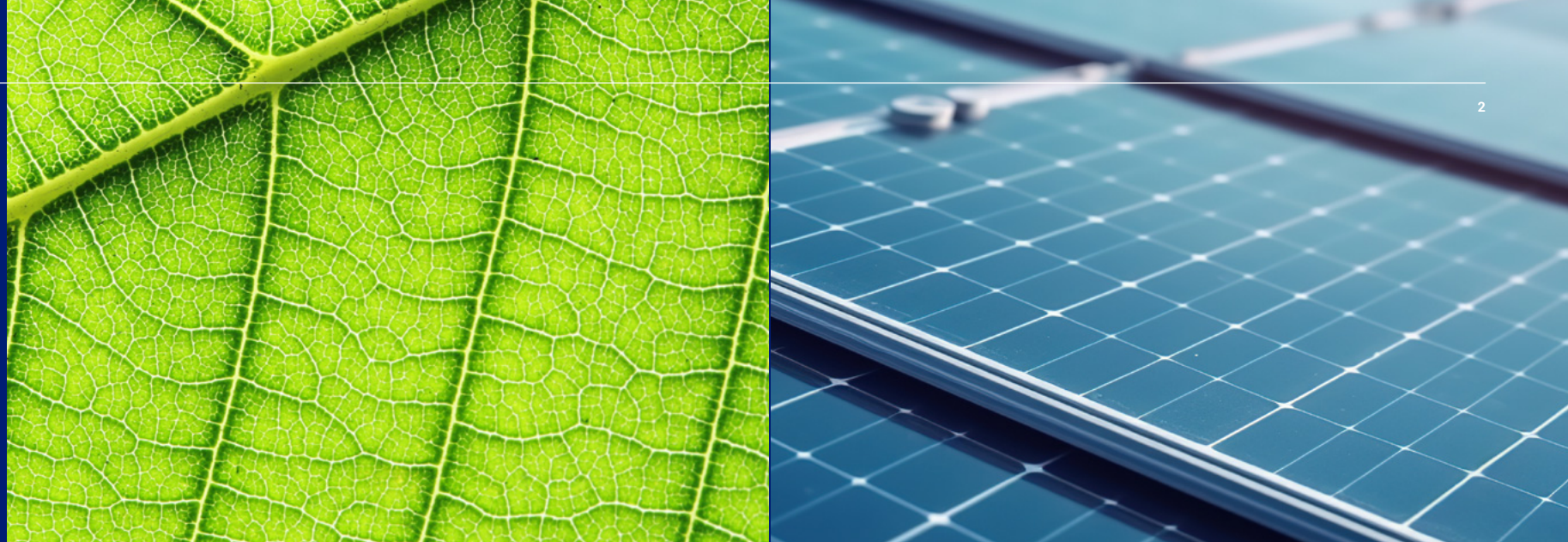


CONVERGENT

2024 Sustainability and Impact Report



Letter from Convergent's Executive Committee



The United States' electricity demand is projected to grow over 50% by 2050, according to the National Electrical Manufacturers Association (NEMA). This demand is due, in large part, to the electrification of our society, led by data centers and followed by transportation.

It is hard to convey just how dramatic and potentially catastrophic this demand projection is to both the stability of our electric grid and the cost of electricity. The U.S. electric grid was not designed to support this level of growth to begin with and is also rapidly aging. A significant portion of the grid, roughly 70%, is over 25 years old, and a quarter of the system is older than 50 years. Bringing new resources online is also fraught. Building a gas-fired generator costs three times as much as it did just a few years ago and will take 5-7 years (up from 3-4). In other words, we are now living the "perfect storm" of rapid demand growth, aging grid infrastructure, as well as long-lead times and high costs to build new traditional resources.

