MW from Apex-owned projects to support local and regional ecological conservation and restoration, leveraging emerging science and nature-based solutions to maximize our contributions.

Set Water Stewardship Goal

2023 10% → 2026 100%

Set a target for water usage across our operations after setting a baseline, measuring one year of use and developing an Apex-wide strategy for handling water by 2026.

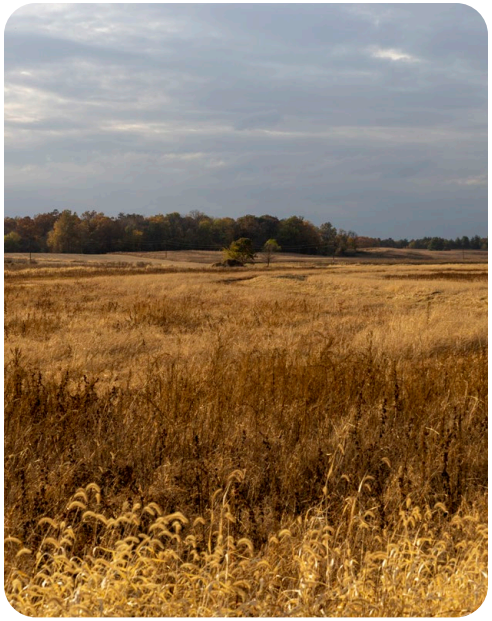
Implement Nature-Positive Approach

2023 5% → 2030 100%

By 2030, define our nature-positive approach, aiming to promote and protect biodiversity where we operate and using industry-standard metrics for measurement.

Environmental **Impacts and Biodiversity**

Where are we now?



Apex's project development approach is aligned with the International Union for Conservation of Nature (IUCN) mitigation hierarchy (avoid, minimize, restore/rehabilitate, and offset) and emphasizes a conservation mindset. We meticulously assess and strive to avoid/minimize any potential impacts at every stage of the project life cycle, spanning from site selection to operations and decommissioning. We pay particular attention to intact habitats like forests and native grasslands because of their critical role in protecting biodiversity and stabilizing ecosystems.

Additionally, Apex has committed to implementing CEBA's Principles for Purpose-Driven Energy Procurement (see page 42): respecting and conserving our lands, waters, and biodiversity through avoidance, minimization, and mitigation measures when siting, designing, developing, and operating clean energy projects.

To complement our rigorous development approach, the Apex Conservation Grant Program further protects environments in and around our project areas. Across six states, Apex has awarded more than $2.4 million, which has been leveraged for an additional $6.3 million in matching funds and has helped preserve or restore nearly 3,000 acres to date.

What will we do?

By 2030, Apex commits to a nature-positive approach: with the help of wildlife biologists and other experts, we aim to promote and protect biodiversity where we operate and beyond. In 2021, the G7 leaders called for a global goal of nature positivity: to halt and reverse nature loss by 2030, from a 2020 baseline, and achieve a full recovery by 2050. We will explore how to expand our current actions and programs to contribute to this evolving commitment.

We will also begin developing our water stewardship program, including assessing water use across our operations and developing a strategy to track and conserve water. Our green fuels projects will be developed using the principle of sustainable water sourcing and use (see "Decarbonizing Hard-to-Abate Sectors," p. 12). Further, we will explore ways to leverage our ACG Program to facilitate projects that enhance local water quality and support the availability of water for ecosystems and communities.

To better quantify the benefits of current and future conservation projects, in 2024, we will identify metrics related to biodiversity and ecosystem services to incorporate into the ACG Program. We are working with our partners to identify existing gaps and opportunities for collaboration.

How will we do it?

We will develop our nature-positive approach around two channels: our projects and the ACG Program. We will design projects to include wildlife and pollinator habitats and allow for the passage of wildlife where feasible. We will work with our construction partners to implement best-practice sustainable construction techniques to reduce environmental impact: minimizing habitat disruption, using environmentally friendly construction materials, and adopting low-impact building practices. Apex will continue to utilize the program to invest in conservation projects that restore and revitalize ecosystems near our project sites.

Case Study 4: **Conservation Grant Program**

Protecting Biodiversity Near Project Sites

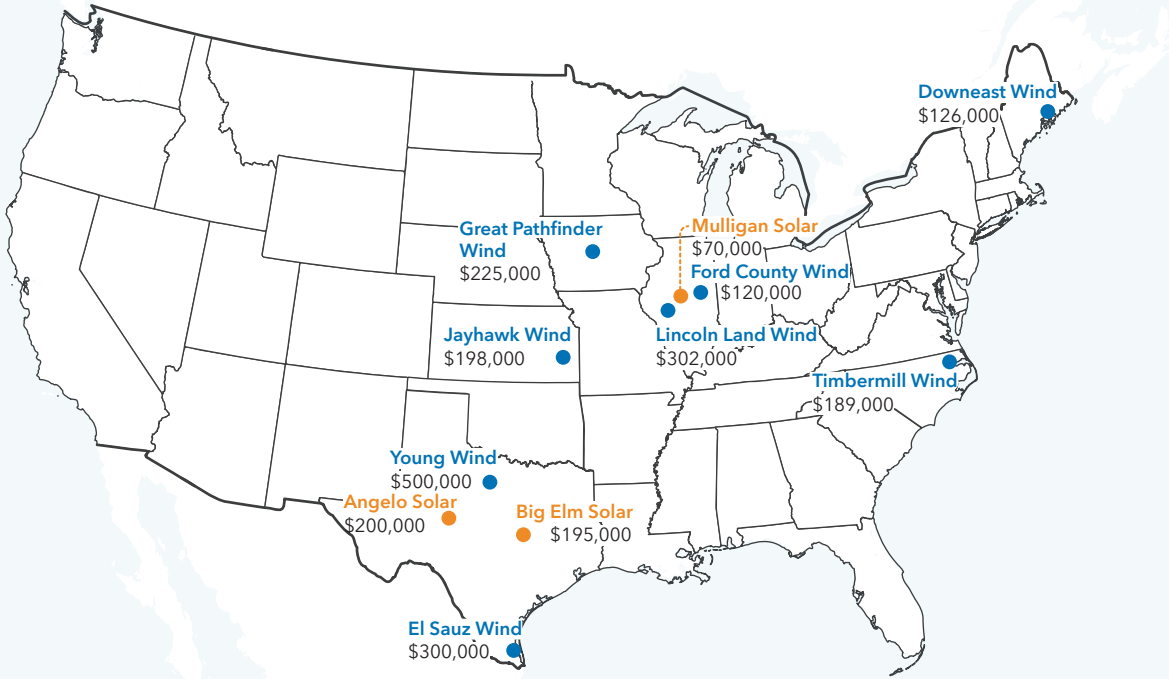
Our first step in protecting biodiversity in and around our project sites is always responsible project development. To move beyond mitigation and into restoration, Apex founded the Apex Conservation Grant Program in 2021, the first of its kind in our industry.

The ACG Program is a powerful tool for protecting and enhancing biodiversity where we work. The program awards $1,000 per megawatt of each commercialized project's total nameplate capacity to address environmental priorities in the area or region where it is located.

