



Solar power for our world

2023 SUSTAINABILITY REPORT

ABOUT THIS REPORT

The Board of Directors of Lightsource bp has reviewed and approved the Lightsource bp Sustainability Report for the year ended 31 December 2023.

Unless otherwise identified, the data in this report applies to the entire company. The report describes the impacts of our operations on the environment and society, and highlights issues that can impact our business. We have been guided by the appropriate UN SDGs relevant to our sector. To the extent possible, our disclosures have been influenced by guidance from the Global Reporting Initiative (GRI) and by the SASB Standards for Solar Technology & Project Developers. Not all metrics from the standards are included and unless otherwise noted, the information in this report is limited to the 2023 calendar year.

The information contained in this report has been collected from what is currently available and reasonably verifiable at the time of publishing. The report and information contained in the report have not been independently reviewed or audited, with the exception of scope 1 and 2 market-based and location-based emissions which were subject to an independent limited assurance engagement by PwC described in the assurance report on page 49.

Lightsource bp will update and publish sustainability reports on an annual basis. As part of this, we will review the latest reporting standards and evaluate opportunities to enhance our disclosures to provide transparency and demonstrate year-on-year progress.

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Letter from the Co-CEOs

Sustainability – one word that has a massive impact on Lightsource bp. It informs and impacts everything that we do. It's not something we strive for, it's part of who we are. Not only is sustainability one of our core values, our sustainability framework spans three critical pillars that are fundamental to our operations: energy, environment and people.

Despite the speed that we move at, our commitment to sustainability lies at the heart of Lightsource bp – developing responsible solar isn't optional for us, it's in our DNA.

Thankfully, there's growing international recognition that the energy transition must be a [just transition](#). Lightsource bp has been at the forefront of this transition by delivering responsible solar efficiently and effectively, prioritising sustainable materials and practices, and genuine two-way engagement with our local communities and stakeholders.

This year's Sustainability Report is testament to that, and we are fiercely proud of what we've achieved, our ambitions and our innovations.

A key area of development in 2023 was the Biodiversity Net Gain (BNG) framework. Our ambition is to go beyond business as usual and our BNG framework is just another example of that. We want to leave habitats in a measurably better state than we found them. Our aim is to deliver a BNG on our operational assets measured 5+ years after construction. A commitment that responsible solar can lead to ecological improvement and better local ecosystems – a win for our energy, environment, and people.

Given the speed and scale that Lightsource bp operates at, promoting a socially responsible and sustainable supply chain is incredibly important for us. We continue to collaborate with the wider industry to improve supply chain traceability and our 2023 report details impressive progress on supply chain due diligence.

We've said this before and we will keep doing so – our people remain our most valuable asset and we continue to learn from them, invest in them and nurture their talent. We are both amazed at what our people have and continue to achieve, driving this company forward with purpose and passion. In 2023, we launched our first ever Diversity, Equity & Inclusion survey which has given us powerful insights into areas where we are excelling and areas where we can do better.

Finally, we rounded out 2023 with a major milestone for Lightsource bp, with bp agreeing to acquire Lightsource bp and double its investment in us. The deal will serve as another inflection point for the company and allow us to bring our sustainability strategy to more partners, more people, and more projects. The future is very exciting, and we couldn't be prouder of the role that Lightsource bp and our people are playing in building it.



Nick Boyle and Joaquin Oliveira,
Group Co-CEOs

About Lightsource bp

Our Company

Lightsource bp (LSbp) is an international solar and energy storage business. We develop, finance, build and operate utility-scale solar power projects through smart and sustainable solutions. As a leading global solar developer we are rapidly scaling up to help meet the rising demand for affordable, reliable, renewable energy. Throughout 2023, and at the time of print, we operated as a 50:50 joint venture with bp. At the end of November 2023 bp announced its intention to fully acquire the business.

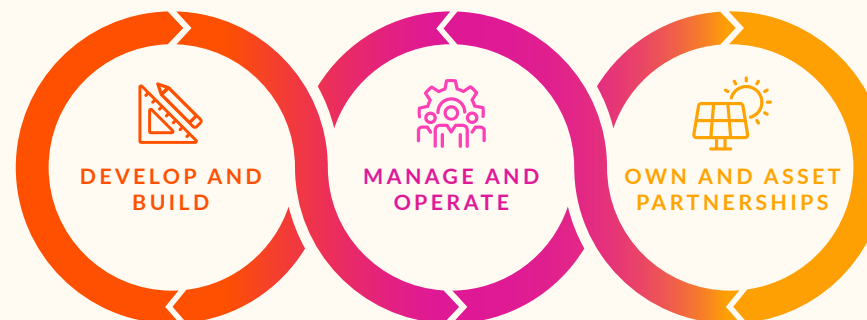
We create value across the entire asset lifecycle by using an integrated approach to our business structure. From financing and development through to long-term maintenance, our in-house team provides a full-service experience to our customers. Lightsource bp does not provide any manufacturing services or supply raw materials; our solar power plants are built and maintained with parts, services and equipment purchased from the third-party supply chain. Lightsource bp sources solar panels, transformers, inverters, trackers and other related materials and services either directly from manufacturers, or indirectly through our engineering, procurement, and construction (EPC) partners or co-development partners.

WHAT WE DO

Lightsource bp develops, owns and operates utility-scale solar projects that deliver affordable and sustainable power across the world. We also work in partnership with third-party investors to help build and grow renewable energy portfolios.

OUR STRENGTHS

Global reach and buying power; Financing capability; Track record in delivery and Investment in innovation



We have established a track record in developing solar assets from early stage greenfield, through to late stage M&A and 'Ready to build' status.

Our team are highly skilled in managing the performance and operations of utility-scale solar assets for over 13 years including Lightsource bp owned projects and third-party assets. We continue to invest in the latest AI technology to improve returns and performance.

As part of accelerating the energy transition we also provide opportunities around the world for utilities and investors looking to acquire and grow their own renewable portfolios.

UNDERPINNED BY OUR CORE VALUES

We place our core values at the centre of everything we do and aim to enact positive change through the development of our solar projects and business operations. Sustainability is how we do business.



SAFETY



SUSTAINABILITY



RESPECT



INTEGRITY



DRIVE

lightsourcebp.com/culture-and-people
Find out more about our culture and people

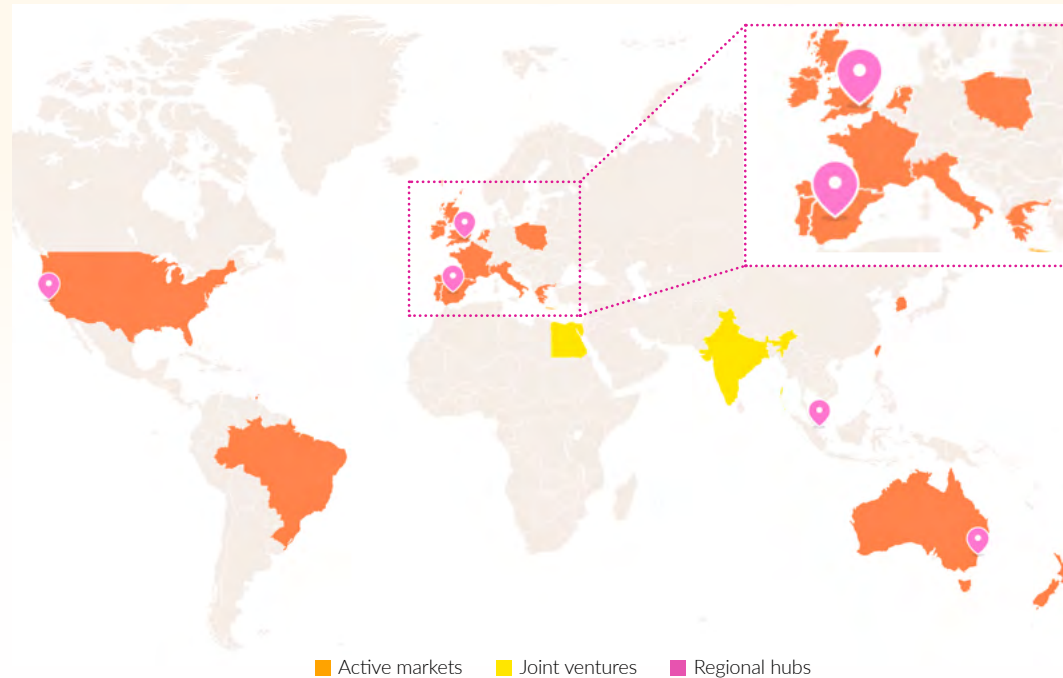
ABOUT LIGHTSOURCE BP CONTINUED

Our Global Portfolio

2023 was a year focused on solidifying our presence in key markets and laying the groundwork for more transformational change. In 2022 alone, we entered five new markets. We now operate in 19 regions globally, with offices in 15 countries.

Our team has grown by more than 200 people in 2023, to almost 1,200. We didn't just grow our team, we grew our pipeline to 60+GW, broke ground in new markets, signed deals with some of the biggest brands in the world and, most importantly, agreed a deal with bp that positions us as a key part of their onshore renewable energy platform – creating a massive opportunity to take Lightsource bp to a completely new level.

LIGHTSOURCE BP AROUND THE WORLD



2023 HIGHLIGHTS

8.8GW

of projects developed to date

1,194

employees in our team

63.7GW

project pipeline

19

regions of operation

c. 3.7TWh

of clean energy delivered from our owned assets

> lightsourcebp.com

Find out more about our company and partners on our corporate website



Sustainability at Lightsource bp

Our Sustainability Strategy

Solar power at scale is foundational to the global effort to limit average temperature increase to 1.5°C. To achieve this goal, global deployment of solar needs to accelerate from 126GW/year in recent years to 444GW/year by 2050, according to IRENA¹. Global solar capacity additions hit 346GW in 2023², accounting for nearly three-quarters of all renewable additions. Solar energy is now cheaper than fossil-fuel generation³ and has one of the lowest life cycle greenhouse gas (GHG) footprints, providing an affordable, sustainable form of energy to a growing world.