Utilities and independent system operators (ISOs) thus face mounting capital requirements just to keep the lights on let

alone service new demand. Energy-intensive businesses and individual households will be impacted by higher rates and bills. "Sustainability" in 2025 no longer just describes a clean energy transition and mitigating the emissions impact of our energy systems. Building a sustainable grid is now central to ensuring affordable access to reliable electricity.

In this context, energy storage becomes even more mission-critical to balancing load, ensuring grid stability, managing energy costs, and maximizing the value of variable-production renewable resources. According to industry forecasts, the U.S. energy storage market is projected to grow 15X by 2040, with annual installations exceeding 100 GW by the mid-2030s.

What does this mean for Convergent Energy and Power (Convergent)? As a leading developer of distributed-scale energy storage solutions in North America, Convergent has been in the energy storage industry since its infancy, more than a decade ago. Throughout that time, we've expanded our expertise, working closely with businesses and utilities to take the hassle out of energy storage by building, owning,

and operating systems on their behalf. We build solutions to fix our customers' problems directly at their source, solving affordability and reliability issues often in half the time needed to build new, larger electricity infrastructure.

With ongoing support from our ownership group ECP, Convergent continues to capitalize on the growing demand for clean, reliable, and cost-effective resources. We remain committed to accelerating the clean energy transition, capitalizing on the unprecedented challenges and opportunities presented by the electrification of our society. We will continue to build energy storage solutions that save customers money and/or increase reliability, support local communities, return value to investors, promote the welfare of our employees, and increase clean energy usage for broader society. All stakeholders win when we bring more energy storage online—that's our commitment to sustainability!

JOHANNES RITTERSHAUSEN
Co-Chief Executive Officer

FRANK GENOVA
Co-Founder and CFO

MARIKO MCDONAGH MEIER
Chief Strategy Officer

SEBASTIÁN VILLAVECES
Chief Development Officer

DON JENKINS
Chief Operating Officer

Convergent’s Commitment to the Clean Energy Transition

How Energy Storage is Accelerating the Clean Energy Transition

Building new energy storage systems is a primary solution both for reducing emissions to address climate change and to serving rapidly increasing demand.

The inability to cost-effectively store electrons has been a big obstacle to a more renewable-powered grid, but not anymore. For over a decade, Convergent has deployed new applications for energy storage and solar-plus-storage that have pushed the sector forward without compromising reliability. These solutions highlight:



- **Firmed Renewable Resources**
(i.e., storing surplus energy when it is produced for times when it is needed most)



- **Reduced Fossil Fuel Dependence**
(i.e., do not need access to grid pipelines or constrained fossil fuel supply chains)



- **Enhanced Grid Resilience**
(i.e., preventing blackouts during extreme weather events or keeping essential services running during them)

THE TAKEAWAY: Energy storage can be used to firm and maximize renewable energy and reduce carbon emissions while ensuring grid reliability, which is why it is the linchpin to the clean energy transition and meeting the increasing needs of our society.

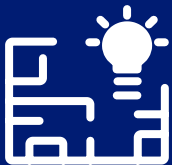


MEASURING OUR CLEAN ENERGY IMPACT – A FIRST STEP

Below are some ways in which we measure our impact across our portfolio, which helps us see where we are providing value to the communities where we operate and the grid at large.



Convergent has **over 800 MW/ 1 GWh** of storage and solar-plus-storage capacity operating or under development.



With **over \$1bn** invested or committed to systems in operation or under development, Convergent is a leading independent owner and operator of energy storage and solar-plus-storage solutions.



Over 50% of the energy storage projects Convergent originated in the past 24 months include solar PV.



~40% of our over \$1bn of capital invested or committed to late-stage projects includes integrated solar PV.



~20% of our projects are set up as shared savings, in that we do not earn unless our customers save money by avoiding peaks.



Convergent’s projects saved **~19,000 metric tons of CO₂** in 2024.

“Convergent’s innovative project portfolio addresses both the inefficiencies of the grid and the threats posed by climate change, a win-win for customers and the planet.”