Explore the grant project map in depth.

To date, the ACG Program has funded on-the-ground conservation initiatives in the vicinity of our projects that:

- support local or regional ecosystems and habitats that will enhance the recovery and protection of local wildlife populations
- preserve, restore, or enhance local or regional native grasslands, shrublands/woodlands, forests, wetlands, and riparian habitats
- support environmental programs and projects that promote sustainable agricultural and soil health practices
- restore working landscapes that support ranching and livestock operations that may incorporate sustainable land management practices



Case Study 4: **Conservation Grant Program**

Grantee Highlights

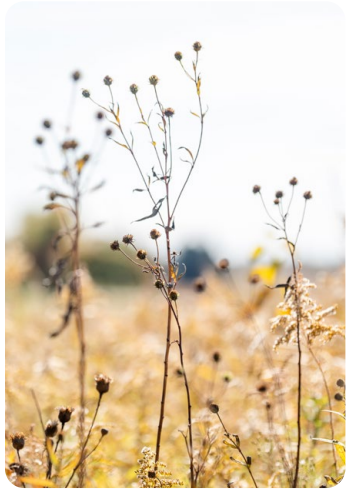
Ducks Unlimited

In June 2021, Apex distributed a $302,000 conservation grant on behalf of Lincoln Land Wind to Ducks Unlimited, a leader in wetland conservation. The partnership restored agricultural land within the Two Rivers National Wildlife Refuge (NWR) and existing overgrown forested islands in the Illinois River. Two Rivers NWR is a migratory bird refuge in southwestern Illinois encompassing 9,000 acres of floodplain habitat at the confluence of the Illinois and Mississippi Rivers. The grant project restored 324 acres of flood-prone agricultural lands back to forested, emergent wetlands within the floodplain and implemented nearly 20 acres of timber stand improvements (TSIs)—one of the most aggressive treatments the U.S. Army Corps of Engineers had ever completed—to boost forest quality for bats and other wildlife species.

The restoration of the fields is intended to mimic historic natural flooding conditions and is providing healthy wetland forest habitat for wildlife, public recreation, and flood storage. Meanwhile, the implementation of TSIs helps preserve mature and healthy trees, retain dead trees for habitat, promote natural regeneration, create quarter-acre bat foraging openings in the forest, and reforest traditional hardwood species. Ducks Unlimited leveraged Apex's donation to secure additional funding at a 4:1 match and is seeking further matching opportunities.

Bat Conservation International

In 2023, Apex announced a $200,000 conservation grant award on behalf of El Sauz Wind and Young Wind to Bat Conservation International (BCI). The grant will benefit the conservation of a bat population colony of Mexican free-tailed bats roosting in an old cotton warehouse in Huntsville, Texas. The colony took up residence in the building in 1997 and has since grown to become one of the largest urban bat colonies in Texas, with an estimated 750,000 to 1,000,000 bats using the structure as a maternity roost, migratory stopover, and hibernation site. The grant will allow BCI, the Texas Department of Criminal Justice, and the Texas Parks and Wildlife Department to assess the condition of the existing roost within the warehouse and develop designs to either renovate the structure or construct a new, similar one. In addition to helping provide a sustainable long-term habitat for the bats, the grant will support a bat education, outreach, and research center. Apex's donation was matched 1:1 by BCI with additional funding from the Texas Department of Criminal Justice.



Results

Total Awarded to Date

$2.4 million (grant program) / $6.3 million (matching funds)

Types of Habitats Preserved

Apex has contributed to the restoration and preservation of nearly **3,000 acres** comprising a variety of ecologies and habitats, including

native tallgrass prairie, loess prairie, oxbows, rivers, various woodland types, playa wetlands

Case Study 5: **Site Development**

At every project site, Apex strives to be a responsible developer and engaged community partner. Our internal guidelines hold us to a higher standard of rigor beyond regulatory and permitting requirements.

Development

We begin our development process with site selection: we work to site projects away from protected lands and sensitive natural areas, such as native grasslands, whenever possible. This approach results in the vast majority of our projects being sited on previously disturbed land.

Once a larger area of interest has been identified, we use GIS mapping tools to identify and understand the species and habitats within the range of the project under consideration to understand the potential environmental impacts of project development and operation.

Environmental professionals, including wildlife biologists and wetland scientists, conduct multiple site-specific surveys and habitat assessments to inform the project layout. These studies typically include aquatic resource assessments, habitat evaluations, and wildlife surveys.

Design

Projects are designed to avoid and minimize all potential impacts and enhance environmental benefits to the extent practicable.

Specifically, our project design team works to site facilities so that habitats are avoided, tree clearing is avoided or minimal, and wildlife corridors are incorporated.

During the planning process, we voluntarily implement best management practices, including timing construction to avoid disturbance during breeding seasons and using wildlife-friendly silt fencing, where practicable.

Construction and Operations

Impact avoidance and minimization extends beyond project development into the construction and operational phases, during which we implement effective stormwater management and erosion controls, thoughtful vegetation restoration, and waste recycling and repurposing.

Our project vegetation management plans have evolved such that revegetation combined with effective operational maintenance is intended to build soil health and protect water resources for the life of the project.

Apex is incorporating sheep grazing as a land management tool at pilot solar projects and is working with agency and conservation partners to incorporate pollinator habitat into project planning where feasible.

At Angelo Solar and Aviator Wind, two projects approximately 30 miles apart in West Texas, Apex cleared thousands of acres of invasive mesquite trees prior to construction. Although mesquite is native to the area, it is considered invasive because it draws water from deep underground, outcompeting other native plants and harming vulnerable ecosystems. Clearing mesquite helps return water to arid landscapes.

Our **People**

Our **People**

Thriving Communities

At Apex, sustainability encompasses the well-being of our people and the communities in which we operate. It is imperative that we develop reliable and sustainable carbon-free energy systems—and prioritizing their equitable development will further elevate our overall impact. We actively engage in a community-facing approach, working closely with local stakeholders to ensure our projects meet their needs and contribute positively to their development. Through initiatives such as community outreach programs and partnerships with local organizations, we strive to empower communities to participate in and benefit from the transition to clean energy.

Apex's people—from local community members and corporate partners to employees—encompass both those who we are responsible for and those who we are responsible to. We are committed to cultivating health and safety across our business operations, building a foundation of trust with all project stakeholders, and prioritizing an inclusive workplace. Apex supports employees at every stage of their careers; our commitment to their well-being and growth ensures a motivated and skilled workforce capable of driving innovation and achieving our business and sustainability goals. By fostering a culture of integrity and professionalism, and through tangible initiatives, we can contribute to the long-term success of both our company and the communities we serve.

Highlights

Targets

Zero Injury Rate

2023 **0.19% : 3.35%** → Ongoing **0% : 0%**

Apex targets 0 hurt and SIF rates every year for all Apex employees, and for employees plus contractors, respectively.

Maximize the Benefits of the Community Grant Program

2023 90% → Ongoing 100%

Enhance our current community-facing approach by adding climate and community vulnerability data to our grant process; ongoing.