While developing solar power projects is our core contribution to combating climate change, we are also working to reduce our own impact. We are going beyond business as usual in our environmental goals and are always seeking ways to deliver a positive impact for our people, partners, and communities. Our sustainability strategy remains unchanged and continues to guide our work as a core value of the company.

OUR SUSTAINABILITY FRAMEWORK

Our sustainability framework spans three key pillars:



People

Social responsibility

for our people, partners and communities



Environment

Environmental stewardship

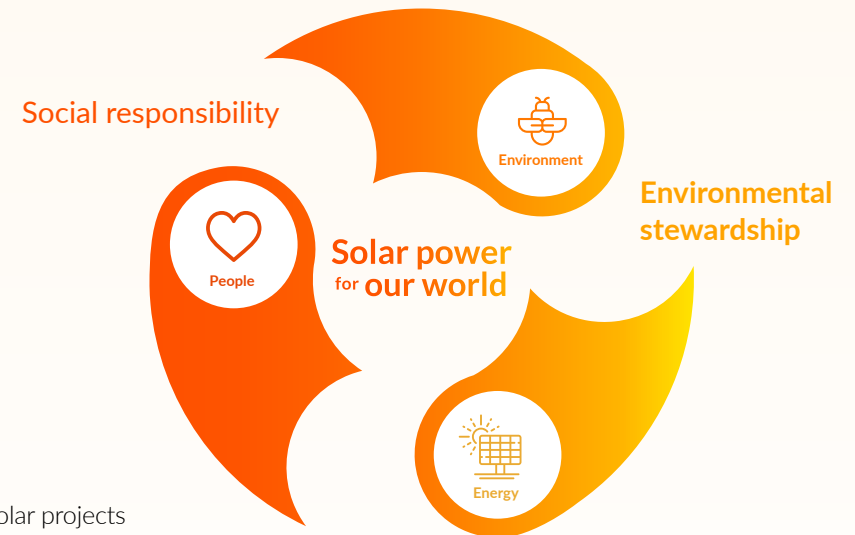
going beyond business as usual

- Enhance ecosystems and biodiversity
- Take science-based climate action
- Improve circularity



Energy

Delivering affordable, reliable, sustainable solar projects to decarbonise the world's energy landscape



Lightsource bp supports the Sustainable Development Goals:



¹ IRENA (2022), World Energy Transitions Outlook 2022: 1.5°C Pathway, International Renewable Energy Agency, Abu Dhabi.

² IRENA (2024), Renewable capacity statistics 2024, International Renewable Energy Agency, Abu Dhabi.

³ IRENA (2022), Renewable Power Generation Costs in 2021, International Renewable Energy Agency, Abu Dhabi.

Our Ambitions

ENERGY



Our primary contribution to global sustainability is through decarbonising the world's energy landscape.

[See p8](#)

We are delivering renewable, affordable, and reliable solar energy to power the energy transition.

ENVIRONMENTAL STEWARDSHIP [See p10](#)



We aim to be amongst the leaders in biodiversity and multiuse solar by:

- Delivering biodiversity net gain on our LSbp developed, ground-mount solar sites, measured 5+ years post-construction.
- Developing a biodiversity management plan for LSbp developed solar projects⁴.
- Incorporating agricultural activity in the development of our solar farms (agrivoltaics) where appropriate.



We commit to take climate action on greenhouse gas emissions by:

- Delivering renewable energy at scale to enable businesses and communities to meet their climate ambitions.
- Committing to science based targets to decarbonise our own operations and supply chain.



We aim to improve the circularity of our solar assets by:

- Committing to reuse or recycle solar panels in our owned assets.
- Measuring and improving our waste footprint.

SOCIAL RESPONSIBILITY [See p22](#)



We will respect human rights in alignment with international standards by:

- Adopting procedures to manage the risk of modern slavery in our operations and supply chains.
- Performing supplier due diligence to inform supplier selection and management.
- Collaborating with industry to improve supply chain transparency and traceability.



We will invest in local communities including:

- Supporting economic development through local partnerships and job creation.
- Offering educational opportunities from academic research to solar training programmes.

⁴ LSbp developed solar projects: Lightsource bp owned solar projects where land agreements, permitting and grid connection agreements are developed by our in-house teams, rather than external co-development partners.

Stakeholder Engagement

As part of our engagement with our stakeholders, we seek to understand the sustainability topics and issues that are most material for them.

Working with these stakeholders informs our assessment of our impact on the environment and society. We also consider the impact of these identified themes on our business, the output of which has been assessed in more detail on page 44 of this report. Please refer to page 9 of the [2022 Sustainability Report](#) where we summarised the qualitative output of our materiality assessment for the first time. While this remains unchanged for this report, we will seek to further formalise this assessment in future years to ensure we remain focused on the topics that are most material to our business and our stakeholders.



Energy

Renewable Energy at Scale

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ENERGY

Renewable Energy at Scale

Between 2019 and 2023, energy-related carbon dioxide emissions increased globally by approximately 900Mt. Without the growth in renewable energy deployment during this period, these emissions would have been three times larger⁵. According to the IPCC, the rapid deployment of renewable energy is vital for limiting global temperature rise to manageable levels⁶.

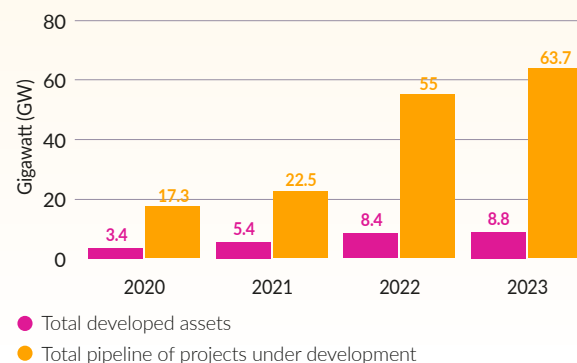
Lightsource bp is committed to delivering sustainable solar at scale to support the urgent need to reduce global carbon dioxide emissions and limit global warming to 1.5°C. In fact, the [IEA has singled out solar's amazing growth](#) over the last few years as a key reason that the path to 1.5°C is still achievable.

In 2023, we increased our pipeline of solar projects in development beyond 60GW. We also started construction on our first utility-scale battery storage project and have developed a mature pipeline of 1.3GW of energy storage projects. We owned and operated over 2.76GW of assets in 2023, including over 1GW of newly commissioned solar farms. These assets generated over 3.7TWh of renewable energy, avoiding estimated emissions of over 2,300,000 tCO₂e associated with global energy generation (see page 21).

⁵ IEA (2024) CO₂ Emissions in 2023: A new record high, but is there light at the end of the tunnel? IEA Publications, International Energy Agency.

⁶ IPCC, 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S.L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M.I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R. Matthews, T.K. Maycock, T. Waterfield, O. Yelekçi, R. Yu, and B. Zhou (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, 2391 pp., doi:10.1017/9781009157896.

Year-on-year developed assets and total pipeline of projects under development



In 2023, 0.4GW of our projects reached financial close, growing our total year-on-year developed assets to 8.8GW. While this could be interpreted as a slowdown in our growth, lengthening project timelines means a more accurate reflection of our 2023 growth is captured by our projects in construction, which doubled from 2022 to 2023. At the year end, we had 30 projects totalling 3.77GW in active construction across eight different jurisdictions.

2023 GROWTH IN CONSTRUCTION

Assets under construction

30
2022: 16

Jurisdictions

8
2022: 4

Energy capacity of assets under construction

3.77GW
2022: 1.9GW

FOCUS PIECE

Energy storage

Energy storage is a great enabler of PV and deeper penetration of renewables on the grid⁷. For Lightsource bp, energy storage development is an end-to-end process incorporating the same breadth of activities as our established solar business – from greenfield development to procurement and engineering through to power marketing and financing.

We have built up our energy storage business across multiple markets in tandem. As well as providing a fresh development opportunity as standalone assets, energy storage is also a strategic play as it 'loosens' up tight grids and enables the deeper penetration of renewable energy generation projects. In some jurisdictions there will be an advantage, or even an imperative, to co-locate solar and energy storage projects.

⁷ IRENA (2019), Innovation landscape brief: Utility-scale batteries, International Renewable Energy Agency, Abu Dhabi.

Environmental Stewardship

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Biodiversity, Ecosystems and Multiuse Solar

Our aim

We aim to be amongst the leaders in the promotion of biodiversity in the development of our projects. Our goal is to deliver **a biodiversity net gain (BNG)** on our LSbp developed ground-mount solar assets 5 years post-construction or within an ecologically acceptable timeframe for more challenging climates or habitats that take longer to establish. We also seek to deliver opportunities for multiuse solar – combining energy generation with other activities such as agriculture, habitat enhancement, and carbon sequestration.

Approach

Biodiversity and ecosystem services, critical to human life, are rapidly declining worldwide⁸, placing us in a critical period where biodiversity loss must not only be stopped, but reversed. Our industry is well placed to make a real contribution. The infrastructure on a solar farm typically takes up less than 10% of the land. This provides an opportunity, and a responsibility, to maximise the beneficial use of that land by improving biodiversity and delivering other synergistic land uses.

At the core of our approach to enhancing biodiversity is our adherence to the mitigation hierarchy, seeking first to avoid negative impacts by avoiding areas of high biodiversity value where possible (see our [2022 Sustainability Report](#) for more detail). A rigorous site selection process is undertaken using our OneMap GIS tool to perform thorough site constraints analysis and determine the optimum areas for development. As part of our standard environmental impact assessments, we work closely with expert ecologists, local authorities, and the local community to assess sites and design schemes that minimise impacts and respect and enhance an area's unique environmental features.

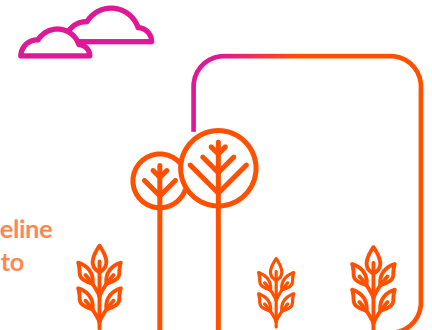
To achieve BNGs on our solar sites, we are committed to preparing a Biodiversity Management Plan (BMP) during the development phase of all our self-developed projects; a goal that came into effect for 2023. The BMP sets out the anticipated BNG that will be achieved and establishes the framework for doing this. This informs mitigation measures during construction, details habitat enhancement and creation plans, and sets out ongoing project monitoring and reporting requirements throughout operation to assess whether the BNG will be achieved.

