

## Harmony Energy Income Trust Plc

### Modern slavery and human trafficking statement for the year ending 30 April 2023

#### 1. Introduction

This statement has been published in accordance with the UK Modern Slavery Act 2015 (the “**Act**”). It sets out the steps taken by Harmony Energy Income Trust Plc (the “**Company**”) and its subsidiaries to manage the risk of modern slavery and human trafficking in its operations and supply chains for the year ending 30 April 2023. The Company fully supports the aims of the Act and recognises that slavery and human trafficking is a global issue that needs to be addressed by all companies within all industries. The Company is committed to protecting human rights and eradicating the risk of modern slavery in its own operations and supply chains.

#### 1. Organisation background, structure and supply chains

##### 1.1. Background

Harmony Energy Income Trust Plc (the “**Company**”) is an investment company focused on investing in energy storage and complementary renewable energy generation assets, with an initial focus on a diversified portfolio of utility scale battery energy storage systems (“**BESS**”) in Great Britain. As at 30 April 2023, the Company had 9 BESS projects in the portfolio, 3 of which were operational. The total operational capacity of the portfolio was 129 MW / 258 MWh.

##### 1.2. Structure

As at 30 April 2023, the Company had the following subsidiaries<sup>1</sup>:

- HEIT Holdings Ltd
- Harmony HP (JV) Limited
- Harmony WG (JV) Limited
- Harmony RC Limited

Through its subsidiary HEIT Holdings Ltd, the Company holds the following investments in subsidiaries indirectly:

- Harmony (PW) Limited
- Harmony (PW) 2 Limited
- Harmony BD Limited
- Harmony FM Limited
- Harmony RH Ltd
- Daisy No.2 Limited
- Harmony BF Limited

##### 1.3. Workforce

The Company has no employees. The Board has outsourced the day-to-day investment management and asset management activities to Harmony Energy Advisors Limited (the “**Investment Adviser**”).

##### 1.4. Supply chains

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<sup>1</sup> Please note that the names of some subsidiaries have changed since the end of the reporting period.

The Company's principal procurement activities are linked to the sourcing of battery energy storage infrastructure equipment, Engineering, Procurement and Construction services, Balance of Plant services, grid services, investment, asset management and professional services.

## **2. Policies in relation to slavery and human trafficking**

### **2.1. Policies relevant to the Company's operations**

As an investment trust, the Company has no executive management or employees, so the Board does not maintain specific policies regarding employee labour issues such as modern slavery and human trafficking.

### **2.2. Policies relevant to the Company's suppliers and service providers**

With respect to supply chain policies, the Company has adopted a Supplier Code of Conduct (the "Code") setting out the standards, principles and values that suppliers are expected to uphold, including a commitment to eradicating modern slavery. The Code was drafted by reference to external guidance and frameworks such as the UN Global Compact, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, the Responsible Business Alliance Code of Conduct, the Universal Declaration on Human Rights and the UK Government Buying Standards, to ensure best practice supply chain requirements were taken into account.

Alongside sustainability requirements embedded in the contracts with key suppliers, the Company has introduced a requirement for new key suppliers to confirm their agreement to the Code in writing and to maintain records of compliance. In addition, the Company is in the process of engaging existing key suppliers to confirm their adherence to the Code.

## **3. Due diligence processes**

The Company is committed to conducting business in a lawful and responsible manner, including engaging with suppliers and service providers who uphold its high ethical standards. As such, the Investment Adviser conducts human rights due diligence as part of the investment acquisition process and procurement process for suppliers and when engaging with key service providers.

Supplier ESG audits have been introduced to monitor compliance with the Code, starting with an ESG audit of a key supplier's BESS production facility. The Company will continue to enhance its supplier due diligence approach over time.

## **4. Risk assessment and management**

The Company recognises the human rights-related risks in its value chain, particularly in the upstream areas of mineral extraction, refining and parts manufacturing relating to batteries. The Investment Adviser is working with suppliers to better identify risks and mitigations. Work has begun to map and better understand our supply chain with several workshops with two key battery suppliers' ESG and Responsible Sourcing Teams to discuss the work they are conducting on supply chain mapping and risk mitigation activities.

## **5. Key performance indicators to measure effectiveness of steps being taken**

The Company recognises the need to assess the effectiveness of the measures that have been taken to tackle modern slavery. The following key performance indicator is monitored to measure the progress of the Company's modern slavery risk management initiatives:

- Key Tier 1 suppliers aligned with the Supplier Code of Conduct

**6. Review and approval**

This statement made pursuant to the Act has been reviewed and approved by the Board of Directors of the Company. This statement will be reviewed annually.

Norman Crighton

Chair

12 September 2023