Strengthen Our Representation

2022 35% → 2026 >35%

Significantly improve on our 35:65 balance between women and men in our workforce by 2026.

Develop the Future Clean Energy Workforce

2023 260 → 2030 2,000

Reach a total of 2,000 future clean energy professionals with our educational and professional development programs by 2030.

Uphold Our Top-Tier Employee Engagement Approach

2023 83% → Ongoing 72+%

Maintain a "great" (above 72%) employee engagement score each year between now and 2030.

Safety Across Apex

Protecting Each Other

Since Apex's early days, safety has been ingrained in every aspect of its work, across every team—evidenced by a strong track record and numerous industry awards. We prioritize health and safety by integrating it into all processes and conducting early risk analysis for each project. Our leadership team plays a vital role in upholding and promoting this core value throughout the organization: their commitment sets a strong example and fosters a culture in which safety is everyone's responsibility.

We employ routine and rigor in every aspect of our safety program, and we strive for inclusivity, maintaining an anonymous safety suggestion portal to encourage open communication and gather valuable feedback from employees. Regular surveys are also conducted to assess the overall safety climate and identify opportunities.

Apex actively monitors its Health, Safety, and Environmental (HSE) standards through a combination of quantitative and qualitative methods. We track key metrics such as the number of safety observations, the rate of near misses, and training attendance to gauge safety engagement and awareness. These metrics allow us to gauge the effectiveness of our safety programs and processes, provide valuable insights into our safety culture, and guide proactive measures for continuous improvement.

Our Current Efforts

Apex has established processes to identify physical, health, chemical, and environmental hazards that may be faced in the workplace, including soliciting input from employees and reviewing near misses as well as accident and incident reports and findings. This risk evaluation identifies hazards at each site, informs facility-specific safety programs, and establishes proper controls for all work; iterative assessments are used to further refine and supplement these protocols. In addition to reducing on-the-job injuries and illnesses and complying with regulatory standards, this focus on safety brings collateral benefits in the form of improved communication, documentation, and cost savings.

The success of Apex's safety approach is not dependent on our company alone—it requires participation from everyone with whom we associate. As such, Apex ensures that all contractors are vetted by a third party for existing safety programs, incident history, and conformance to Apex's high standards. Our incident tracking extends to all contractors on Apex's construction and operating sites, measuring near misses, safety observations, training event attendance, and more. Annual safety workshops are conducted at each site with key stakeholders and first responders, and Apex prioritizes communication with landowners, ensuring that everyone stays vigilant on and around our project sites.

Safety Across Apex

Program Outcomes and Improvements

In the spirit of continuous improvement and vigilance, Apex believes there will always be opportunities to sharpen our approach, even with the best performance. The safety program at Apex is regularly fine-tuned across five categories: enhance health and safety management, optimize security measures, improve environmental compliance, revise and strengthen emergency response plans, and proactively engage communities and stakeholders. As such, Apex is working—along with other top-tier construction companies—to move the industry to adopt two new metrics that are focused on incidents that have the greatest potential for a negative impact, rather than on the actual outcome:

The injury ("hurt") rate will track the total number of employee injuries, rather than distinguishing by severity or OSHA classification.

The SIF (Severe Injury and Fatality) rate will reflect those incidents that resulted in, or had the potential to result in, a worker death or a life-threatening or life-altering injury or illness.

Results (2023)

Proactive Approach to Safety

- Apexers reported **297 Safety Observations** to prevent injury
- Apexers reported **18 Near Misses** before an injury occurred

Apex's Safety Performance

Apex Employees

- **Hurt rate: 1 injury in 1 million (M)+ working hours: 0.19%**
- **SIF rate: 0 injuries in 1M+ working hours: 0.00%**

Apex Employees + Contractors

- **Hurt rate: 37 injuries in 2.2M+ working hours: 3.35%**
- **SIF rate: 1 injury in 2.2M+ working hours: 0.09%**

Thriving **Project Communities**

Where are we now?

Apex has the most committed and well-equipped public engagement team in the clean energy industry, dedicated to earning a social license to operate from our host communities. Our support for our project communities is evident through initiatives such as the Apex Community Grant Program, which has distributed more than $4 million in funding nationwide since 2017. We invest in unique local initiatives, such as Lincoln Land Wind's community broadband, and have established innovative approaches, such as shared benefits agreements, to prioritize individual communities' preferences.

What matters to our communities matters to us. In Michigan, our public engagement approach at Isabella Wind ensured that local voices were heard above all else: the project features a community-based lease that intentionally provides the greatest benefit to the largest number of local people possible. A steering committee of local farmers selected Apex, out of three clean energy developers, as the best fit for their community. Isabella, the largest utility-scale wind project in the state, is located on more than 50,000 acres leased from approximately 600 families. And at projects in Iowa and Illinois, after hearing community feedback about nighttime lighting on turbines, we installed an Aircraft Detection Lighting System (ADLS). ADLS technology reduces the amount of time that turbines are lit by 96% to 98% compared to traditional FAA lighting. Moving forward, we will continue to work with communities to address this concern and others using the latest solutions available.

"Apex was more willing to meet our terms and come up with what we felt was a better lease. In the lease, we try to protect the land and the landowners as much as try to get a bigger payout for the participants."

–Bob Walton, Farmer and Wind Energy Steering Committee Member, Isabella County, MI

Our approach to outreach encompasses every phase of a project, from leasing and permitting to construction and operations. We focus on keeping our community partners continuously informed and engaged through open houses, landowner dinners, and presentations to local officials (in 2023, the total number of Apex-hosted community events surpassed 100). When a project enters construction, our team diligently keeps the community up to date on milestones, and during operations, regular communications highlight the benefits generated by the facility year over year.

Apex aims to surpass a community's expectations, going beyond the necessary requirements over the course of a project's lifetime. In the wake of devastating events ranging from Hurricane Harvey to the COVID-19 shutdown, our team has worked collaboratively with communities in our project areas, recognizing that their insights and needs are crucial in shaping our efforts—the same mentality we bring to our project work. We prioritize building enduring relationships, understanding that the time and energy invested today will yield lasting benefits for all throughout our decades of partnership.

What will we do?

Apex never stops exploring ways to ensure our projects bring real value to the communities that host them. We are respectful and responsible to our host communities, mitigating risk through our development approach and providing meaningful benefit through lease payments, tax revenue, and our

Project Developer Jackson Schiesl (back right) pictured with eight community grant recipients and partners from the Monroe County Community Foundation in Arkansas.

Thriving **Project Communities**

Community and Conservation Grant Programs. Because each community is different, we remain nimble and creative in our approach to genuinely support our host communities.

In one such unprecedented effort, in Vermillion County, Illinois, Apex enlisted local residents' help to shape a wind project's location and standards for design. Using an independent facilitation team, we worked to engage the community as more than just a host for the project, but as a partner, including a potential ongoing royalty based on the project's profitability over its lifetime. Ultimately, the collaborative process did not gain meaningful traction due to a number of factors. Apex discontinued development efforts, choosing instead to learn from the experience to inform future creative strategies.