– **MARIKO MCDONAGH MEIER**
Chief Revenue Officer



Commitment to Diversity, Equity, Inclusion and Belonging (DEIB)

Building out the grid to meet current challenges requires the best and brightest, mission-driven employees. At Convergent, we are committed to fostering a work environment where expanding diversity, equity, and inclusion and belonging are celebrated as strategic advantages. There are numerous technical, commercial, and strategic challenges Convergent must solve daily, in rapidly evolving industry and macro environments. We know that empowering a diverse workforce best achieves solutions. We strive to foster a culture where people can bring the most productive versions of themselves to work and experience a sense of belonging with their colleagues.

We value how folks’ unique backgrounds and experiences can improve the workplace for individuals and enhance Convergent’s overall performance. Featured DEIB resources and communities at Convergent include:

- Annual employee survey on DEIB impact, which drives and informs priorities for the following year.
- Multiple employee-led resource groups (ERG), each with a specific mission, community served, budget, and executive sponsor.
- Volunteer Time Off (VTO) for every full-time-employee with a non-profit organization of their choice
- Convergent-supported employee giving and matching program
- Monthly inclusion moments shared with the whole company highlighting a community to celebrate

We’re committed to fostering a positive and inspiring work environment that encourages a sense of company pride.

Commitment to All Employees

At Convergent, we embrace a vibrant culture that thrives on the principles of continuous learning and development, flexibility, holistic growth, and employee well-being. These values form the foundation of our organization and guide us in creating an environment where every individual can flourish both personally and professionally.

We help each of our employees to embody these values through our employee ESG Benefits. Some featured benefits include:

- An annual continued learning stipend available to all employees to support career growth through certifications, courses, and skill development
- “Convergent Cares” program that recognizes and celebrates important life events and experiences for all employees
- Monthly employee recognition award that celebrates employees that exhibit our COR values of Collaboration, Ownership, and Resilience



Convergent is a place where team members with diverse backgrounds, experiences, skills, and interests can come together to collectively advance the renewable energy sector.



Commitment to Local Communities

Convergent is committed to working closely with the communities in which we are planning or operating energy storage or solar-plus-storage projects, integrating stakeholders into each aspect of the project. We have a track record of active listening, flexibility, and accommodation. Our motto is: “listen twice as much as we speak,” to create strong, successful partnerships across stakeholders.

Prior to construction, Convergent evaluates each site for environmental and community risks (including, but not limited to, wetlands/flooding, cultural/historical/archaeological, contamination, noise, and safety). We develop our assets in such a way that they are environmentally non-invasive. We avoid developing projects within wetlands, or areas that are highly exposed to the effects of climate change. Furthermore, all of our systems are also insured against climate change-related events.

Beyond our commitment to community buy-in, we’re committed to investing in the communities where we develop and operate our energy storage and solar-plus-storage systems. We make it a priority to hire a local construction team whenever possible, creating STEM jobs whenever we develop a new project.

Our behind-the-meter and front-of-meter energy storage systems also help to mitigate the risks associated with rising temperatures by helping to integrate renewable energy into the grid, avoiding costly utility upgrades, and lowering consumers’ carbon footprint as well as electricity costs.

In the coming decades, most locations in Canada and the United States will experience rising temperatures and more frequent, lengthy, and severe heat waves. Such events will likely increase the demand for electricity and decrease the efficiency and lifetime of certain grid equipment, leaving the grid highly vulnerable to blackout events and the public saddled with the associated economic losses and costs of upgrading power infrastructure. Our solutions backstop these risks to the benefit of local communities.



OUR MOTTO IS:
“listen twice as much as we speak,” to create strong, successful partnerships across stakeholders.



Commitment to Safety

Above all, Convergent is dedicated to ensuring the safety of our systems and the well-being of our customers, community partners, employees, and vendors.