Company reporting tracks whether BMPs have been prepared during the development phase and whether the BNG aim has been met within the prescribed timeframe. In 2023, LSbp-developed projects, to which the aim applies, formed approximately 75% of our entire development pipeline.

In addition to enhancing biodiversity, we also recognise the opportunity to deliver other complementary uses on our solar sites. We have over a decade of experience in successfully combining sheep grazing with solar and are increasingly exploring new opportunities to combine agricultural practices with energy generation on our solar farms – a concept known as agrivoltaics.

75%

of our entire development pipeline was LSbp-developed projects to which the BNG aim applies.



⁸ IPBES (2019): Summary for policymakers of the global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. S. Díaz, J. Settele, E. S. Brondizio, H. T. Ngo, M. Guèze, J. Agard, A. Arneith, P. Balvanera, K. A. Brauman, S. H. M. Butchart, K. M. A. Chan, L. A. Garibaldi, K. Ichii, J. Liu, S. M. Subramanian, G. F. Midgley, P. Miloslavich, Z. Molnár, D. Obura, A. Pfaff, S. Polasky, A. Purvis, J. Razzaque, B. Reyers, R. Roy Chowdhury, Y. J. Shin, I. J. Visseren-Hamakers, K. J. Willis, and C. N. Zayas (eds.). IPBES secretariat, Bonn, Germany.

BIODIVERSITY AND MULTIUSE SOLAR CONTINUED

Progress in 2023

In early 2023, our aim of delivering BNG came into effect, meaning all self-developed projects reaching financial close from 2023 onward should actively plan to deliver a measurable on-site biodiversity gain (see the [2022 Sustainability Report](#) and our [Biodiversity policy](#) for further detail). A key focus for 2023 has been the implementation of our BNG Framework, including engagement and collaboration with teams across the business to understand how to deliver on this aim in each country.

To encourage peer learning and knowledge sharing, we established a Biodiversity Net Gain Taskforce, bringing together key stakeholders and BNG champions from across our geographies. The group meet monthly to discuss challenges and to share different approaches and solutions. This has been key to the Framework's implementation as, despite notable differences in environmental contexts and regulatory requirements, our jurisdictions often face similar challenges that can be tackled collaboratively.

Additionally, we continue to build out our technical capabilities to support the delivery of these strategic aims. In 2023, we developed a Biodiversity Screening Application for our OneMap GIS application. This tool is used by teams as part of standard site feasibility assessments to highlight any potential risks in relation to biodiversity and flag the need for further assessment where required.

Maturing our approach to agrivoltaics development was a key focus in 2023. Cross-functional workshops were held across our EMEA and APAC geographies to define a strategic approach to agrivoltaics in a way that is suitable for our operations. This process has contributed to the enhancement of our in-house capabilities and knowledge around the integration of agriculture into our project development, design, and decision-making processes. We also continued to solidify our approach to working with local farmers and developing our contracts to be structured in a way that encourages best management practices for grazing globally.

Our BMPs for self-developed projects must include:

- Description and evaluation of key ecological features on and adjacent to the site.
- Measures to avoid and mitigate impacts on biodiversity.
- Habitat restoration and creation proposals.
- A calculation of the BNG expected based on project impacts and habitat scheme designs.
- A management, monitoring, and reporting regime.

Of the projects to reach developed asset status in 2023, there was one self-developed project. This had a BMP prepared with an anticipated BNG of 222%.

Our BMPs for co-developed projects have the same requirements excepting the calculation of expected BNG. Of our co-developed projects that reached developed asset status in 2023, 67% had BMPs.



2023 AGRIVOLTAICS HIGHLIGHTS

37

contracts for
agrivoltaics were
signed with local
farmers

12%

of our solar
development pipeline
had agrivoltaics
proposed

31%

of our operational
assets had
agrivoltaics
on site



BIODIVERSITY AND MULTIUSE SOLAR CONTINUED

Looking Forward

Looking into 2024 and beyond, our key focus will be continuing to embed the Biodiversity Net Gain Framework, particularly in jurisdictions working on their first self-developed projects. As part of our sustainability commitments, we will be developing a company-wide Environmental Policy which will include minimum requirements for water and biodiversity. Ongoing engagement with the agrivoltaics community will support us in our progress towards developing a range of solutions that deliver healthy ecosystems and sustainable agricultural practices. A priority for the maturation of our agrivoltaics approach is to diversify our use-case through integrating cattle grazing and crop farming systems into our projects. We will continue to engage with evolving research and emerging technologies in relation to multiuse solar to ensure we are at the forefront of embedding these practices into our business.

CASE STUDY

Bee & Butterfly Fund – Honeysuckle Solar, USA

The global decline in critical habitat is having a significant impact on populations of bees, butterflies, and other pollinators. This is problematic both for the health of our ecosystems and for human society. Due to the size, shape, and open-spaced nature of solar farms, they can play a significant role in keeping pollinator populations healthy and strong.

[The Bee & Butterfly Fund](#) launched their 'Solar Synergy' programme in early 2023, providing tools and expertise to utility-scale solar developers seeking to cultivate high-quality pollinator habitats at their projects. Some of the benefits of this programme include:

- Providing seed mixtures designed to provide high-value food and shelter for pollinators, while meeting the solar industry's unique needs as well.
- Monitoring the health of pollinator populations at the solar farm during operations.
- Documenting how on-site vegetation helps pull atmospheric carbon into the soil for long-term sequestration.
- Connecting solar developers with opportunities for commercial honey production on site.

Lightsource bp's 188MW Honeysuckle Solar project in Indiana will be one of the first participants. The project will feature two distinct seed mixes to ensure pollinator benefits across the site. The first mix, which will grow beneath the panels, contains 25 species of grasses and flowering plants. The Bee & Butterfly Habitat Fund designed and provided the second mix, which will grow into a 'high-density' pollinator garden on more than 20 acres around the site perimeter. The mix contains more than 50 species.

Once the project enters commercial operation, Lightsource bp will pursue opportunities to host commercial beekeeping at the project site. Meanwhile, the Bee & Butterfly Habitat fund will begin monitoring the health of pollinator habitat and populations at the project site, as well as documenting carbon sequestration into the soil.

Circularity

Our aim

We seek to positively impact the waste footprint of our operations by committing to reusing or recycling solar panels in our owned assets and measuring and improving our waste footprint.

Approach

A typical solar asset has an operating lifespan of over 30 years, and our assets are generally early in their life, with the earliest sites constructed in 2011. We have not yet encountered decommissioning or repowering on these assets, although we regularly assess the end-of-life value of our solar assets including highly recyclable materials such as copper and steel. Our commitment to reuse or recycle solar panels ensures less waste to landfill and allows for recovery of valuable materials that can be circulated into established and growing industries. The successful development of sufficient renewable energy assets is also particularly reliant on significant volumes of key materials, such as copper, meaning that the successful integration of circular economy principles into our business is not just a nice to have – it is critical.

We generate waste at all stages of project development, across construction, operation, and decommissioning of our solar projects as well as at our offices. As part of our HSE management system, we require our suppliers and contractors to adhere to applicable local and regional waste regulations, such as the Waste from Electrical and Electronic Equipment (WEEE) Directive in the EU and UK. We require our contractors to have a plan to manage waste, including hazardous waste, and we continue to work to better understand and increase the visibility of our waste footprint.

Quality is an essential component of both sustainability and circularity as it allows us to maximise the lifespan of our assets, so we select highly performing contractors and suppliers who are aligned to our sustainability ambitions, thereby reducing waste through construction and, in turn, reducing the need for raw material extraction. Manufacturing quality is therefore a key aspect of our supplier selection process.

Components that are durable, functional, and fit for purpose to meet operational needs will typically perform better and last longer, reducing the need for replacements. We also require our construction suppliers to develop quality plans and we provide oversight of this during the construction period.

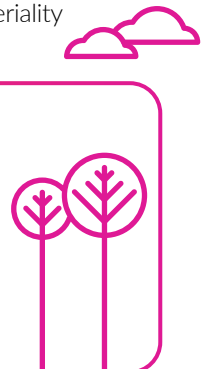
During operation, we are dedicated to continually ensuring the site runs to its intended life and maximum efficiency by cleaning the panels, testing the equipment, and managing the land.

While we do not currently have assets nearing end-of-life, we recognise the importance of having plans in place for decommissioning a project to ensure we can maximise recoverability and recyclability. As part of our permit and lease agreements we typically have an obligation to restore the site to the original condition. This will include appropriate waste management of all materials and resources, including recycling or reuse of PV modules and other components.

Water management has not been identified as a material issue for our business as, in general, water consumption is minimal. We do utilise water in the operation of our solar farms to periodically wash our solar panels and within our offices. Where water usage is expected to be above this minimum level, this would be identified and managed as part of the regular environmental impact assessment process, including reassessing the materiality of the issue for the company, if appropriate.

58,904

reused or recycled solar panels in 2023



CIRCULARITY CONTINUED

Progress in 2023

Waste management: In 2023, we implemented monthly reporting protocols for construction projects, significantly improving the coverage and accuracy of our waste data. This has allowed us to gain a better understanding of our waste footprint and helped us to identify opportunities for improvement. For example, from the data collected at construction projects in 2023, we were able to isolate the packaging our equipment is shipped in as the biggest contributor to our total footprint. We were also able to quantify the magnitude of our footprint, with 4,046 tonnes of waste generated in 2023, including 246 tonnes of hazardous waste, excluding those areas identified as data gaps.

While there are still opportunities to refine data accuracy in some jurisdictions, the waste data collected this year allowed us to establish a baseline for our footprint for the first time. This showed an average of 2.1 tonnes of waste generated per MW per year for our construction projects, and 44% of the total waste reported was diverted from landfill.

