FLUENCE
A Siemens and AES Company

2024 Sustainability Report

Transforming the way we power our world

Contents

Navigation at the top of every page is interactive. Clicking the links on this page will jump to corresponding sections.

Message **from the CEO**

When I think about where Fluence stands today, one word comes to mind: momentum. As we release our third sustainability report, it is clear that our progress is no longer about laying groundwork—it is about driving meaningful change at scale.

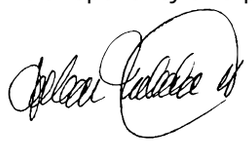
Our mission to transform the way we power our world is at the core of everything we do at Fluence, but equally important is our commitment to generating value for our customers, shareholders, partners, employees, and communities. The most effective way to achieve our sustainability goals and create value is by providing, through our technology, the flexibility and resiliency that power grids need to meet growing electricity demand and integrate clean energy sources. Over the past year, we have advanced our sustainability efforts in ways that reflect both program maturity and ambition. Several key milestones highlight our progress:

- We **furthered our commitment to the principles of the United Nations Global Compact (UNGC)** by completing our Communication on Progress (CoP) within our first year as a signatory member.
- We **submitted our first Carbon Disclosure Project (CDP) disclosure**.
- We worked to **offset our Scope 1 emissions and expanded our Scope 3 greenhouse gas (GHG) emissions measurement** to include nearly all applicable GHG Protocol categories.
- **We advanced our responsible sourcing strategy** by implementing a supply chain framework in October 2023. This included onboarding 844 suppliers through a comprehensive assessment program, introducing a supplier incentive program for third-party audits, hosting engagement sessions with over 60 direct material suppliers, and establishing a random compliance audit framework to ensure adherence to our standards.
- Our **Gridstack Pro 2000 product,** featuring Fluence's U.S.-manufactured battery modules, successfully **completed rigorous deflagration and fire safety testing,** exceeding the industry's highest standards.
- We made significant progress in **advancing inclusion and belonging in our corporate culture by strengthening our Employee Resource Groups (ERGs),** which remain open to all interested employees regardless of how they identify. Additionally, we launched new career development programs and equipped ERG leaders with tools for greater transparency.
- Fluence was honored with the ESG Initiative Award at Tamarindo's 2024 Energy Storage Investment Awards. This recognition celebrates milestones such as **expanding our International Organization for Standardization (ISO) 14001-certified Environmental Management Systems, improving our Scope 3 emissions tracking, and implementing a responsible sourcing framework.**

Behind all of these achievements are the people of Fluence—individuals united by our mission.

Looking ahead, our multi-year sustainability roadmap, outlined in this Report, pushes us to think bigger and act bolder. We are working to reduce embodied carbon in our products, implement circular economy principles, and strengthen our community engagement efforts, among other initiatives. While we know there is still much to do, this is what excites us. I am proud of what we have accomplished in 2024, but I am even more energized about where we are going.

Thank you for joining us on this journey. We look forward to continuing to share our progress with even greater transparency and purpose.



Julian Nebreda
President and Chief Executive Officer, Fluence

Our **Purpose**

Our mission is to transform the way we power our world for a more sustainable future.

Our energy storage solutions are integrating renewables at scale, paving the way to meet net zero obligations and navigate the accelerating energy transition. Through deep market experience and gigawatts of successful implementations across diverse energy markets, we go beyond the battery to engineer long-term value for customers.

The energy transition is within reach. At Fluence, we are working alongside our customers to shape its outcome—a brighter future defined by abundant, reliable, and clean energy.

“

Sustainability is a cultural cornerstone at Fluence. It shapes how we operate, innovate, and collaborate, ensuring that our business decisions today are aligned with creating lasting positive impact for tomorrow. As we continue to grow, we are committed to demonstrating that business success and sustainability can—and must—go hand in hand.

Ahmed Pasha
Chief Financial Officer, Fluence

About **This Report**

Commitment and Scope

Covering October 1, 2023 to September 30, 2024, the Report highlights our performance across a range of critical ESG topics. From our safety culture and responsible sourcing to GHG management and stakeholder collaboration, we aim to provide a clear, honest picture of our efforts. This year, we focused on deepening our data capabilities and reinforcing our alignment with globally recognized ESG frameworks. By setting bold goals, asking tough questions, and fostering collaboration across all levels of our organization, we have strengthened the foundation of our ESG programs. We see this Report as a reflection of our progress and a roadmap for what lies ahead.

As a signatory of the UNGC, we are proud to champion its ten principles on human rights, labor, the environment, and anticorruption. This Report also fulfills our annual obligation to submit a CoP to the UNGC, showcasing the actions we are taking to uphold these principles.

Data Accountability

Transparency begins with trust in the data we share. To help ensure accuracy and reliability, we engaged leading experts to evaluate and enhance our data collection and reporting systems. In fiscal year 2024, we worked with Nasdaq Corporate Solutions' ESG Advisory team to conduct a Climate Risk Assessment and align with the Task Force on Climate-related Financial Disclosures (TCFD) framework.

Our GHG emissions data, which is essential for measuring our environmental impact, was validated by Sustaining Supply Chains B.V.

Publication Date

We published this Report on our website, fluenceenergy.com, in April 2025.

Feedback

We welcome any questions or feedback on this Report. You can reach Scott Miller, Senior Manager of Sustainability Programs, at esg@fluenceenergy.com or Lexington May, VP of Investor Relations and Sustainability, at investorrelations@fluenceenergy.com.

Executive Summary

Fiscal year 2024 marked important advancements in Fluence's ESG and sustainability program.

Responsible Sourcing Framework Reach

Responsible sourcing framework developed and implemented for key strategic suppliers with over **50% of key strategic suppliers undergoing social audits and receiving scorecards.**

ISO Certifications Expansion

Certifications of Fiscal Year 2023
New Certifications of Fiscal Year 2024

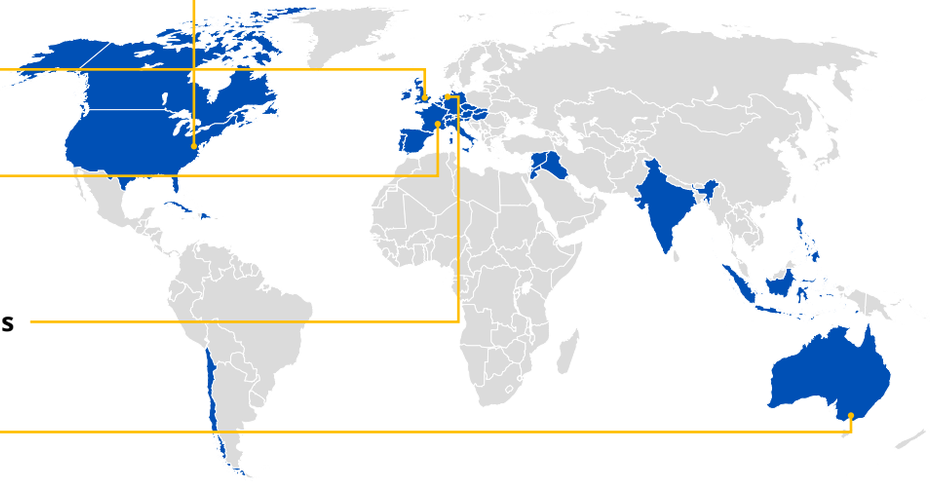
Arlington, U.S.
SA8000, ISO 9001,
ISO 27001, ISO 45001

London, U.K.
ISO 9001, ISO 45001

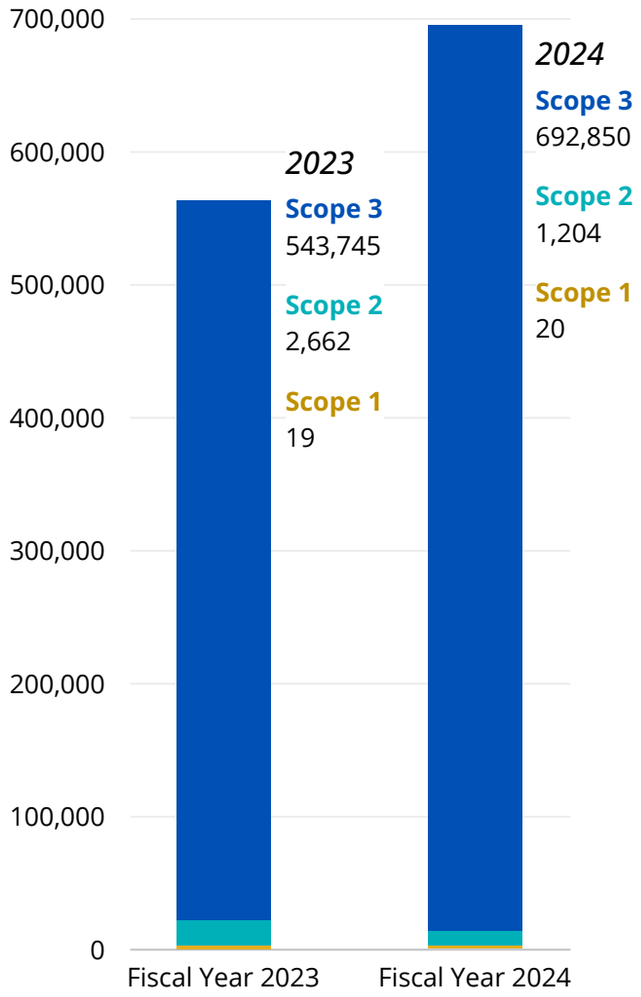
Erlangen, Germany
ISO 9001, ISO 14001,
ISO 45001, **ISO 27001**

Amsterdam, Netherlands
ISO 9001, ISO 45001

Melbourne, Australia
ISO 9001, **ISO 45001**



GHG Emissions (mt)



Our **History**

2008
Deployed first lithium-ion battery to connect to the electric grid.

2009
First commercial grid-scale battery.

2014
First contracted 100 MW / 400 MWh* storage peaker.

2015
First grid-scale battery project in Finland.

2017
Largest energy storage project in the world for the 5th time.

2018
Combining their scale and experience, **Siemens and AES launch Fluence.**

2019
Awarded largest portfolio in SE Asia with 500+ MW and 18 projects.

2020
Delivery of fastest response time of grid-scale battery. Fluence acquires AMS AI-driven software and digital intelligence platform for optimized wholesale power market bidding.

2021
Fluence Initial Public Offering (IPO) closes with almost $1 billion raised and Fluence's Class A common stock is listed on the NASDAQ Global Select Market.

2022
Building the largest privately funded grid-connected battery in Australia. Fluence partners with battery recycler Li-Cycle. Fluence acquires Nispera.

2023
Fluence Mosaic AI-powered bidding software launches in ERCOT. Fluence launches Ultrastack and Gridstack Pro products. Fluence publishes the inaugural Sustainability Report on fiscal year 2022.

2024
Fluence surpasses 20 GWh of deployed and contracted battery-based energy storage systems globally, expands digital services center, and initiates U.S. manufacturing of battery modules for energy storage products.

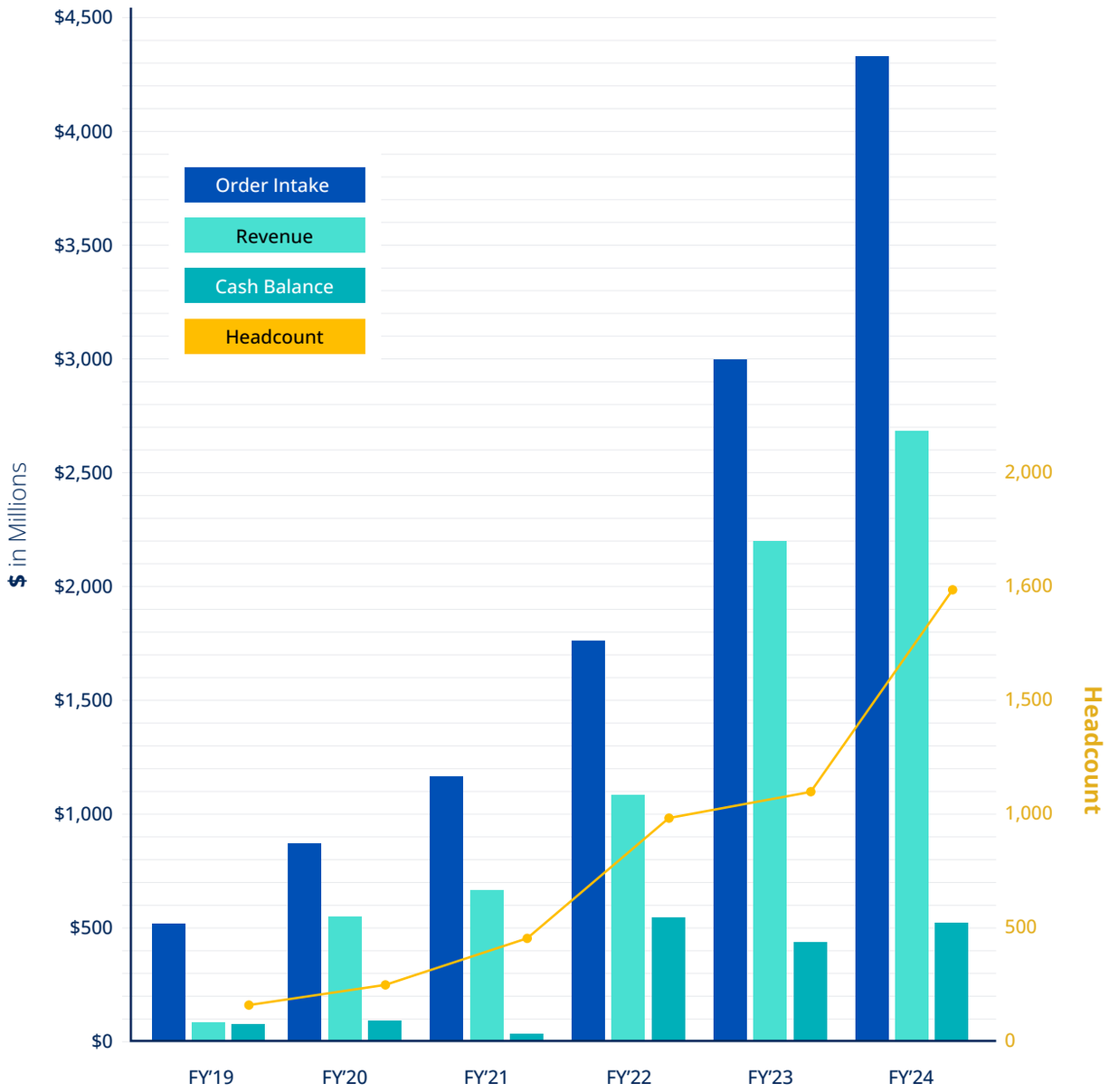
* *What is a megawatt hour (MWh)?*

A MWh equals 1,000 kilowatts of electricity generated per hour and is used to measure electric output.

Positive Performance

Fiscal Year 2024 Corporate Governance Highlights

- Nominating and Corporate Governance Committee of our Board of Directors (the "Board") maintains oversight with respect to the Company's ESG strategy, initiatives, and policies; provided that, for the avoidance of doubt, specific topics within the ESG category will be managed by other Board committees.
- Audit Committee of the Board will be responsible for oversight of audit and assurance processes relating to ESG reporting within applicable financial reporting frameworks.
- Compensation and Human Resources Committee of the Board oversees the Company's executive and nonexecutive workforce programs, including recruitment, retention, development, and oversees the Company's policies and programs regarding culture, inclusion, pay equity, organization health and longer-term organization strategy, as needed.
- Fully independent Audit Committee.
- Five of 12 directors identify as female; seven of 12 directors identify as male.
- Four of 12 directors identify as members of traditionally underrepresented racial/ethnic groups.



Our **Corporate Culture**

We cultivate a culture built on growth, customer focus, innovation, and the empowerment of our employees to share their perspectives. This vibrant culture is fundamental to our success, shaping the experiences of our employees and every stakeholder who interacts with our company. By aligning our cultural ethos with our organizational purpose and strategies, we deliver exceptional results, fulfill our clients' needs, and foster an environment where people thrive.

Our Mission

Our mission is to transform the way we power the world for a more sustainable future.

Our Competencies

Deliver Excellence: We anticipate market needs and consistently deliver solutions that streamline the customer experience.

Fiercely Innovate: We create competitive and breakthrough solutions that support our mission.

Thrive Together: We value diverse perspectives and challenge ourselves to continuously grow and contribute our best.

Our Values

Our values are the enduring principles that guide us, even as our corporate culture may evolve to meet the changing needs of our clients and teams. They provide a steadfast framework for decision-making and behavior at every level of Fluence, forming the bedrock of our long-term success.

Leading: We are growth-oriented and purpose-driven. We believe in serving as a trusted advisor to our customers and industry stakeholders to help them navigate the rapidly evolving energy landscape and find certainty amidst disruption. As pioneers in energy storage, we are focused on driving change to accelerate the modernization of our energy networks.

Agile: As we transform the way we power our world, we strive to be adaptive and learn continuously from the market, our customers, and each other. We form collaborative partnerships with our customers and we prioritize the most critical efforts that will drive the greatest impact.

Fun: Working on transforming a fundamental part of our society is exciting and fulfilling. It requires creativity, diversity of ideas and backgrounds, and building trust to effect change and move with speed. We respect our coworkers and customers. We listen to what others have to say, and we are inclusive.

Responsible: Safety is paramount in everything we do, and we conduct ourselves accordingly. We believe in delivering the best possible quality, both in our technology and service offerings and in our interpersonal relationships with our customers and each other. We are honest, forthcoming, and fair in our communications and we take personal ownership in what we deliver. Integrity is key to our business and how we develop trust in relationships with coworkers, customers, and stakeholders.

***Caption:** Fluence employee at our Alpharetta, Georgia, office holiday party.*

Our **Products & Solutions**

Fluence's energy storage solutions and asset optimization software are integral to accelerating the clean energy transition and addressing the urgent need for grid decarbonization. By offering an integrated ecosystem of products, services, and optimization software, we enable customers to address a wide range of energy storage and renewable energy use cases effectively.

Our energy storage technology helps modernize power grids by providing a reliable and flexible solution to balance supply and demand, supporting a stable and resilient power system in the face of increasing complexity and extreme weather events. Moreover, storage plays a pivotal role in buffering the intermittent nature of renewable sources like solar and wind, enabling increased integration of these generation sources into the grid.

Complementing our storage solutions, our suite of AI-powered optimization software enables customers to optimize asset revenue, enhance asset performance, and support long-term portfolio management.

Energy Storage

Fluence delivers advanced energy storage solutions with industry-leading safety features and the Fluence OS energy management system. Leveraging extensive industry expertise, we support complex grid needs worldwide with zero direct emissions and flexible deployment options.

Services

Fluence offers specialized maintenance and operational services backed by over a decade of expertise, supporting optimal energy storage system performance, reduced downtime, and adherence to strict safety standards to maximize asset value and meet unique project requirements.

Optimization Software

Our AI-enabled optimization software, Fluence Mosaic™ and Fluence Nispera™, are designed to help customers maximize asset revenue, improve asset performance, and support long-term portfolio management. Mosaic is intelligent, automated bidding software that helps customers deploy and use more clean energy with higher ROI. Nispera is advanced asset performance management software that integrates asset data with intelligent machine learning models and visualization tools to uncover hidden performance issues, minimize downtime, and maximize energy production for portfolios of storage, wind, solar, and hydro assets.

Our **Energy Storage**

The global energy storage market is on track to grow at an impressive annual rate of 21%, reaching 137 GW / 442 GWh by 2030.[1] At Fluence, we are not just keeping pace with this growth—we are helping shape it. With nearly two decades of team experience, we have redefined what energy storage can achieve through relentless innovation, unwavering reliability, and a deep commitment to sustainability.

Our energy storage systems are purpose-built to meet the challenges of today's energy transition. Designed for flexibility, these factory-built, configurable solutions deliver exceptional performance without compromise—eliminating minimum load requirements, producing zero direct emissions, and offering the versatility to be deployed virtually anywhere. These systems not only reduce environmental impact but also provide the critical resilience and adaptability necessary to enable a clean energy future.

Standard with all Fluence energy storage solutions, Fluence OS is a fully integrated controls system with millions of operating hours across our global fleet. Fluence OS helps customers minimize redundant software costs and maximize profitability with an adaptive controls system optimized for market participation, asset security, and plug-and-play integration with additional Fluence software products, including Nispera and Mosaic.

The Fluence OS controls software offers a range of market dispatch applications, including primary frequency regulation, voltage regulation, peak shaving, and more. These applications enable storage assets to be dispatched according to specific operator requirements to streamline market participation and maximize revenue across grid services.

In fiscal year 2024, we achieved record revenue of approximately $2.7 billion, representing an increase of approximately 22% from fiscal year 2023.

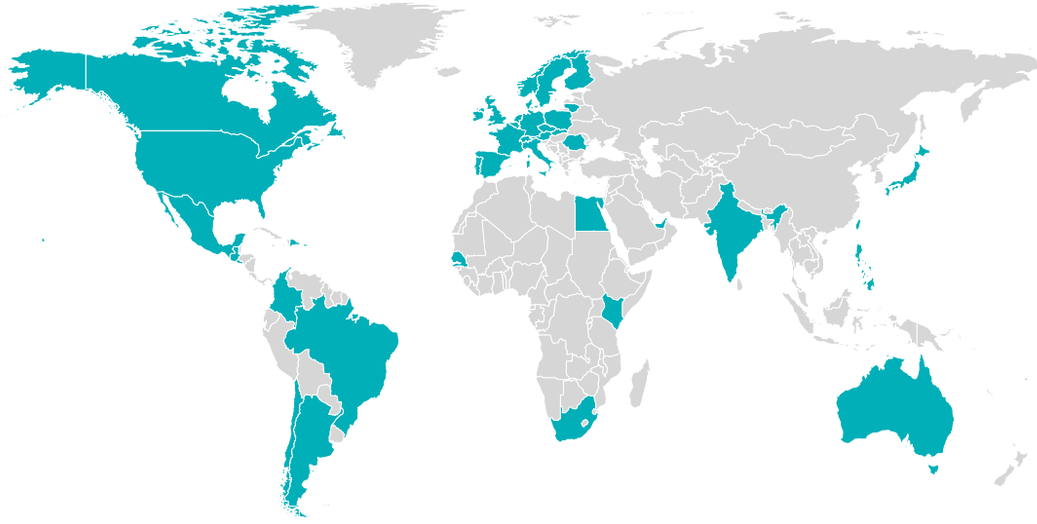
[1] *Global Energy Storage Market Records Biggest Jump Yet*

Energy Storage: Contracted and Deployed

Cumulative, through the end of fiscal year 2024

12.5GW

across all regions



Project Spotlight

Meeting Growing Power Demands with Energy Storage

After decades of service, our power infrastructure must modernize to meet the complex demands of the 21st-century energy landscape.

As AI adoption accelerates, so does the demand for data centers—the backbone of AI operations. Global data center electricity consumption is projected to skyrocket from 60 GW today to as much as 296 GW by 2030, with annual increases of up to 27%.[1] Meeting this growing need has become a race against time. In this high-stakes landscape, battery storage emerges as a critical solution, capable of being rapidly deployed to deliver low-carbon, high-reliability power precisely when and where it is needed.

The Eleven Mile Solar Center in Pinal County, Arizona, developed by Ørsted, exemplifies how renewable energy and large-scale storage can meet these surging power demands. As one of the largest solar-plus-storage facilities in the United States, the project combines a 300 MW solar farm with a 300 MW / 1,200 MWh Fluence Gridstack™ energy storage system, delivering consistent, reliable, clean power for Meta's Mesa data center while also strengthening Salt River Project's broader grid stability. By integrating solar and storage at scale, the project helps ensure uninterrupted renewable power for one of the world's largest data-driven companies.

Beyond its sustainability impact, the Eleven Mile Solar Center is also a powerful economic driver. The project is expected to generate over $80 million in tax revenue, created approximately 1,000 construction jobs, and continues to support long-term operations and maintenance roles. Additionally, it highlights how innovative policy frameworks are accelerating next-generation clean energy projects. By leveraging the U.S. Inflation Reduction Act incentives, such as domestic content tax credits, the project supports domestic manufacturing and deployment—demonstrating how clean energy investments drive economic growth and revitalize rural communities.

[1] *AI power: Expanding data center capacity to meet growing demand*

Caption: *The Eleven Mile Solar Center in Pinal County, Arizona, featuring more than 2,000 Fluence Gridstack enclosures delivered from our production facility in Utah.*

Our **Services**

Energy storage assets have continuously evolving service needs. As fleet sizes increase, technology becomes more complex, and as market rules shift, energy storage service needs will continue to change.

Increasing Fleet Size

Need for comprehensive fleet management services increases as energy storage fleets grow to GW-sized portfolios, diversity in technology providers, and become more sophisticated.

Asset Complexity

Need for smarter operations and maintenance services as assets become more technologically advanced and power markets continually evolve.

Market Complexity

Changing regulatory environments and evolving grid services create the need for continuous controls and software updates through an asset's lifecycle to maintain market compliance.

Capacity Management

Creation of custom, right-sized capacity management plan alongside customer strategy to reduce market risk and technological uncertainties.

Caption: *Project team members at the Pike County Battery Energy Storage System in Indiana, with more than 1,300 Fluence Gridstack systems delivered and installed from our Utah production facility.*

What Fluence services bring to energy storage assets:

Guarantees

Safeguard asset revenue potential over project life with degradation, capacity, and availability guarantees.

Spare Parts

Support system availability by storing operating spare parts onsite or subscribe to parts in regional warehouses.

Warranties

Limit your exposure to unforeseen O&M costs of your system and receive extensive claims support.