As we refine our industry-leading public engagement approach, we will continue to practice community-informed project development and design, identify effective mitigation measures for actual or potential impacts, and tailor our charitable giving strategy to craft a grant program that applies across the portfolio.

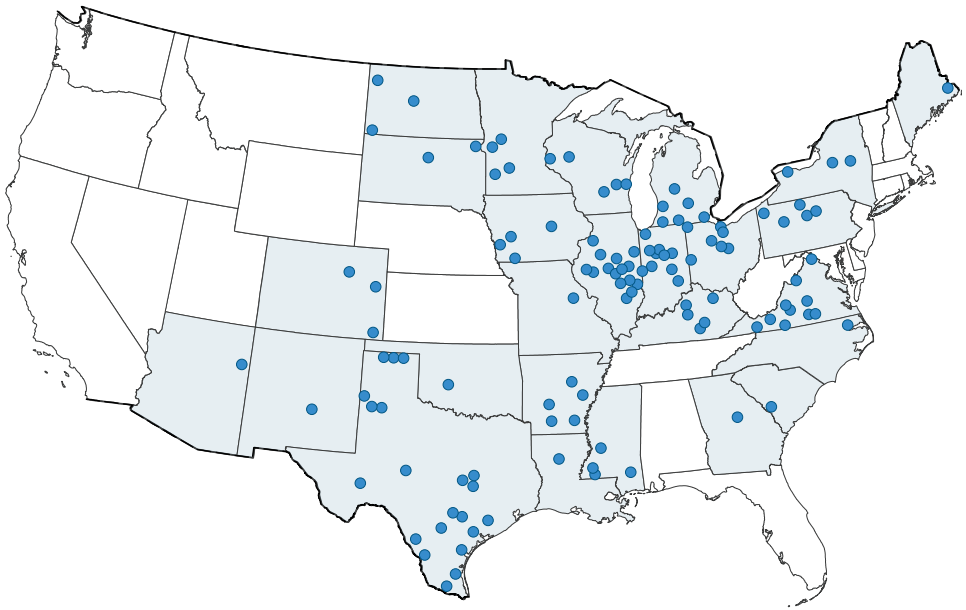
How will we do it?

Apex has demonstrated a distinctive ability to succeed in some of the most challenging environments in the country. To complement our current approach, we are evolving our public engagement framework to include data-driven strategies. By integrating advanced data analysis tools—such as the U.S. Climate Vulnerability Index—we aim to gain a more nuanced understanding of community needs around grant giving, ensuring that our projects are not only beneficial but also thoroughly aligned with local priorities.

This expansion in resources and knowledge will enable more effective communication and engagement with community members. By combining technology with enhanced skills and knowledge—and considering public engagement through the additional lens of environmental justice—we will continue cultivating relationships with communities that are based on mutual respect, transparency, and a shared commitment to progress.

Top Ten Community Grant Program Investments by State

Illinois	$783,168	**Minnesota**	$208,335
Texas	$654,701	**Virginia**	$205,567
Ohio	$618,213	**Oklahoma**	$123,305
North Dakota	$303,401	**New York**	$83,211
Iowa	$271,726	**Additional States**	$549,197
Michigan	$256,010		



Case Study 6: **Community Grant Program**

Investing in Our Communities

One of Apex's primary goals is to be a dependable, long-term partner with residents, local governments, and organizations where our projects are located. The Apex Community Grant Program ensures we are supporting the entire community that hosts our project even beyond the inherent benefits of tax dollars, landowner payments, and jobs. In 2023, we supported 61 communities with 325 distinct grants totaling $1,210,067, extending the reach of our initiatives far beyond our core business.

Through the program, Apex works to enhance its renewable energy projects' economic benefits for rural America, which has not always shared in the economic investment that urban and suburban communities benefit from. The program's goal is to fund projects and programs that build safe and healthy communities, create economic opportunity, encourage environmental sustainability, and promote education.

Downeast Wind

Located in Washington County, Maine, Downeast Wind is a 126 MW project that is scheduled to be completed in late 2024. Since the project's inception, Apex has contributed approximately $78,000 to organizations in the area through the Community Grant Program. Recent awardees include the Epping Volunteer Fire District ($5,100); the Maine Seacoast Mission, which offers food, shelter, and programming to local residents in need ($6,000); the Wild Blueberry Heritage Center, which educates visitors about the country's largest blueberry barren region, in Downeast Wind's backyard ($2,000); and Project SHARE ($3,000).

"We appreciate the support from Apex to help sustain the efforts of Project SHARE as we work to positively impact Atlantic salmon recovery efforts and restore natural stream processes in the watersheds that are home to this national treasure for generations to come."

–Steven Koenig, Executive Director, Project SHARE

Grantee Highlights

Project SHARE (Salmon Habitat and River Enhancement) is a nonprofit organization created in 1994 by landowners, business owners, conservation groups, and government agencies in Downeast Maine to cooperatively protect and enhance salmon and trout habitat. SHARE is nationally recognized as a case study of "cooperative conservation" through participation by a diverse group of stakeholders.

In 2020, Apex joined Project SHARE and awarded funds to support the work of two full-time employees who manage the organization and maintain its focus on habitat restoration. In addition to supporting important regional projects, Apex worked with Project SHARE staff to design up to seven stream crossing replacements in the Pleasant River and Machias watersheds. These locations were scouted and surveyed during the 2021 field season and will be designed to use structures that follow the principles of aquatic organism passage and meet the needs for wind turbine installation. Project SHARE was also a recipient of a 2023 Apex Conservation Grant.

Results

Total Apex Donations (since program creation)
$4,209,174

Number of Grants/Organizations Served
1,002

Number of Projects/Communities
108

Thriving **Core Communities**

Where are we now?

Recognizing that a successful company is an inclusive one, we strive to increase the strength of our team, business, and industry; to ignite opportunities for all to further the transition to a clean energy future; and to lead with respect to create meaningful change beyond the workplace.

Our core community at Apex includes our current and future employees, financial partners, and power purchasers.

Perks and Benefits

Health and Planning
- Medical Insurance
- Health Savings Account
- Dental Insurance
- Vision Insurance
- Legal Insurance
- Short-Term Disability Insurance
- Long-Term Disability Insurance
- Basic Group Term Life Insurance
- Group Supplemental and Dependent Life Insurance
- Flexible Spending Accounts
- Retirement Savings Plan
- Relocation Support
- Health Advocate

Wellness
- Apex Lives Fit
- Apex Sports Fund
- Headspace for Work

Time Away
- Responsible Paid Time Off
- Volunteer Time Off

Sustainability Incentives
- DriveElectric Program
- Solar Power Incentive Program
- Home Energy Efficiency Program
- Electrify Everything Program
- Solar Nonprofit Grant Program

Family Resources
- Milk Stork: Breast Milk Storage On the Go
- Maternity and Paternity Leave
- Dependent Care FSA
- Employee Assistance Program
- Virginia Discovery Museum Membership

Professional Development
- Apex Impact Mentorship Program

Our employees—more than 400 clean energy professionals based in Charlottesville, Virginia; Lake Elmo, Minnesota; and 38 other states across the country—bring their diverse backgrounds and experience to our work. Across Apex's subject-matter areas, we rely on our team members' individual experiences and expertise to pursue our mission. We support employee growth through robust professional development opportunities; in addition to coaching on performance-oriented competencies, we offer resources to enhance soft skills such as communication and leadership. Our best-in-class onboarding program supports new hires with training and cross-departmental mentorship, and we are developing a robust workforce planning program to ensure our team's future success.