We also started building out an initial O&M waste footprint across our UK owned and operated portfolios and two of our Australian assets. While reporting coverage is limited for O&M, the data we have collected in the UK and Australia shows an average of 0.18 tonnes of waste is generated per MW per year, with 77% of the total waste diverted from landfill.

CASE STUDY

A recycling success story

We seek to improve our waste footprint through our commitment to reusing or recycling solar panels, as well as reducing or diverting other waste streams during construction and operations. Our 188MW Honeysuckle Solar project in the US is a true reflection of this commitment; Honeysuckle Solar has recycled 88% of construction waste, without added cost to the project.

Broken or damaged solar panels are a small portion of construction waste on site. Of the more than 400,000 panels delivered to the site, a few thousand arrived broken or were damaged during construction. In line with our global commitment, 100% of these panels will be returned to their US-based manufacturer for recycling.

Besides the panels themselves, most of the waste from solar construction is what you would find at any other construction site – plastic, wood, cardboard, and scrap metal. At Honeysuckle, packaging from materials and equipment is the biggest waste stream, with wooden pallets making up the majority.



The site team separated, sorted and stored these recyclable materials to be picked up by a local recycler. By doing this, approximately 88% of the waste generated on site was diverted from landfill, not including any damaged and recycled solar panels. Even better, this success story came at no cost to the project, with the fee for the local recycler being cheaper than regular dumpster haul charges to the landfill. These savings offset the additional labour cost needed to run the recycling programme.

CIRCULARITY CONTINUED

In addition to the improvements in understanding our waste footprint, we also published a procedure for wood waste and vegetation debris management and disposal in 2023, which outlines the expectations and minimum requirements for management of wood and vegetation waste at our projects.

There was one reportable spill in 2023 of 1,096 gallons of oil, of which 78% was recovered. Incident investigation has taken key learnings from this event to ensure it will not be repeated.

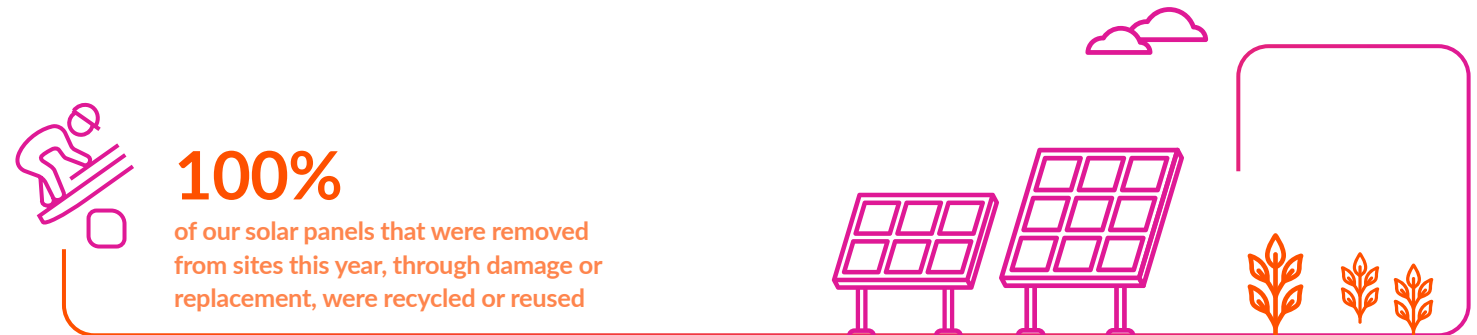
Solar panel recycling: We reused or recycled 58,904 panels in 2023 across operational and construction projects, which is a significant increase from the number we recycled in 2022. This is largely due to a major hail event at our operational Woolooga project in Australia which damaged over 45,000 panels, all of

which have been recycled. Please refer to page 45 for more information on our new technology designed to mitigate this risk in the future. This year we also improved the quality of reporting of panel damage information by obtaining documentation of all collections from sites and by gaining a better understanding of the causes of damage.

We issued regional resources on solar panel recycling for internal use which provide key guidance for panel recycling in the EU, UK, US, and Australia, including recycling requirements and responsible PV recycling checklists.

We are proud that 100% of our solar panels that were removed from sites this year, through damage or replacement, were recycled or reused⁹.

Engaging on quality: As stated previously ([Circularity – Approach](#)), we have significantly strengthened our quality assurance framework and supplier relationships with a focus on improved quality requirements within our contractual Terms and Conditions and appropriate assurance of the manufacturing processes through factory assurance checks and third-party expert inspections during manufacture. This is further supported by ensuring good quality materials storage, handling, and installation practices in line with manufacturer instructions. Continuous improvement is critical for managing quality for sustainability and circularity in the supply chain. By regularly assessing performance, identifying areas for improvement, and implementing changes, our business is improving its circularity.



⁹ This does not include sites where this data is not available, see page 17 for more information. In addition, some panels arrive to site damaged and are returned to the supplier, in line with contractual terms.

CIRCULARITY CONTINUED

Coverage and data gaps: We developed KPIs in 2022 to monitor waste in the construction and operations phases of our business and sought to introduce these in a phased manner. We successfully implemented monthly reporting of waste for our EPC contractors at all construction projects in EMEA, APAC, Brazil and Trinidad & Tobago in 2023, however, implementing regular reporting at our US projects has been more challenging. Across all jurisdictions we have collected waste data for 57% of our construction projects in terms of MW capacity.

Our operational sites generate less waste than those in the construction phase so we have not yet fully implemented monthly reporting, however, we do receive data for all our UK O&M sites from our waste management providers and monthly data from our Australian O&M contractors. The O&M sites that we have collected data for cover 37% of our total owned and operated MW capacity.

Collecting information on panel recycling has improved greatly, with 80% of assets providing information on damaged panels across operational and construction sites.

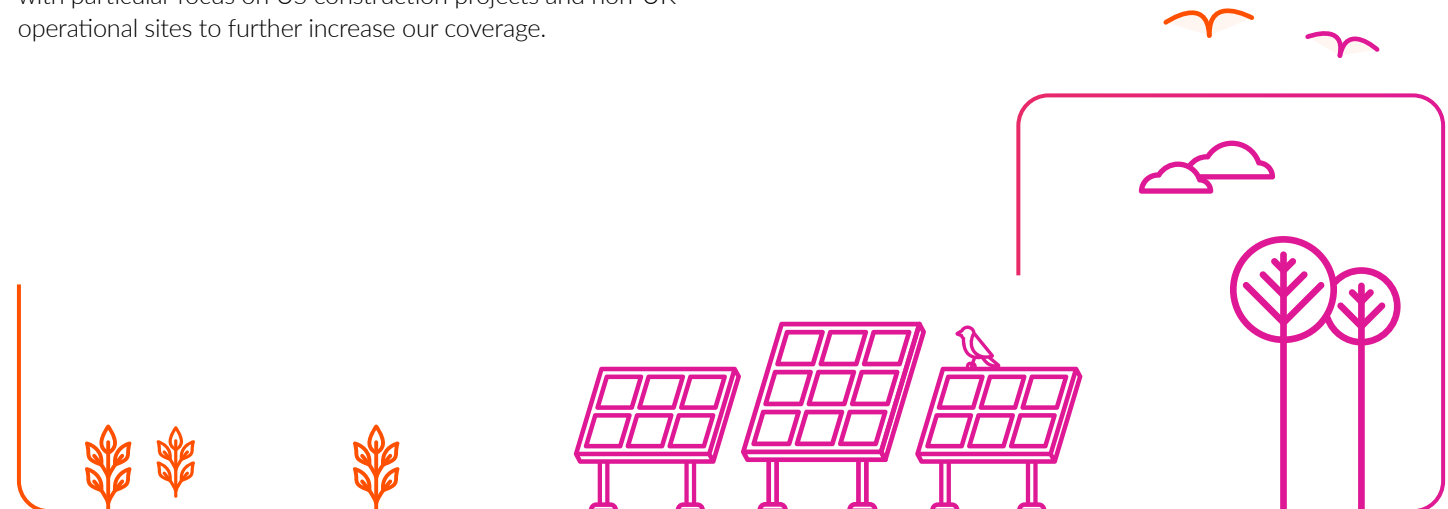
Looking Forward

The focus for 2023 was building out our waste footprint to allow us to understand how best we could improve our impact – this has allowed us to see the split of disposal routes for the first time. As a result, a key priority for 2024 is the development of a global waste policy which is designed to provide clarity and consistency for minimum environmental standards and will serve as a key building block in our drive to divert more of our waste away from landfill.

We recognise that our waste footprint is not yet as complete or accurate as it could be. We will continue to improve global data collection to inform our priorities and reduction efforts, with particular focus on US construction projects and non-UK operational sites to further increase our coverage.

We are also collaborating with the wider solar industry to promote solar panel recycling in markets where it is not yet mandatory, and we will continue to engage in industry efforts to define best practices for end-of-life management and circularity, such as with SolarPower Europe.

We will also look to gather information on water usage in operations, as we mature our baseline and measurement process with our operations and maintenance suppliers.



Greenhouse Gas Emissions

Our aim

We commit to take climate action on greenhouse gas emissions by:

- delivering renewable energy at scale to enable businesses and communities to meet their climate ambitions.
- committing to science based targets to decarbonise our own operations and supply chain.

Our GHG targets, approved by the Science Based Targets initiative (SBTi) last year¹⁰, are to:

- Reduce our absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year, and
- Reduce our scope 3 GHG emissions 52% per MW generation capacity constructed by 2030 from a 2021 base year.

Approach

Through our development and deployment of solar energy solutions we are contributing to the growth of a key enabler of the green transition. While rapidly scaling up renewable energy capacity is critical, we also recognise the importance of reducing the emissions associated with our own operational footprint and our wider supply chain.

We released our first GHG inventory in our [2021 Sustainability Report](#) and have committed to reporting annually on our emissions following the GHG Protocol. This is a critical part of our sustainability strategy as it allows us to accurately target our emissions reduction actions and ensure these are transparently reported. In our [2022 Sustainability Report](#) we obtained external independent limited assurance over our scope 1 and scope 2 emissions for the first time – we have continued that practice for our 2023 data (see page 49).