Optimization Services

Maintain equipment in optimal operating condition with various maintenance and remote diagnostic services.

Professional Services

Provide comprehensive training delivered by experienced service representatives online or in-person.

Recycling & Decommissioning

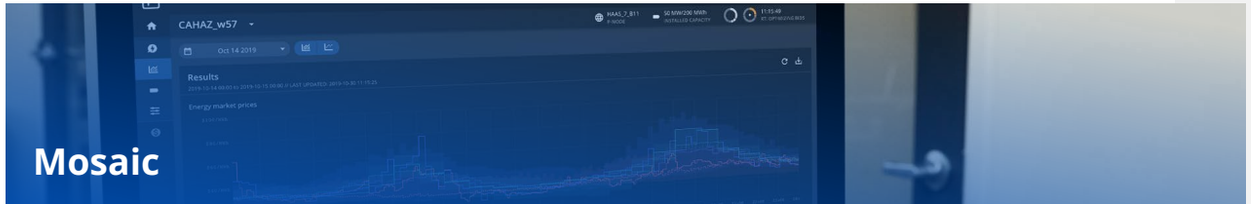
Ensure sustainable, end-of-life management of energy storage systems with certified recycling, safe disposal, and site restoration.

Our **Optimization Software**

Our AI-enabled optimization software, Mosaic and Nispera, help customers maximize asset revenue, improve asset performance, and support long-term portfolio management.

Nispera

Nispera optimizes energy storage and renewable asset performance with real-time monitoring, automated reporting, and AI-powered predictive analytics. This advanced Asset Performance Management (APM) software integrates asset data with intelligent machine learning models and visualization tools to uncover hidden performance issues, minimize downtime, and maximize energy production for portfolios of storage, wind, solar, and hydro assets. Available on both a cloud-based web platform and mobile application, Nispera is designed for asset owners, operators, and investors needing comprehensive, actionable insight into storage and renewable asset performance across a portfolio of OEM manufacturers, technologies, and site locations.



Mosaic

Mosaic maximizes market revenues from energy storage, hybrid, and renewables assets with intelligent price forecasting and bid optimization so you can deploy and use more clean energy with higher ROI. Conventional manual bidding approaches for energy storage and renewable assets cannot keep up with the volatility and complexity of rapidly changing wholesale markets. Mosaic is an advanced algorithmic bidding software that helps customers increase energy and ancillary service revenues by over 50% compared to manual bidding approaches. Accelerate storage and renewable market participation with Mosaic's AI-powered forecasting, advanced optimization techniques, and strategic trading guidance from market experts.

> The energy transition is as much about intelligence as it is about infrastructure. Through Fluence Mosaic and Nispera, we help customers navigate increasingly complex energy markets and optimize their assets with precision and confidence—crucial as we work to accelerate the clean energy transition on a global scale.

Aric Zurek
SVP & President, Fluence Digital

Our **Awards**

Energy Storage Investment Awards

ESG Initiative Award

Fluence was honored for the initiatives highlighted in our 2023 Sustainability Report. These include the global expansion of ISO 14001-certified Environmental Management Systems, the introduction of a responsible sourcing framework, and enhanced GHG emissions tracking, including Scope 3 emissions. These achievements demonstrate our commitment to driving meaningful environmental and social impact while supporting the clean energy transition.

GOVMEDIA AWARDS

GovMedia Awards

Taiwan Outreach Project of the Year – Energy Award

Project: Longtan Battery-Based Energy Storage System

Fluence, in partnership with TECO, was honored for the Longtan Battery-Based Energy Storage System. As Taiwan's largest government energy storage project, the 60 MW / 80 MWh system enhances grid stability and supports the integration of offshore wind power, advancing Taiwan's renewable energy goals.

Forbes 2024 Most Successful Mid-Cap Company

America's Most Successful Mid-Cap Companies

Fluence was ranked 37th on Forbes' annual list of America's Most Successful Mid-Cap Companies. The ranking recognized our exceptional earnings and sales growth, return on equity, and total stock return. This accolade reinforces our position as a leading cleantech company driving financial success and innovation in energy storage.

Fluence
Sustainability

Sustainability **Vision**

Our sustainability vision is grounded in data-driven accountability and transparency. This vision guides us to evaluate our business holistically and prioritize sustainable practices across every aspect of our operations—from the engineering of our energy storage solutions to supply chain management. Through advanced data management systems integrated across our operational ecosystem, we go beyond merely tracking environmental impact. Instead, we proactively work to identify and act on opportunities to reduce adverse impact.

While we have made significant strides over the last three years, we view our sustainability commitment as an evolving journey. Our multi-year plan, detailed on this page, outlines the milestones we have achieved to date and the steps we are taking, and anticipate taking, in our plan to continue to advance the energy storage industry. From seeking to reduce emissions and enhance resource efficiency to promoting circular economy principles, every initiative we undertake reflects our vision of a sustainable energy future. This future is one where innovation in energy storage not only transforms the grid but also defines new standards for environmental responsibility.

Fluence Sustainability in Action

Upstream

- Mineral/Materials (recycled content, recyclability, conflict minerals, etc.)
- Logistics (emissions tracking and impact mitigation)
- Manufacturing (environmental performance, recycled content, and social compliance)

Lifecycle

- Operational environmental compliance and end-of-life strategy
- Environmental KPIs and performance during construction phase
- Battery recycling and validation

Downstream

- Mineral/Materials (implement circular economy principles and validation of responsibility)
- Logistics (emission tracking and impact mitigation)
- Manufacturing (environmental performance, social compliance, closing recycled materials loop)

By Calendar Year 2030

Seek to lead the energy storage industry in accountability and transparency through sustainability action

2026-2029

- Plan to report under European Corporate Sustainability Reporting Directive (CSRD) regulations as required pursuant to applicable law
- Plan to develop and evolve our decarbonization strategy
- Plan to explore ways to reduce embodied carbon in our energy storage products
- Expand our ISO 14001-certified Environmental Management System
- Be an industry leader on circular economy for energy storage

2024-2025

- Executed climate risk assessment
- Disclosed to CDP
- Conducted double materiality assessment
- Conduct product life cycle assessment (LCA)
- Secure product Environmental Product Declaration (EPD)
- Launch community engagement volunteerism program
- Expand conflict minerals audit to include cobalt, mica, lithium, graphite, manganese, chromium, zirconium, silver, tellurium, nickel, and copper

2022-2023

- Established Fluence's sustainability and ESG roadmap
- Accelerated progress on sustainability goals, reporting, and compliance
- Published first Sustainability Report
- Mitigated 60% of GHG emissions from employee air business travel
- 35% of new hires were women
- Greatly expanded and strengthened responsible sourcing program
- Became a signatory member of the UNGC

Fiscal Year 2024 **Key Sustainability Highlights**

Fiscal year 2024 marked important advancements in Fluence's ESG and sustainability program. Our dedicated team improved programs, added reporting framework disclosures, and expanded our data collection and transparency efforts. Below are just a few notable tasks that we accomplished this year as we worked to build a more sustainable future.

Environmental

- Expanded and improved GHG footprint analysis across Scope 1, 2, and 3 emissions.
- Submitted Fluence's first CDP disclosure.
- Made progress on Scope 2 emissions reduction efforts for Fluence facilities, including our Erlangen and UK facilities being powered by 100% renewable electricity.
- Began global expansion of ISO 14001-certified Environmental Management System from Fluence Energy GmbH (EU) to:
  - Fluence Energy LLC (U.S.)
  - Fluence Energy UK Ltd
  - Fluence Energy Pty Ltd (Australia)
  - Fluence BESS India Pte Ltd
- Strengthened environmental stewardship practices at Fluence facilities through in-person and company-wide virtual trainings.

Social

- Submitted Fluence's first mandatory CoP required as a UNGC signatory member.
- Responsible sourcing framework developed and implemented for key strategic suppliers with over 50% undergoing social audits and receiving scorecards.
- Rolled out our existing responsible sourcing framework to our regional project suppliers and logistics providers.
- Matured the growth of our employee-led resource groups (ERGs) by providing training to ERG leaders, securing new executive sponsors for continued engagement, and enabling monthly collaboration and connection with ERG leaders to share best practices.

Governance

- ESG and sustainability leadership reported to Fluence's Nominating and Corporate Governance Committee of our Board of Directors on a quarterly basis.
- Published responsible sourcing program framework-related procedures and supporting implementation documents on the Fluence website.

Sustainability **Philosophies**

We are committed to continually advancing our sustainability performance and taking steps that are intended to continuously build upon our efforts to contribute to a more sustainable future. The following guiding principles reflect our commitment to collective progress and meaningful impact.

Communities and Civil Society

We work hard to promote measures that contain and neutralize any environmentally impactful activities that could harm the communities located near our project and lab sites. We are also taking action to reduce environmental impacts from our building operations, employee travel, and product lifecycle.

Employee Engagement

We believe our people are our greatest asset. Our success comes through their passion and commitment to our mission.

Through our company-sponsored programs, we encourage employees to drive positive change across our organization. We celebrate our ESG champions who are implementing sustainability initiatives at their sites, and in their roles and communities.

Equity and Global Inclusion

We are committed to being a leader in fostering a globally inclusive and supportive culture. Our mission is to create a space where all employees, regardless of background, are encouraged and supported to reach their full potential.

Environmental Stewardship

We are dedicated to incorporating sustainability principles throughout our operations and the lifecycle of our products. This effort requires ongoing comprehensive analysis of our supply chain and operations. We work to identify and address environmental impact throughout the product lifecycle from the sourcing of raw materials and manufacturing to transportation, installation, use and services, and eventual end-of-life. To assure compliance, we actively map regulatory requirements through our environmental stewardship program, striving not only to meet but exceed such requirements.

ESG Governance

Our stewardship, accountability, and transparency are rooted in strong and passionate leadership.

We leverage the cross-functional leadership of our executive leaders to promote our philosophies. Our Vice President of Investor Relations and Sustainability reports at least quarterly to our Nominating and Corporate Governance Committee of our Board of Directors. The committee provides oversight and guidance and reports out to the full Board of Directors on developments relating to ESG and sustainability, as deemed appropriate. Our ESG and sustainability team is empowered by our executive leaders to enable quick and efficient program implementation.

Human Rights & Responsible Sourcing

Our supply chain partners are vital to accomplishing our goals of sustainability across our value chain. We set clear standards of ethical conduct and safe working practices for our suppliers and monitor their adherence through continued training, engagement, and assessments.

Product End-of-Life and Lifecycle Innovation

Reducing the environmental footprint of our products across their complete lifecycle is critical to achieving circularity.

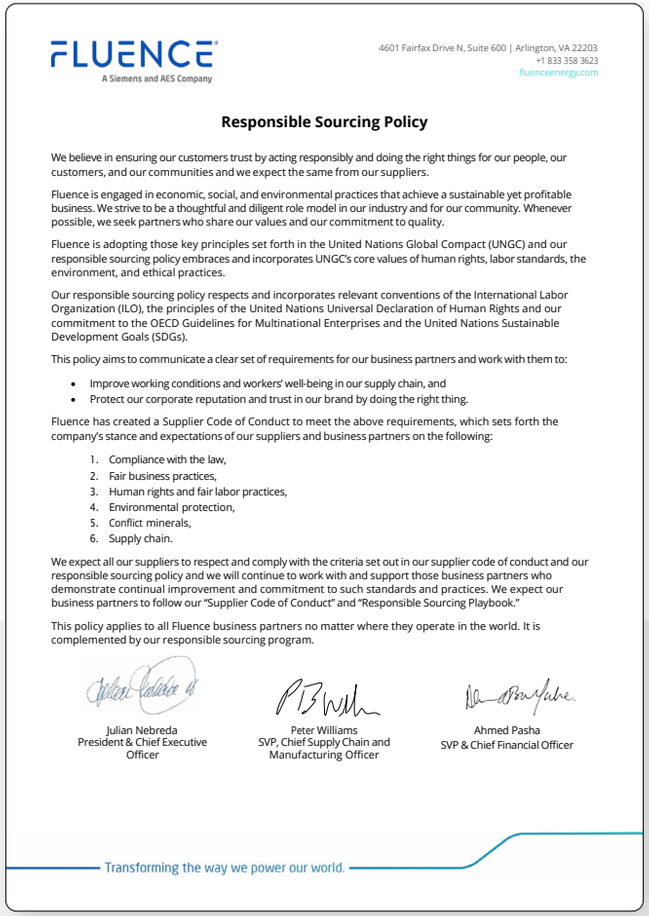
We are developing rigorous end-of-life programs to incorporate lifecycle innovation into our future energy storage products. Where a battery may be damaged at a Fluence-managed location, it is company policy to collaborate with the appropriate member of our global network of recycling partners to recycle that battery. Over the next calendar year, Fluence plans to offer a suite of end-of-life services for our customers, including remote product health monitoring and reporting, seamless battery replacement and recycling, and full site decommissioning.

Responsible Sourcing

Our responsible sourcing strategy sets ESG expectations for our supply chain and drives accountability among our suppliers. The approach of our responsible sourcing program is a business imperative, safeguarding both people and the environment against the potential hazards stemming from supply chain failures.

To uphold these values, we have developed a rigorous system of supplier selection, engagement, education, assessments, and auditing, which is intended to protect and promote the integrity of our supply base and reinforce Fluence's high sustainability standards.

Fluence's responsible sourcing mission is centered around proactively leveraging opportunities and working to mitigate risks in our supply chain. Our responsible sourcing focus extends to managing a variety of modern-day risks, including those associated with globalization and climate change. Our goal is to surpass our existing procurement targets relating to responsible sourcing without compromising future growth and the long-term sustainability of our business. Fluence's responsible sourcing and supply chain and procurement teams collaborate to support supply chain sustainability implementation and risk management programs relating to responsible sourcing.



FLUENCE
A Siemens and AES Company

4601 Fairfax Drive N, Suite 600 | Arlington, VA 22203
+1 833 358 3623
fluenceenergy.com

Responsible Sourcing Policy

We believe in ensuring our customers trust by acting responsibly and doing the right things for our people, our customers, and our communities and we expect the same from our suppliers.

Fluence is engaged in economic, social, and environmental practices that achieve a sustainable yet profitable business. We strive to be a thoughtful and diligent role model in our industry and for our community. Whenever possible, we seek partners who share our values and our commitment to quality.

Fluence is adopting those key principles set forth in the United Nations Global Compact (UNGC) and our responsible sourcing policy embraces and incorporates UNGC's core values of human rights, labor standards, the environment, and ethical practices.

Our responsible sourcing policy respects and incorporates relevant conventions of the International Labor Organization (ILO), the principles of the United Nations Universal Declaration of Human Rights and our commitment to the OECD Guidelines for Multinational Enterprises and the United Nations Sustainable Development Goals (SDGs).

This policy aims to communicate a clear set of requirements for our business partners and work with them to:

- Improve working conditions and workers' well-being in our supply chain, and
- Protect our corporate reputation and trust in our brand by doing the right thing.

Fluence has created a Supplier Code of Conduct to meet the above requirements, which sets forth the company's stance and expectations of our suppliers and business partners on the following:

1. Compliance with the law,
2. Fair business practices,
3. Human rights and fair labor practices,
4. Environmental protection,
5. Conflict minerals,
6. Supply chain.

We expect all our suppliers to respect and comply with the criteria set out in our supplier code of conduct and our responsible sourcing policy and we will continue to work with and support those business partners who demonstrate continual improvement and commitment to such standards and practices. We expect our business partners to follow our "Supplier Code of Conduct" and "Responsible Sourcing Playbook."

This policy applies to all Fluence business partners no matter where they operate in the world. It is complemented by our responsible sourcing program.

Julian Nebreda
President & Chief Executive Officer

Peter Williams
SVP, Chief Supply Chain and Manufacturing Officer

Ahmed Pasha
SVP & Chief Financial Officer

Transforming the way we power our world.

"We recognize our suppliers as indispensable partners in advancing our sustainability goals. Over the past fiscal year, we made meaningful progress by implementing a comprehensive responsible sourcing framework that strengthens our collaboration with suppliers and ensures their alignment with our high standards for environmental stewardship and social responsibility. Together, we are building a resilient, ethical, and forward-thinking global supply chain that protects people and the planet while driving long-term value for our business.

Pete Williams
SVP & Chief Product and Supply Chain Officer, Fluence

Responsible Sourcing Program Framework

We integrate sustainability and ESG principles across our procurement strategy. Our responsible sourcing program framework helps ensure ethical practices across our supply chain, with a zero-tolerance policy on human rights violations, including those relating to forced labor. Our rigorous due diligence process, guided by our human rights policy and responsible sourcing policy within our code of conduct for Fluence business partners and third-party intermediaries, reinforces this commitment.

Our responsible sourcing program aligns with our policies and includes a playbook outlining supplier requirements and standards. We have structured the onboarding process, monitoring systems, and checkpoints to continuously assess the social impact and compliance of suppliers to such requirements and standards.

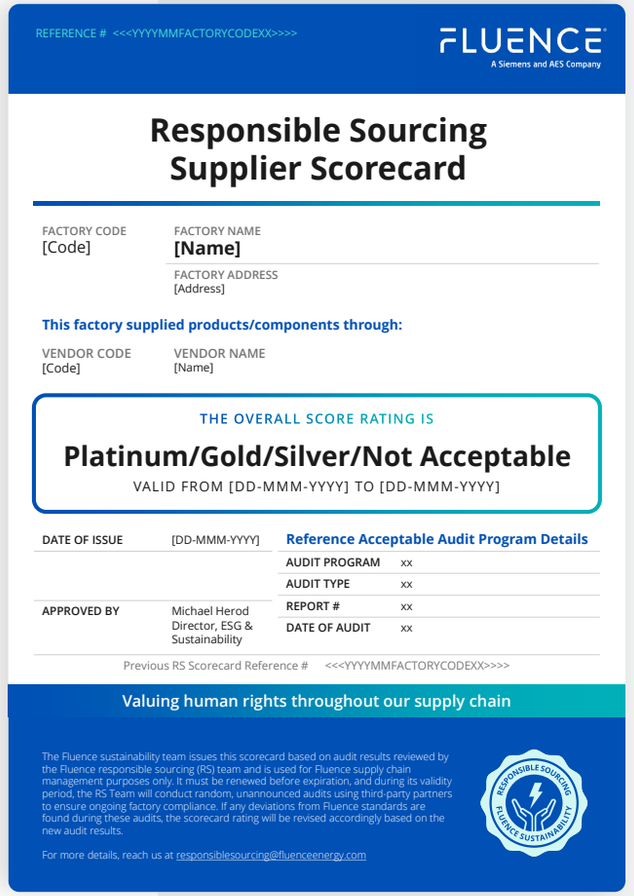
Our responsible sourcing team oversees the evaluation system that grades, rates, and issues formal scorecards for each supplier. The responsible sourcing evaluation system helps to promote alignment with Fluence sustainability goals and initiatives while fostering continuous improvement and accountability across the supply chain.

Our supply chain is not only fundamental to our operations but also acts as a catalyst for positive social and environmental impact. We promote transparency and accountability by holding suppliers to the same high sustainability standards we maintain internally. Through a rigorous multi-step process, including initial supplier acknowledgment of standards, risk assessments, and third-party audits, we evaluate and manage compliance across our supply chain.

Advancing Our Responsible Sourcing Framework

In October 2023, we successfully implemented our responsible sourcing framework with a focus on key strategic suppliers. This initiative primarily targets direct material suppliers that provide essential components such as battery cells, battery modules, containers, and fire safety equipment. The accompanying statistical diagrams offer a comprehensive overview of our achievements over fiscal year 2024, highlighting our commitment to sustainability and ethical procurement practices in collaboration with our suppliers. Through this framework, we aim to enhance transparency, accountability, and long-term partnerships that align with our corporate social responsibility objectives.

In March 2024, we advanced our responsible sourcing program by extending further into our supply chain, emphasizing regional suppliers who provide critical materials for our project sites, including transformers, switchgear, and other essential components. Additionally, we integrated our logistics providers into the program, recognizing their crucial role in our supply chain dynamics. We require all logistics partners to now complete our self-assessment questionnaires to promote alignment with our responsible sourcing standards and our overarching sustainability goals.



REFERENCE # <<<YYYYMMFACTORYCODEXX>>>>

FLUENCE
A Siemens and AES Company

Responsible Sourcing Supplier Scorecard

FACTORY CODE
[Code]

FACTORY NAME
[Name]

FACTORY ADDRESS
[Address]

This factory supplied products/components through:

VENDOR CODE
[Code]

VENDOR NAME
[Name]

THE OVERALL SCORE RATING IS

Platinum/Gold/Silver/Not Acceptable

VALID FROM [DD-MMM-YYYY] TO [DD-MMM-YYYY]

		Reference Acceptable Audit Program Details	
DATE OF ISSUE	[DD-MMM-YYYY]	AUDIT PROGRAM	xx
		AUDIT TYPE	xx
APPROVED BY	Michael Herod Director, ESG & Sustainability	REPORT #	xx
		DATE OF AUDIT	xx

Previous RS Scorecard Reference # <<<YYYYMMFACTORYCODEXX>>>>

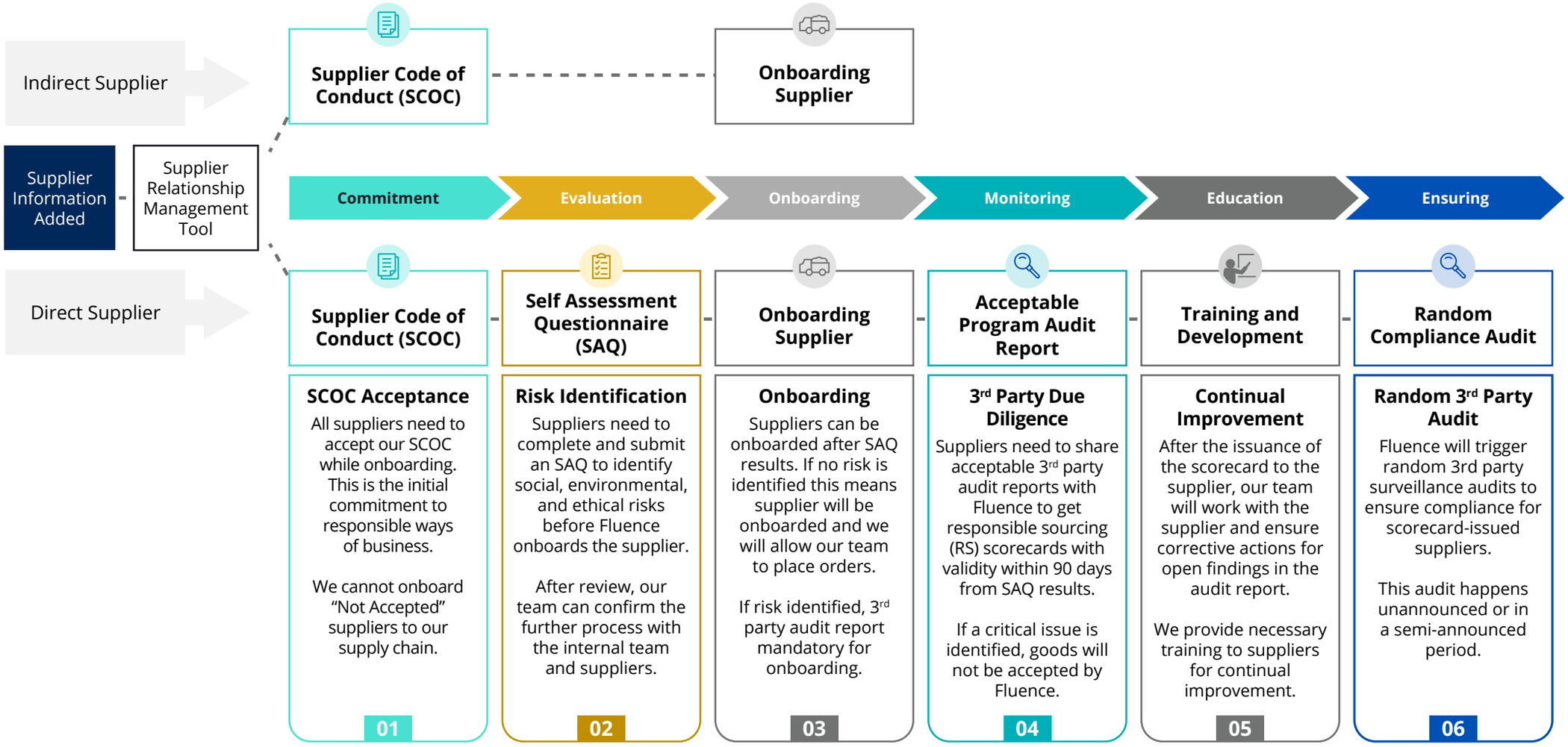
Valuing human rights throughout our supply chain

The Fluence sustainability team issues this scorecard based on audit results reviewed by the Fluence responsible sourcing (RS) team and is used for Fluence supply chain management purposes only. It must be renewed before expiration, and during its validity period, the RS Team will conduct random, unannounced audits using third-party partners to ensure ongoing factory compliance. If any deviations from Fluence standards are found during these audits, the scorecard rating will be revised accordingly based on the new audit results.