Beyond professional development, we offer more than 20 perk programs across employee experience, transparency and equity, and health and wellness, in addition to robust benefits. Highlights include a generous leave program and transformative resources for physical and mental wellness.

Apex's commitment to providing continuous learning opportunities, mentorship programs, and career advancement initiatives extends to the next generation of clean energy professionals. We strive to create a more inclusive and diverse professional pipeline by educating, supporting, and guiding young minority leaders through our partnership with the Ron Brown

Apex Academy participants, summer 2023

Thriving **Core Communities**

Scholarship Program and the Jorge Mas Canosa Freedom Foundation's Mas Family Scholarships. Coordinating with others in our industry to further our contributions, we support the Clean Power Institute's effort to diversify the sector, create a workforce data hub, and standardize and scale industry training.

Through an award-winning summer associate (internship) program and educational offerings such as Apex Academy, a clean energy "crash course," and school tours of our headquarters, we engage students of all ages and backgrounds in the clean energy transition—unlocking access to a more representative talent pool. At the project level, our teams support the next generation through hands-on classroom workshops, university partnerships, and funding for organizations such as RePowering Schools and KidWind, among others.

Finally, supporting our home city, in 2022, Apex committed $1 million to affordable housing redevelopment in downtown Charlottesville through the Affordable Housing Opportunity Fund. This donation reflects our commitment to creating inclusive and sustainable communities by helping ensure a more secure future for generations of residents who have often been marginalized. And to further address climate change within our community, we collaborate with businesses and nonprofits around our corporate footprint through our founding membership in the Charlottesville Green Business Alliance.

An annual safety training at an operating Texas wind facility.

What will we do?

Apexers and their passion for our mission define our company and our culture. Embracing the principles of routine, rigor, and ritual, we will seek continuous improvement of our ongoing initiatives while forging new pathways in the standards of representation, education, and accountability both within and outside of Apex's four walls.

To keep the entirety of our core communities safe—a paramount goal—we strive for the best safety record in the industry: we are targeting a zero hurt rate and zero SIF rate on an annual basis.

Apex recognizes that establishing a diverse and inclusive culture benefits our employees, stakeholders, and the bottom line. We strive to improve the balance of representation within Apex across all facets, including race, sexual orientation, and gender. According to a report from the International Renewable Energy Agency (IRENA), women account for 32% of the clean energy workforce, and only 22% of the energy sector as a whole. Apex, which stands at 35% women, aims to significantly improve this balance in our workforce by 2026.

Recognizing that the representation of our industry does not match that of the general population, we will continue to build relationships that create opportunities for the next generation through our educational and workforce development programs, with an emphasis on underrepresented groups. By 2030, we have a goal to materially reach a total of 2,000 future clean energy professionals.

Finally, we want to maintain a high level of employee engagement around our mission and our workplace. Beginning in 2024, we will establish improvement projects driven by the results of our annual employee engagement survey. To maintain transparency and accountability, we will publish an

Thriving **Core Communities**

internal continuous improvement dashboard that tracks specific metrics and outcomes.

How will we do it?

To establish a robust framework for achieving these goals, we are structuring our improvements around routine, rigor, and ritual while honoring our core value of entrepreneurship. By integrating these elements into our daily operations, we will fortify our foundation, providing the necessary structure for success while ensuring we remain agile and responsive in our endeavors.

By embracing rigor in our safety initiatives, we will ensure that all aspects of our safety protocols are carefully examined, implemented, and monitored for effectiveness. This level of meticulousness not only promotes a culture of safety among employees, but also minimizes the likelihood of accidents, injuries, and operational disruptions. Moreover, through trainings, regular drills, and continuous improvement efforts, we will further instill a sense of responsibility and accountability toward safety at every level, protecting the integrity of our operations.

In 2024, an intentional and comprehensive approach to internal communications will foster employee engagement and ensure that vital information is shared across the organization, promoting inclusivity and engagement among our workforce. We are also creating a cohesive environment that centers on gathering, convening the entire company biannually—and individual departments more frequently—to focus on longer-term planning and community building.

We will establish representative internal working groups around core business initiatives, such as fair compensation, workforce planning, procurement and purchasing, and professional development. This will ensure that we are relying on the embedded subject-matter expertise and experiences of our employees to refine existing processes and establish new ones, driving us closer to our goals of diversity and inclusivity in all aspects of our business.

To strengthen representation in our workforce by 2026, we will improve our approach to recruiting initiatives through partnerships with educational institutions, veteran and military-spouse organizations, and professional organizations; implement a more focused and mature mentorship program and targeted workforce development programs focused on executive-level leadership and business training; prioritize supportive and flexible work arrangements; and expand strategic partnerships within the industry, such as with Women of Renewable Industries and Sustainable Energy (WRISE). Through these concerted efforts, we aim to create a diverse and equitable workforce that reflects the rich talent pool of professionals in our field.

Two dozen Apex employees participated in professional networking at WRISE Charlottesville's inaugural Leadership Summit, for which Apex was the keynote sponsor.

Environmental **Justice**

Where are we now?

Apex aims to be a catalyst for equitable access to clean energy resources and for empowering community voices to lead in the transition to a clean energy future. We strive to ensure that projects benefit underserved communities and to normalize an environmental justice–minded development strategy.

Apex practices community-informed project design to understand local concerns and, to the extent possible, incorporates feedback to ensure our projects exceed expectations, provide lasting benefits, and avoid land identified as culturally sensitive or ecologically important by local stakeholders and federal databases. Apex projects bring meaningful revenue to host communities through local jobs and economic development, significant state and local taxes, consistent and predictable income for farmers and landowners, and quantifiable public health improvements by displacing pollution-generating sources of energy.

Beyond the inherent benefits of our core business, Apex's environmental justice successes in 2023 centered on three primary efforts: we began constructing our first project that supports environmental justice initiatives (see Case Study 7, p. 37); we secured capacity for four distributed energy projects in Virginia's Shared Solar Program; and we signed the Principles for Purpose-Driven Energy Procurement through CEBA, which include a directive to advance an equitable, just clean energy transition that "upholds human rights and empowers and restores communities," with the intentional inclusion of frontline communities that historically were harmed by energy development (see Case Study 8, p. 42).

Environmental **Justice**

In Q3, Apex commercialized four community solar projects in our home state of Virginia, all of which have secured capacity in Virginia's Shared Solar Program. The program incentivizes equitable access to clean energy, with a goal of 30% of total subscribers qualifying as low income. Distributed energy projects have additional resiliency benefits: they bring generation closer to load centers, reduce the need for larger infrastructure investment, and improve grid resiliency against extreme climate events by diversifying the generation spatially.

What will we do?