Our Footprint

Our scope 1 and 2 emissions are primarily from mobile combustion and fugitive gases in our operations and from purchased electricity consumed at our offices and sites.

Historically, the embodied carbon footprint of capital goods and their upstream transportation have made up more than 99% of our scope 3 emissions. We calculate these scope 3 categories on a project-by-project basis, accounting for a solar project's MW capacity and associated emissions in the year that it reaches financial close, and only for projects where we will be involved in the construction phase (i.e. we have not sold the project 'Ready to Build'). As previously discussed on page 9 lengthening project timelines meant that no projects where we were involved in the construction phase reached financial close during 2023. The scope 3 emissions for capital goods and upstream transportation for the 30 assets under construction in 2023 were accounted for in full in the year in which they reached financial close. Because of this, we didn't have new MW capacity, capital goods or upstream transportation emissions to include in our scope 3 data. The effect of this on our emissions footprint for the year has been set out in the next section.



¹⁰ As a joint venture with bp, the SBTi has determined Lightsource bp meets category 2.4 of its temporary policy surrounding fossil fuel companies.

GREENHOUSE GAS EMISSIONS CONTINUED

Progress in 2023

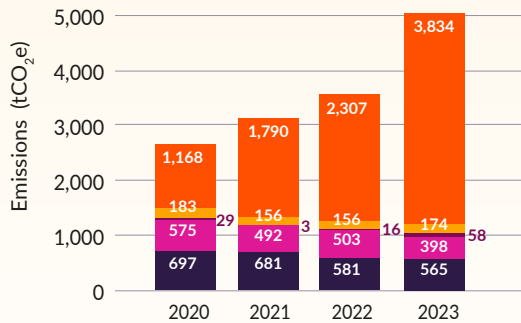
In 2023, we completed an outline for our GHG reduction roadmap and began engaging internal stakeholders to pursue various carbon reduction strategies to help reduce our scope 1 and scope 2 emissions. We also developed GHG emissions overview training which will be published on our internal learning and development platform with the aim of embedding sustainability in our business-as-usual practices. Given the relative magnitude of our scope 3 emissions, supply chain

engagement continues to be the largest opportunity for emissions reductions and, as a result of our collaboration, the percentage of our suppliers with GHG reduction plans increased from 71% in 2022 to 88% in 2023. We will continue to engage with our suppliers to ensure their GHG reduction plans align with our own scope 3 commitments – please refer to page 31 where this is discussed in more detail.

Building on last year’s enhancements we have continued to improve our data collection process. We worked with office

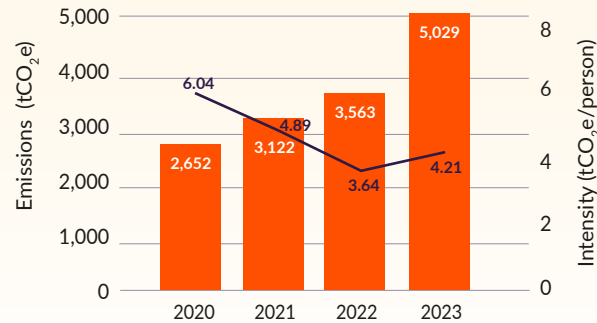
landlords and facility managers to track natural gas and electricity usage more accurately across our offices globally, improving the accuracy of scope 1 and scope 2 emissions. This included collecting energy consumption data from electricity invoices for 100% of our operational sites, improving the accuracy of our footprint by reducing the need for estimation. We also obtained fuel mix disclosures from some of the utility providers for our US sites. This further improved our understanding of our global energy mix and brings our renewable electricity consumption to 48% of the total across all offices and sites.

Scope 1 & 2 (market) emissions



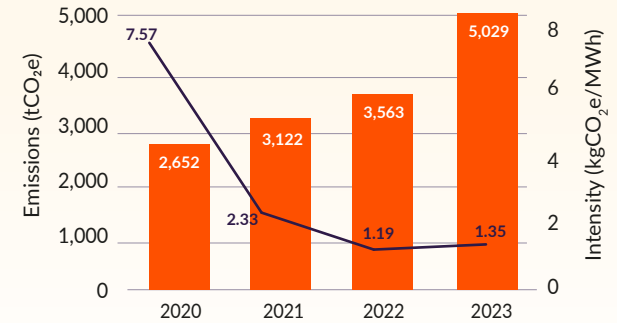
- Mobile combustion
- Office electricity
- Other emissions
- Stationary combustion
- Site electricity

Scope 1 & 2 intensity by headcount



- S1+S2 (market) (tCO₂e)
- Intensity (tCO₂e/person)

Scope 1 & 2 intensity by MWh generation



- S1+S2 (market) (tCO₂e)
- Intensity (kgCO₂e/MWh)

GREENHOUSE GAS EMISSIONS CONTINUED

Scope 1 & 2 emissions: From our 2021 baseline, our scope 1 absolute emissions have decreased by 14% which is primarily driven through a reduction in fugitive gas leakage from our solar infrastructure. Conversely, scope 2 market-based emissions have increased by 106%. This is primarily driven by an 88% increase in our GW capacity, delivered by new solar farms under our operational control, and greater office energy consumption driven by an 87% growth in headcount. Due to these same factors, scope 1 emissions decreased by 7% and scope 2 market-based emissions increased by 63% when compared with 2022.

Our SBTi targets for scope 1 and 2 are based on absolute emissions. This means they do not account for the growth of our company and solar asset portfolio. The development of renewable energy is a key contributor to the clean energy transition and therefore we believe the absolute growth of our company represents a positive enabler. We have therefore measured and reported scope 1 and 2 intensity metrics for the first time, both per employee and per generated megawatt-hour, to present a relative

picture. When accounting for intensity by headcount and power generation, our 2023 total scope 1 and 2 emissions intensity decreased by 14% and 42% respectively, when compared with 2021.

Scope 3 emissions: Our scope 3 SBTi target is an intensity metric based on tonnes of emissions per new MW capacity each year. As discussed in the previous section, we did not realise any new MW capacity in 2023 nor capital goods or upstream transportation emissions from projects reaching financial close. This means that charting our year-on-year scope 3 intensity would show a trend that paints an incomplete picture and would not accurately represent our full scope 3 footprint. To maintain transparency, we have instead elected to report the absolute figures for all material scope 3 emissions since our baseline year of 2021.

Given our extensive pipeline of projects we are confident that we will be able to report against our science-based targets into next year and beyond and that these remain an appropriate point of measurement for our business.

Scope 3 emissions by category (tCO₂e)

Category	2021	2022	2023
 1: Purchased goods and services	4,488	8,373	12,181
 2: Capital goods	1,216,484	1,280,022	-
 3: Fuel and energy related activities	921	1,086	2,161
 4: Upstream transportation	62,118	67,785	-
 5: Waste	2,590	3,824	2,874
 6: Business travel	776	4,288	13,483
 7: Employee commuting	216	519	566
 12: End-of-life treatment of sold products	6,071	7,378	-
TOTAL	1,293,665	1,373,275	31,264

Our total scope 1 emissions decreased by

14%

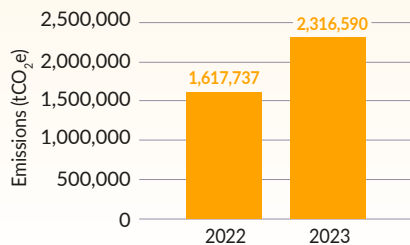
compared with our 2021 baseline.

GREENHOUSE GAS EMISSIONS CONTINUED

'Scope 4' emissions: 'Scope 4', or 'avoided' emissions, are emerging terms for emission reductions that occur outside of a product's life cycle or value chain that are enabled by the use of that product. They are not included within the carbon accounting of scopes 1, 2, or 3 set out by the GHG Protocol nor should they be viewed as an offset to our own emissions footprint.

However, by delivering utility-scale clean energy, our solar assets provide customers with a renewable alternative to traditional sources of energy generation, which result in a decrease in the emissions generated at the point of production when compared with the grid average. Our avoided emissions are a sum of each country's total power generation in a year multiplied by the relevant grid average emission factor. In 2023, our global assets generated 3.7TWh of renewable energy, avoiding estimated emissions of over 2,300,000 tCO₂e associated with global energy generation.

Estimated avoided emissions



Looking Forward

In 2024, we will continue to refine our data quality and will seek to further improve the accuracy of our scope 3 calculations by directly engaging with key suppliers across our value chain. We will also work to finalise our GHG reduction roadmap to ensure we have all the critical actions in place, both short and long-term, to allow our targets to be met. Our value chain emissions continue to be the largest opportunity for emissions reductions, so providing training to our Procurement and Engineering groups is key to improving supplier engagement and to ensuring their planned actions are aligned with our GHG reduction pathway.

Our primary focus for the business will continue to be the successful deployment of utility-scale solar projects around the world, helping to drive the energy transition.

CASE STUDY

Helping our partners reduce their carbon footprint

We have partnered with Xcel Energy on two projects in Pueblo, Colorado that total 593MW of solar energy capacity. Xcel Energy delivers electricity from the 300MW Bighorn Solar project to the EVRAZ North America Rocky Mountain Steel mill in Pueblo, making it the world's first steel mill to run almost entirely on solar power. The 293MW Sun Mountain Solar project helps Xcel Energy in its delivery of power to millions of homes and businesses across eight Western and Midwestern states.

Together, Bighorn Solar and Sun Mountain Solar generated just over 1,000,000 MWh of power in 2023. The electricity generated from these solar projects helped them avoid emissions that would have totalled over 734,000 tCO₂e of 'avoided' emissions when compared with the local electricity grid. These projects help support the state of Colorado's clean energy goal to reduce emissions statewide 26% by 2025, 50% by 2030, and 90% by 2050 – creating cleaner and healthier communities across Colorado while contributing to local economies.



Social Responsibility

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Our People and Culture

Our aim

We recognise that our culture, core values, and team members drive the success of Lightsource bp. We are investing in talent development to enable future growth and reinforcing a culture that allows driven individuals from all backgrounds to thrive.