For more details, reach us at responsiblesourcing@fluenceenergy.com

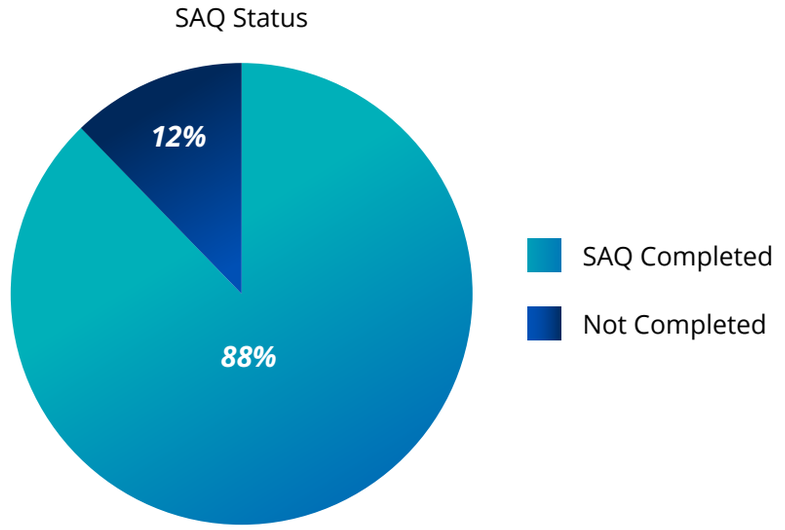
RESPONSIBLE SOURCING FLUENCE SUSTAINABILITY

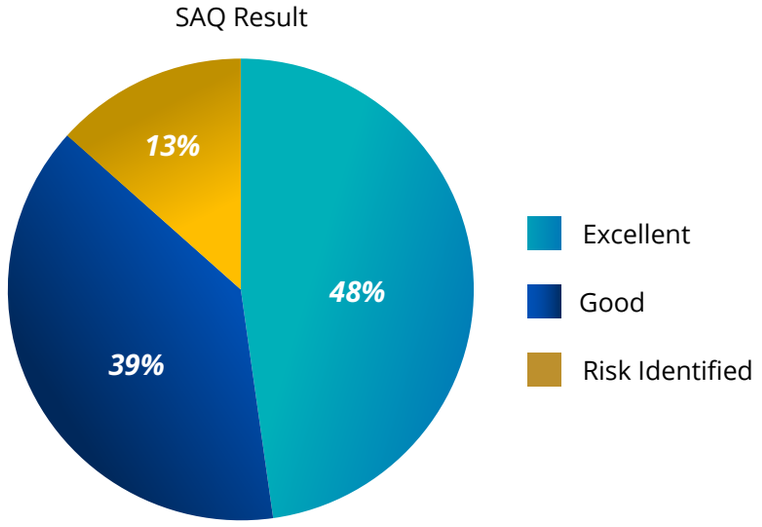
Responsible Sourcing **Framework**



Supplier Onboarding and Compliance Monitoring

From October 1, 2023, to September 30, 2024, we onboarded 844 suppliers, covering both direct and indirect suppliers. Direct suppliers include those providing the Company critical materials, project components, and services. Indirect suppliers include logistics and office service providers. To pre-qualify suppliers prior to engagement, we employ a comprehensive self-assessment questionnaire that evaluates the social, ethical, and environmental capabilities of a potential supplier. Based on responses, we assign ratings to inform internal decision-making within our supply chain. Our six-tier rating system includes: Excellent, Good, Fair, Bad, Very Poor, and Risk Identified. If a potential supplier is flagged as Risk Identified, a third-party social audit is required before onboarding. This evaluation process enhances supplier diversity and engagement while reinforcing our sustainable sourcing practices. Recent data, as of September 30, 2024, indicates that 13% of suppliers exhibited certain risk factors as part of this self-assessment process, primarily related to shared facilities. Those identified risks were then mitigated by undergoing third-party social audits. However, all audited suppliers demonstrated no health and safety risks post-assessment.

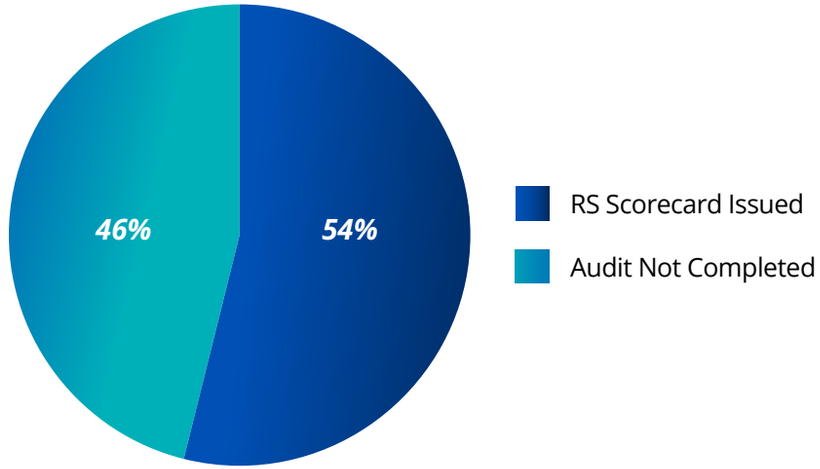




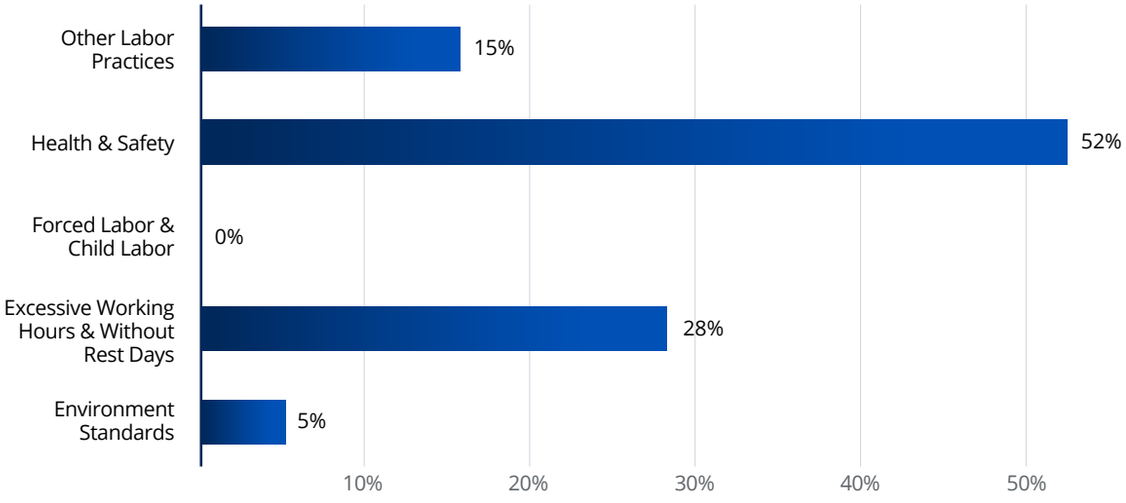
Ensuring Compliance Through Social Audits

To streamline compliance, we adopted industry-leading third-party international social audit programs, including SA8000, the Responsible Business Alliance, the Responsible Labour Initiative, the Business Social Compliance Initiative, and the Sedex Member Ethical Trade Audit. Audit findings are assessed using our proprietary grading and rating matrix, which assigns validity ratings of Platinum for 24 months, Gold for 18 months, Silver for 12 months, and a Not Acceptable rating for 6 months.

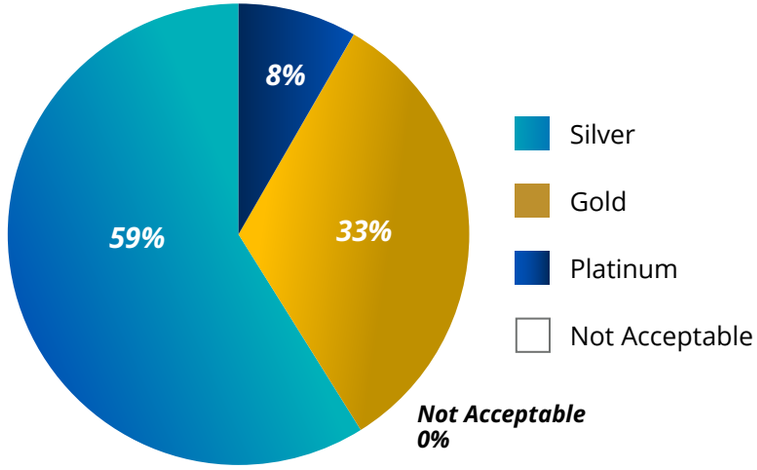
RS Scorecard Status



Total Audit Findings Distribution by Category



RS Scorecard Result



Responsible Sourcing Incentive Program

We established our responsible sourcing incentive program to encourage suppliers to uphold ESG principles. This initiative provides a capped amount of financial reimbursement for third-party audit costs incurred during compliance efforts. Recognized Association of Professional Social Compliance Auditors (APSCA)-certified firms conduct these audits using semi-announced or unannounced protocols. The program has driven significant supplier engagement in responsible sourcing, evidenced by improved audit results and adherence to ethical standards. Incentives are structured based on audit results, covering up to $2,500 per qualifying supplier.

Random Compliance Audits

In fiscal year 2024, we developed a formal random compliance audit framework to reinforce adherence to our SCOC. Random audits proactively identify risks and help suppliers meet our stringent ESG requirements. The process includes:

- **Selection Protocol:** Using ANSI/ASQ Z1.4 statistical sampling, we select suppliers for unbiased and objective audits.
- **Third-Party Verification:** APSCA-approved auditors conduct the audits, adhering to ISO 17021:2015 standards to ensure credibility.
- **Comprehensive Assessments:** Audits evaluate labor conditions, health and safety, environmental protections, conflict minerals, and supply chain monitoring.
- **Corrective Action Plans:** Suppliers receive detailed reports on non-compliance issues, with required corrective actions and follow-up audits for high-risk findings.

Starting in fiscal year 2025, we are conducting these random audits following the formal framework.

RS Scorecard Rating	Validity	Initial Audit Reimbursement %	Follow-Up Audit Reimbursement %
Platinum	24 months	75%	60%
Gold	18 months	50%	40%
Silver	12 months	30%	25%
Not Acceptable	6 months	15%	10%

If the facility has already conducted a follow-up audit within 3 months of the initial audit date for high-risk identified cases, we will consider follow-up audit scorecard results for this incentive program.

Supplier Engagement and Participation

In February 2024, we hosted a supplier engagement event attended by over 60 suppliers, including many key strategic suppliers. The event's sessions covered topics such as responsible sourcing, supplier diversity, environmental responsibility, sustainability, and ESG. Fluence leadership, ESG experts, and procurement directors delivered key presentations.

Post-Event Feedback

Participating suppliers provided valuable feedback following the event. Key metrics include:

- **Overall Experience:** 87%
- **Effectiveness:** 87%
- **Organization:** 88%
- **Presentation Quality:** 86%
- **Content Relevance:** 89%

This feedback shows strong satisfaction among the event's attendees, particularly with content relevance and organization, which were the highest-rated aspects.

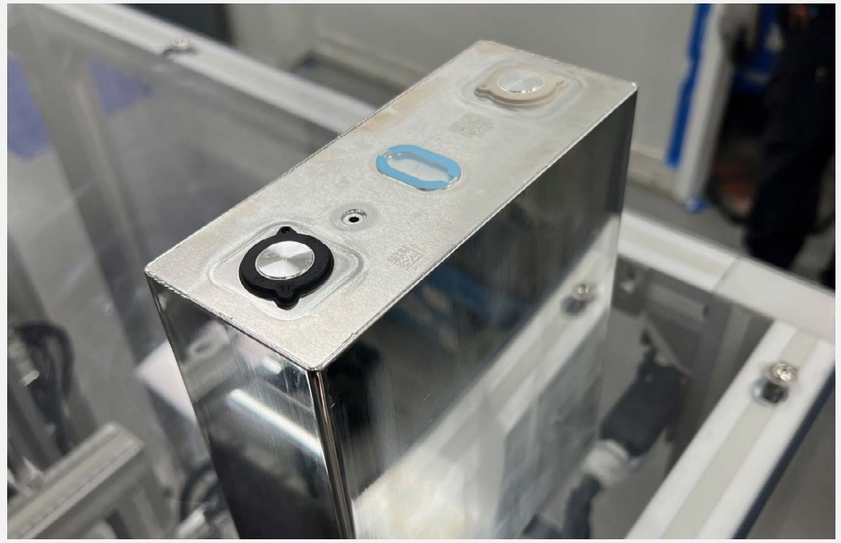
Topics of Interest for Future Engagements

Based on supplier input, key areas of interest for future training sessions by Fluence include:

- **Responsible Sourcing:** 35%
- **Sustainability/ESG:** 24%
- **Supplier Diversity:** 24%
- **Environmental Responsibility:** 18%

Success Stories and Lessons Learned

Suppliers that attended the training event expressed appreciation for the clarity of our strategic goals and our comprehensive approach to responsible sourcing. They highlighted the value of these sessions in fostering alignment and collaboration. Additionally, they suggested ways to enhance future events, such as increasing interactive elements, refining the Q&A format, and adjusting scheduling to maximize participation.



Caption: *Production of U.S.-manufactured battery cells.*

Conflict Mineral Due Diligence

Our conflict minerals program is a structured initiative designed to identify, track, and assess potential conflict minerals within our supply chain. This initiative is designed to assess the use, sourcing, and origin of conflict minerals. As part of this initiative, we have developed a Fluence responsible sourcing policy and a Fluence conflict minerals policy. These policies outline our expectations for suppliers regarding responsible sourcing practices and use of conflict minerals.

Fluence's Due Diligence Program

Our due diligence measures align with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and reflect best practices for companies operating downstream in the supply chain. Several tiers removed from smelters and refiners (SoRs), we do not directly purchase raw ore, unrefined minerals, or materials from smelters, nor do we conduct purchasing activities in the Democratic Republic of the Congo or an adjoining country.

Our responsible sourcing team leads our supplier due diligence efforts. This team:

- Distributes Conflict Minerals Reporting Templates (CMRTs) to suppliers
- Collects and evaluates supplier responses
- Engages with suppliers to clarify inadequate or incomplete disclosures
- Monitors supplier compliance and tracks reporting status
- Consolidates findings and provides updates to Fluence customers

The responsible sourcing team reports directly to the Vice President of Investor Relations and Sustainability and collaborates with key stakeholders across our supply chain, legal, and compliance teams to uphold ethical business practices and responsible sourcing objectives.

Our supply chain and legal teams work to incorporate required compliance with our SCOC, conflict minerals policy, and responsible sourcing policy into our purchase orders and supply agreements.

We rely on third-party audits of SoRs conducted through the Responsible Minerals Initiative (RMI) and supplier self-disclosures to verify compliance and responsible sourcing practices.

During calendar year 2023, we surveyed 82% of direct suppliers believed to provide materials potentially containing conflict minerals. Approximately 91% of targeted suppliers submitted responses, leading to the identification of 603 SoRs in our supply chain. Following a review against the RMI's Responsible Mineral Assurance Process list, 58% of these SoRs were determined to be conformant.

Recognizing the importance of greater supply chain transparency, we remain committed to strengthening supplier engagement and accountability. We are working to increase participation in globally recognized auditing standards and are continuously advancing responsible sourcing best practices. To further our efforts, we continue to collaborate with suppliers to ensure full and accurate reporting while promoting ethical sourcing throughout our global supply chain.

As part of our commitment to responsible sourcing, we are dedicated to refining and strengthening our due diligence program by:

1. Continuing to enhance supply chain oversight through collaboration among ESG, supply chain, product engineering, legal, and compliance teams
2. Improving Reasonable Country of Origin Inquiry (RCOI) and due diligence methodologies
3. Strengthening supplier engagement efforts to improve response accuracy, data transparency, and supply chain traceability
4. Expanding support for industry-wide supply chain transparency initiatives

For further inquiries, please contact conflictminerals@fluenceenergy.com.

Our supply chain team and responsible sourcing team conduct annual risk assessments by:

- Analyzing purchased products and components for potential conflict minerals
- Surveying targeted suppliers regarding their material sourcing practices
- Reviewing SoR disclosures and chain of custody documentation
- Comparing supplier-reported SoRs against the RMI
- Maintaining the Responsible Mineral Assurance Process (RMAP) conformant list
- Conducting additional due diligence or mitigation efforts when necessary

To enhance supply chain transparency, we:

- Conduct RCOI and due diligence using CMRTs
- Evaluate supplier responses for completeness and consistency
- Directly follow up with suppliers who:
  - Fail to respond
  - Provide ambiguous or incomplete information
  - Do not disclose smelter information
- Implement continuous improvements in supplier communication to enhance data accuracy, response rates, and reporting quality

Our **ESG Accountability** & **Engagement**

We believe that long-term value and performance requires careful consideration of how our business interfaces with society, as well as the needs and expectations of diverse stakeholder groups.

We hold ourselves accountable through transparency to our stakeholders and that begins with a well-structured sustainability program. From an operational standpoint, our ESG and sustainability team collaborates across three pillars:

1. Reporting and stakeholder engagement
2. Environmental stewardship and compliance
3. Responsible sourcing and social compliance

One significant goal of Fluence for fiscal year 2025 is to expand our ISO-certified Environmental Management System (EMS) globally. Expanding this EMS will empower us to draw from nearly all facets of the Company to continuously improve Fluence's total environmental impact.

To ensure sustainability remains embedded in corporate decision-making, our Vice President of Investor Relations and Sustainability reports directly to our Chief Financial Officer. We believe that this direct reporting structure to the executive leadership team strengthens our ability to drive long-term, positive change while aligning sustainability with our broader strategic and financial objectives.

Reporting Standards

This 2024 Sustainability Report aligns with the Sustainability Accounting Standards Board (SASB): Fuel Cells & Industrial Batteries standard, and references the Global Reporting Initiative (GRI). Additionally, in December 2023, we became a Signatory Member of the UNGC, reinforcing our commitment to responsible business practices. In fiscal year 2024, we submitted our first disclosure to CDP and used the TCFD framework to inform our climate-related reporting.

Certified Entities

2024			
Australia	ISO 45001		
Germany	ISO 14001	ISO 27001	ISO 45001
U.K.	ISO 45001		
U.S.	SA8000	ISO 27001	ISO 45001

ISO 14001	Environmental Management System
ISO 27001	Information Security Management System
ISO 45001	Occupational Health and Safety Management Systems
SA8000	Ethical Worker Rights

Fluence **Sustainability Governance**

ESG Steering Committee

An executive leadership team responsible for prioritization and ensuring alignment across all internal stakeholders.

- *Chief Executive Officer*
- *Chief Human Resources Officer*
- *Chief Legal and Compliance Officer*
- *Chief Supply Chain and Manufacturing Officer*
- *Chief Financial Officer*
  - *Vice President of Investor Relations and Sustainability*
    - *Reporting & Stakeholder Engagement*
    - *Environmental Stewardship & Compliance*
    - *Responsible Sourcing & Social Compliance*

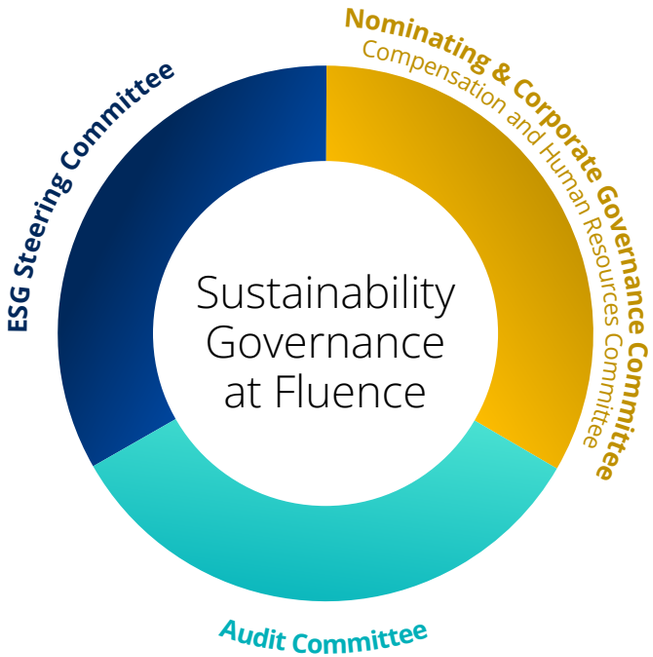
Nominating and Corporate Governance Committee

This standing committee of our Board of Directors provides oversight of Fluence's ESG strategy, initiatives, and policies; provided that, for the avoidance of doubt, specific topics within the ESG category will be managed by other committees, as set forth in the committee's charter. This committee will periodically provide reports to the Board on ESG matters under its purview.

- *Compensation and Human Resources Committee*
  - *This standing committee of our Board of Directors is responsible for sustainability matters relating to workforce and equity and inclusion programs and topics.*

Audit Committee

This standing committee of our Board of Directors is currently comprised of four independent, non-employee Board members who are responsible for oversight of audit and assurance processes relating to ESG reporting within applicable financial reporting frameworks, including all ESG and sustainability disclosures that are filed with the Securities and Exchange Commission.



Sustainability **Across Functions**

ESG & Sustainability Team

The team directly responsible for the development and execution of our ESG and sustainability targets, strategies, roadmaps, policies, and programs.

They draw on multiple formal and informal touch points, including surveys, trainings, blogs, and newsletters to incorporate the insights of Fluence team members.

Product Quality & Safety

The teams responsible for considering how products and services can promote sustainability and safe, high-quality management principles. These teams inform and shape our efforts to drive environmental sustainability and engage in circular economy practices.

Supply Chain and Sourcing

The group that manages vendor relations to promote our ESG performance and reporting and serves as the communication thread between vendors and the ESG and sustainability team. We have a dedicated supplier management system and hear directly from our suppliers on topics such as procurement and other practices.

Research & Development

The group responsible for developing hardware and software products that meet the growing and changing needs of the market and our customers. In developing products, we seek to move the industry forward in a more sustainable manner throughout the product lifecycle.

Logistics

The team responsible for the efficient transport and storage of Fluence's energy storage components and completed products. We have a dashboard that utilizes C.H. Robinson's technology to track all shipments, modes of transport, and estimates of their associated GHG emissions. The team is continuously exploring ways to reduce and mitigate GHG emissions including the use of U.S. EPA Smart Way trucking companies.

Facilities

When searching for prospective facilities, this team prioritizes properties that actively invest in sustainability initiatives, practices, and energy efficient measures. The team places high importance on buildings that are walkable, bikeable, and located near public transportation.

Engaging Our Stakeholders

Our responsible sourcing strategy sets ESG expectations for our supply chain and drives accountability among our suppliers. The approach of our responsible sourcing program is a business imperative, safeguarding both people and the environment against the potential hazards stemming from supply chain failures.

To uphold these values, we have developed a rigorous system of supplier selection, engagement, education, assessments, and auditing, which is intended to protect and promote the integrity of our supply base and reinforce Fluence's high sustainability standards.

Fluence's responsible sourcing mission is centered around proactively leveraging opportunities and working to mitigate risks in our supply chain. Our responsible sourcing focus extends to managing a variety of modern-day risks, including those associated with globalization and climate change. Our goal is to surpass our existing procurement targets relating to responsible sourcing without compromising future growth and the long-term sustainability of our business. Fluence's responsible sourcing and supply chain & procurement teams collaborate to support supply chain sustainability implementation and risk management programs relating to responsible sourcing.

ESG Materiality Assessment

In 2022, we conducted an ESG materiality assessment (which was informed by various standards/frameworks and stakeholder expectations) to help us prioritize programs that support our long-term success while minimizing our environmental impact and promoting social compliance.

In fiscal year 2025, we plan to build on this assessment by adopting the double materiality criterion starting with our German operations, Fluence Energy GmbH. This approach will allow us to examine sustainability from two perspectives: how our operations impact people and the planet, and how sustainability issues affect our financial performance.

"Sustainability is a fundamental driver of how we innovate, operate, and create long-term value at Fluence. Through continuous advancements in technology, responsible sourcing, and a steadfast focus on environmental stewardship, we are not just contributing to a more sustainable world—we are helping to define it.

Julian Nebreda
President and Chief Executive Officer, Fluence

Our **Impact**

Impact figures as of the end of fiscal year 2024

34.2 GWh
of energy storage contracted and deployed, cumulative

8.4 GW
of energy storage services contracted and under management

47
markets worldwide contracted, deployed, and under management

28.9 GW
of renewables and storage optimized by Mosaic and Nispera combined

270+
energy storage projects

Our cumulative services attachment rate as of the end of fiscal year 2024 is approximately 83%. This does not include our contracted backlog, which is included in the metrics above.

Circular Economy

We believe that our energy storage products play a crucial role in accelerating the clean energy transition, and we are committed to making the transition as sustainable as possible.

While our energy storage systems are designed for long service life, we are taking proactive steps to enhance their sustainability from design through end-of-life. Our circular economy framework is advancing this commitment by integrating strategic partnerships, robust data monitoring, and transparent reporting to optimize product longevity, streamline access to end-of-life solutions, and enhance visibility into supply chain and lifecycle performance.

A key part of this approach is our material recycling strategy. This strategy formalizes internal policies to help ensure that battery recycling is embedded in our operations. By working with battery recyclers around the world, we are making it easier to responsibly manage, repurpose, and recycle battery materials, helping to create a more circular and sustainable supply chain. We are also currently expanding our global battery recycling network to offer site decommissioning services, giving customers a seamless way to manage product end-of-life decisions—whether that means replacing batteries with new ones or fully decommissioning a site and restoring the land.

Looking ahead, we aim to design our energy storage systems with circularity in mind. This means exploring ways to incorporate recycled materials, extend system lifetimes, and improve modularity to make disassembly and recycling easier. We also see the potential for second-life applications, where our systems could continue providing value even after their primary use.

We are dedicated to minimizing the environmental impact of energy storage while delivering practical, scalable solutions for a cleaner and more resilient energy future.

Caption: *The 186 MW/744 MWh Victory Pass and Arica solar and battery storage projects featuring Fluence Gridstack systems in Riverside County, California.*

Fluence Circular Economy Framework in Action: Design, Usage, and Digitization

Digitization

Using software and data analysis enables us to streamline compliance and become more predictive and proactive.