Looking forward, our development strategy will focus on exploring ways that our projects can benefit communities across the United States equitably. In 2025, we intend to create clear, measurable, time-bound climate justice goals, and we will work to ensure that project benefits flow into underserved communities by expanding our DER portfolio and leveraging our Community Grant Program to increase our environmental justice contributions. We will also evaluate strategies to advocate for development policies that promote environmental justice.

To build on the successful DER commercializations, Apex is developing an additional 15-project, 75 MW portfolio in Virginia and is expanding our DER business line with a portfolio that spans nine states. All of Apex's DER work will provide benefits to low- and moderate-income subscribers; the projects also have the potential to improve the resilience of vulnerable, historically marginalized communities that are dependent on one energy source and to contribute to air quality improvements by replacing pollution-generating energy sources.

Between now and 2026, we will enhance our Community Grant Program's environmental justice focus by adding environmental justice and climate change data to our existing approach, which relies on local expertise to reveal pressing needs. The Community Grant Program (see Case Study 6, p. 31) aims to uplift local economies, support education, and enhance the quality of life for those in our immediate project surroundings.

How will we do it?

Apex aims to expand the benefits of the clean energy transition by considering energy communities—areas adversely impacted by the move away from fossil fuels—as locations to site projects. By laying the groundwork for environmental justice in the earliest project stage, we position ourselves to better realize additional opportunities as projects move through the development life cycle.

In the coming years, we will finalize a comprehensive stakeholder engagement strategy—building on our current best-in-class approach—that centers on three dimensions of environmental justice: distributive, procedural, and restorative. We will continue regular dialogues with local leaders and representatives from impacted groups in our project communities to incorporate their input into decision-making processes.

Case Study 7: **Environmental Justice in Action**

In 2023, Apex contracted its 125 MW Wheatsborough Solar project under the Microsoft–Volt Energy Utility Environmental Justice Framework. This framework, and the Wheatsborough project, supports Microsoft's goal to supply 100% of its energy needs with renewable energy while modeling a power procurement approach that redirects resources to community-led clean energy and resiliency projects.

The Partnership

Microsoft and Volt Energy Utility, a minority-owned solar energy development firm, developed the innovative framework to leverage corporate emmissionality goals to support environmental justice, community, and diversity initiatives. A percentage of the revenue produced by Wheatsborough will be invested into Volt's Sharing the Power Foundation, which is focused on environmental health and economic justice in historically underserved urban and rural communities. The contract prioritizes the equitable distribution of the benefits of the clean energy economy, with a focus on initiatives advancing women and minority leadership and job creation; carbon neutrality;[4] habitat restoration; and end-of-life recycling.

"As Microsoft works toward a more sustainable and equitable future, it's exciting to see our collaboration with Volt supplying new renewable energy with an organization like Apex. As we look to meet our ambitious clean energy goals, it's critical that we deliver benefits to under-resourced communities—and that's what this project will do."

—Kourtney Nelson, Director of Renewable Energy Procurement, Microsoft

Project Highlights

Wheatsborough Solar, located in Erie County, Ohio, will inject more than $35 million of new tax revenue into Groton Township and Erie County. During construction, which is underway, Wheatsborough is creating over 100 local jobs, including at least 75 percent for Ohio residents.

In addition, Wheatsborough Solar will fund community and conservation grants and clean energy workforce development. Through the Apex Conservation Grant Program, $125,000 will be awarded for local wildlife conservation, restoration, or other environmental remediation investments in or near the project community. The project is expected to come online in the first half of 2025.

With a consideration for environmental justice at every stage of a project's lifetime, including decommissioning, Apex commits to recycling, salvaging, selling, or reusing all excess materials and waste, to the extent practicable.

4. For these purposes, Wheatsborough applies Microsoft's definition of carbon neutrality, which is achieving a balance between carbon dioxide emitted due to the project's operations and the carbon dioxide removed and/or avoided due to initiatives supported by and attributed to Wheatsborough, such as by planting trees and purchasing renewable energy credits (RECs).

Our **Practice**

Our **Practice**

Governance and Resilience

As a provider of electricity, a critical public good, Apex recognizes the importance of safeguarding our operations and our ability to deliver clean energy to the grid, even in the face of unforeseen challenges. Given the dynamic nature of the energy landscape, we will proactively address vulnerabilities by refining and fortifying our resiliency framework, systematically integrating resiliency measures and robust contingency plans into our business operations.

We are committed to fostering a culture of collaboration and empowerment, wherein all employees are actively engaged in identifying risks, proposing solutions, and championing resilience initiatives within their respective roles and departments.

At Apex, we prioritize integrity, professionalism, and transparency, expecting nothing less from our stakeholders and partners. To ensure that our suppliers live up to the highest ethical standards, we will implement a comprehensive supply chain due diligence program across our operations by 2027. This will include:

Ethical Compliance Assessment: reviewing adherence to ethical guidelines, codes of conduct, and legal regulations to ensure alignment with Apex's standards and values

Supply Chain Transparency Analysis: evaluating the transparency and traceability of the supply chain to identify any potential risks related to unethical practices, such as labor exploitation or environmental violations

Social Responsibility Evaluation: assessing the social impact of our partners and suppliers, including their commitment to diversity, inclusion, fair labor practices, and community engagement, to ensure alignment with Apex's values and corporate social responsibility goals

Highlights

Targets

Uphold Consistent and Ethical Conduct

2022 **2:2:0** 2023 **1:1:0** → Ongoing **0:0:0**

Maintain the highest standard of consistent and ethical conduct. For the number of ethics-based reports submitted, Apex targets 0 substantiated reports that require disciplinary action or referral to the authorities.

Reports : Disciplinary Action : Referral to Authorities

Establish Resiliency Framework Across Business Operations

2023 15% → 2030 100%

By 2030, refine our resiliency framework—a structured approach to maintaining and enhancing our ability to withstand, adapt to, and recover from disruptions, including those related to social, environmental, and economic factors—and roll it out across business operations.

Implement Supply Chain Due Diligence Program

2023 5% → 2027 100%

Establish comprehensive vendor due diligence procedures across Apex by 2027. Establish policy and process for all new suppliers.

A **Resilient and Ethical** Apex

Where are we now?

Apex works to proactively identify and manage risks and opportunities impacting the business, project communities, and customers related to climate change and other disruptive societal, geopolitical, or economic trends. To create a resilient company, we commit to robust corporate governance activities, ensuring a comprehensive top-down approach to compliance. This includes maintaining high-quality policies, processes, and guidelines, and fostering a culture deeply rooted in risk management.

Maintaining our focus on safety and integrity relies heavily on training and communication initiatives, which contribute to a shared understanding of the expectations set for our workforce.

- We go above and beyond federally mandated topics to ensure our quarterly training sessions for all employees instill company-wide understanding of diverse topics such as labor rights, health and safety, business ethics, and more.
- We actively foster open channels of communication and have implemented confidential mechanisms for reporting and addressing ethical and safety concerns promptly, ensuring that our values are ingrained throughout Apex's operations.