Renewable energy is a rapidly expanding sector, and Lightsource bp is no exception. We have grown substantially as an organisation over the past few years. Attracting, retaining and developing talent in this environment is critical to our business. We design our recruitment processes to be diverse, inclusive, and equitable and offer competitive compensation and benefits. We are continuing to expand our internal training and leadership development to provide pathways for growth.

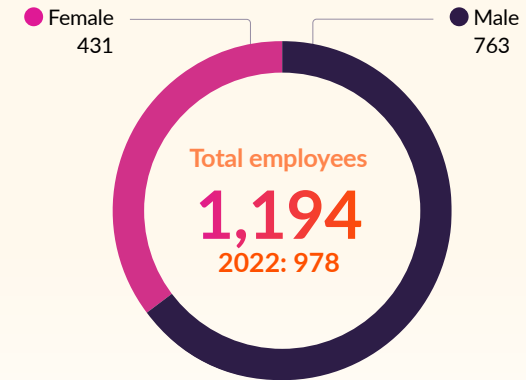
Approach

We pride ourselves on demonstrating that we are a values-led company, passionate about diversity, inclusion, and equity, as outlined in our [Diversity, Equity and Inclusion Mission Statement](#), employee guides and [Code of Business Conduct and Ethics](#). We care deeply about creating a safe and healthy place for people to work and encourage a culture of openness and integrity.

VIBES

We are continuously expanding the reach of our VIBES programme – which stands for volunteering, inclusivity, belonging, equality, and society – an employee-run initiative to drive employee engagement globally and regionally. We also evaluate partnerships with academic institutions and other organisations to develop the skills and talent needed for the future.

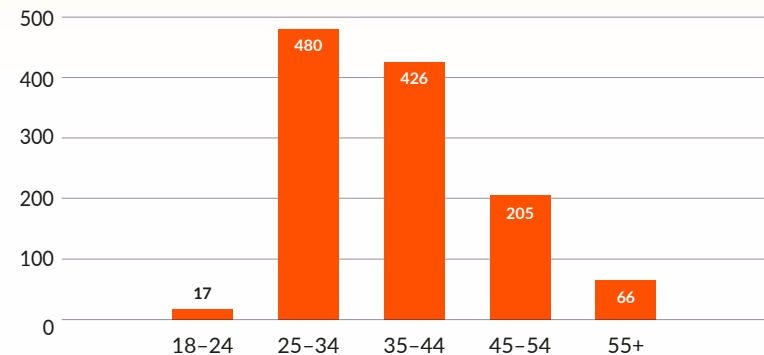
Gender split 2023 – Permanent employees



Nationalities

59
2022: 53

Age split 2023 – Permanent employees



OUR PEOPLE AND CULTURE CONTINUED

Progress in 2023

Our people in numbers: In 2023, we grew by 22% to reach 1,194 employees at year end, representing 59 nationalities. This, combined with significant growth in both 2021 and 2022, means we have nearly trebled in size as an organisation in the past three years, across multiple countries.

Overall female representation increased slightly on 2022 from 35% to 36%. Within our senior leadership roles (Executives + Key Functional and Operational Roles), 25% of our employees are female.



86

leaders completed face-to-face development programmes



We undertook our first Diversity, Equity and Inclusion (DE&I) survey in 2023, with a 78% response rate globally. For the first time, we gathered new demographic information about our team members with the aim of better understanding our people. This included looking at: caregiver status, disabilities, native language, religion, race/ethnicity, LGBTQ+ identification, education level and veteran status.

We participated in Solar Energy Industries Association (SEIA)'s DEIJ certification programme, earning a silver level (up from bronze in 2022). We also received a Bronze award for 'Best Company to Work For' at the UK Business Awards and were named one of America's top workplaces by Energage, with 94% of respondents to the survey feeling their job was meaningful, that they were appreciated and that the company has strong values.

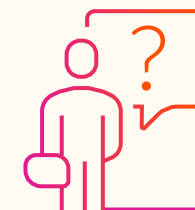
Learning and development: Development of our expanding pool of internal talent continues to be a key focus. In 2023, we upgraded our Learning Experience Platform (The Learning Hub), embedding a competency-based framework focused on key professional families and business-critical

skills. We have enriched our offer with a bespoke Solar Academy, with 260 new learning materials created by our internal Subject Matter Experts (SMEs), representing nearly a third of 800 total learning resources available.

FOCUS PIECE

Diversity of thought

Knowing how our employees and team members think, communicate and approach work can help build positive relationships and engagement. During 2023, 673 employees took part in Insights Discovery workshops. Insights Discovery is based on a psychometric tool using Carl Jung's typology; it supports self-understanding and development for individuals, as well as highlighting the strength in the diversity of thought, personalities and approaches to business within our teams.



673

employees took part in Insights Discovery workshops

OUR PEOPLE AND CULTURE CONTINUED

We continued to invest in leadership development, with 86 senior and emerging leaders from across the company attending our face-to-face leadership development programmes and 94 completing our online digital leadership academy on The Learning Hub. 95% of employees attending the face-to-face leadership programmes gave an assessment of very good or excellent and 98% of surveyed team members reporting to attendees who took part in an anonymous survey reported a strong improvement in their managers' leadership-critical behaviours including self-awareness, self-confidence, leadership awareness and presence, strategic thinking, stress management and decision-making.

Our culture and people make us who we are. We are proud to have such a diverse team of people, with 59 nationalities represented across our 19 jurisdictions. While this provides us with a significant advantage as a global business, we are also aware of the challenges this can bring in terms of different cultural norms influencing business practices and management styles. In 2023, we launched a personalised e-learning Cultural Awareness training application focused on intercultural business skills. Our employees also completed 790 hours of DE&I training within the year.

FOCUS PIECE

DE&I survey

The primary purpose of our 2023 DE&I survey, was to identify areas where we excel, and pinpoint areas where we need improvement. We had a 78% response rate among team members globally.



What we're doing well



Satisfied with our commitment to diversity

90%



Feeling respected in the workplace

87%



Comfortable sharing their personal background

87%



Our top opportunities

While we have made significant progress, the survey also highlighted areas where we can enhance our efforts. This includes providing team members with more information to do their jobs well (with 62% agreeing they were provided with the information needed to do their job well), improving decision-making (with 54% agreeing they were satisfied with how decisions are made), and creating an environment where team members can voice contrary opinions without fear of negative consequences (with 75% agreeing they can voice a contrary opinion without fear of negative consequences).



Agreeing they were provided with the information needed to do their job well

62%



Agreeing they were satisfied with how decisions are made

54%

OUR PEOPLE AND CULTURE CONTINUED

In Q4 2023, we ran a pilot mentoring scheme with 35 employees, focused on supporting personal and professional growth and embodying the culture and values of Lightsource bp. The scheme was a success, receiving a 96% net promoter score and will be launched as a global mentoring programme in Q1 2024.

We also continued to develop our global internship programme, hosting 40 interns during 2023, and making improvements to ensure alignment across all countries – with the same talent sourcing and onboarding experience involving a 3-day orientation ‘basecamp’. Our internship programme gives our interns the opportunity to experience working for a global leader in solar development and benefits our business by bringing in fresh perspectives.

Be You: We want our workplace to be somewhere our people can thrive, be themselves and do what they love whilst being supported to find balance between personal life and life at Lightsource bp. Taking on board feedback from the 2022 company wellbeing survey, we launched our new global ‘Be You’ guides and parental leave policies in January 2023. The guides are there to support our staff and provide guidance for team members during key life events, including:

- Undergoing fertility treatment.
- Understanding and support for pregnancy and baby loss.
- Coaching for maternity absence and return.
- Flexibility on ramping up to re-entry to work after extended absence.
- Recognising and responding to menopause.

Looking Forward

Our team continues to work on improving the employee experience and furthering development and growth. In 2024, our learning and development goals include continuing to enrich our bespoke learning offer in The Learning Hub with the aim of preserving, nurturing and sharing our distinctive knowledge, as well as launching a global mentoring scheme following the successful 2023 pilot.

We plan to update our VIBES governance structure, to allow for more ownership, responsibility and accountability for the VIBES goals, objectives and execution at a regional and country level. This will include the creation of regional VIBES teams with regional and committee chairs. VIBES will continue to deliver a programme of local events and speakers to support its overall goals.

FOCUS PIECE

Successful onboarding

Successfully onboarding new employees is crucial both for employee satisfaction and for retaining our culture, ensuring alignment with our core values. In 2023, we hosted 285 team members on tours of operational solar sites – helping to familiarise them with the fundamentals of solar energy production and maintenance. The site visits included collaborative activities, fostering team building – nurturing the team spirit which is vital to our dynamic work environment. We also made improvements to our onboarding system, ensuring hiring managers are prompted to assign a buddy to new joiners from day one, and set up introductory meetings with key internal contacts.



Health and Safety

Our aim

Safety is a core value at Lightsource bp, and we are committed to having no accidents, maintaining the health and safety of our employees, and preventing harm to those who may be affected by Lightsource bp operations.

Approach

Everything we do relies upon the health and safety of our workforce, those we contract to do work for us, and the communities around us. It is our moral responsibility to care and protect our people, assets, and world as we continue to be a global force in renewable energy, in addition to our legal obligations and the risk of health and safety undermining good operational performance. We achieve this through the application of our core values, [Code of Conduct](#), [Golden Rules](#) and integrated Health and Safety Management System, accredited to ISO 45001.

Our strategic partnership with bp has also allowed us the opportunity to share our resources, vision and principles around health and safety.

Our shared principles are:

- We genuinely care about each other.
- We will not compromise our focus on safety.
- We encourage and recognise the need to speak up.
- We understand how work actually happens.
- We learn why mistakes occur and respond supportively.

Risk management is a critical aspect of our business to help us minimise hazards to people and the environment. To achieve effective ongoing management of our safety and operational risks, we ensure organisational capacity to oversee day-to-day risk management, and provide sufficient resources and training on risk identification and mitigation to our workforce. We deliver a structured process that includes reviews of hazards within our global operations, identification of new or changed risks, and maintenance of a risk register that identifies appropriate barriers and controls that we subsequently monitor for condition and performance.