Compliance Tracking | Predictive Replacement(s) | Predictive Upgrade(s)

Responsive Design

Incorporating circular design principles into our products to empower greater responsibility and lasting value.

Recycled Content | Longer Service Life | Recycling Deconstruction

Material Recycling

Many materials in our products can be recycled when they become unusable.

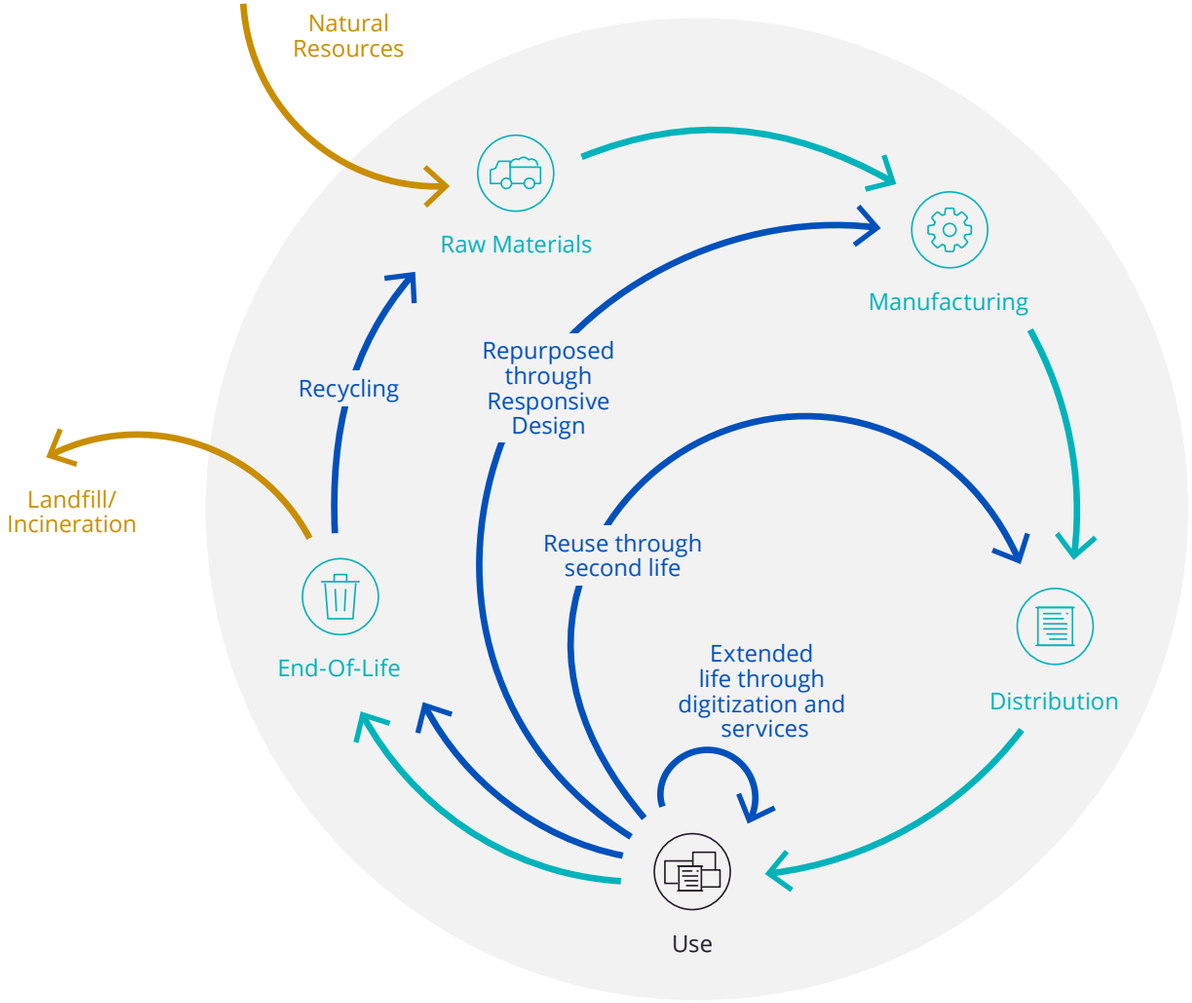
Pre-Customer Turnover | During Lifecycle | Project Decommissioning

Second Life

Our systems are designed with stringent performance parameters but that doesn't limit their ability to be useful in other applications.

Whole Enclosure | Partial System(s) | Modular

Our concept of the circular economy for battery-based energy storage



Alignment with **UN Sustainable Development Goals**

The success of the UN Sustainable Development Goals (SDGs) relies on the collective efforts of governments, nongovernmental organizations, the private sector, and other stakeholders. As a global leader in energy storage, we embrace this shared effort, aligning our expertise with initiatives that drive meaningful impact.

Since publicly committing to the SDGs in fiscal year 2023, we have worked to integrate these principles into our ESG strategy. Our focus remains on key areas where our strengths can create the greatest value: gender equality, affordable and clean energy, industry innovation and infrastructure, and climate action. These particular priorities reflect our commitment to not only advancing sustainable business practices but also contributing to a more resilient and equitable energy future.

We believe we are well positioned to bring together science, people, technology, and the ideas necessary to profoundly shape the trajectory of energy storage.

Fluence's UN SDGs Alignment

Our commitment to advancing the UN SDGs is guided by our focus to lead the energy storage industry in sustainable business practices. We are dedicated to applying our knowledge, concepts, and innovation to help advance initiatives aimed at achieving those SDGs where our particular concentration of strengths may contribute to long-lasting and scalable effect.

Gender Equality

In our dedication to promoting culture, equity, and inclusion, we have established ambitious objectives for gender representation and retention within our organization. We continue to enhance our strategies for attracting and retaining women in the workplace, and we are committed to advancing gender equality within our organization. Our focus on transparency is crucial as we strive for continuous improvement in our pursuit of gender equality.

Affordable and Clean Energy

We provide an ecosystem of offerings to help drive the clean energy transition—modular and scalable energy storage products, comprehensive service offerings, and software products for managing and optimizing renewables and storage from any provider.

Industry, Innovation, and Infrastructure

Fluence's OS energy management system provides a common platform for the creation of value-added software products that work to help maximize asset revenue, improve asset performance, and support long-term portfolio management which offers data integration with local hardware, cloud-hosted microservices, and advanced programming interfaces (APIs). We are continuously innovating in product end-of-life management and mitigating the Global Warming Potential (GWP) of our product refrigerants.

Climate Action

We offer and plan to continue to offer an integrated ecosystem of products, services, and cloud-based software across a range of energy storage and renewable use cases. Our solutions are part of a sector integral to the energy transition and the global effort to combat climate change through the modernization of our clean energy networks. Our products have a long service life and help to accelerate the adoption of clean energy.

Fluence

Environment

Environmental **Stewardship**

Environmental responsibility is a priority for many governments, companies, and investors alike, as the urgency to combat climate change has never been greater. One testament to this commitment is RE100, a global corporate renewable energy initiative through which over 400 companies have pledged to source 100% of their energy from renewable sources. Energy storage is a powerful solution for meeting this demand by enabling the large-scale adoption of renewable energy while maintaining grid reliability.

We recognize that advancing energy storage alone is not enough. We also strive to minimize our own environmental footprint. This is why we examine our impact at every level—from product design and material sourcing to operational management and end of life. Our commitment to sustainability is reflected in real, measurable actions, including advancing and maintaining our ISO 14001 certification and developing a circular economy framework. We continuously refine our approach to managing our environmental impact, ensuring that environmental responsibility is a company-wide endeavor. Our executive leadership team sets the strategic direction, our engineering teams drive innovation, and our supply chain teams help ensure that product components are responsibly sourced and manufactured.

This environmental stewardship extends across all Fluence operations. It encompasses our offices and laboratories, as well as customer sites where we manage engineering, procurement, and construction (EPC). It also includes core-only sites, where Fluence provides equipment and ensures its functionality. Additionally, our service personnel maintain long-term service agreements (LTSAs) with many customers, continuing support well beyond equipment installation.

When there is an environmental incident at a Fluence-managed location, it is Fluence policy for the respective site personnel to submit a Corrective and Preventative Action (CAPA) report. In this way, we maintain a record of incidents and systematically share lessons learned and solutions to prevent future recurrence. The CAPA process at Fluence follows the industry standard 8D process. This process ensures that once root causes of an incident are determined, corrective actions are taken and verified to prevent reoccurrence of the incident.

Caption: *Solar panels at the Victory Pass and Arica solar and storage projects in Riverside County, California.*

Our Environmental Stewardship Strategy

Our commitment to environmental stewardship is deeply embedded in our operations and guided by our global environmental policy and environmental stewardship playbook. This playbook provides a robust framework for managing the environmental impact of our operations, products, services, and entire value chain.

We believe that the most effective environmental stewardship often requires not only meeting regulatory standards, but exceeding them. Our approach emphasizes continuous advancement in data collection, measurement, and analysis to rigorously assess our environmental performance, promote regulatory compliance, identify potential risks and opportunities, and inform policy development. Through this approach, we demonstrate our commitment to responsible environmental management and position Fluence as a trusted, sustainability-driven partner for our customers.

Continuous Improvement

A pillar of our environmental stewardship approach is our commitment to continuous improvement through globally recognized frameworks such as ISO 14001. This standard provides a structured approach for developing and maintaining an EMS that drives ongoing enhancements in environmental performance.

Since 2019, our Testfield in Erlangen, Germany, has maintained its ISO 14001 certification, ensuring that all functions at the site—and operations under the Fluence Energy GmbH entity—adhere to rigorous environmental management standards. We uphold this certification by continually refining our practices and setting progressively more ambitious environmental goals each year.

The ISO 14001 certification of our Erlangen Testfield is only the beginning. In the coming years, we will continue the effort to expand our certifications for Fluence legal entities in the U.S., U.K., Australia, and India. This expansion will enable us to take a holistic, globally integrated approach to managing our environmental footprint, reinforcing our commitment to sustainability across our operations and product value chain.

Transparency Through Data

Fluence's environmental stewardship program is grounded in data. By understanding factors such as how much waste we produce and recycle, how much energy our facilities use, and other key metrics, we gain a clear, comprehensive view of our environmental impact, enabling us to set informed, ambitious goals that drive meaningful progress.

Caption: *Fluence Gridstack systems and solar panels at the Victory Pass and Arica projects in Riverside County, California.*

Engagement & **Accountability**

We leverage our regional Health, Safety, and Environmental (HSE) managers, site personnel, and other stakeholders to make sure our environmental efforts are responsive to needs identified in the field. In addition, Fluence's systems engineering, product compliance, and quality teams align our practices and products with current and emerging environmental regulations. We use our internal learning management system (LMS) to train all Fluence employees on our environmental stewardship approach.

Governance Through Policies

To strengthen our environmental performance and accountability, all Fluence projects and facilities are required to adhere to certain standards to reduce environmental impact. In developing those standards, we created a strategic roadmap to:

- Understand our operational impacts;
- Set regional environmental stewardship standards; and
- Develop verification and reporting tools

In fiscal year 2024, we expanded our site sustainability data capture program. While we have maintained total data capture coverage for our Americas-based EPC projects, we have also extended this effort to additional projects in Europe. What began as an internal effort between Fluence's environmental and project management teams has now evolved into a partnership with our construction contractors who are directly providing this data. This approach enhances site data capture and engages all site stakeholders in a collective mission to more effectively quantify and report a project's environmental footprint.

We have developed and implemented a comprehensive suite of policies in accordance with any applicable laws and regulations as well as applicable customer and industry standards. When drafting our policies relating to environmental stewardship, we seek to promote high standards of performance and operation and often require higher standards than what is required by applicable law in accordance with ISO standards. These policies are regularly updated, with the next update scheduled for fiscal year 2025. This ongoing schedule of updating our policies helps ensure the adoption of best practices across several operationally impactful areas.

At Fluence worksites, staff are provided trainings as appropriate to the site, including:

- Emergency Action Planning (incident response and reporting)
- Hazard Communication
- Hazardous Chemical Substances
- Site-Specific Plant and Wildlife Conservation Measures
- Spill Prevention / Response
- Waste Management and Recycling
- Wildlife Management

These trainings are either delivered via Fluence's LMS platform, or given in person by a designated site leader.

Environmental and Safety Commitments

Noise Pollution Mitigation

This policy establishes protocols for the mitigation of noise that can impact the health and well-being of personnel, communities, and the natural environment at or near Fluence-managed locations. Where necessary, we will conduct an operational noise assessment and develop a construction noise management plan before work begins. This assessment evaluates the noise our activities are likely to produce and assigns measures to mitigate any impact, if needed.

Dust Abatement

Construction activities at some project sites have the potential to generate dust that may be harmful to the health of site personnel and surrounding communities. To mitigate this issue, we have adopted procedures to reduce the generation of dust that results from any activities at Fluence-controlled locations. As dust abatement measures are typically water-dependent, we ensure that any water used for this effort comes from non-potable sources.

Invasive Plant Species Management

Where recommended as a result of the customer's environmental impact assessment of the project location, we will develop an invasive plant species management plan that is tailored for a specific region and project. These plans help protect the surrounding landscape's biodiversity by curbing the introduction of invasive plant species and prescribing measures to take when they are encountered.

Spill Prevention and Response Management

Our spill prevention and response planning policy describes our approach to preparing for and managing hazardous material spills. Our response plans include detailed measures regarding personnel safety, total cleanup, measurement, and verification. Our response plans are completed in accordance with, or in excess of, applicable regulation as well as all customer and contract terms.

Stormwater Prevention Planning

Fluence's stormwater pollution prevention planning policy describes best management practices to reduce operational stormwater pollution at Fluence-managed locations. It sets guidance to minimize stormwater runoff and erosion—mitigating our impact on the surrounding environment and communities. Fluence stormwater pollution plans are developed by a third-party qualified stormwater pollution prevention plan developer and are completed in accordance with, or in excess of, all pertinent location-specific laws and regulations, as well as any customer contract terms.

Caption: *Project team members at the Pike County Battery Energy Storage System in Indiana.*

Waste Management

Fluence's waste management policy provides guidance and standards for responsibly handling, managing, and recycling all types of waste generated at Fluence-managed locations with minimal environmental impact. In fiscal year 2023, we launched a pilot initiative to collect and report waste data from project sites across the Americas region. As of the date of this Report, we systematically track waste generation across all Fluence-managed project sites in the Americas, as well as our Pennsylvania Systems Test Lab. Building on this effort, we successfully expanded our data collection in fiscal year 2024 to include the European Union (EU), beginning with a project in the U.K.

Our waste data collection efforts encompass the following categories:

1. Landfill-bound waste
2. Recyclable materials
3. Hazardous/universal waste
4. Land clearing waste
5. Damaged battery modules

Indiana Project Site

116.1 metric tons
of landfill-bound waste

179.5 metric tons
of recycling

Arizona Project Site

101.7 metric tons
of landfill-bound waste

125.6 metric tons
of recycling

Pennsylvania Systems Test Lab

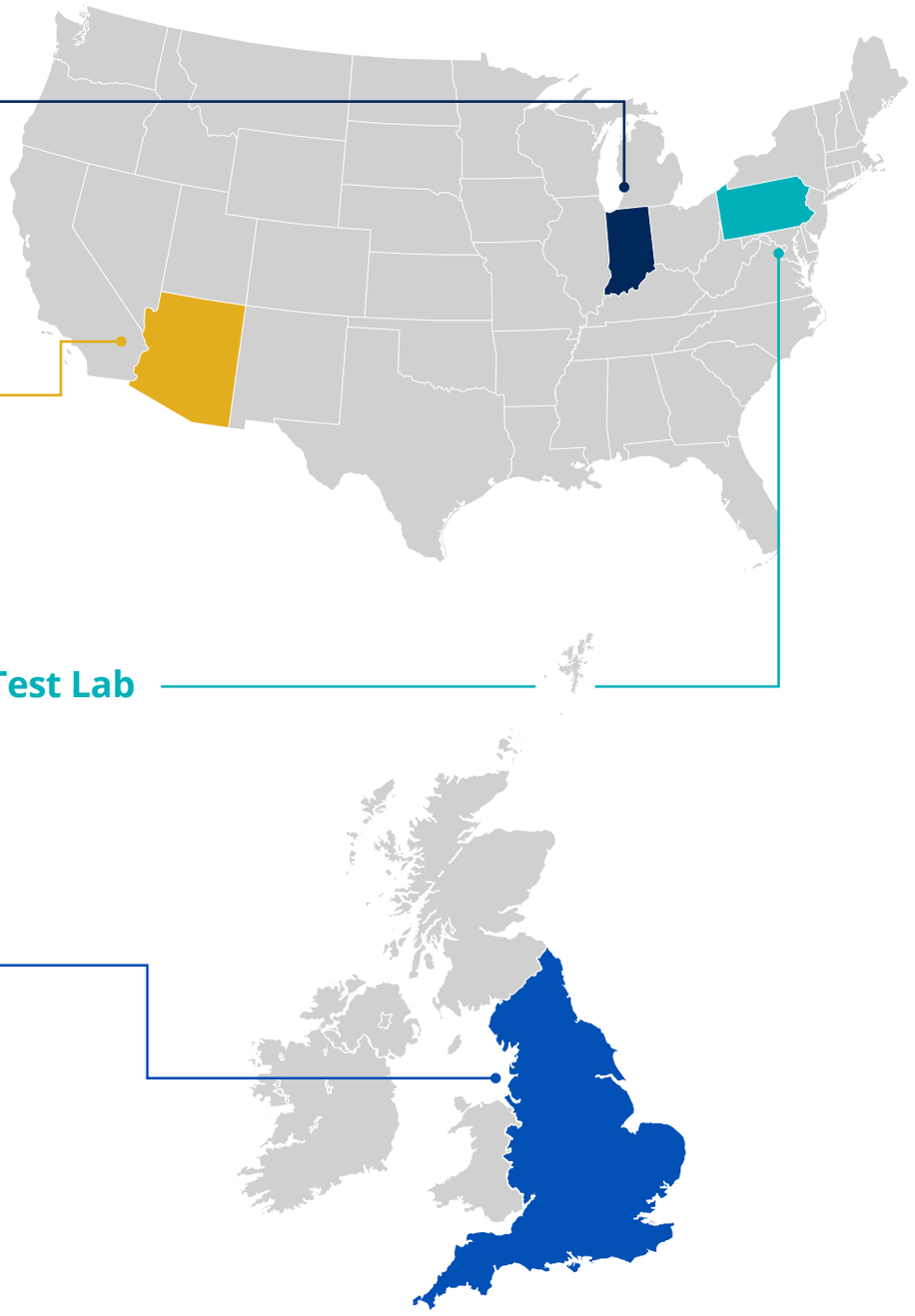
5.2 metric tons
of landfill-bound waste

0.07 metric tons
of recycling

U.K. Site

8.7 metric tons
of landfill-bound waste

13.8 metric tons
of recycling



Water Management

Fiscal year 2024 marked the first full year for which we collected project water use data—both for projects in the Americas and in the EU. At our project sites in the Americas, we are tracking water used for both personal drinking and dust abatement.

For the fiscal year, total measured construction site water consumption was 1,261.7m^3.

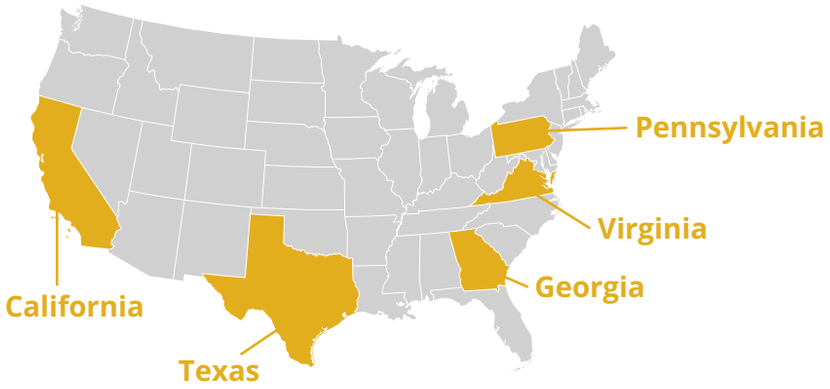
Wildlife Management

Our wildlife management policy promotes responsible preparation, prevention, and performance regarding wildlife interactions, and the preservation of biodiversity surrounding Fluence-managed locations. Where recommended—as a result of the customer's environmental impact assessment—Fluence will develop and implement a wildlife management plan. This is done in compliance with, or excess of, customer standards and all pertinent regulations.

Caption: *Fluence Gridstack systems at the Pike County Battery Energy Storage System in Indiana.*

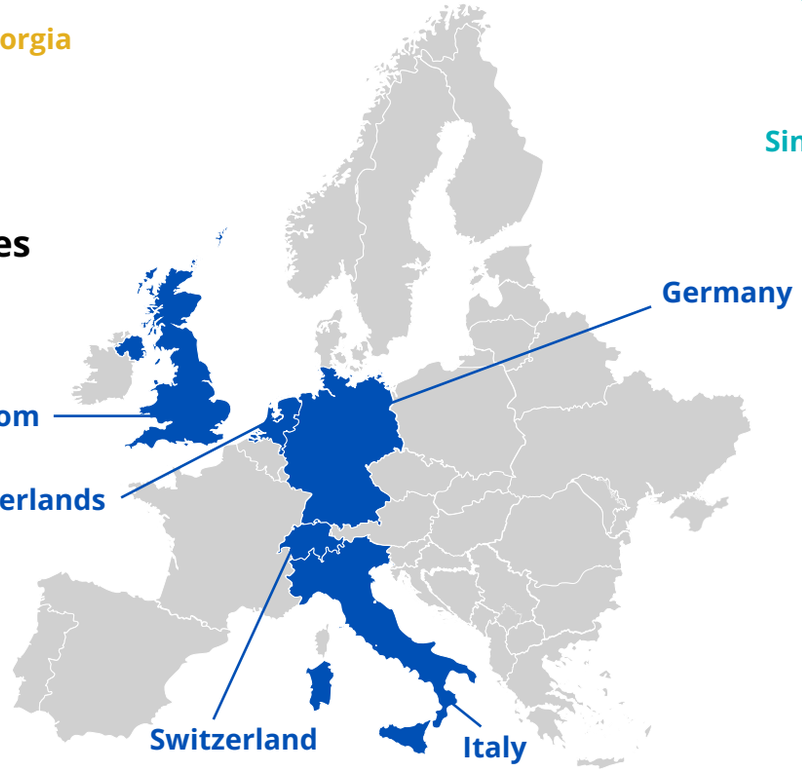
Our **Facilities**

U.S. Sites



Asia Pacific Sites

Europe Sites



Our **Facilities**

We are committed to fostering sustainable workplaces that promote environmental responsibility and employee well-being. Our facilities across the globe contain an array of sustainability features. Depending on the location, these may include access to outdoor spaces, free on-site fitness centers, proximity to public transportation, high walkability scores, ENERGY STAR certification, LEED Silver and Gold certifications, on-site bicycle storage, electric vehicle charging stations, recycling programs, and composting initiatives.

Arlington, Virginia Headquarters

Fluence's headquarters facility is located in the heart of Arlington, Virginia, central to public transport and is situated directly in front of a 4.5-mile walking and biking trail that borders a protected wetland. The facility offers an on-site fitness center, bicycle storage, and electric vehicle charging stations, and holds a Walk Score® of 90.

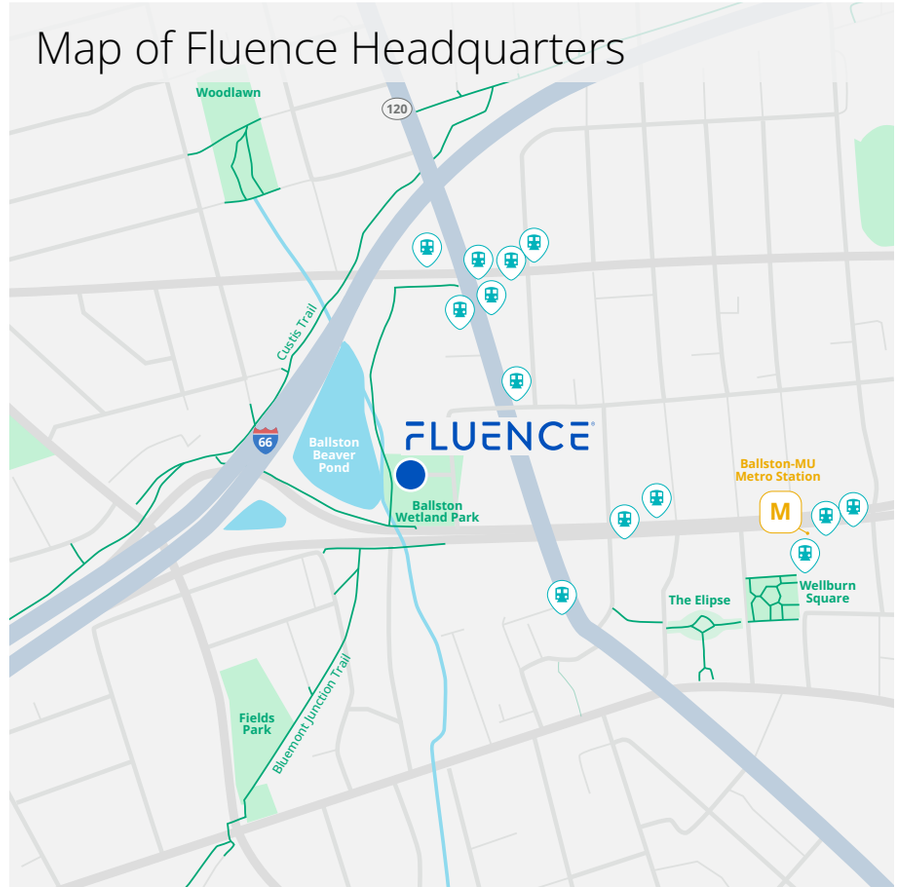
In June 2024, we expanded our sustainability initiatives at our headquarters by introducing office-wide composting, partnering with Veteran Compost, a veteran-owned company based in Arlington. This partnership further enhances our waste diversion efforts and supports a local sustainable business.