This corporate culture extends to our core business: our proactive approach to development and our proprietary tools help us understand and plan for risk at every stage, from transmission constraints during project origination to extreme weather events during operations. Beyond the resilience of our company and projects, our renewable energy facilities contribute to the resiliency of local communities across the country and regional grid infrastructure.

What will we do?

A robust compliance culture will necessitate procedure documentation, continuous improvement in our policies, regularly updated training programs, and communication strategies that resonate with our team. In 2024, we intend to establish a robust internal auditing process dedicated to upholding our policies with diligence. Additionally, we are proactively updating and disseminating the Apex Code of Ethics on an annual basis, reinforcing our commitment to the highest standards within our workforce.

As we look to our project areas, we plan to optimize existing regional transmission infrastructure, allowing us to site facilities in a way that avoids congested corridors that could overwhelm the grid. We will explore opportunities for behind-the-meter and co-located technologies to increase grid resiliency and avoid interconnection challenges. In addition, we will continue to invest in green hydrogen, DER, and other technologies to enable deeper stages of decarbonization for our power systems and work to diversify our supply chain, ensuring we source materials and products that contribute to our long-term resiliency.

How will we do it?

To build a strong foundation for our company, we will continue to expand and improve on an integrated network of processes that help align our work with our values; this will enable the sharing of information across teams, strengthening our ability to make data-based decisions that support sustainability as well as the growth of our business.

A **Resilient and Ethical** Apex

In 2024, we are leveraging internal working groups focused on rigor, compliance, and documentation. These groups will play a pivotal role in continuously refining our policies and procedures, documenting our processes to ensure transparency and accountability. Moreover, the groups will oversee the development of updated training programs to keep our workforce abreast of evolving industry standards and ethical best practices. Through these efforts, we aim to instill a deep-seated commitment to integrity within our organizational culture, laying the foundation for sustained ethical conduct.

The retention of our workforce will be key to our success. The resilience of Apex's world-class team enables our growth: our employees have built a strong track record through both positive and challenging market environments; these experiences have provided our team with the expertise to drive the company forward.

Finally, we will meticulously evaluate our initiatives, enabling us to both celebrate our progress and identify opportunities for improvement. This feedback loop is a fundamental part of Apex's resilience framework—which encompasses strategies, policies, and actions that ensure the organization's long-term viability, continuity, and success in the face of challenges—guiding us toward a more sustainable and impactful future.

Results

Apex's Ethical Performance

In 2022, HR received:

- **2** substantiated claims
- **2** claims required discplinary action
- **0** claims referred to the authorities

In 2023, HR received:

- **1** substantiated claim
- **1** claim required disciplinary action
- **0** claims referred to the authorities

Case Study 8: **Our CEBA Pledge in Action**

Apex, along with other members of the Clean Energy Buyers Association, signed onto the Principles for Purpose-Driven Energy Procurement, which advance power purchasing standards to integrate environmental sustainability, resilience, and social considerations.

Guided by our core values, Apex's practices already align closely with the CEBA principles, and we are applying them in new and innovative ways where we see opportunities to improve. This strategic approach not only advances the clean energy transition, but also sets a benchmark for responsible and sustainable project development in the renewable energy sector.

Environmental Sustainability: Wolf Creek Solar

CEBA Principle 1: *Respecting and conserving our lands, waters, and biodiversity through avoidance, minimization, and mitigation measures when siting, designing, developing, and operating clean energy projects*

Apex's Wolf Creek Solar project sits in Montgomery County, Missouri, a highland of sorts between forks of the Mississippi and Missouri Rivers. Montgomery County was inhabited over 10,000 years ago; Osage, Quapaw, Otoe, Missouria, Ioway, French fur trappers, European emigrants, Civil War soldiers, and industrialists all have history there. Today, the area consists of agricultural land, and landowners enjoy the rich hunting grounds found in the project's wooded area.

Throughout the development of Wolf Creek Solar, we carefully considered and worked to avoid potential impacts to biodiversity. The project avoids all protected federal and state lands, including USFWS-designated critical habitat and state wildlife management areas. Using third-party environmental studies, Wolf Creek has been thoughtfully designed to minimize impacts to higher-quality habitats (e.g., forested areas), incorporate travel corridors for wildlife, and include erosion control measures during construction.

Apex also developed a comprehensive vegetation restoration and management plan (including, potentially, sheep grazing) that was approved by the Montgomery County Board of Commissioners and the University of Missouri Extension Office. To support a healthy environment beneath the solar panels, the project conducted soil testing to ensure appropriate seeding and mowing strategies are employed to stabilize and enrich the soil; we will continue to monitor the soil every five years. In addition, we are working with local community members to identify opportunities to improve biodiversity within the project area.

Social Equity: Downeast Wind

CEBA Principle 2: *Advancing an equitable and just energy transition that upholds human rights, empowers and restores communities, and ensures those communities are active participants, decision-makers, and beneficiaries across all stages of the project life cycle*

Washington County, in the Downeast region of Maine, is sometimes referred to as the "Sunrise County"; it contains the easternmost point in the United States, where many believe the sun first rises on the lower forty-eight. The area is famous for its rocky shorelines; farming, forestry, and maritime histories; and vast blueberry barrens. It is also one of the state's most impoverished areas and home to Apex's Downeast Wind project.

Throughout the project's decade-long development period, Downeast Wind has been driven forward by robust community

Case Study 8: **Our CEBA Pledge in Action**

engagement, including direct democratic approval of some of the project's key community benefits.

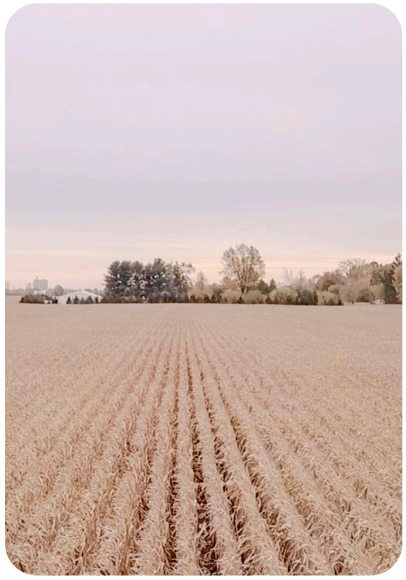
Washington County stands to see significant new economic benefits from the project. Locally approved community benefit agreements in Washington County and the Town of Columbia have earmarked nearly $20 million in direct community investments from Downeast Wind over its lifetime, including infrastructure investments, public health improvements, and vocational education funding. These agreements were approved by the Washington County commissioners as well as the residents of the town of Columbia in a direct vote during their annual town meeting in early 2020.

Beyond direct benefits, Apex incorporated local feedback regarding visual impacts from the project to a nearby lake and not only adjusted the turbine layout to minimize those, but also incorporated additional benefits for the affected property owners by setting aside funding for lakeshore improvements in Downeast's community benefit agreement.