0.30

internal recordable injury rate
(2022: 0)

Progress in 2023

At Lightsource bp, we were able to achieve an internal recordable injury rate of 0.30 (0.43 in 2021, 0 in 2022) which was a strong result considering the company experienced the most growth in its workforce since it was founded (Within Operating Boundaries – WOB). We were able to achieve this level of performance through the successful delivery of our genuine health and safety culture, focus on key operational risks that our personnel are exposed to, monitoring Health and Safety trends and reacting effectively to them, and successful deployment of our [Golden Rules](#).

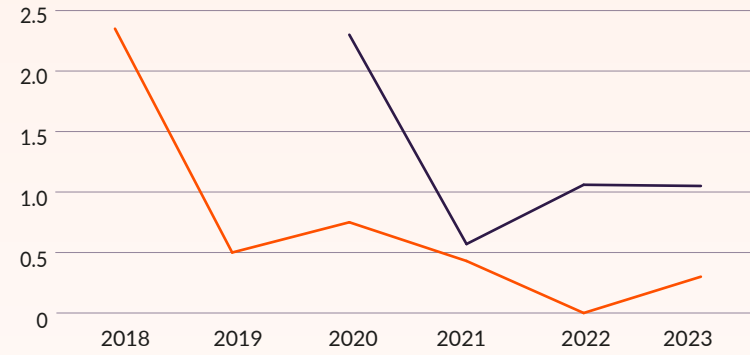
We also track the safety performance of our contracted partners which include all activities performed by our third-party EPC and O&M service providers and their sub-contractors (Outside Operating Boundaries – OOB). Last year, our total contracted partners achieved a recordable injury rate of 1.05 (0.57 in 2021, 1.06 in 2022). While this is relatively flat performance compared to last year, this is commendable since Lightsource bp's construction activity increased by 60%, requiring the use of new contracted partners, who were also experiencing massive increases in activity. The rate achieved remains well below the industry average for similar activity. Upon review of the incidents, many were of low severity and did not result in days away from work. We continue to remain diligent on safety, and have an ongoing focus on contractor engagement, learning from incidents and promoting our Golden Rules to instil a strong safety culture on each project and in each country of operation.



HEALTH AND SAFETY CONTINUED

Recordable injury frequency

per 200k hours worked



- Within Lightsource bp operating boundaries
- Outside Lightsource bp operating boundaries

Data for recordable injury frequency outside of Lightsource bp operating boundaries is only available from 2020 onwards.

Looking Forward

In 2024, we will continue to embed safety leadership throughout our business. We have commenced tracking and reporting against several additional leading indicators to ensure we remain proactive and focused on continuous improvement. This includes tracking 'actions to closure', assessing our success in remediating critical safety observations throughout the year. We will also continue to ensure that safety is a clear and visible priority from the very top of our business by ensuring continued site attendance from senior individuals, including with our Principal Contractors and their sub-contractors. Recognising the importance of continued development within health and safety, we are in the process of bringing all high priority training in house to ensure consistency and quality and will deploy a significant training campaign throughout the year, focusing on our key risk areas and aligned to our new 5 Year HSE Strategy.

We understand systems can fail; however, with proper control measures, oversights, and system resiliency, we will be able to identify and address such failures without them causing harm. We continue to build this continuous improvement and learning process into our broader common ways of working for design, construction, and operation of our solar assets.



Supply Chain Sustainability

Our aim

At Lightsource bp, sustainability is at the core of our supply chain operations. We prioritise socially responsible practices by incorporating environmental, social and governance considerations into our procurement processes, including human rights in alignment with international standards. Collaboration with our suppliers is key to meeting these rigorous standards.

As a driving force in the energy transition, we uphold principles of transparency, integrity, and responsibility. Through our actions, we not only develop sustainable energy solutions but also contribute to the wellbeing of workers, communities, and the environment.

Approach

Lightsource bp sources solar panels, transformers, inverters, trackers, energy storage systems and other equipment either directly from manufacturers or indirectly through our engineering, procurement, and construction (EPC) partners. We have robust due diligence processes aligning with our Sustainable Procurement Strategy.

Initial due diligence: We expect high standards from all our suppliers which are guided by the applicable legal requirements. To ensure these are met, our comprehensive policies such as the

[Code of Business Conduct and Ethics](#) and [Human Rights Policy](#) are enforced through contractual agreements. All counterparties involved in the development, construction, and operation of a Lightsource bp solar farm are required to comply with these policies and pass these obligations down to their sub-contractors and their sub-suppliers.

Our due diligence process underpins our approach to promoting a socially responsible and sustainable supply chain and is aligned with the [OECD's six-step model](#). This process is critical to procurement decisions and is achieved through several formalised procedures including supplier selection, the scoring of which is based on quality, technical aspects, commercials and ESG responsibility. Our process does not just end with compliance – we are focused on supplier development through targeted support and measurement (see [Empowering Sustainable Growth](#) case study).

Our process includes desktop ESG assessments for high-risk suppliers and on-site ESG audits for critical suppliers. These are conducted in line with internationally recognised standards and are managed by external partners. The output of the selection process categorises suppliers as approved, conditional approved and not qualified. Those scoring below 50% are considered 'not qualified' and engagement is suspended until they demonstrate significant, meaningful improvement. Those with 'conditional approved' can only proceed once they provide a contractual commitment to implement an improvement plan.

In addition to the supplier audits set out above, we also perform traceability audits for categories where we have assessed the ESG risk to be potentially high. Refer to the Progress in 2023 section for more detail on the outcome of this process.

Ongoing management: To ensure continuous improvement, we track both the implementation and the results of our supply chain initiatives, and those we have required our counterparties to enact. Our monitoring includes regular review of KPIs, improvement plans and targeted meetings with key individuals; these are designed to foster a culture of responsibility throughout our supply chain.

Concerns or grievances can be raised via our Speak Up channels. If we identify instances of modern slavery or forced labour, we will take suitable action which may include terminating discussions and/or existing relationships with the counterparty in question and notifying relevant authorities of the issues involved.

Regular reporting is given to relevant functions and executives to ensure the sustainability and compliance of our supply chain remains a priority throughout the organisation.

SUPPLY CHAIN SUSTAINABILITY CONTINUED

Progress in 2023

2023 was a pivotal year for our us and for our supply chain. We focused on expanding our due diligence model and on increasing our collaboration with suppliers to enact improvement plans. Notably, 71% of improvement plan actions were implemented, which had a significant impact on our suppliers' ESG performance and contributed positively to our own aims, including the reduction of our scope 3 GHG emissions and ensuring a transparent and responsible supply chain.

ESG audits: We identified 73 key equipment suppliers that we classified as potentially high-risk across one or more of our ESG categories. We conducted desktop ESG assessments covering 97% of them and further enhanced this by engaging a third party to conduct on-site audits. To date the third party has completed 102 ESG audits and 12 traceability audits for our module manufacturers. In addition, all active factories that delivered products in 2023 or were awarded contracts have undergone audits, demonstrating our commitment to accountability and transparency.

Desktop assessments act as an initial verification of ESG-related policies and procedures while our on-site audits focus on observing the implementation of these practices with the aim of identifying potential risks or impacts.

Although critical non-conformities were not found, the audits did identify a number of issues; as a result we required 96% of suppliers to develop an improvement plan. The plans encompassed over 280 actions in total which were bound by timelines that reflected their relative criticality. The two most significant areas for improvement were GHG management (reduction plans and scope 3 calculations) and traceability within their own supply chains (responsible sourcing and due diligence over sub-suppliers).

Our overall scoring has shown significant improvement when compared with our 2022 baseline which underscores the value of these initiatives:

↑ 25% Overall ESG maturity rose from 58% to 83%.

↑ 64% Suppliers with supply chain due diligence processes in place increased from 20% to 84%.

↑ 17% Number of suppliers with GHG reduction plans rose from 71% to 88%.

As identified above, we also performed traceability audits for 100% of our module suppliers which were designed to address the risk of material sourcing by understanding the maturity of their traceability management systems. We worked with these suppliers to really understand their deeper supply chains.

The outcome of these audits showed that 29% have adequate traceability systems, 29% show minor gaps, 29% require improvement and 13% did not meet the minimum standard.

Training and engagement: Our procurement team has received specific training on our GHG footprint and training on modern slavery, supply chain risk mapping and sustainable supply chain, which has also been included in The Hub, our internal platform accessible to all employees.

In this report we proudly highlight our unwavering commitment to stakeholder engagement. Our active participation in SolarPower Europe's Supply Chain Transparency Working Group exemplifies this dedication. Together with industry leaders, we've signed as members of the Solar Stewardship Initiative, a milestone in our sustainability journey (see page 46). As committed members of this initiative, we prioritise transparency, accountability, and responsible practices across our supply chain. Additionally, our involvement in the technical committee to update the SEIA protocol underscores our dedication to setting industry standards.

Through our participation in roundtable discussions and conferences, we not only share our expertise but also learn from others, fostering a collaborative approach to sustainable supply chain management. We view these engagements as essential steps towards a more sustainable future for all stakeholders.

SUPPLY CHAIN SUSTAINABILITY CONTINUED

FOCUS PIECE

Empowering sustainable growth – our supplier development initiative

A sustainable and responsible supply chain is not a nice-to-have – as a global leader in solar energy it is critical to our licence to do business. While traditional audits and assessments are a powerful tool, they are not always the most effective way to drive meaningful change. Working with a wide range of internal stakeholders, we embarked on an ambitious journey to transform our supply chain management approach by directly collaborating with our suppliers to accelerate their development.

Our objective was to increase the percentage of suppliers that had created and implemented robust supply chain due diligence and GHG measurement and management processes.

To achieve this we worked with a significant number of suppliers, employing a 4-point strategy:

- 1  **Measurement** Implementing targeted and relevant KPIs that would measure and encourage sustainable and transparent practices.
- 2  **Meetings** Conducting focused meetings to work through suppliers' challenges and share key learnings to help overcome them.
- 3  **Training** Providing relevant sustainable supply chain training to our procurement team to build our understanding and capacity to deal with suppliers' queries.
- 4  **Support** Working directly with suppliers to help them implement action plans, using our expertise to help close gaps in sustainable supply chain practices.