Houston, Texas Office

Our Houston office, which opened in August 2024, was designed with sustainability at the forefront. During its setup, we recycled 9,285 pounds of carpet tile and installed new carpet tiles from a company known for embracing sustainable business practices. Additionally, we donated 20 workstations to a local small business, diverting 7,000 pounds of material from landfills and preserving an estimated 6,750 kilograms of embodied carbon—equivalent to the annual carbon absorption of 300 mature trees.

To further reduce our environmental footprint for our Houston location, we implemented comprehensive recycling and composting stations, along with a composting dashboard to track and communicate our composting results.

Map of Fluence Headquarters



Houston Office Compost Results

277 lbs diverted from landfill

187 lbs of CO2 saved

213 miles undriven

14 trees planted

Highlights From Other Facilities

Our Mountain View, California, office space includes both on-site and in-suite composting. Our co-working facility in Irvine, California, holds LEED Gold and WELL Building certifications, reflecting its high standards in energy efficiency and occupant health.

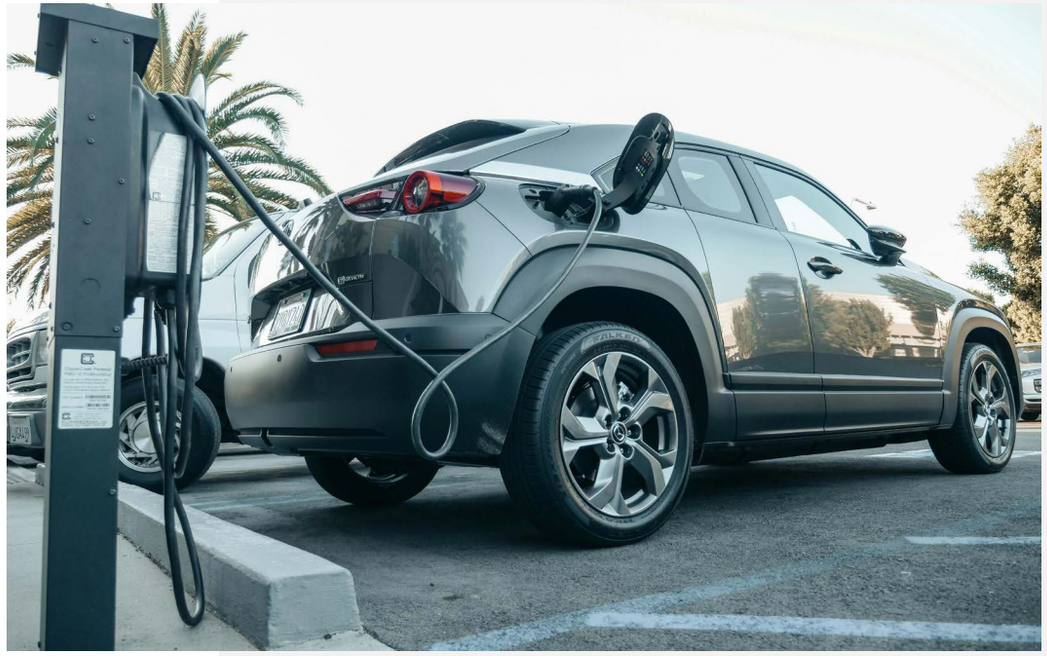
In Erlangen, Germany, we have installed photovoltaic (PV)-powered charging stations for employees' and visitors' electric bikes and cars, promoting sustainable transportation options. A major milestone for our Erlangen office was the revision of our utility contract. As of January 1, 2024, 100% of that office's electricity supply is derived from renewable energy sources, verified by the German OK-Power certification through third-party technical assurance (Technischer Überwachungsverein - TÜV).

Additionally, to eliminate single-use plastics, we removed plastic water bottles across all facilities and provided employees with reusable Klean Kanteen bottles. We also upgraded and expanded countertop water machines to ensure convenient access to filtered drinking water.

Future Plans

Building on our fiscal year 2024 reporting efforts, we have made progress in collaborating with facility owners and property managers to enhance our understanding of energy consumption across our offices. By securing additional data from multiple locations, we have strengthened our insights into resource usage.

For fiscal year 2025, we aim to deepen our collaboration with property managers and landlords to acquire even more comprehensive data on energy consumption, water usage, and waste management. This enhanced visibility will allow us to implement targeted sustainability improvements and track progress toward our long-term environmental goals.



Greenhouse Gas **Performance Measurement**

We are continuously enhancing how we collect data on our environmentally impactful activities. We use the Greenhouse Gas Protocol Corporate Standard in our emissions reporting. By setting and measuring sustainability key performance indicators (KPIs), we are developing informed strategies to reduce resource use, increase landfill diversion, and lower our GHG emissions.

In fiscal year 2024, we strengthened our ability to monitor and assess our operational impact by engaging property managers across all Fluence facilities to collect energy, water, and waste data. Additionally, we expanded our GHG emissions data collection from project sites in the Americas and extended these efforts into the EMEA region, now including fuel purchases for site vehicles and mobile equipment.

Our Scope 3 emissions strategy remains a priority, focusing on the collection and measurement of emissions data from our supply chain partners. With increasingly comprehensive data insights—through both our corporate footprinting efforts and an upcoming battery energy storage system life cycle assessment (LCA)—we are preparing to launch an emissions reduction strategy and target-setting initiative in 2026.

Scope 1 & 2 Emissions

Operational Controlled Non-Ownership Assets

In fiscal year 2024, we occupied 26 facility locations. We received primary data representing 15 of those locations, including our U.S. headquarters in Arlington, Virginia; offices in Alpharetta, Georgia; Mountain View, California; Irvine, California; labs in Mt. Pleasant, Pennsylvania; Long Beach, California; and Rockville, Maryland; as well as our administrative and laboratory facilities in Erlangen, Germany, and Bangalore, India. Additionally, we received data from our offices in London, England; Melbourne, Australia; Sydney, Australia; and Singapore.

Beginning in 2024, our Erlangen facility transitioned to 100% renewable sources for all electricity use.

Fluence does not have access to detailed utility data in 11 of our 26 leased facilities and/or co-working spaces. These sites are mainly small commercial office spaces within larger facilities. However, as our facility needs evolve, we will continue to keep environmental performance at the forefront of any future decisions.

We expect the learnings from our GHG performance measurement to continue providing a holistic view of our emissions and enable us to create an action plan for our decarbonization strategy in 2026-28.

Scope emissions categorize GHG emissions based on their source.

Scope 1 includes direct emissions from owned or controlled sources, such as company vehicles and onsite fuel combustion.

Scope 2 covers indirect emissions resulting from purchased electricity, steam, heating, or cooling.

Scope 3 encompasses indirect emissions from the value chain, including those from suppliers, business travel, and product use.

Scope 3 Emissions

Employee Travel

As Fluence employees engage in necessary business travel, we leverage our travel partners with carbon reporting built directly into their platforms to help us track and reduce our impact.

Expanding Our Scope 3 Awareness

In fiscal year 2024, we expanded our Scope 3 emissions measurement across all relevant GHG protocol categories, gaining deeper insights into our environmental footprint. This process identified three key areas where targeted improvements will drive significant impact: logistics, supplier GHG emissions, and fluorinated gases.

Logistics

Fluence logistics is partnering with shipping lines, over-the-road carriers, and warehouse vendors to collect detailed GHG emission data. By analyzing emissions across key ocean lanes—such as intra-Asia, transpacific, and Eurasia—and within specific countries' over-the-road operations, we are developing targeted initiatives to reduce GHG emissions. These initiatives are designed to drive substantial emissions reductions without compromising capacity or speed. For example, in North America, we are committed to transitioning to 100% EPA Clean Trucks by fiscal year 2028.

Enhancing Emissions Transparency with C.H. Robinson

In June 2024, we began leveraging technology from a leading global logistics company, C.H. Robinson, to provide end-to-end visibility into all goods in transit and measure our CO2 emissions by mode, region, product, and project, as well as emissions intensity. Through C.H. Robinson's technology, we can drive simulations to reduce costs while also tracking, scoring, and optimizing GHG impacts across our logistics network.

Supplier GHG Emissions

To enhance supply chain emissions visibility, we developed a supplier utilities form to collect energy, water, and waste data from tier 1 and tier 2 manufacturing partners. This initiative, launching in fiscal year 2025, will create a more comprehensive emissions assessment of our global supply chain.

Additionally, we have begun working with tier 1 suppliers to provide Environmental Product Declarations (EPDs) to increase transparency regarding the environmental impact and carbon footprint of Fluence products. Moving forward, we will expand EPD requests across a broader supplier network, establishing collaborative, data-driven emissions reduction strategies.

Fluorinated Gases

It is industry-standard for energy storage products, including ours, to depend on refrigeration systems to reliably operate in a variety of conditions. Refrigeration systems typically depend on fluorinated gases, which can have a significant environmental impact. In 2024, we committed to using product refrigeration systems that deliver more sustainable cooling performance while maintaining product reliability across diverse environmental conditions. This year, we began producing chiller units that use a low global warming potential (GWP) f-gas refrigerant, R32. Previously, the GWP of our chiller refrigerant was 2,088; it is now 675. In addition to lowering the GWP, we reduced the quantity of refrigerant used, cutting the overall environmental impact of our chiller systems by more than 66%.

For our product HVAC systems, we introduced new units that utilize R513a, a refrigerant with a GWP of 513, replacing the previous refrigerant with a GWP of 1,430. These advancements mark significant progress in reducing the climate impact of our products.

Employee Commuting

In 2024, we conducted our second all-company commuter survey to identify the modes, frequency, and distance our employees commuted to and from Fluence offices worldwide. By capturing these data points, we have expanded our GHG emissions measurement and plan to identify opportunities for future emission reductions.

Fluence Fiscal Year 2024 **GHG Footprint**

CO2e (mt) Emission Per Category (Market-Based)

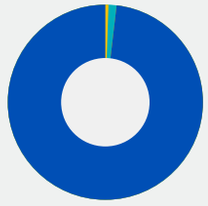
GHG Protocol Scope	Sub	Category	Fuel Scope/Approach	Metric Tons (mt)
1	0	Fuels	Tank-to-wheel	20
2	0	Energy consumption	Market-based	1,204
3	1	Purchased goods and services	-	1
			LCA per item-based	595,285
			Spend-based	5,657
	2	Capital goods	LCA per item-based	318
			Spend-based	3,090
	3	Fuel	Well-to-tank	4
	4	Logistics	Well-to-wheel	22,550
	5	Waste	-	118
	6	Business travel	Well-to-wheel	10,484
	7	Commuting	-	182
			Well-to-wheel	2,859
	12	End-of-life	LCA per item-based	52,301
Grand Total				**694,073**

Scope 2 Location- vs Market-based emissions CO2e (mt): **Location-based:** 1,044 **Market-based:** 1,204

Energy Consumption by Source

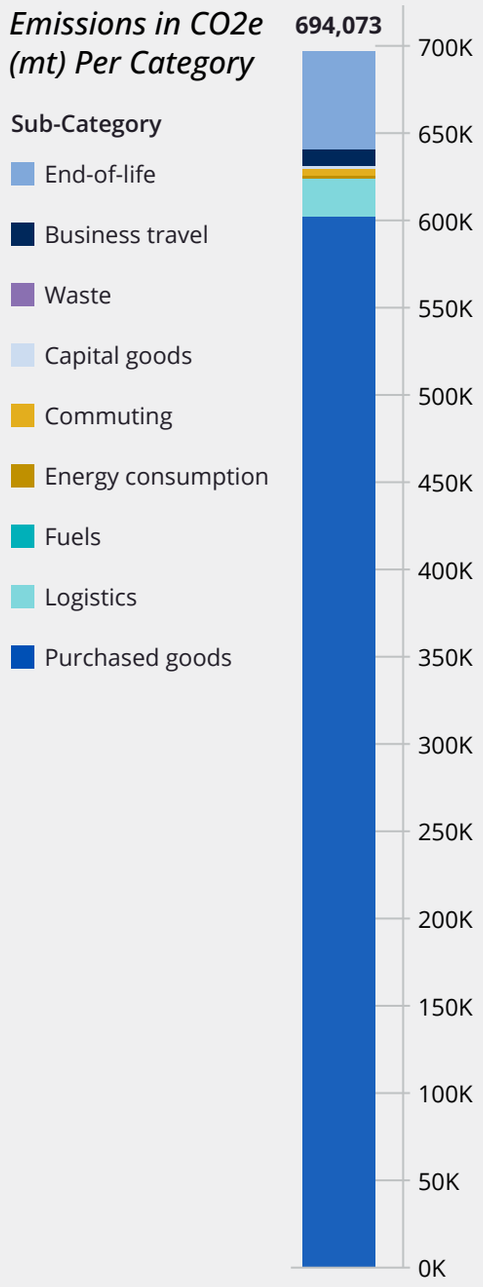
Consumption Source	Energy Consumption Fluence (MWh)	(kWh) per 1000 USD Revenue
Fossil sources	1,309	0.4853
Nuclear sources	323	0.1199
Renewable sources	721	0.2672
Total energy consumption	**2,354**	**0.8724**

Total Emissions of CO2e (mt)



	Fiscal Year 2024	Fiscal Year 2023
Scope 1	20	19
Scope 2	1,204	2,662
Scope 3	692,850	543,745

Emissions in CO2e (mt) Per Category



GHG Footprint **Methodology**

Approach and Scoping of Emission Sources

The organization of Fluence is consolidated based on the operational control approach.

Several methods were used to identity key emission sources for Fluence. First, the value chain was analyzed to identify Fluence's core activities. Fluence sells highly configurable energy storage products and solutions with integrated hardware, software, and digital intelligence. The battery system, combined with smart control software, is the key product in the value chain. The production of the battery system mainly consists of the assembly of components supplied by various vendors. The assembly itself takes place at external parties in the U.S. and Asia. The control software is mainly developed in-house. Fluence produces complete systems on demand. The global activities for both procurement/assembly and sales are also reflected in the number of locations and headcount, although some locations are still relatively modest in size. From an emissions perspective, the primary impact lies in the extraction of materials for the production of the components that make up the battery system. Since these components are sourced from third parties, these emissions are reported under Scope 3 (purchased goods). The significant lifespan of these systems also necessitates an estimation of use-phase emissions. Ideally, end-of-life emissions should also be taken into account and we have included these emissions where relevant data is available. The use-phase emissions are not included for fiscal year 2024 due to insufficient available key parameters. Fluence is currently conducting a product life cycle assessment (LCA) and expects emissions from the use phase to be included in our fiscal year 2025 Sustainability Report. Given the international nature of both suppliers and customers, emissions from logistical transport are also relevant and are reflected in both upstream and downstream transportation emissions.

Second, Fluence's financial statements were reviewed for significant spending and the corresponding activities that might cause material GHG emissions. The evaluation of significant spending on operating expenditures (OPEX) and capital expenditures (CAPEX) is explained in the Scope 3 section on the next page. Finally, the GHG protocol gives guidance on which sources to include, such as Scope 1 and 2 emissions. In addition to these, sources like business travel and commuting are identified as relevant.

GHG Footprint Calculation Methodology

The GHG footprint of Fluence was conducted according to the Greenhouse Gas protocol.

Scope 1

Within Scope 1 for facilities, we identified direct emissions from natural gas combustion related to the Erlangen office in Germany. As we have not received new data for fiscal year 2024, the gas consumption volume is assumed to be equal to that of fiscal year 2023.

The emission factors used are from the Umweltbundesamt, the German Environment Agency, which provides scientifically validated data for emissions calculations. Emissions from company-owned or leased cars were not taken into account since Fluence has no leased or owned company vehicles.

Scope 2

Emissions in Scope 2 originate from electricity consumption in Fluence offices.

Consumption data of facilities in kWh is available for the Fluence offices in U.S. and part of the non-U.S. offices. Meter readings and invoices are used to derive the electricity consumption for the most significant offices. In multi-tenant office buildings without own meters, pro rata data based on surface area were used. When office data are missing, an estimate based on the number of workstations was made. Unless stated otherwise (London office only), the purchase of grey electricity is assumed.

The emissions from electricity consumption are calculated using country-specific emission values, considering both location-based and market-based approaches. The emission values used originate from the U.S. Environmental Protection Agency (EPA) and the EMBER Electricity 2024 overview.

Scope 3

Various emissions sources are included in Scope 3. Per sub-scope, calculation details are given below.

3.1. Purchased Goods & Services

Different sources are included within 3.1. For each source a methodology is given.

Primary Components
A battery system consists of various components, with the main components consisting of:

- Outdoor Core Telco Enclosure (OCTE)
- Core Transformer
- Power Conversion System (PCS)
- Cube Row Termination (CRT)
- Cube

The basis of energy storage consists of a battery cell. Of these, for the cell used most by Fluence (73%), there is an LCA available from which emissions for raw materials, production, and end-of-life are properly determined. Other important components include the container (casing of the cube, the HVAC (cooling), and the chiller. To operationally measure a system, communication units, OCTE, CRT units, and PCS inverters are also needed. For these components, sufficient information is available through the Bill of Materials (BoM) or Electronic Passports/Product Declaration to determine reliable emissions.

When emissions by component were not directly known from the BoM or supplier declarations, emission factors from Ecoinvent 3.10 were used to calculate emissions for the most significant raw materials of each component.

The volume of cubes, OCTE, inverters, and transformers are derived from logistics data for fiscal year 2024. This logistics data includes all air, road, and ocean shipments of components to Fluence locations or customer locations. Each shipment is linked to a customer project and Fluence does not deliver from stock. As a result, it is assumed that the data from the logistics file approximates Fluence's annual production.

Secondary Parts
In addition to the key components, various secondary materials are used or added to complete each configuration. However, cradle-to-gate emissions from these components are not included, as the focus is on the core components.

Project Installation
Four customer projects were installed by Fluence. As a result, energy was consumed to install cubes and other components. These emissions originate mainly from diesel consumption and are included on a well-to-wheel (WTW) basis within Scope 3.1.

Water
Data on water consumption per facility was collected. Using specific country emission factors, emissions were determined. When data were missing, water consumption was not included. However, the majority of water consumption is not office-related. In projects where Fluence is responsible for installations, significant amounts of water have been consumed.

Other Purchased Goods and Services
To identify remaining and significant spends on other goods and services generating emission not covered in other GHG categories, an analysis of expenses was made. All expenses exceeding the threshold of 1% OPEX were assessed, and when applicable, emissions were estimated based on spending using the UK Department for Environment, Food & Rural Affairs (DEFRA) 2024 emissions database, which provides standardized emission factors for various activities and industries.

3.2. Capital Goods

For capital goods and relevant investments, the most recent financial statements were used, after which the nature of the investments was further discussed and assessed for potential emissions. Key investments (tangible assets) in fiscal year 2024 included electronic equipment. DEFRA spend-based standards were used here to determine emissions.

Additionally, key investments in IT equipment emissions were determined at product level, while for the rest, DEFRA spend-based factors were again used.

Scope 3 (cont.)

3.3. Other Fuels/Gas

For the fuels consumed within Scope 1 (only gas for heating), well-to-tank emissions are included in Scope 3.3.

3.4. Upstream Transport

Both upstream and downstream transport of components are identified from the emergency response plan (ERP) system. Consequently, distances were calculated, and emission factors from Global Logistics Emissions Council (GLEC) Version 3.1 were used to determine emissions depending on the transportation modality. After cradle-to-gate emissions of cube systems, emissions from transport are the most significant, constituting 3.3% of total emissions. Fluence's international footprint, both in terms of production and assembly as well as distribution internally and to customers, is reflected. Within these transport emissions, the majority are attributable to air transport.

3.5. Waste

Waste volumes per type per office, combined with emission factors from Ecoinvent and the EPA, are used to calculate waste emissions. Where volumes of waste were unknown, no data was included, as reliable data for extrapolation was missing. A major source of waste is related to projects where Fluence has an installation responsibility. Before installations can take place, land sometimes has to be made suitable, leading to waste emissions, which have been mapped out for four projects. Waste emissions factors from the EPA have been used for calculations.

3.6. Business Travel

Business travel emissions are included based on a WTW basis. International travel is booked through two central travel agencies, which provide a CO_2 emissions report based on the DEFRA 2023 methodology.

However, approximately 7.9% of air travel bookings are made outside of these agencies. To account for this, the air travel emissions reported by the two agencies are extrapolated based on this percentage.

3.7. Commute

An all-employee survey was conducted in November 2024 to determine commute emissions. The response rate was about 33% (526 valid questionnaires). Input data about distance from home to work, transport modality, and frequency of commuting were used to calculate emissions. Emissions factors were sourced from DEFRA 2023. Emissions from working from home were also taken into account using EF from DEFRA 2023. The results were extrapolated to the entire employee population based on the average headcount (1,354) during fiscal year 2024.

3.11. Use-Phase

For this fiscal year, emissions from energy usage during the lifetime of the cubes remain unknown. Fluence is currently in the process of setting up an LCA for our main products, which will also include use-phase energy consumption. These emissions are expected to be included in the fiscal year 2025 Sustainability Report. Due to the 20+ year lifespan of battery systems, these emissions could be substantial, depending on key parameters such as the frequency of charging and discharging and whether green electricity is used.

3.12. End-of-Life

In this footprint, the end-of-life emissions of the batteries are estimated on the basis of a Fluence supplier's LCA, in which they are explicitly included. This was then applied to the volume of batteries produced for fiscal year 2024.

Other Scopes

3.8. Upstream Leased Assets: Not applicable

3.9. Transportation and Distributions of Sold Products: Assumed to be included in 3.4; Fluence does not perform unpaid downstream logistics.

3.10. Processing of Sold Products: Out of scope

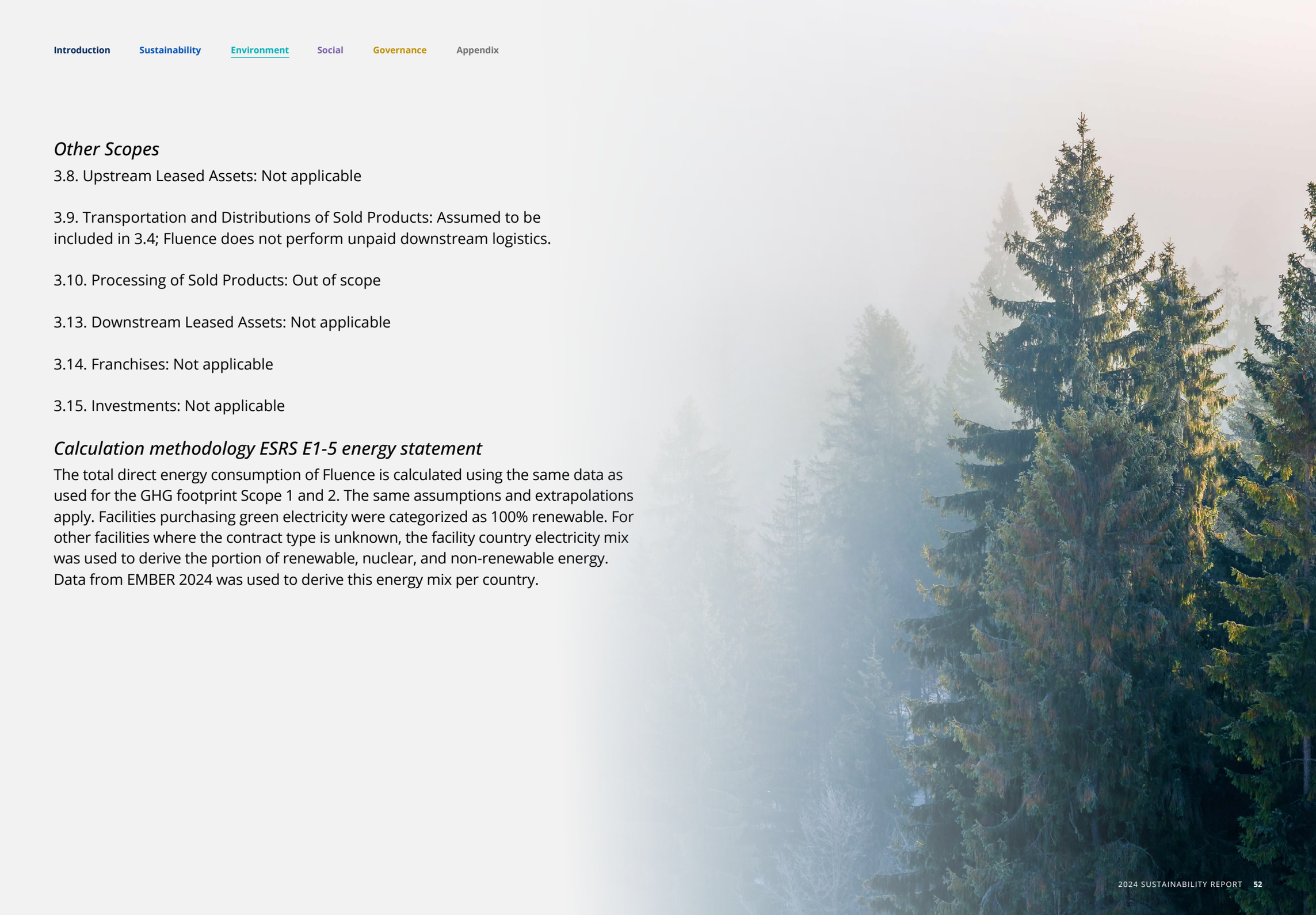
3.13. Downstream Leased Assets: Not applicable

3.14. Franchises: Not applicable

3.15. Investments: Not applicable

Calculation methodology ESRS E1-5 energy statement

The total direct energy consumption of Fluence is calculated using the same data as used for the GHG footprint Scope 1 and 2. The same assumptions and extrapolations apply. Facilities purchasing green electricity were categorized as 100% renewable. For other facilities where the contract type is unknown, the facility country electricity mix was used to derive the portion of renewable, nuclear, and non-renewable energy. Data from EMBER 2024 was used to derive this energy mix per country.