Founded in 2011, Convergent boasts a longevity of perspective in the commercial energy storage sector and our nearly 15 years of experience informs our safety approach. With over 640,000 safe operating hours, Convergent brings deep knowledge and informed lessons-learned to our customers, vendors, and stakeholders. As a leading provider of energy storage solutions in North America, we're constantly collecting data from the over 800 MW / 1 GWh we have on the grid or under development in order to evaluate our practices and procedures.

Safety is at the core of our business, and we are proud of our nearly 15-year track record of safe operations. Our customers include utilities like National Grid and Potomac Edison along with municipal utilities West Boylston Municipal Light Plant and electric cooperatives including Choptank Electrical Cooperative; we also partner with businesses like Shell and Ford.

Our head of Environmental, Health and Safety (EHS) works with the communities we partner with to ensure health and safety.

We engage the local fire department early on in the development process to understand their specific requirements and processes. We also develop an Emergency Response Plan in collaboration with the local fire department to ensure that it is tailored to the needs of the community, and we provide training before the system is commissioned to ensure familiarity with the equipment and the site, safe ingress and egress, and emergency approach strategies with alignment for the best outcomes.

Convergent is dedicated to working with our vendors and partners to ensure that the systems we procure and install meet or exceed industry and local standards. Our systems and system components comply with or exceed all of the latest applicable energy storage system (ESS) electrical, safety, and industry standards.

The safety risk when dealing with electricity and electrical infrastructure will never be

zero. This is true for the powerlines and substations that surround all of us every day. Of course, we will do everything we can to mitigate the risk of an incident and its impact, including the possibility of fire, should it occur. Convergent invests in safe design and safety planning with these outcomes in mind.

All of our systems are monitored 24/7/365 by our internal Network Operations Center team. This allows us to activate emergency response protocols within minutes of becoming aware of an incident and be on-site within hours of an incident taking place.

We have met the industry-required safety standards, and we continue to explore and implement ways to go beyond current industry requirements in 2025. Again, safety is at the core of our business, and we are proud of our safety record.



Commitment to Ethical Supply Chains

Convergent is a signatory of SEIA's Forced Labor Prevention Pledge and is opposed to forced labor in the solar industry and in general. Making sure the energy storage and solar industry's labor practices are ethical is not only critical to our values as a company but to the broader growth of the industry and its ability to address the climate crisis.

Convergent continues to select vendors that align with our values, oppose forced labor, and are committed to the ethical sourcing of materials and fair labor practices. When contracting with vendors, we provide them with Convergent's Code of Conduct for vendors, which outlines these principles, or, where appropriate, we scrutinize a vendor's code of conduct to ensure it is compatible with our principles.

We are finding that our customers and prospective customers are increasingly interested in ethical supply chain management. This is something we expect to continue and provides us with an opportunity to highlight the policies we currently have in place and potentially expand upon our current policies.

We have supported—and continue to support—the development of an industry-led solar supply chain traceability protocol as a tool for identifying the source of primary raw materials and inputs and tracking their incorporation into finished products, including solar modules.



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CASE STUDY

Increasing Grid Reliability in Maryland

In Q4, 2024, Convergent completed a 1.75 MW / 8.4 MWh battery storage system in Little Orleans, Maryland, to enhance grid reliability for over 600 Potomac Edison customers. The battery energy storage system integrator is ELM MicroGrid.

The system, designed, constructed, and operated by Convergent, supports Potomac Edison customers served by a line in a rural part of Allegany and Washington counties, where tree-related outages frequently occur during severe weather. Potomac Edison will use the battery to provide backup power to customers on that line, reducing the duration of outages experienced, until crews are able to make repairs and restore service. When fully charged, the battery is expected to be able to provide backup power for around five hours to customers on the circuit. In addition, Potomac Edison can reserve the battery on days that present a higher risk of outages in the area based on predicted weather forecasts.