Resilience: Coldwater Solar

CEBA Principle 3: *Valuing the long-term efficiency and adaptive capacity of our energy systems to a changing environment by increasing investments in the resilience of regional grid infrastructure and clean energy supply chains*

The Coldwater Solar project is located in Coldwater and Ovid Townships in rural Branch County, Michigan. Situated halfway between Detroit and Chicago, the area plays host to annual strawberry and apple festivals. The population of Branch County is just shy of 45,000; it qualifies as an energy community based on its unemployment rate (4.65% compared to the 3.67% 2022 national average).



Coldwater Solar brings an inherent benefit to regional grid resilience—a priority in the wake of Michigan's historic 2023 law to achieve 100% clean energy by 2040. Today, coal and natural gas together make up 65% of Michigan's electricity generation. Diversifying the energy generation mix with solar power makes the grid as a whole more resilient in the face of extreme weather, natural disasters, or disruptions in power generation due to maintenance or other factors. Solar farms are also designed to provide reactive power support to the grid, which can minimize voltage drop across high power lines, keeping electricity safe and efficient.

During Coldwater's development, Apex is performing a series of advanced power system studies to ensure that the reliability and stability of the grid will be maintained or enhanced when the project comes online. During technology selection, stability performance is simulated and tested against constrained conditions of the power grid to ensure Coldwater Solar can operate as needed through any grid disturbances. These advanced studies utilize near- and long-term models that reflect evolving configurations of the grid to guarantee lasting viability of the project.

A Resilient and Ethical **Supply Chain**

Where are we now?

Integrity and accountability are core tenets of how Apex conducts business, and we seek to ensure that Apex's suppliers and business partners also meet the highest ethical standards. By investing in the resiliency of our supply chain, we contribute to a more sustainable and equitable global economy.

We demonstrate our unwavering commitment to these standards in a number of ways, including through the Solar Energy Industries Association (SEIA) and American Clean Power Association (ACP) solar industry forced labor prevention pledge, which Apex played a pivotal role in drafting. To ensure that our entire ecosystem operates with integrity and fairness, we require our suppliers to comply with all applicable laws and regulations; notably, we actively seek suppliers who abide by the Uyghur Forced Labor Prevention Act (UFLPA) and manage an ethical supply chain. Apex also leans on consultants, who provide expert advice and conduct traceability and ESG audits on third-party suppliers.

What will we do?

To ensure that ethical practices extend to our external partners, we are incorporating a systematic due-diligence process in our operations. This involves assessing partners' and suppliers' adherence to our Supplier Code of Conduct (SCoC)—which we will update annually—and ensuring that their codes of conduct meet or exceed Apex's. In addition, a new procurement working group will establish a charter and formal procurement policy that sets minimum qualifications for suppliers.

By 2025, Apex will develop internal procurement standards and review our current suppliers, and by 2027, Apex aims to implement a comprehensive supply chain due diligence program to collaborate with suppliers committed to prioritizing environmental impact, safety, and security, alongside social responsibility. We will continue to seek vendors who share our core values of safety, integrity, professionalism, entrepreneurship, and sustainability, as well as discontinue products, capital, and services that harm marginalized or disadvantaged communities or the environment. Looking forward, we are actively seeking ways to collaborate with suppliers to reduce our Scope 3 emissions.

How will we do it?

In tandem with our supplier assessment and the development of our procurement policy, we will establish a supplier diversity program that prioritizes enhanced supply chain resilience and stronger, safer communities, including:

- developing policies and programs needed to build relationships with diverse suppliers
- supporting a training program for diverse suppliers (similar to Amazon's Black Business Accelerator or Ford's mentoring program)
- tracking core sustainability-related metrics of our supply chain, such as socioeconomic and environmental benefits and risks
- offering suppliers opportunities to support vulnerable communities, including through the Apex Conservation Grant Program
- promoting socioeconomic equity in procurement, sourcing, and value chain activities

Finally, to ensure continuous adherence to the SCoC's standards, after identifying gaps through risk screenings and assessments, we will develop and implement improvement plans that will be collaboratively monitored by Apex and our suppliers. We will continue to perform third-party audits during sourcing and production to verify that our module supply chain does not contain any suppliers on the U.S. Department of Homeland Security's Entity List or materials from the region of China known for forced labor practices.

Sustainability Governance

An Embedded Approach

At Apex, sustainability is embedded within every department, every project, and every decision made across the organization. Our sustainability leadership works hand-in-hand with our executive team and subject-matter experts across the company to set the trajectory for how we accelerate and achieve our goals.

Diversity plays a fundamental role in our sustainability framework. By leveraging insights from individuals representing various backgrounds, we ensure that our ESG efforts reflect a broad spectrum of perspectives and experiences.

Reporting Structure

Executive Committee — 3

Sets strategic direction for sustainability at Apex
- Approves sustainability targets, budget, and reports
- Provides high-level strategic support to Sustainability Leaders
- Monitors progress toward sustainability goals

Representatives: CEO, Corporate Finance, Legal

Sustainability Leadership — 3

Establishes sustainability targets; makes key decisions and recommendations that affect Apex's sustainability strategy, operations, and overall direction
- Communicates sustainability goals to team Apex
- Coordinates key sustainability efforts across Apex
- Applies technical expertise to lead initiatives
- Monitors implementation of sustainability goals
- Ensures compliance and accountability with policies and regulations
- Facilitates communication between committees, members, and stakeholders

Representatives: Environmental, People Operations

Sustainability + DEI Committees — 50+

Represent the vast majority of departments across Apex at many levels of seniority; help communicate goals and ideas; implement initiatives across the company
- Provide key insight into department function as pertains to decisions and programs
- Identify opportunities and challenges from an on-the-ground perspective
- Grow employee engagement through events, education, and communication
- Provide internal resources to support a more diverse and inclusive Apex workforce

Representatives: Administration, Asset Management, Business Development, Corporate Finance, Development, Environmental, Government Affairs, Human Resources, Information Technology, Land Management, Legal, Marketing and Communications, New Markets, Project Finance, Project Management, Public Engagement, Safety, Technology, and Transmission

Team Apex — 400+

Works toward sustainability targets
- Develops, builds, and operates renewable energy projects
- Commits to integrity, accountability, ethical conduct, transparency, and continuous improvement
- Contributes to a safe, healthy, and equitable work environment
- Minimizes our carbon footprint and environmental impacts
- Promotes sustainable decision-making across our value chain
- Protects our environment and biodiversity
- Empowers our project communities to lead in the transition to the new energy economy
- Advances sustainability initiatives when integral to job function and our mission

Representatives: All Apex Employees

Credits

Lissa Anglin: 26 left, 33
Nathanial Brown: 20 right, 25
Dale Calder: 42 right
DJ Doherty: 26 right
Jill McMullen: 36
Jeff Ocampo: cover, 3, 8, 9 middle, 15, 16 right, 19, 21, 23 left, 24, 28, 32, 38, 39 right, 41, 43, back cover
Prakash Patel: 16 left
Ben Romang: 26 center
Kenton Rowe: 20 left, 27, 40
Maegan Savage: 23 right
Project SHARE: 31
Unsplash/Raphael Cruz: 35
Unsplash/Adelin Grigorescu: 9 right
Unsplash/Chris Pagan: 9 left
Wikimedia Commons: 37, 39 left, 42 left

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