Fluence
Social

Our **Safety Culture**

Safety is more than just a priority—it is a fundamental part of who we are and the partnerships we cultivate with our customers. In fiscal year 2024, we reaffirmed this commitment by completing our first surveillance audit to maintain ISO 45001 – Occupational Health and Safety Certification. This effort demonstrates our dedication to preventing workplace injuries and fostering a well-managed, safe working environment.

Rooted in our heritage of power generation and industrial systems design, safety is integral to Fluence's core value of Responsibility. We bring this value to life through comprehensive education and training programs, supported by active engagement across our global workforce. For example, we require all employees to participate in monthly safety education meetings, ensuring safety remains a shared and continuous focus.

The Fluence safety committee plays a critical role in developing and enhancing our safety programs. These safety programs include emergency preparedness, asset management, job safety analysis, and company-wide trends, all supported by our integrated management system for monitoring, auditing, and improving business practices.

We employ various processes to monitor and reduce our personnel exposure to health and safety hazards. We consistently evaluate any possible exposure to risk for our projects. These processes apply to all personnel on all manner of job sites, including project sites, labs, corporate offices, and home offices. As part of continual improvement, our risk assessment process and training curriculum are updated periodically to effectively identify and address workplace risks.

Our safety culture is built on openness and accountability. Fluence encourages all employees to report safety concerns and observations without hesitation. This ethos is documented in our Code of Conduct and Ethics, which empowers team members to raise questions, voice concerns, and suggest improvements without fear of retaliation.

Safety Walks

A process where personnel systematically observe workplace activities associated with worker behaviors and working conditions. Safety walks are intended to provide positive feedback when workers are exhibiting safe work practices and otherwise corrective feedback as necessary.

Safety walks are performed on a routine basis, with a company-wide target of 250 per month in fiscal year 2024, and are tracked as part of our annual key performance indicator goals.

Audits

Employees, contractors, subcontractors, suppliers, and other involved parties are evaluated for compliance with applicable HSE requirements. These stakeholders are evaluated periodically using systematic and documented internal and/or external HSE audit methods in line with Occupational Safety and Health Administration (OSHA) and/or ISO standards.

Management Reviews

Designated leaders conduct annual reviews to evaluate the status and adequacy of our HSE management system and associated processes. Any changes in objectives and requirements due to performance are identified, with corrective and preventive measures implemented.

ABS Quality Evaluations

Certificate Of Conformance

This is to certify that the Occupational Health and Safety Management of:

Fluence Energy Inc.

4601 N. Fairfax Drive, Suite 600
Arlington, VA 22203
U.S.A.

(WITH ADDITIONAL FACILITIES LISTED ON ATTACHED ANNEX)

has been assessed by ABS Quality Evaluations, Inc. and found to be in conformance with the requirements set forth by:

ISO 45001:2018

The Occupational Health and Safety Management is applicable to:

DESIGN, DEVELOPMENT, SALES, PROJECT MANAGEMENT / DELIVERY, SERVICES AND MAINTENANCE OF BATTERY-BASED ENERGY STORAGE TECHNOLOGIES

This certificate may be found on the ABS QE Website (www.abs-qe.com). For certificates issued in the People's Republic of China information may also be verified on the CNCA website (www.cnca.gov.cn).

Certificate No: 63919
Certification Date: 18 May 2022
Effective Date: 01 April 2023
Expiration Date: 23 April 2025
Revision Date: 09 May 2023

Dominic Townsend, President

Validity of this certificate is based on the successful completion of the periodic surveillance audits of the management system defined by the above scope and is contingent upon prompt,written notification to ABS Quality Evaluations, Inc. of significant changes to the management system or components thereof.

ABS Quality Evaluations, Inc. 1701 City Plaza Drive, Spring, TX 77389, U.S.A.
Validity of this certificate may be confirmed at www.abs-qe.com/cert_validation.

Caption: Project team members at the Pike County Battery Energy Storage System in Indiana.

Safety Key Performance Indicators

Our safety teams reduce risk and drive accountability through documentation and data collection. Fluence's safety management systems are grounded in data. This allows us to gauge our performance by verifying and quantifying the quality of programs and training, helping to confirm that incidents are reported and lessons learned are articulated, and ensuring that a safe working environment is maintained. We validate our compliance and progress internally via self-assessment and data integrity audits, and externally through sources and standards such as the European Agency for Safety and Health at Work (EU-OSHA), the Bureau of Labor Statistics (BLS), the Department of Labor and Employment (DOLE), the Federal Institute for Occupational Safety and Health (BAuA), Safe Work Australia, and through association with the American Clean Power Association. This data is also used in reportable calculations such as the days away, restricted, or transferred (DART) rate, total reportable incident rate (TRIR), and fatality rate, which is documented and reported annually, both internally company-wide and in the U.S. per OSHA regulations. Fluence's goal annually is targeted to be below North America Industry Classification System benchmarks.

Fatality Rates

The scope of our fatality rate is focused on full-time employees (FTE). Although the scope is only FTEs, Fluence had zero fatalities in fiscal year 2024 across all personnel demographics, facilities, and geographies.

Our policy is to report every safety incident through our global safety portal within 12 hours. This short timeline allows us to quickly respond and develop the necessary corrective and preventive actions to help us reduce the risk of that incident happening again at the same or other Fluence project sites. Timely incident reporting is a key habit that creates a safer culture. The more data we have, the more lessons we learn to prevent recurrences and improve best practices.

Fiscal Year 2024 Total Recordable Incident Rate (TRIR) 0 Global

Fiscal Year 2024 Fatality Rate 0 Global

Employee Training

We invest in the development of our employees and maintain a robust training program on a range of topics. That process begins with onboarding, when new employees complete approximately 30 training sessions (8.5 hours total) on essential topics, including safety, cybersecurity, HR, and legal/ethics. Our internal learning management system offers over 1,600 courses and learning resources in one centralized platform, streamlining the learning experience.

Our leaders collaborate with their teams to identify and deliver training and development opportunities tailored to the specific goals and needs of their teams. By integrating training into our culture, we enable continuous knowledge growth while achieving our KPI objectives.

Our employees receive multiple training objectives on essential topics:

Safety
18 Courses

Cyber
5 Courses

HR
3 Courses

Legal + Ethics
4 Courses

Caption: *Fluence employee at RE+ 2024 in Anaheim, California.*

“

Our commitment to safety is foundational to everything we do at Fluence. It is reflected in every aspect of our operations and products. We take a proactive approach to preventing incidents, from stringent product design and fire safety measures to robust operational protocols. By fostering a culture of accountability and continuous improvement, we empower employees and partners to prioritize safety in all they do.

Roman Loosen
Chief Business Operations and Transformation Officer, Fluence

Committed to Product Safety

We design energy storage solutions that operate as a fully integrated system with safety embedded across various layers of controls and hardware. Our systems are equipped with 24/7 remote monitoring and control capabilities, ensuring continuous oversight and rapid response capabilities. Comprehensive safety features, including fire detection systems, fast-stop capabilities, deflagration panels, and more, are standard across all our products.

To meet and exceed industry standards, we design our systems to comply with UL and IEC requirements at all levels, including UL1973, UL9540A, IEC62619, IEC61508, and NFPA 855. We partner with leading suppliers and conduct rigorous qualifications and certifications across hardware components and subsystems, reinforcing our commitment to quality and safety.

Unlike systems that retrofit cybersecurity measures, our energy storage solutions are architected with security at their core. Robust, logically isolated network architectures, advanced encryption protocols, and continuous monitoring systems provide comprehensive protection against evolving threats.

Committed to Community Safety

We recognize the broader relation with the communities directly and indirectly impacted by our energy storage systems. We offer no-cost first responder training programs to equip emergency personnel with the knowledge required to handle lithium-ion battery storage systems effectively. This comprehensive training covers system design, potential failure modes, hazard mitigation, and more.

Our instructor-led program is accessible both virtually and in-person, ensuring inclusivity for emergency response departments across all regions where we operate. Upon completing the training, first responders gain enhanced abilities to identify potential system failures, assess hazards, and mitigate safety concerns, thereby fostering a safer operational environment.

Additionally, we collaborate closely with local communities to streamline permitting processes, addressing concerns and ensuring alignment with local safety standards.

Caption: *Fluence's in-person first responder training with emergency personnel.*

Driving Industry Standards

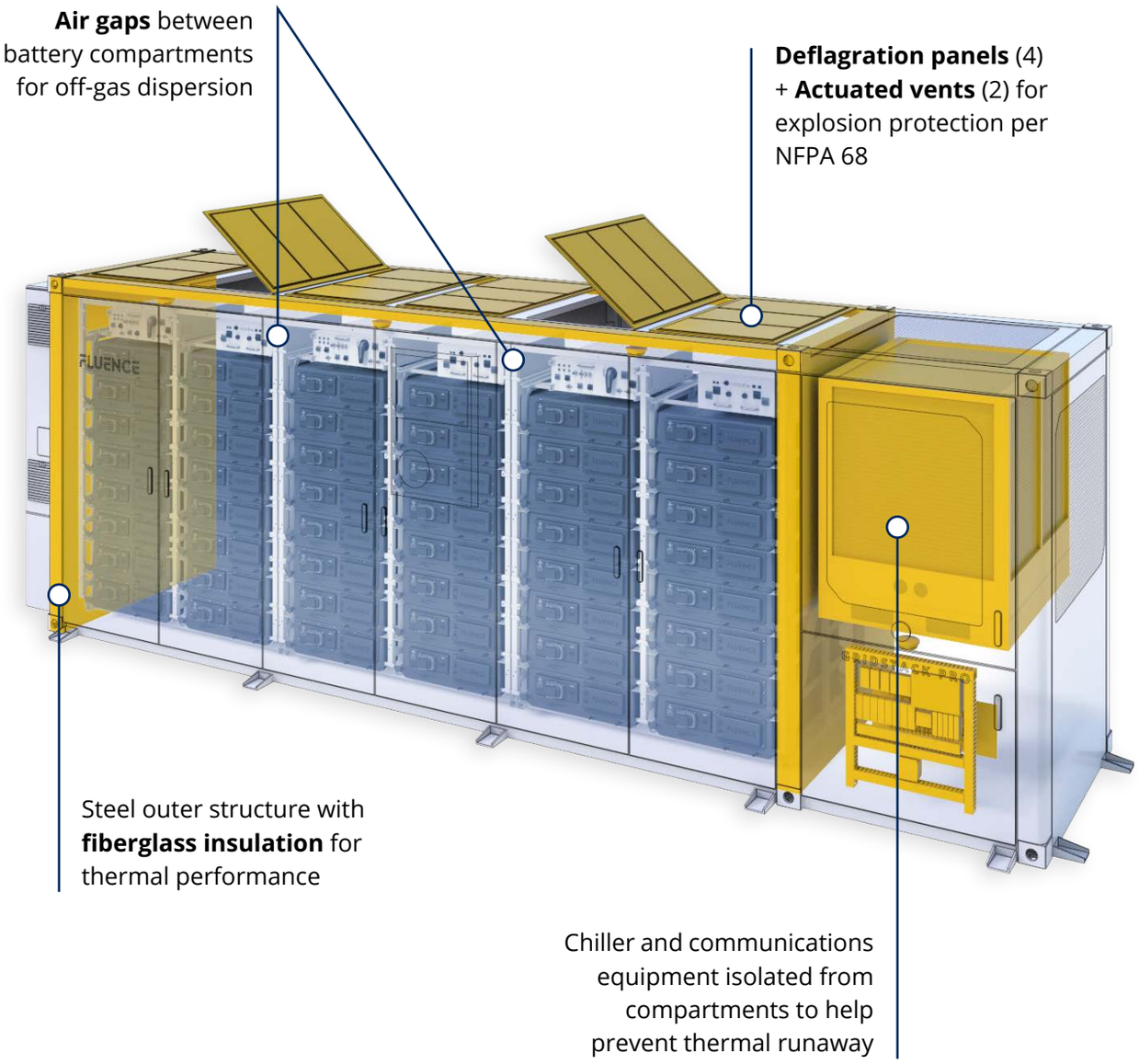
We engage with industry standards bodies to advance safety, contributing to best practices that make public safety central to the continued evolution of the energy storage sector.

Industry-Leading Fire Testing

We are committed to advancing fire safety through rigorous testing that exceeds established standards, providing the highest level of protection for our systems and stakeholders. Our large-scale fire testing surpasses the requirements of UL 9540A, the industry's highest fire safety benchmark.

In September 2024, our Gridstack Pro 2000 product successfully completed large-scale fire testing, involving a fully developed fire, to validate enclosure separation distances in compliance with the forthcoming National Fire Protection Association (NFPA) 855 (2026) large-scale fire test requirements. During testing, a fully populated enclosure burned without any fire suppression or firefighting efforts and self-extinguished without propagating to neighboring enclosures or exposures. The test results confirmed the system's ability to mitigate fire risks and contain thermal events to the enclosure of origin. The deflagration testing confirmed the effectiveness of the system's explosion mitigation features, validating compliance with NFPA 68 and NFPA 855.

In addition to validating fire containment performance, we have taken the lead to exceed industry standards by collecting gas data during large-scale fire testing and conducting product-level plume modeling. Plume modeling analysis is used to better understand the composition and dispersion of smoke and gases generated during such events. This modeling also supports the development of safety guidelines for permitting authorities and first responders, with the goal of aligning emergency response measures with real-world conditions.



Our **Workplace Culture**

Equal Pay for Equal Work

We are committed to practicing equal pay for equal work based upon results delivered by each employee. We regularly review employee pay against market data to determine whether employees are paid appropriately for the results they deliver. We assess pay internally, in our effort to confirm that personal characteristics, such as gender, are not a factor when determining employee pay. We believe that equal pay for equal work based upon results delivered is essential for creating a positive and inclusive work environment and the success and satisfaction of our employees.

Cultivating an Inclusive Workspace

Fluence is dedicated to fostering an inclusive workforce, reflecting a wide range of skills, industry experience, backgrounds, and unique characteristics. Our commitment to equity and inclusion is essential to our mission of transforming the way we power our world.

To create a more sustainable future, we are focused on:

Nurturing a Globally Inclusive Culture

We strive to nurture a globally inclusive culture, where anyone can succeed and reach their fullest potential regardless of background. We also strive to actively foster understanding, respect, and collaboration across our diverse regions and our global community at Fluence.

Setting an Equitable Strategy and Overarching Goals

We use a data-driven approach in developing a comprehensive inclusion strategy that aligns with and supports our corporate business goals.

Providing Tools and Resources

We have trainings and resources to help our team succeed, promote inclusiveness, ignite their creativity, promote collaboration, and recognize their contributions and achievements.

Supporting a Learning Culture

Our approach encourages a culture of continuous learning. This approach helps shape each person's unique career path while creating a robust pipeline of talent to deliver on our company's long-term strategies.

Caption: *Fluence employee at Global Innovation Center in Bangalore, India.*

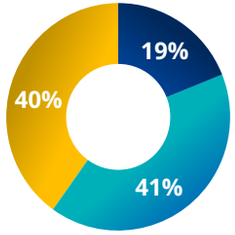
By embracing our global culture, equity, and inclusion, Fluence is well positioned to address business challenges. We aim to remain competitive and continue providing excellent solutions to our customers.

Fiscal Year 2024 **Metrics**

New Employee Hires and Employee Turnover*

New Hires

Region

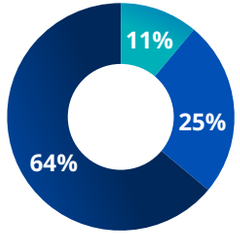


Americas
310 new hires

APAC
315

EMEA
143

Age

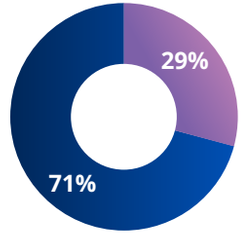


Under 30
192 new hires

30-50
489

Over 50
87

Gender



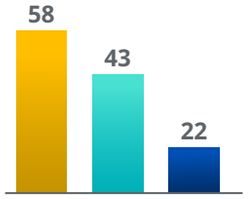
Male
542 new hires

Female
224

Non-binary
0

Turnover

Region

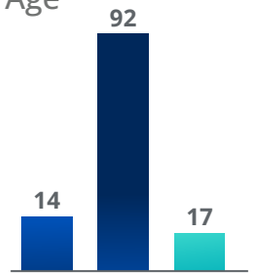


Americas
9% turnover rate

APAC
10%

EMEA
8%

Age

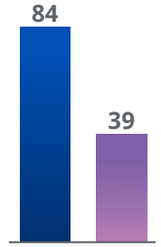


Under 30
6% turnover rate

30-50
10%

Over 50
9%

Gender



Male
9% turnover rate

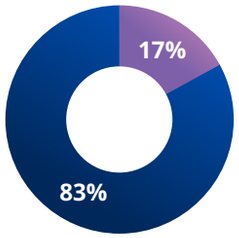
Female
10%

**All employee demographic data is derived from voluntarily self-reported information by our personnel, so percentages do not necessarily sum to 100% due to voluntary non-reporting*

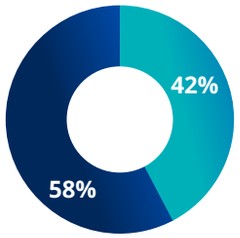
Percentage of individuals within the organization's governance bodies and employees according to gender, age, and race/ethnicity

Senior Leadership Team Demographics

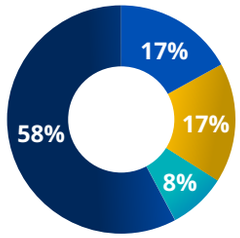
Gender



Age

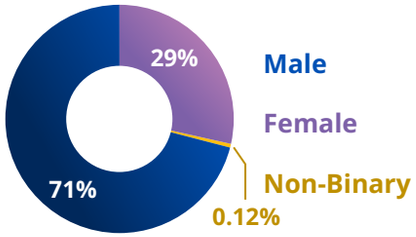


Race/Ethnicity

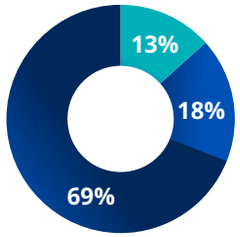


Employee Demographics

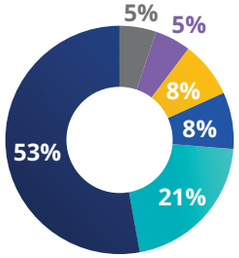
Gender



Age

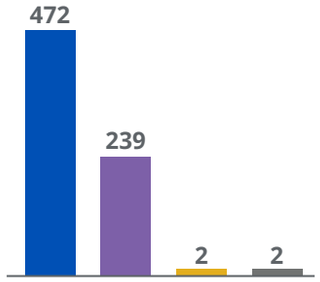


Race/Ethnicity Representation (For the U.S.)



Number of Employees Entitled to Parental Leave, by Gender

Parental Leave (For the U.S.)



Male
472

Female
239

Non-Binary
2

Did Not Disclose
2

"We believe that innovation thrives when people feel truly valued and empowered to bring their whole selves to work. This begins with building an ethical and inclusive workplace, where diversity is fully embraced. At Fluence, we have witnessed firsthand how uniting individuals from different backgrounds and experiences drives the inspiration and collaboration necessary to address the complex challenges of a sustainable future, and we remain committed to making continued progress in this area.

Larissa Cerqueira
SVP & Chief Human Resources Officer, Fluence

Employee Resource Groups

We are dedicated to fostering an inclusive workplace culture. Part of this is done through our voluntary, employee-led employee resource groups (ERGs). Some of these ERGs include the Global Black Professionals of Fluence, Energencia (Hispanic/Latino), Emerging Professionals, Pride, Veterans, and Women@Fluence, which all play a pivotal role in cultivating an environment that celebrates differences and promotes equity and inclusion.

The ERGs provide spaces for networking, mentorship, and the exchange of ideas, fostering a stronger sense of community and empowerment for their respective members. Membership in ERGs is open to all employees, regardless of how they personally identify. We are dedicated to growing these initiatives across our global workforce, breaking down barriers, and fostering a true sense of belonging for all employees.

Caption: *Larissa Cerqueira, SVP and Chief Human Resources Officer, with a Fluence employee at an event hosted by HR and ERGs in the Houston office.*

The ERG Ecosystem at Fluence

Global Black Professionals of Fluence ERG

The Global Black Professionals of Fluence (GBPoF) is committed to promoting diversity, equity, and inclusion within our organization and beyond. The ERG is dedicated to empowering and uplifting Black and African employees, fostering a culture of belonging, and driving positive change through education, advocacy, and community engagement. The goal is to provide an organization that gives employees more access to opportunities for career development, mentoring, and company participation.

"Leading the GBPoF ERG has been an incredibly rewarding opportunity to help build a space where Black employees feel a true sense of belonging, uplift morale, and contribute to creating a more inclusive and supportive workplace for everyone."

– ***Sonya Johnson,*** *Lead, GBPoF ERG*

Emerging Professionals ERG

The Emerging Professionals ERG supports early-career employees by providing networking opportunities and skill development to enhance growth within the organization.

"As part of the Emerging Professionals' initiatives, the Mentoring Program has been invaluable. My mentor has helped me navigate daily challenges in my role and think more holistically about my career path. This connection will last well beyond the program's conclusion."

– ***Mike Esterle,*** *Member, Emerging Professionals ERG*

Energia - Hispanic and Latino ERG

The mission of Energia, our Hispanic/Latino ERG, is to nurture and develop a network of employees and promote cultural awareness and diversity. With the support of our leadership, we aspire to create a supportive environment for our community and encourage the professional development of all our members.

"We are thrilled to be able to contribute to the success of Fluence's mission and are proud to be part of the Fluence familia... Gracias!"

– ***Miriam Lafuente & Gabriel Prado,*** *Co-Chairs, Energia (Hispanic/Latino ERG)*

The ERG Ecosystem at Fluence

Pride ERG

The Pride ERG fosters a diverse and inclusive workplace by providing support, advocacy, and education for LGBTQIA+ employees and allies while promoting a culture of acceptance, equality, and belonging within the organization.

"Our strength lies in embracing our true selves, creating a workplace where everyone feels valued, empowered to thrive, and supported in unlocking their full potential for personal and professional growth."

– ***Ariel Kirson,*** *Executive Sponsor and Ally, Fluence Pride*

Veterans ERG

The Veterans ERG provides support, networking opportunities, and resources for veterans in the workplace to foster their personal growth and well-being.

"Our mission is to bring together those inside Fluence who are connected to the Veteran community in any way, and facilitate an arena to network, give back, and recruit Veteran talent. The group is inclusive of all connections to veterans regardless of if you've served in the military of any country."

– ***Sean Powers,*** *Member, Global Veteran Connection*

Women@Fluence ERG

The Women@Fluence (W@F) ERG provides a global community that supports, empowers, and inspires women and their allies to advance professionally and personally. With Fluents from across the globe participating, the W@F ERG offers members the opportunity to build diverse meaningful relationships that support the personal and professional growth of all involved.

"The Women@Fluence ERG strives to facilitate a global community that brings a diversity of opinions and ideas while promoting an inclusive culture for women and supporters of women."

– ***Sydney Baldwin,*** *Co-Lead, W@F ERG*

Spotlight

Women@Fluence India Chapter

Launched in April, the Women@Fluence India Chapter aims to empower women employees by providing a platform for learning, growth, networking, and shared experiences. The chapter's inaugural event was held in July 2024. The event featured a fireside chat with Dhanya Rajeswaran, Global VP, Country Managing Director for India and Kathurica Panigrahy, Project Manager, Operating Data Automation.

The two accomplished leaders shared their insights on the mindset of success, drawing on their extensive careers in male-dominated industries.

When asked about a piece of advice for her fellow women colleagues on becoming great leaders, Kasthurica said, "Don't sweat the small stuff; focus on the bigger picture. If you take care of the big things, smaller things will automatically fall into place." Reflecting on her experience in the Indian Air Force, she added, "Always strive to be physically fit. A healthy body is a prerequisite for a healthy mind."

Dhanya offered her perspective: "Have clarity about what you want and where you want to be in life. Develop emotional maturity, figure out your priorities, and then work towards them one step at a time."

The event fostered a sense of camaraderie among attendees, who engaged in lively discussions and networking. They asked questions about balancing work and personal life, overcoming challenges and setbacks, and the mentors or role models in the speakers' lives.

"I loved how the speakers candidly shared their insightful perspectives from personal experiences during the session. Their real-life examples made the discussion incredibly relatable and inspiring," one participant shared.

Work-Life Balance

Work-life balance is valuable to our employees and important in creating an environment conducive to maximizing our company's results. We do our best to conform our time away from work programs to country-specific expectations and common market practices. We believe our time away from work programs contribute to heightened engagement and dedication among our workforce. We believe that implementing our time-off programs leads to reduced absenteeism and turnover rates, which in turn fosters a more positive and productive work environment.