This past winter, the system delivered on its mission. The system provided backup power to nearly 400 Potomac Edison customers during a winter storm event served by a line in a rural part of Allegany and Washington counties. During a period of high winds, the energy storage system provided 11 hours of backup

power to reduce the duration of an outage until utility crews were able to make repairs and restore service.

“This is precisely why Convergent exists—to solve problems,” said Don Jenkins, Chief Operating Officer of Convergent. “There was a critical, unplanned need and our system was able to provide power when the broader grid was unavailable. This is a textbook application of Convergent’s value proposition and speaks to the pressing need for more energy storage in communities that are vulnerable to power outages. We are proud to support the Little Orleans community and applaud Potomac Edison for modernizing its energy infrastructure for the benefit of its customers.”

Jim Myers, FirstEnergy’s President for West Virginia and Maryland added, “While power outages can be disruptive, it was reassuring to know that Convergent’s battery energy storage system was readily available for our customers during their time of need.”

The system was developed in response to the state’s Energy Storage Pilot Program, which was established in 2019 to examine new technologies that could have a transformative impact on electric distribution systems. Through a competitive bidding process,

Potomac Edison selected Convergent to build and operate the system in a location where it could provide significant reliability benefits to Potomac Edison customers and supplement electric supply on high-demand days.

Convergent’s system with Potomac Edison is known as a non-wires alternative, or NWA, which removes or defers the need to construct or upgrade components of a distribution and/or transmission system. Energy storage (typically battery storage) is a type of NWA that offers utilities a way to increase capacity on the electric distribution system by charging the batteries when electricity demand is low and discharging when demand is higher. In 2015, Convergent was the first company to develop an NWA for utility infrastructure in the United States.

Convergent Co-Founder and Chief Financial Officer Frank Genova said, “Convergent continues to power the clean energy transition through energy storage, which is critical to a more reliable electric grid. Potomac Edison’s decision to add battery storage demonstrates their commitment to their customers, their preparedness and strategic planning, and their willingness to embrace contemporary solutions to meet increasing demands on our energy infrastructure.”



Growing in the Right Direction: Plans for 2025 and Beyond

Between 2021 and 2024, the U.S. electric grid’s battery storage capacity increased fivefold. This year, new grid battery installations are on track to almost double year over year—and Convergent is well-positioned to meaningfully contribute to the expected growth of the energy storage sector.

Here at Convergent, we know that grid-scale battery storage is not just a way to maximize renewable energy resources, it is a way to cost-effectively upgrade our aging power system in the face of unprecedented demand for electricity.

Our mission has not wavered; it is to build an energy landscape that is less expensive, more reliable, and increasingly sustainable—one that benefits our

employees, customers, communities, and planet. We remain dedicated to all of our stakeholders and bullish on our ability to accelerate the clean energy transition in the face of unprecedented demand for electricity in modern times.

As always, we would like to thank our employees, partners, and ownership group ECP for their continued support as we work towards our goal of delivering value to all stakeholders. We continue to choose to donate the amount we would have spent on end-of-year customer gifts to the National Forest Foundation in order to plant 10,000 trees.

For us, continuous improvement is not just an action; it is a mentality we strive to embed across the

company. Below are some of the tangible steps we are committing to in 2025 that we believe will strengthen our corporate stewardship and help us continue to align our business with our values and the interests of our many stakeholders.

If you’re looking to modernize your utility or business, prepare for unprecedented demand for electricity, or be part of the energy transition, Convergent can help and we look forward to the opportunity to partner with your organization in the year ahead.

CONVERGENT’S TOP FIVE COMMITMENTS TO IMPROVE IN 2025:

1

Support new customer types and load sources with reliable, affordable solutions



2

Focus on resource deployment, building 2X more sustainable projects in 2025 than 2024



3

Invest in people manager training, facilitating career development pathways for all employees



4

Continue detailed tracking of ESG metrics, reporting to board and ownership quarterly



5

Expand Convergent’s engagement with local communities, primarily around emergency response planning and risk management

