

Harmony Energy Income Trust plc

Modern slavery and human trafficking statement for the year ending 31 October 2024

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 31 October 2024. 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 has zero tolerance for any form of human rights violation and is committed to identifying, monitoring and mitigating the risk of modern slavery in its own operations and supply chains.

2. Organisation background, structure and supply chains

2.1. Background

Harmony Energy Income Trust plc 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 of 31 October 2024, the Company had eight operational BESS projects in the portfolio, held under nine special purpose vehicle companies. The total operational capacity of the portfolio was 395.4 MW / 790.8 MWh.

2.2. Structure

As at 31 October 2024, the Company had the following subsidiaries:

- HEIT Holdings Ltd

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

- HEIT PW Limited
- HEIT PW2 Limited
- HEIT BD Limited
- HEIT FM Limited
- HEIT RH Limited
- HEIT LR Limited
- HEIT BF Limited
- HEIT HP Limited
- HEIT WG Limited

2.3. Workforce

As an investment trust, the Company has no employees. The Company’s Board is comprised of five independent non-executive Directors. The Board has outsourced the day-to-day investment management and asset management activities to Harmony Energy Advisors Limited (the “**Investment Adviser**”).

2.4. Supply chains

The Company’s principal procurement activities are linked to the sourcing of battery and balance of plant equipment, engineering, procurement and construction services, balance of plant services, grid services, investment, asset management and professional services.

3. Policies in relation to slavery and human trafficking

During the reporting period, the Board of the Company adopted a [Human Rights Policy](#) outlining its human rights commitments and strengthening its approach to upholding human rights. The Policy explicitly references relevant external guidance and frameworks such as the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. This Policy applies to the Company and its direct and indirect subsidiaries.

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 ensuring business activities are free from 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 suppliers to confirm their agreement to the Code in writing and to maintain records of compliance. In addition, the Company has asked all existing key suppliers and service providers to confirm their adherence to the Code.

The Company has a Whistleblowing Policy for raising any concerns or reporting any wrongdoing through established channels. Additionally, as sites are operated by the Investment Adviser on behalf of the Company, the Investment Adviser has put in place a Grievance Policy for workers to raise complaints.

4. 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 key service providers.

Post-procurement, the Investment Adviser conducts human rights due diligence on key suppliers at least annually. In addition, the Company’s Management Engagement Committee assesses service providers’ progress against ESG goals through the annual evaluation process.

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.

5. 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 focused on supply chain mapping and risk mitigation activities.

6. 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 indicators are 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
- Share of investments in entities without a Human Rights Policy

Performance against these indicators is reported publicly in the Company's Annual Report and Accounts, available on the Company's [website](#).

7. 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

9 December 2024