Total Rewards

Health & Wellness Benefits

All Fluence employees have access to health benefits and retirement benefits, tailored to the requirements and practices of their specific location. Health benefits are crucial to the well-being of our employees and their families as well as Fluence being a responsible and supportive employer. Having access to quality healthcare can help improve the overall well-being and productivity of our workforce. It can also serve as a valuable recruitment and retention tool. By supporting the physical health and financial well-being of our employees, we believe we create a positive and supportive work environment that fosters engagement and loyalty.

United States

Fluence provides medical, dental, and vision coverage along with pre-tax savings plans for employees. Fluence provides up to a 5% match employer contribution for retirement. Fluence also provides paid parental leave if an employee has at least one year of service in addition to paid leave within the FMLA regulations.

Asia Pacific (APAC)*

Fluence provides healthcare and life insurance coverage in all APAC countries. Fluence provides retirement savings options and contributes to the pension plans. Fluence provides vacation leaves, paid parental leaves, and maternity benefits in all APAC countries.

Europe, Middle East, and Africa (EMEA)*

Fluence provides healthcare coverage in all EMEA countries. Fluence also provides retirement savings options and an employer contribution in all EMEA countries. In every European country in which EMEA has an entity, Fluence pays into the statutory pension scheme for its employees. In addition, there is an employer-financed private pension plan for every employee in Europe. We have taken out additional private health insurance for Ireland and the UK to supplement the state healthcare system. Accident insurance and survivors' benefits are in place for all employees in Europe.

**For maternity and parental leave, Fluence grants mandatory payments or provides additional allowances depending on the country-specific regulations.*

***Caption:** Fluence employees at our Alpharetta, Georgia, office holiday party.*

Giving Back

This year, our senior leadership team assembled skateboards through a partnership with FireFly Team Events. We then donated the skateboards to Children Mending Hearts, a center for under-resourced youth in Los Angeles, California. Dedicated to combating bullying and fostering empathy, the center uses art and service-learning programs to inspire positive change. This collaboration emphasized teamwork and shared purpose, demonstrating the power of coming together to make a meaningful impact.

Human Rights and Fair Labor

We respect our employees' rights to organize and bargain collectively, pursuant to any applicable local laws. We help foster a positive work environment by maintaining an open-door policy for addressing grievances and concerns. As a responsible and ethical company, we recognize the importance of fair labor practices in promoting the well-being of our employees and upholding our values. We believe that fair labor practices are not just a legal requirement, but also a moral imperative that contributes to the long-term success and sustainability of our business and a sustainable world. We are committed to providing safe and healthy working conditions, fair wages, and equal opportunities for all employees, regardless of their gender, race, ethnicity, religion, or sexual orientation. We also demand that our suppliers and partners adhere to the same high standards, and we strive to continuously improve our policies and practices to create a workplace that is equitable and inclusive.

Caption: *Fluence employees at the Fluence leadership conference participating in a team-building activity to give back to the community.*

Fluence

Governance

Corporate **Accountability**

Fluence was founded on the belief that sound corporate governance practices promote long-term value for internal and external stakeholders. That belief continues to guide our business decisions.

Robust governance practices are the foundation of our commitment to ethical leadership and sustainable business growth. Our management team is entrusted with developing and executing the company's strategy, overseeing business operations, and managing day-to-day activities to achieve our long-term objectives.

The Board of Directors provides strategic oversight, guiding Fluence's leadership to ensure our company's success. Elected annually by our stockholders, the Board is responsible for monitoring the management's performance, ensuring accountability, and upholding the interests of our stakeholders.

To fulfill its responsibilities effectively, the Board operates through regular meetings and four standing committees: the Audit Committee, the Nominating and Corporate Governance Committee, the Compensation and Human Resources Committee, and the Finance and Investment Committee. Each committee functions under a comprehensive written charter, which outlines its responsibilities and is accessible on our website at fluenceenergy.com. These committees play a vital role in maintaining compliance with the Company's amended and restated bylaws (the "Bylaws") and their respective committee charters, ensuring transparent and effective governance.

Our Board of Directors has also adopted corporate governance guidelines, which serve as a framework for best practices. These guidelines address key topics, including director independence, succession planning, compensation, the selection and evaluation of new directors, term limits, and the responsibilities of Board members. Through these measures, we reinforce our dedication to maintaining high standards of governance while fostering sustainable growth and creating long-term value for all stakeholders.

Board of Directors for Fiscal Year 2024

Name	Function	Year Joined	Audit Committee	Compensation and Human Resources Committee	Nominating and Corporate Governance Committee	Finance and Investment Committee
Julian Nebreda	Director, President, and CEO	2021				•
Herman Bulls	Chair of the Board of Directors	2021	•		•	•
Cynthia Arnold	Member	2021	•	•	•	
Emma Falck	Member	2021				
Elizabeth Fessenden	Member	2021	•	•		
Harald von Heynitz	Member	2021	•	•	•	
Barbara Humpton	Member	2021		•		
Letitia (Tish) Mendoza	Member	2022		•	•	
Axel Meier	Member	2021			•	•
John Christopher (Chris) Shelton	Member	2021				
Simon James Smith	Member	2021				•
Ricardo Falú	Member	2022				•

Risk & Oversight Reporting

Risk assessment and oversight are an integral part of our governance and management processes.

Our Board is responsible for overseeing our risk management process, while management is responsible for addressing the day-to-day risks facing our Company. Our Board focuses on our general risk management policies and strategy and the most significant risks facing the Company, and oversees the implementation of risk mitigation strategies by management. Management apprises our Board of risk management matters when they arise in connection with other topics within the Board's oversight. A fundamental part of risk oversight is not only understanding the material risks a company faces and the steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. While the full Board has overall responsibility for risk oversight, it is supported in this function by its Audit Committee, Compensation and Human Resources Committee, Nominating and Corporate Governance Committee, and Finance and Investment Committee.

Our Board regularly reviews information regarding our strategy and operations, as well as the risks associated with each. Our Compensation and Human Resources Committee is responsible for overseeing the management of risks relating to the Company's compensation plans and arrangements, leadership succession planning, and the attraction and retention of key talent. Our Nominating and Corporate Governance Committee manages risks associated with the independence of the Board and potential conflicts of interest. Our Finance and Investment Committee helps to manage risks associated with our credit, liquidity, and financing activities and plans as well as tax strategies and potential strategic transactions and opportunities.

Our Board is responsible for overseeing our risk management process.

- Focuses on general risk management policies and strategy
- Oversees the implementation of risk mitigation strategies by management
- Supported by various committees throughout Fluence

Management is responsible for addressing the day-to-day risks.

- Apprises our Board of risk management matters when they arise in connection with other topics within the Board's oversight
- Produces detailed operating performance reviews to discuss the risks and exposures involved in their respective areas of responsibility

The Audit Committee is specifically tasked with overseeing the Company's policies with respect to risk assessment and risk management, including guidelines and policies to govern the process by which our exposure to risk is handled. The Company's Internal Audit team assists management in identifying, evaluating, and implementing risk management controls and methodologies to address identified risks. At each of its quarterly meetings, the Audit Committee meets privately with representatives from the Company's independent registered public accounting firm and the head of Internal Audit. The Company's Chief Legal and Compliance Officer and members of his team also regularly update the Audit Committee privately on the Company's compliance and ethics programs and any other compliance matter or concern. In addition to the above, our Audit Committee directly oversees the management of financial risks and cybersecurity risks and implementation of our cybersecurity risk management program.

The full Board is regularly informed through committee reports about such risks, as appropriate. In addition, our Board receives periodic detailed operating performance reviews from management, who discuss the risks and exposures involved in their respective areas of responsibility as well as any developments that could impact our risk profile or other aspects of our business. These reports from management are designed to provide timely visibility to the Board and its committees about the identification and assessment of key risks, our risk mitigation strategies, and ongoing developments.

During the reporting period, there were no material legal proceedings, nor material monetary losses, associated with incidents relating to bribery, corruption, or anticompetitive behavior.

The Audit Committee oversees our enterprise risk management program.

- Oversees the Company's policies with respect to risk assessment and risk management
- Assists management in identifying, evaluating, and implementing risk management controls and methodologies
- Provides reports to the Board which describe the current state of risk assessment and risk management of the Company

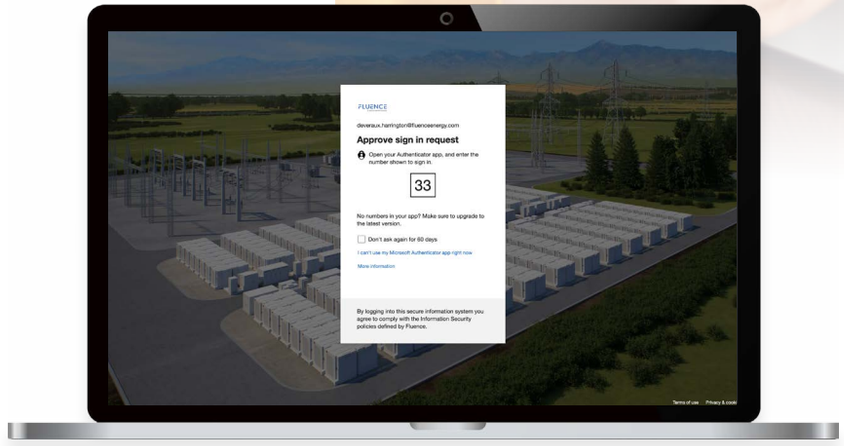
Data Security & Cybersecurity

Protecting our IT environment from cyberattacks is vital to our business.

We manage our cybersecurity risks through an information security management system (ISMS) that falls under our overarching integrated management system (IMS) for quality and safety. Our cybersecurity risk management program and supporting ISMS focus our efforts on reducing residual risks to our critical corporate assets. The materiality of these risks drives the selection of appropriate controls and the prioritization of the projects and operational tasks of our cybersecurity teams.

Our approach to controlling these risks is designed and assessed based on our selection and implementation of certain controls from the National Institute of Standards and Technology (NIST) Cyber Security Framework (CSF). This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. These controls are implemented to help us identify our critical assets and systems, protect them through preventative measures, detect attempts to compromise their confidentiality, integrity, and availability, respond to attacks by containing their progression and notifying relevant parties, and recover effectively if successfully compromised.

Key elements of our cybersecurity risk management program include, but are not limited to: authentication and authorization procedures, employee security awareness training, logging and monitoring procedures, network segmentation requirements, in transit and at rest encryption of certain data we deem sensitive, periodic vulnerability scanning, periodic control validation through penetration testing, periodic phishing attack simulations, production change control requirements, periodic tabletop exercises, and written incident response plans. We also use external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes.



Cybersecurity Governance

Our cybersecurity program and supporting ISMS are governed by our Cybersecurity Steering Committee, which is chaired by our Chief Information Security Officer (CISO) and is comprised of other members of our management team, including individuals from our finance, supply chain, product, IT, and legal departments. The Cybersecurity Steering Committee convenes quarterly to review the ISMS, identify new material risks and potential treatment plans that are recorded in our cybersecurity risk register, and review the overall health of security key risk indicators, technical key performance indicators, and roadmaps for the expected delivery of new and updated controls.

Our CISO, in coordination with our Chief Information Officer (CIO) to whom the CISO reports, leads our approach to assessing and managing cybersecurity-related risks. Our CISO has over thirty years of experience in IT, with twenty years in information security, as well as a background in software engineering and in leading security engineering teams, technical services and support teams, and sales engineering teams. Our CIO has over 20 years of experience with information technology and cybersecurity and a background in software engineering. Our CIO has served in lead cybersecurity roles at global public companies and holds a CISA certification from the Information Systems Audit and Control Association.

We have a written cybersecurity incident escalation process overseen by senior leadership. When senior leadership deems appropriate, a materiality committee is convened comprised of certain members of management who assess whether incidents must be reported to the SEC and/or the appropriate authorities.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include: briefings from internal security personnel; threat intelligence and other information obtained from governmental, public, or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our IT environment.

We are proud to announce that our company has successfully achieved ISO 27001 certification, further strengthening our commitment to information security across all business operations.

The Cybersecurity Steering Committee governs our cybersecurity program and information security management system.

Chief Information Officer

- Leads our approach to assessing and managing cybersecurity-related risks
- Has over 20 years of experience with IT and cybersecurity

Chief Information Security Officer

- Chair of the Cybersecurity Steering Committee
- Reports to the CIO
- Coordinates with CIO to lead our approach to assessing and managing cybersecurity-related risks

Cybersecurity Steering Committee

- Comprised of other members of management team, including individuals from our finance, supply chain, product, IT, and legal departments
- Reviews the ISMS quarterly
- Identifies new material risks and potential treatment plans that are recorded in our cybersecurity risk register
- Reviews the overall health of security key risk indicators, technical key performance indicators, and roadmaps for the expected delivery of new and updated controls

Compliance & Ethics

The Fluence Code of Conduct and Ethics establishes global standards of conduct for all directors, officers, and employees of Fluence and all our subsidiaries.

Fluence regularly conducts mandatory compliance training which includes modules on relevant topics including anti-bribery, anti-corruption, Code of Conduct and Ethics, and insider trading. For example, Fluence people are required to acknowledge and accept the Code of Conduct and Ethics at onboarding. Furthermore, all Fluence people are required to complete mandatory yearly refresher training. Other relevant training modules are assigned throughout the year (live, in-person country training; seasonal gifts and entertainment training, etc.).

In addition, Fluence maintains various escalation and whistleblower hotlines. Fluence personnel are provided with information on how to report concerns regarding noncompliance with the Code of Conduct and Ethics. Fluence will respond to all requests for advice and will investigate all reports of improper behavior that are reported with sufficient detail.

Lastly, all vendors as well as counterparties with which Fluence may engage in transactions or conduct business are subject to due diligence processes, which include an on-boarding screening against sanctioned and restricted party lists and additional periodic due diligence.

> Doing the right thing is fundamental to who we are at Fluence. We strive to ensure our employees and partners feel confident they are working in an environment where ethics and accountability come first. We consider it not just our responsibility but our privilege to build trust with our employees, partners, and stakeholders.

Vincent Mathis
SVP, Chief Legal and Compliance Officer and Secretary, Fluence

Caption: *Fluence team members at the Pike County Battery Energy Storage System in Indiana.*

Ensuring **Quality**

Quality is at the heart of everything we do. As a leader in grid-scale energy storage solutions, we understand the critical role our products play in ensuring a resilient and sustainable energy future. That is why we are unwavering in our commitment to delivering battery energy storage systems that meet the highest standards of safety, efficiency, and reliability.

Fluence's dedication to quality is reinforced by our ISO 9001 certification, a globally recognized benchmark for quality management systems. This certification is more than a badge of honor, it is a testament to our disciplined approach to designing, manufacturing, and delivering energy storage systems that exceed customer expectations. By adhering to ISO 9001 principles, we continuously improve our processes, enhance product performance, and continue to strive for the highest level of operational excellence.

Safety is a cornerstone of our quality promise. We implement rigorous testing protocols and employ advanced monitoring and control systems to mitigate risks and maintain the integrity of our products. Our energy storage systems are designed with multiple layers of safety features to protect people, assets, and the environment.

Efficiency is integral to our mission of accelerating the transition to clean energy. Our energy storage systems deliver superior performance, optimizing energy usage and reducing waste across diverse applications such as frequency regulation, peak capacity management, and renewable integration.

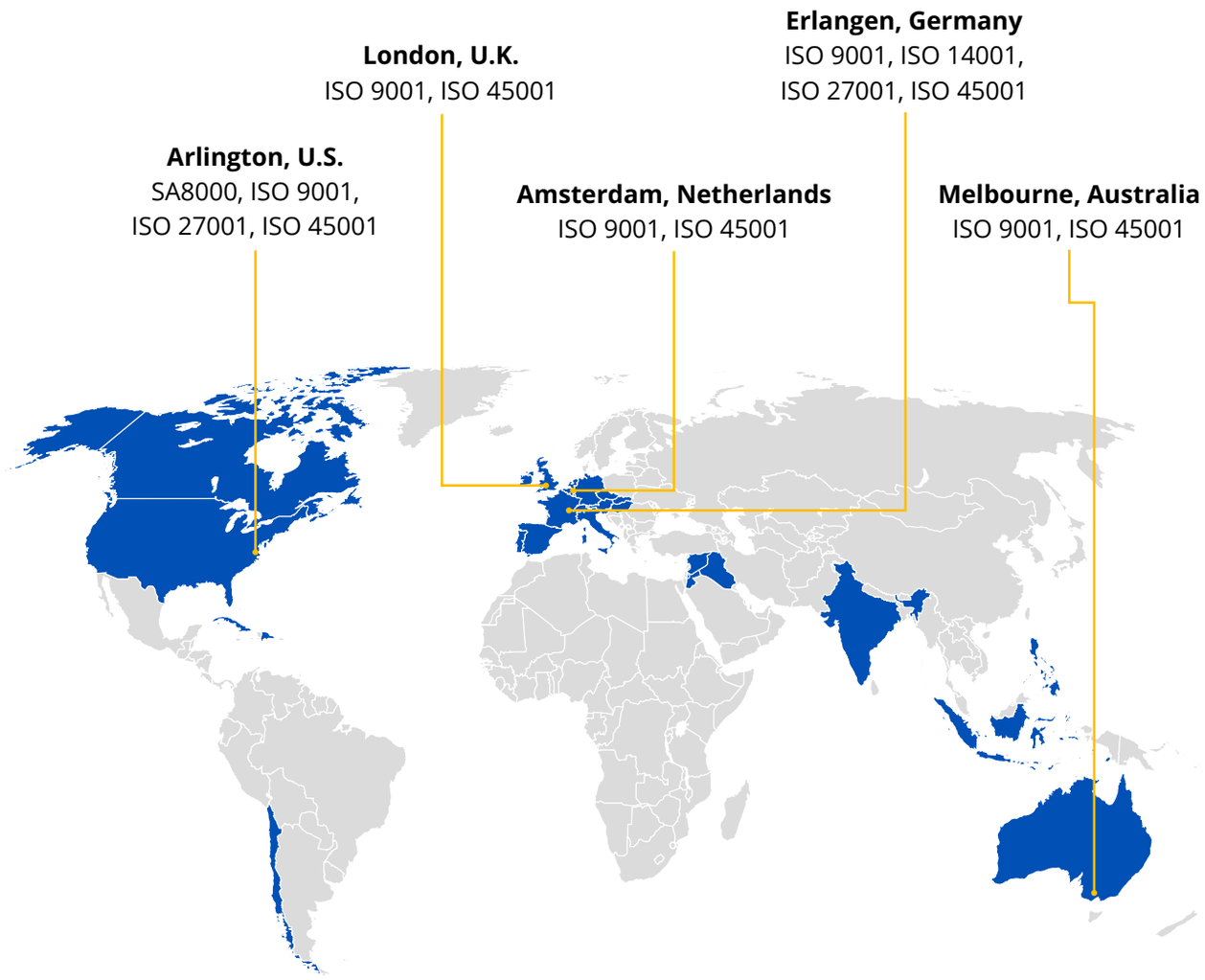
Reliability is essential in maintaining trust with our customers and stakeholders. Fluence's robust quality management framework ensures that our products are built to perform consistently under the most demanding conditions. From design to deployment, we prioritize durability and long-term value.

By embedding quality into every facet of our operations, Fluence not only upholds its commitment to sustainability but also strengthens the foundation of a more secure and efficient energy ecosystem. Our ISO 9001 certification underscores this commitment, providing our stakeholders with confidence in our ability to deliver solutions that support a cleaner, brighter energy future.

Standardization & Certifications

Fluence leverages various globally recognized ISO standards to ensure the highest levels of quality, safety, and environmental responsibility in our products and operations. We began in 2019 by certifying our Erlangen Testfield in Germany to ISO 9001, 14001, and 45001. We have continued to expand our integrated management systems and certifications to include several of our Fluence entities including Fluence Energy GmbH, Fluence Energy, LLC, Fluence Energy UK Limited, Fluence Energy Pty Ltd., and Fluence BESS India Pte Ltd. Our Melbourne office is ISO 9001 certified, and our Arlington, Virginia, headquarters is SA8000 certified. In fiscal year 2023, we expanded our ISO 45001 Occupational Health and Safety certification to include our business operations based out of Arlington, VA in the U.S. and Melbourne, Victoria in Australia. By fiscal year 2025, we expect to further expand the scope of our environmental management system and have laid out a roadmap to hold ourselves accountable. This will impact the local operations for our ISO certified entities and the associated business functions.

ISO 9001	Quality Management System
ISO 14001	Environmental Management System
OHSAS 18001	Occupational Safety and Health
ISO 45001	Occupational Safety and Health
SA8000	Ethical/Worker Rights
ISO 27001	Information Security/Cybersecurity



Looking **Ahead**

This year has been a meaningful step forward in the evolution of our sustainability and ESG programs. Thanks to the dedication of our team, we have made major progress by advancing transparency, enhancing data collection efforts, and delivering impactful training sessions and internal communications that further embed sustainability into everything we do. Alongside these efforts, our environmental stewardship and responsible sourcing teams launched comprehensive policies and set bold targets to implement industry-leading initiatives.

Throughout the development of this Report, we uncovered inspiring examples of sustainability practices becoming ingrained in our daily operations. These practices now extend across every aspect of our business, from project sites to our supply chain, ensuring meaningful actions are taken at every level.

None of this progress would have been possible without the hard work of our colleagues and the unwavering support of our leadership. Together, their efforts are helping us meet our sustainability goals and regulatory requirements while staying true to our mission of transforming the way we power our world.

Looking ahead, we are excited to build on this momentum. We aim to push the boundaries of innovation, raise industry standards, and foster collaboration across our value chain. Together, we will continue to lead with purpose, making meaningful contributions toward a sustainable future.

Thank you for taking the time to learn about our journey. We welcome your thoughts and questions about our sustainability programs at esg@fluenceenergy.com.

Lexington May
VP of Investor Relations
& Sustainability, Fluence

Scott R. Miller
Sustainability Program
Senior Manager, Fluence

By Calendar Year 2030

Seek to lead the energy storage industry in accountability and transparency through sustainability action

2026-2029

- Plan to report under European Corporate Sustainability Reporting Directive (CSRD) regulations as required pursuant to applicable law
- Plan to develop and evolve our decarbonization strategy
- Plan to explore ways to reduce embodied carbon in our energy storage products
- Expand our ISO 14001-certified Environmental Management System
- Be an industry leader on circular economy for energy storage

2024-2025

- Executed climate risk assessment
- Disclosed to CDP
- Conducted double materiality assessment
- Conduct product life cycle assessment (LCA)
- Secure product Environmental Product Declaration (EPD)
- Launch community engagement volunteerism program
- Expand conflict minerals audit to include cobalt, mica, lithium, graphite, manganese, chromium, zirconium, silver, tellurium, nickel, and copper

2022-2023

- Established Fluence's sustainability and ESG roadmap
- Accelerated progress on sustainability goals, reporting, and compliance
- Published first Sustainability Report
- Mitigated 60% of GHG emissions from employee air business travel
- 35% of new hires were women
- Greatly expanded and strengthened responsible sourcing program
- Became a signatory member of the UNGC

Fluence

Appendix

Global Reporting Initiative Crosswalk

Impact Area	*Disclosure*	*GRI#*	*Section Reference*
Environmental Stewardship	Energy	302-1	302-1. Energy consumption – within the organization. *Page 48*
		302-3	302-3. Energy Intensity a. Energy intensity ratio for the organization. *1.68 MWh per FTE for FY 24.* b. Organization-specific metric. *Not applicable.*
	Emissions	305-1	305-1. Direct (scope 1) GHG emissions a. Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent *Page 48* b. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. *All* c. Biogenic CO2 emissions in metric tons of CO2 equivalent. *None* d. Base year for the calculation, if applicable, including: i. the rationale for choosing it. *Subject to external audit* ii. emissions in the base year. *20 mt CO2e* iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. *Not applicable* e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. *Page 49* f. Consolidation approach for emissions; whether equity share, financial control, or operational control. *Operational* g. Standards, methodologies, assumptions, and/or calculation tools used. *Page 49*

Impact Area	*Disclosure*	*GRI#*	*Section Reference*
Environmental Stewardship	GHG Emissions	305-2	305-2. Energy indirect (scope 2) GHG emissions a. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. *Page 48* b. If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent. *Page 48* c. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. *All* d. Base year for the calculation, if applicable, including: *Fiscal year 2024* i. the rationale for choosing it. *Subject to external audit* ii. emissions in the base year. *1044 mt CO2e* iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. *Not applicable* e. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. *Page 49* f. Consolidation approach for emissions; whether equity share, financial control, or operational control. *Operational control* g. Standards, methodologies, assumptions, and/or calculation tools used. *Page 49*

Impact Area	*Disclosure*	*GRI#*	*Section Reference*
Environmental Stewardship	GHG Emissions	305-3	305-3. Other indirect (scope 3) GHG emissions a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent. *Page 48* b. If available, the gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. *All* c. Biogenic CO2 emissions in metric tons of CO2 equivalent. *None* d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation. *Pages 50, 51, 52* e. Base year for the calculation, if applicable, including: *Fiscal year 2024* i. the rationale for choosing it. *Subject to external audit* ii. emissions in the base year. *692,850 mt CO2e* iii. the context for any significant changes in emissions that triggered recalculations of base year emissions. *Not applicable* f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. *Several sources: LCA's, primary data, spend based estimations, surveys* g. Standards, methodologies, assumptions, and/or calculation tools used. *Pages 49, 51*

Impact Area	*Disclosure*	*GRI#*	*Section Reference*
Environmental Stewardship	GHG Emissions	305-4	305-4. GHG emissions intensity a. GHG emissions intensity ratio for the organization. *0.26* b. Organization-specific metric (the denominator) chosen to calculate the ratio. *2,698,562,000 USD (revenues)* c. Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). *All scopes* d. Gases included in the calculation; whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all. *All gases*
		305-6	Emissions of ozone-depleting substances (ODS). *Per the UNFCCC Montreal Protocol, most developed countries have banned the use of ODSs and CFCs. Therefore, these substances are not integrated into Fluence's products.*
		305-7	NOx, SOx and other significant air emissions. *Pages 47, 48*
	Effluents and Waste	306-1	306-1. Waste generation and significant waste-related impacts. *Page 41*
		306-2	306-2. Management of significant waste related impacts. a. Actions including circularity measures taken to prevent waste generation in the organization's own activities. *Pages 19, 33, 34*
		306-3	306-3. Waste generated. *Page 41*
		306-4	306-4. Waste diverted from disposal. *Page 41*
		306-5	306-5. Waste directed to disposal. *Page 41*
	Local Communities	413-2	413. Operations with significant actual and potential negative impacts on local communities. *Fluence has a robust suite of environmental policies that mitigate our environmental impact and insulate any impact away from outside communities.*

Impact Area	*Disclosure*	*GRI#*	*Section Reference*
Ethics	Anti-Corruption	205	205. Anti-corruption. *Pages 69, 72*
Finance	Economic Performance	201-1	201-1.a.i. Direct economic value generated and distributed revenues. *$2.699 billion*
			201-1.a.iii. Economic value retained: 'direct economic value generated' less 'economic value distributed.' *$0.03 billion*
		201-2	201-2. Financial implications and other risks and opportunities due to climate change. *Described in TCFD Report. Pages 82, 83, 84, 85*
		201-3	201-3. Defined benefit plan obligations and other retirement plans. *Page 64*
		201-4	201-4. Financial assistance received from government. *None received for fiscal year 2024*
Human Resources	Employment	401-1	401-1. New employee hires and employee turnover. *Page 60*
		401-2	401-2. Benefits provided to full-time employees. *Page 64*
		401-3	401-3. Parental Leave. *Pages 61, 64*
	Diversity & Equal Opportunity	405-1	405-1. Percentage of individuals within the org's governance bodies according to gender age, minority representation. *Page 61*
Global Safety & Quality	Occupational Health & Safety	403	403. OSHA. *Pages 54, 55*
Responsible Sourcing	Supplier Environmental Assessment	308	308. (1) New suppliers that were screened using environmental criteria. *Pages 21, 22*
			(2) Negative environmental impacts in the supply chain and actions taken. *Pages 21, 22*
	Supplier Social Assessment	414	414. 1. New suppliers that were screened using social criteria. *Pages 23, 24, 25, 27, 28*
			2. Negative social impacts in the supply chain and actions taken *Pages 23, 24, 25, 27, 28*

Sustainability Accounting Standards Board Crosswalk

Impact Area	*Disclosure*	*SASB Metric #*	*Section Reference*
Architecture & System Engineering	Product Efficiency	410a.1	410a.1. Average storage capacity of batteries, by product application and technology type. *Stationary, Lithium-based, 165 Wh/kg*
		410a.2	410a.2. Average energy efficiency of fuel cells as (1) electrical efficiency and (2) thermal efficiency, by product application and technology type. *Not applicable*
		410a.3	410a.3. Average battery efficiency as coulombic efficiency, by product application and technology type. *Coulombic efficiency is amp hours out/amp hours in. For Li-ion batteries this is essentially 100%. Energy Efficiency is Watt hours out/Watt hour in. The actual efficiency depends on the charge, discharge rate and operational energy window, but the bulk of our products have an energy efficiency of ~94-95%.*
		410a.4	410a.4. Average operating lifetime of fuel cells, by product application and technology type. *Not Applicable as Fluence does not produce fuel cells.*
Environmental Stewardship	Energy Management	130a.1	130a.1. i) Total energy consumed. *Page 48* ii) Percentage grid electricity. *100% Leased Facility Footprint | Erlangen: 0* iii) Percentage renewable. *2024 was the first full year that our Erlangen facility sourced 100% of its electricity from renewables.*

Impact Area	*Disclosure*	*SASB Metric #*	*Section Reference*
Architecture & System Engineering	Product Efficiency	410a.5	410a.5 (1) Average operating lifetime of batteries, by product application and technology type *Stationary, Lithium-based, 8 to 11.000 cycles to 60% state-of-health (SoH).* (1.1) The operating lifetime of batteries is calculated as the number of times the battery can be fully charged and discharged, or 'cycles', until 20% capacity degradation occurs. *Cycle life to 20% degradation is not a relevant measure in stationary storage (it is from automotive)* (3) Performance by these application types, if applicable: portable, motive, stationary and 'all other', each further categorized by these technology types, if applicable: lead-based, nickel-based, lithium-based, sodium-based and all other types. *One Gridstack Pro Platform: A series of offerings that provide flexibility and faster integration of new cell technology, all on the same platform. Easier Install and Maintenance: Almost 70% fewer connections and chillers reduce installation time and maintenance. Available DC-DC converters* reduce cost of augmentation. Efficient Operation: More efficient, OS-controlled chillers reduce aux consumption by up to 20% compared to previous generations Higher Density. Mix and match different enclosure sizes, and density requirements at competitive usable energy prices Battery System Flexibility. The Fluence Battery Pack, modules, and battery management system (BMS) improve supply chain agility and time to market with new technology. Gridstack Pro 5000 Series: Maximizing safe capacity in a 20' enclosure, 4.9-5.6 MWh. Gridstack Pro 2000 Series: Designed to fit in a 40' container for logistics ease, 2.4 MWh. Gridstack Pro 1000 Series: Cube-sized system for power matching and DC augmentation, 1.6 MWh.*
End-of-Life	Product End of Life Management	410b.1	410b.1. Percentage of products sold that are recyclable or reusable. *Pages 33, 34. Reuseable 0%, Recyclable 100%. Stationary Lithium-based energy storage systems are intended to be used until depleted/reaching safety threshold and is therefore not expected to be reused, but recycled at end of life.*

Impact Area	*Disclosure*	*SASB Metric #*	*Section Reference*
End-of-Life	Product End of Life Management	410b.2	410b.2. (1) Weight of end-of-life material recovered. *17,743 kgs.* (2) Percentage recycled. *Licycle: 95%*
		410b.3	410b.3. Description of approach to manage use, reclamation, and disposal of hazardous materials. *Fluence is developing a product and site decommissioning service-offering for all possible customer end of life needs. Fluence has a large and growing global network of battery recycling and site decommissioning partners.*
Environmental Stewardship	Energy Management	130a.1	130a.1. (1) Total energy consumed. *Page 48* (2) Percentage grid electricity. *100% Leased Facility Footprint | Erlangen: 0* (3) Percentage renewable. *2024 was the first full year that our Erlangen facility sourced 100% of its electricity from renewables.*
Ethics	Business Ethics	510a.1	510a.1. Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior. *Page 72*
Finance	Activity Metrics	000.A	000.A. Number of units sold. *Page 8*
		000.B	000.B. Total storage capacity of batteries sold. *12,500 MW or 12.5 GW*
		000.C	000.C. Total energy production capacity of fuel cells sold. *Not Applicable*
General Counsel	Legal - Compliance	510a.2	510a.2 Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption. *Page 69*
		510a.3	510a.3 Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations. *Page 69*
Global Safety & Quality	Workforce Health & Safety	320a.1	320a.1. (1) Total recordable incident rate (TRIR) (2) Fatality rate for (a) direct employees and (b) contract employees. *Page 55*

Impact Area	*Disclosure*	*SASB Metric #*	*Section Reference*
Global Safety & Quality	Workforce Health & Safety	320a.2	320a.2. Description of efforts to assess, monitor, and reduce exposure of workforce to human health hazards. *Pages 54, 55, 56, 57, 58*
Responsible Sourcing	Materials Sourcing	440a.1	440a.1. Description of the management of risks associated with the use of critical materials. *Pages 27, 28*

Task Force on **Climate-related Financial Disclosures Index**

Climate change is an existential threat and there is currently an ongoing systemic global transition away from fossil fuels towards sustainable energy systems. A major challenge that is threatening the rapid transition to a green economy is the lack of grid flexibility across the globe. Substantial portions of renewable generation, unlike fossil fuel generation, is intermittent and can only be used in favorable wind and solar conditions. Energy storage is therefore critical in unlocking the world's clean energy transition by enabling large-scale adoption of 24/7 renewable energy while providing the resilience and reliability required of energy infrastructure.

With the scale and frequency of extreme weather events increasing and with the world economy transitioning to a low-carbon state, we recognize the importance of understanding how the changing climate could impact our business, our customers, and our people. To that end, we have aligned this section of the report with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Pillar	*Recommendation*	*Disclosure*
Governance	**Board Oversight:** Describe the board's oversight of climate-related risks and opportunities.	Our Board of Directors is responsible for overseeing the leadership, management, and success of the company. The Board of Directors is elected annually by our stockholders. Our Vice President of Investor Relations and Sustainability provides a quarterly report to our Board's Nominating and Corporate Governance Committee, who provide oversight with respect to the Company's ESG strategy, initiatives, and policies. Fluence's core business is fundamentally linked to climate and energy policy. Management discusses with the Nominating and Corporate Governance Committee and the Board material climate-related risks and opportunities for the Company. For more details, see pages 30, 67, 68, and 69.

Pillar	*Recommendation*	*Disclosure*
Governance	**Management:** Describe the management's role in assessing and managing climate-related risks and opportunities.	Our executive leadership team is responsible for prioritization and ensuring alignment across all internal stakeholders. The following members of the management are members of Fluence's ESG Steering Committee: • Chief Executive Officer • Chief Financial Officer • VP Investor Relations & Sustainability • Chief Human Resources Officer • Chief Legal and Compliance Officer • Chief Supply Chain & Manufacturing Officer For more details about the involvement of our management and our ESG council, see pages 30, 67, 68, and 69.
Strategy	**Identified Climate-related Risks and Opportunities:** Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Fluence defines time horizons as follows: • Short-term: '0-3 years' • Medium-term: '3-10 years' • Long-term: '10+ years'

Pillar	*Recommendation*	*Disclosure*
Strategy	**Identified Climate-related Risks and Opportunities:** Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	***Transitional risks:*** • **Regulatory:** Increased reporting obligations due to regulatory compliance in the short term which could demand additional operating expenses. • **Market:** Potentially increased cost to insure sites, cost of shipments, and cost of raw materials sourcing in the medium and long term. ***Physical risks:*** • **Acute:** Wildfire risk in certain markets such as Southern California, which could potentially impact our timelines for projects and therefore timeline on which revenues are recognized in the short to long term. • **Chronic:** Droughts in certain markets. For example, low water levels in the Panama Canal could cause fewer vessel passages per day and therefore longer transit times and higher costs in the short to long term. **Opportunities [see pages 6-8 of our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 for detailed information about our products and services]:** • **Product:** Increased revenues from Fluence's energy storage solutions which are energy source agnostic and for which the demand will only continue to grow as more renewable energy is integrated into the grid due to intermittency of solar and wind in the short and medium term. • **Market:** Our Utah and Ireland facilities are strategically positioned near large storage markets and customer fleets. • **Resilience:** Increased revenues from increased demand for Fluence products that provide resilience and stability to the energy systems and aging grids in the medium to long term. For more information, please refer to "Forward-Looking Statements and Disclaimers" on page 92.

Pillar	*Recommendation*	*Disclosure*
Strategy	**Impact of Risks and Opportunities:** Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Due to the nature of our business being largely dependent on our customers' needs and due diligence, we are not able to quantify or publicly discuss the potential financial implications of risks and opportunities identified above at this time.
	Resilience of Strategy: Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Scenario analysis is a useful tool for strategic decision-making and risk management under uncertain conditions. Scenario-based planning circumvents the impossible task of trying to predict the future and instead focuses on the key uncertainties relevant to a company's strategic decisions. We have attempted to qualitatively evaluate our climate-related risks and opportunities over our short-, medium-, and long-term time horizons against two future scenarios and socioeconomic pathways published by the Intergovernmental Panel on Climate Change (IPCC). **Business as usual,** which corresponds to RCP8.5 and SSP5, and assumes continued use of fossil fuels, strong economic growth, and weak carbon policies. This scenario corresponds with expected global temperature increases of 3.5-4.5ºC above pre-industrial levels by 2100. **Decarbonized future,** which corresponds to RCP2.6 and SSP1, and assumes a transition towards renewable energy, a circular economy, and strict carbon policies. This scenario corresponds with expected global temperatures increases that stay below a 2ºC threshold by 2100. Reuters included Fluence as one of its 100 disruptors and change-makers that demonstrated transition excellence, including forward-thinking strategy, novel technology integration, and digital transformation. Fluence has a continuously advancing approach to data management as applied to both environmental performance and regulatory compliance. Investing in Fluence's global manufacturing and delivery infrastructure to provide increased flexibility for our customers and decrease supply chain disruptions is a direct response to the changing market and regulatory climate in both future scenarios considered and discussed above.

Pillar	*Recommendation*	*Disclosure*
Risk Management	**Processes for Identifying and Assessing Climate-related Risks:** Describe the organization's processes for identifying and assessing climate-related risks.	In our business planning and decision-making, we consider existing and emerging regulatory requirements related to climate change. To support our exploration of Fluence's climate-related risks and opportunities, we used a third-party partner to support us in steering our climate risk assessment and TCFD alignment. To do this, we conducted a series of TCFD workshops to explore potential future impacts of climate change on our business. The workshops were attended by members of the ESG Steering Committee, the ESG Council, and leaders from across the business to ensure all functions and geographic locations were represented.
	Processes for Managing Climate-related Risks: Describe the organization's processes for managing climate-related risks.	Our Board of Directors is responsible for overseeing our risk management process and focuses on our general risk management policies and strategy, the most significant risks facing us, and oversees the implementation of risk mitigation strategies by management. The Fluence responsible sourcing mission is to proactively leverage opportunities and inherently mitigate risks in our supply chain. Our focus extends to managing modern-day risks associated with globalization and climate change, among other significant market megatrends. At Fluence facilities, sending employee alerts related to climate-related risks is part of our proactive safety process and emergency response guidance per localized information and global dissemination as may be required. For more information see pages 20, 68, and 69 of our Report and risk management section of our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 filed with the SEC on November 29, 2024.
	Integrating into Overall Risk Management: Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	We have not yet integrated climate-related risk management into our overall risk management program, though we plan to do so in the future.

Pillar	*Recommendation*	*Disclosure*
Metrics & Targets	**Climate-related Metrics:** Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	We track energy, emissions, water, and waste metrics. For more information, see pages 39, 40, 41, and 42.
	Greenhouse Gas Emissions: Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	We have calculated our Scope 1 and Scope 2 emissions for 2022, 2023, and 2024 fiscal years. **2022** / **2023** / **2024** Scope 1: 19,503 CO2e (kg) / 19,065 CO2e (kg) / 19,690 CO2e (kg) Scope 2: 2,058,800 CO2e (kg) / 2,622,074 CO2e (kg) / 1,204,354 CO2e (kg) Scope 3: 2,048,731 CO2e (kg) / 543,745,158 CO2e (kg) / 692,849,516 CO2e (kg) For more information including our scope 3 emissions for FY23, see pages 48-52.
	Targets: Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	We plan to develop targets and decarbonization strategy in 2026-2028.

Forward-Looking Statements & Disclaimers

This Sustainability Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements can be also identified by terminology such as "may," "will," "should," "aims," "might," "future," "can," "expects," "plans," "anticipates," "could," "seeks," "intends," "targets," "projects," "contemplates," "grows," "believes," "estimates," "predicts," "potential", "commits", or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained herein include, but are not limited to, statements regarding: (a) our strategic plans and goals; (b) potential disruptions to our operations and supply chain; (c) anticipated product expansion and our expectations regarding potential innovative design and impacts to sustainability of our products; (d) our plans, goals, commitments, expectations, prospects, emissions, and other environmental targets as well as external ESG commitments, including, but not limited to, goals regarding expansion of our ISO-certified environment management system, goals surrounding future tracking of energy consumption, water usage, and waste management, and plans regarding our emissions reduction strategy and target-setting initiative in 2025, (e) timeline and development of Fluence's Sustainability Vision, and (f) expectations for our responsible sourcing program as we continue to grow in the future. In addition, the quotations from management in this Sustainability Report and information relating to the Company's operations and business outlook contain forward-looking statements. These forward- looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance, or achievement to materially differ from those expressed or implied by these forward- looking statements.

Such forward-looking statements are subject to a number of assumptions, risks, and uncertainties, including those described under the heading "Risk Factors" in Fluence's most recent Annual Report on Form 10-K and in other filings Fluence makes with the Securities and Exchange Commission. New factors emerge from time to time, and it is not possible for us to predict all such factors. Further, we cannot assess the impact of each such factor on our results of operations or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward looking statements. Any forward-looking statement speaks only as of the date on which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

The standards of measurement and performance contained in the Sustainability Report are developing and based on assumptions, estimates, methodologies, or third-party information and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this Report can or will be achieved. Additionally, our discussion of environmental, social and governance ("ESG") assessments, goals, and relevant issues herein are informed by various ESG standards and frameworks (including standards for the measurement of underlying data) and the interests of various stakeholders Any references to "materiality" in the context of such discussions and any related assessment of ESG "materiality" may differ from the definition of "materiality" under various legal regimes, including the federal securities laws for Securities and Exchange Commission reporting purposes. Furthermore, much of this information is subject to assumptions, estimates, methodologies, or third-party information that is still evolving and subject to change. While these are based on expectations and assumptions believed to be reasonable at the time of preparation, they should not be considered guarantees and in many cases such information and methodologies have not necessarily been verified by us or any third-party, unless otherwise specified. Moreover, there can be no assurance—and language of "alignment," "compliance," or similar terminology should not be taken to mean—absolute alignment with any particular framework, methodology, or particular interpretations thereof. Our approach to such matters may evolve due to changes in data availability/quality, regulatory requirements, business policy, or other factors which may be in or out of our control. Similarly, various aspects of this Sustainability Report are based on policies and procedures that the Company believe apply appropriate levels of support to address issues in scope and, while these statements may use words such as "ensure", "prevent", or similar, such terms should not be considered to mean, as there can be no assurance, that such efforts will be successful in all situations. As a final note, while we take our efforts to engage with our stakeholders and maintain good stakeholder relations seriously, any language of "responsibility" or similar is not intended to indicate, and we hereby expressly disclaim, the undertaking of any duty associated with our sustainability efforts beyond that expressly provided for by law.

Validation Statement

Sustaining Supply Chains

At the start of 2025, Sustaining Supply Chains validated the greenhouse gas (GHG) emissions numbers of Fluence over the Fiscal Year 2024. This statement describes the process, findings, and conclusions.

Process

First, the relevant GHG emission sources were checked and discussed. Next, data gathered by Fluence was checked on data quality, source, and details. When external parties delivered GHG emission numbers directly, used (calculation) methodologies were checked on validity, scope and level of detail used. Where needed GHG emission calculations were executed.

Findings

Fluence has a clear understanding of the GHG emission sources which are relevant. Due to the organisational structure and activities of Fluence, the number of GHG sources within scope 1 & 2 (GHG protocol) are limited to facilities. Most reported GHG sources fall within scope 3 and are related to the procurement of batteries and other Cube components. The number of Cubes taken into account was significantly higher last year than in FY 23 (+8%). In addition, new components such as Inverters and OCTE have been added this year. Also new this year are the emissions arising from Capital Goods and End of Life of batteries of Cubes. Hence, the total GHG emissions reported increased compared to previous year. All other reported GHG emissions numbers are reasonable and follow the approach of measure where you can, estimate if needed. The share of emissions based on estimations is relatively low. Finally, emissions are reported in CO2-equivalents and report on full well-to-wheel scope in case of fuels combustion. Future improvements are planned to enlarge the coverage of emissions sources reported over.

Conclusions

Publishing its third ESG report, Fluence takes again a significant step in transparency on GHG emissions. The FY 2024 GHG emissions report is clear and sound. Subsequent, Fluence shows a good understanding of next steps to take on GHG emission reporting and things to work on towards the future.

On behalf of Sustaining Supply Chains B.V.

Wiger Aantjes, MSc

Partner | Sustainable Supply Chain Expert
20th of March 2025

Disclaimer: This is not a GHG emission assurance statement.

The SCS Greenhouse Gas Footprint Verification Program has conducted a verification of GHG emissions based upon the following Scope, Objectives, and Criteria:

Verification Scope

Fluence Energy, LLC

4601 Fairfax Drive, Suite 600
Arlington, VA 22203
United States

Reporting Period: 10/01/2023 – 9/30/2024

Geographic Boundary: Global

Facilities, physical infrastructure, activities, technologies, and processes:
Approximately 26 owned and leased facilities which include offices and testing laboratories

GHG Sources, Sinks, and/or Reservoirs:
Scope 1 – Natural gas
Scope 2 - Electricity

Boundary Method: Operational Control

GHG Gases: CO_2, CH_4, N_2O, HFCs

Level of Assurance: Limited

Materiality: +/-5% quantitative threshold for direct and indirect emissions, qualitative based upon requirements specified within referenced criteria

Verification Objectives

- Evaluate the organization's GHG inventory for material discrepancies based upon the specified level of assurance
- Evaluate the organization's GHG inventory is in conformance with the specified verification criteria

Verification Criteria

- World Resources Institute/World Business Council for Sustainable Development's "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)" dated March 2004
- World Resources Institute/World Business Council for Sustainable Development's "Scope 2 Guidance Document: An Amendment to the GHG Protocol Corporate Standard" dated 2015
- CA SB253 Limited Assurance
- CDP Investor Information Request
- ISO 14064-3: 2019 Specification with guidance for the validation and verification of GHG assertions

SCSglobal SERVICES

Verification Opinion

This Verification Statement documents that SCS Global Services has conducted verification activities in conformance with ISO 14064-3: 2019, Specification with guidance for the validation and verification of greenhouse gas assertions. Based upon the reporting scope, criteria, objectives, and agreed upon level of assurance, SCS has issued the following verification opinion:

☒ Positive Verification (Limited Assurance) – No evidence was found that the GHG assertion was not prepared in all material respects with the reporting criteria

Verification Qualifications

– None

Verified Emissions

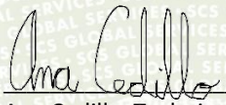
Scope	Total (tCO_2e)
Scope 1	91
Scope 2 - Location	759
Scope 2 - Market	942

Lead Verifier

DATE: 09/15/2025

Melodie Chen-Glasser, Technical Specialist
GHG Footprint Verification Program
SCS Global Services, 2000 Powell Street, Suite 600,
Emeryville, CA 94608 USA

Independent Reviewer



DATE: 9/15/2025

Ana Cedillo, Technical Specialist
GHG Footprint Verification Program
SCS Global Services, 2000 Powell Street, Suite 600,
Emeryville, CA 94608 USA

Fiscal Year 2024 **Scope 1 & 2 Emissions Calculation Methodology Corrections**

The following is a brief explanation describing the corrections made to Fluence Energy's scope 1 emissions calculations in lieu of the Limited Assurance of Scope 1 & 2 emissions achieved on September 15, 2025.

Scope 1

Emissions totaling 20 tCO_2e originally published in FY24 Sustainability Report on April 22nd, 2025, have been revised upward to 91 tCO_2e as of September 15, 2025.

Natural gas consumption

Currently, for 2 Fluence facilities natural gas consumption is known (Erlangen and London WeWork office). For 12 office locations, confirmation is received no natural gas consumption is occurring for heating the office. For 13 office locations, no information is available on if natural gas consumption is occurring. For 1 office location (Italy) it's known natural gas consumption is taking place, but the actual consumption amount is unknown. For the last two groups (13 + 1 facilities) assumptions are taken on natural gas consumption.

For these 14 offices, the natural gas consumption is assumed to be equal to the natural gas consumption per workplace of the Erlangen (DE) office of Fluence. GHG emissions were calculated based by using natural gas emission factors per country. GHG emission factors are used from EcoInvent 3.11. For the direct combustion (scope 1) the emission factor 'heat production, natural gas, at boiler modulating <100kW RoW (EcoInvent)' is used. This emission factor is a WTW factor and thus corrected to reflect only the TTW part. This is done based on the GWP100 breakdown documentation of EcoInvent. For the Rest of World geography, this correction is 0.7459. For the Europe (without CH) geography, this correction is 0.7595.

Refrigerant usage

For all FY24 facilities an assumption is made on refrigerant leakage in the HVAC systems used for cooling/heating. No actual leakage data is known for any of the facilities. To derive the expected leakage of a facility a few parameters is assumed.

1. For offices an expected cooling/heating demand of 100W / m2 is assumed.
2. HVAC systems are typically charged with 0.3 kg refrigerant per kW output heat/cooling.

3. One workplace is assumed at 15 m2, this is conservative value, since most office have around 10m2 per workplace.

4. A conservative refrigerant leakage rate would be 5% per year. Most HVAC systems have a 1-2% leakage rate per year.

5. The used refrigerant is assumed to be R-410a. This is a widely used refrigerant, with a high emission rate per kg compared to most other refrigerants (2.256 tCO_2e per kg).

Using the assumed parameters above, the following yearly refrigerant leakage per workplace per year is found:

100 * (0.3/1000) * 15 * 0.05 = 0.0225 *kg REF per workplace*

CO2e emissions are calculated based on the emission factor of R-410a of CO2emissiefactoren.nl

Scope 2

Emissions totaling 1,044 tCO_2e for location-based and 1,204 tCO_2e for market-based originally published in FY24 Sustainability Report on April 22nd, 2025, have been revised downward to 759 tCO_2e for location-based and 942 tCO_2e for market-based as of September 15, 2025.

An error in electricity emission factors applied led to an overreporting of emissions. In lieu of the limited assurance this error has been corrected with emissions factors aligned with EcoInvent 3.11.