The outcome of this programme was remarkable.

The percentage of suppliers with robust ESG due diligence processes embedded in the supply chain management practices increased from 20% to 84%. The proportion of suppliers with a GHG reduction plan in place rose from 71% to 88% and those not performing calculations at all fell to 8%.

What does this mean for us?

Our supplier development initiative demonstrates a successful model for creating more sustainable and responsible supply chains. By prioritising development as well as compliance, we have not only enhanced our own sustainability profile but have also empowered our suppliers to embark on their own sustainability journeys. This approach aligns with the belief that true sustainable change is a collaborative effort, ensuring that no partner is left behind in the pursuit of a greener future.

SUPPLY CHAIN SUSTAINABILITY CONTINUED

Looking Forward

Our supply chain is characterised by long and complex networks where our influence as end users can be limited. However, our progress in the past 12 months demonstrates that we can make an impact when we engage in the right way. In 2024, we will continue our dialogue and collaborations with our Tier 1 module suppliers to further enhance traceability and will continue to explore innovative solutions to improve transparency in other product categories such as transformers, inverters, and trackers.

We will look to work with a broader group of suppliers to encourage them to expand their GHG measurement and reduction efforts, particularly targeting their scope 3 emissions as this is a weaker area, as identified by our ESG audits above. We aim to further penetrate our supply chain by encouraging the audits of Tier 2, Tier 3 and beyond suppliers by collaborating with our direct suppliers and engaging with sector-wide initiatives.

We remain steadfast in our commitment to advancing sustainability within our supply chain. We will continue to actively engage with stakeholders, driving initiatives like the SSI forward and collaborating to set new industry standards. Our dedication to transparency and responsible practices will guide us as we navigate the evolving landscape of sustainable supply chain management, ensuring a brighter, more sustainable future for all.



Local Communities

Our aim

We invest in local communities where we operate, including supporting economic development and educational opportunities through local partnerships, job creation, and community engagement.

- Stakeholder mapping: identifying nearby neighbours, the wider local community, local interest groups, schools and education institutions, local Indigenous groups, NGOs, local politicians, and parties with legal or traditional access to/over the site.
- Identification of appropriate combination of engagement and communication activities.
- Establishment of an engagement timetable.

We engage with communities through multiple activities, events and platforms to try and reach as many people as possible, taking into consideration different personal circumstances and access to resources. Typically, this can include hosting open drop-in information sessions for the local community and one-on-one conversations with neighbours and interest groups to name a few. To accommodate the changing nature of communication and access to information, we are increasingly exploring new and innovative ways to reach the community, for example, through online consultation events, community channels on WhatsApp, and radio announcements.

Our projects can generate long-term benefits to the local community, through local job creation, various benefit schemes, educational opportunities, and infrastructure improvements (see [Supporting the development of local communities in Brazil](#)).

Approach

The speed and scale of renewable energy deployment needed to tackle climate change is unprecedented and there is increasing global recognition that community engagement and support is increasingly critical to facilitate this¹¹. We have a strong tradition of proactive, meaningful engagement with communities on our self-developed projects, seeking to bring benefits to the communities hosting our projects alongside avoiding and mitigating any potential adverse impacts. Proactive engagement is important for building an understanding of what matters to individual communities to help shape our project development and benefit offerings.

Our engagement process starts early in the project development process, preparing project specific community engagement plans, including:

¹¹ World Economic Forum (2023). Using a People-positive Approach to Accelerate the Scale-up of Clean Power: A C-Suite Guide for Community Engagement, WEF_Using_a_People_positive_Approach_to_Accelerate_the_Scale_up_of_Clean_Power_2023.pdf (weforum.org).

CASE STUDY

Innovation in engagement tools

In 2023, we introduced interactive StoryMaps as a new communication tool to support our engagement with local communities. StoryMaps is a web-based application that allows users to explore map-based information combined with narrative text and multimedia content such as photographs and computer generated simulations. Our GIS team has pulled project-specific data together with mapping and environmental data from the local area to create an interactive experience allowing users to focus in on the detail that matters to them. Local residents can zoom into their area of interest and see exactly where the site lies in relation to their property or a local footpath. They can also view the location of our proposed ecological enhancement areas in greater detail. This tool was pioneered with our [Maldon Solar Farm](#) proposal in England, currently in its early stages of development.

Going forward, we hope to expand the information held within StoryMaps to show the evolution of site design as we move through different phases of project development and community engagement and expand the initiative in our other regions worldwide. We are constantly looking at opportunities to engage local communities in more meaningful and transparent ways, our rapidly-evolving GIS tool is just one way we can do this.

LOCAL COMMUNITIES CONTINUED

Progress in 2023

Throughout 2023, we continued to look for innovative ways to make a positive impact on local communities and strengthen lines of communication with stakeholders. There is no one-size-fits-all model for how to engage with the community, and there can be challenges in reaching some demographics (for example remote communities without access to phone or internet, busy professionals with caring responsibilities who are time poor, and young people for whom traditional engagement methods do not resonate). Therefore, we are committed to taking the time to fully understand the unique characteristics of each community to enable meaningful engagement and create enduring positive outcomes.

In 2023, we:

- Undertook 41 community engagement events across 7 countries, ranging from community drop-in sessions, to small-group design sessions.
- Had 30 projects under construction, providing over 5,000 construction jobs, many of these local.
- Made community contributions of approximately £795,000 from our operational assets and sites under construction.

We also focused on hosting educational events to provide real-world experiences with solar energy. In Brazil, we hosted a number of educational and professional training sessions with approximately 140 participants joining from the local community (see [Supporting the development of local communities in Brazil](#)).

In our London office, for the second consecutive year we hosted the New Energy Business School from the Netherlands for a two-day programme focused on energy transition business and leadership.

We continued to seek local partnerships that deliver a positive social impact. In the [United States](#), our dedicated Community Relations team works closely with local stakeholders to ensure that our solar projects bring benefits beyond generating clean electricity that improves air quality for healthier communities. Our 2023 projects led to partnerships with local food banks, schools, NGOs, fire departments and affordable housing providers. They included accessible solar job training in Indiana, and an all-inclusive, barrier free playground in Pennsylvania.

Throughout 2023, our US team worked on the development of a Community Playbook, bringing together multiple internal stakeholders across different teams to agree an approach to engagement across all stages of the project lifecycle. The Playbook covers specific strategic focuses such as landowner relations, development of engagement tools, and best practice engagement, defining roles and responsibilities for internal teams at each development phase. Similarly, work began on our Community Engagement Framework for the EMEA region in the second half of 2023, focusing on identifying key principles, methodology, tools, and skills needed for successful community engagement at a project level.



Looking Forward

In 2024, our focus is on refining and implementing our frameworks for community engagement across different regions, together with continuing to develop new tools and platforms for enhancing communication and expanding our reach. A priority will be the development of our company Community Engagement Policy. This will bring together the important work undertaken within individual regions, to develop an agreed company-level approach to community engagement.

LOCAL COMMUNITIES CONTINUED

CASE STUDY

Supporting the development of local communities in Brazil

Our 212MW Milagres solar farm located within a remote community in Ceará state in Brazil became operational in December 2023. A Social Investment Programme was developed to identify the key challenges experienced by, and opportunities for improvement for, the local communities. Four key areas of need and investment opportunity were identified: education, income generation, infrastructure, and waste management. Throughout 2023, the following activities were undertaken:



School improvements & waste management

- Lightsource bp team members spent a week in the community undertaking repairs and renovations to three of the local rural schools. This included improvements to the buildings' plumbing, electrical work, and painting as well as donating and installing rooftop solar.
- Recyclable waste disposal units were installed.
- Computers were donated to two schools and training provided to the teachers to empower them to use them.



Family agriculture

- Technical support provided to local families to professionalise their subsistence livestock and agricultural practices with a specific focus on sustainable co-existence with the semi-arid region.
- Courses were provided on production and management techniques in beekeeping, and nutrition and food management techniques for poultry and dairy cattle.
- Workshops were provided covering topics such as rural entrepreneurship, business plans, commercialisation, and access to family farming markets.



Professional courses

- Three courses were provided: electrician, professional bakery, and Digital Education and Inclusion for Teachers (ongoing), reaching a total of 53 participants.
- The courses were run by the National Industrial Learning Service (SENAI), a renowned institution whose certificates are valid throughout the national territory.



Philanthropy

Our aim

Lightsource bp has a proud culture of giving back. We don't just want to deliver meaningful change to the way the world is powered, we want to 'Be the Change' that makes a positive difference across all areas of society.

Progress in 2023

We are committed to making a positive impact, and that includes our volunteering policy, where all employees can take one day a year off work to give back, by volunteering at a charity or non-profit organisation. During 2023, 65 staff members volunteered for activities including preparing food packages for a charity supporting homeless people, participating in 'Global Walk for Water' events, park clean-ups and renovating school buildings.

In addition to various fundraising activities for the Lightsource Foundation (right), our employees also raised funds for several other charities, including our committed 'Mo Bros' raising £1,675 for Movember¹² and another employee who raised £4,742 for Refuge¹³ by undertaking the incredible challenge of swimming 33km across the English Channel from England to France.

¹² Movember is an annual event encouraging the growing of moustaches to raise awareness and funds for men's health issues.

¹³ Refuge supports women and children fleeing domestic violence in the United Kingdom.

Lightsource Foundation

In 2023, The Lightsource Foundation raised £127,842 for the programme area of Sarlahi, Nepal with its partnership with World Vision UK. This was through a combination of monthly giving, child sponsorship, Lightsource bp matching these donations, and independent fundraising events.

By December 2023, The Lightsource Foundation had reached £1,000,000 raised to date over the course of our nine-year partnership with World Vision UK, an ambition that has been realised a year ahead of schedule.

This year we were recognised by the Charities Trust UK for our efforts in payroll giving in the UK and were awarded their Platinum Payroll Giving Award. In addition, we were shortlisted for the Community Impact Award at the Third Sector Charity Awards in May 2023.

Charities Trust

£1,000,000

raised to date over the course of our nine-year partnership with World Vision UK, an ambition that has been realised a year ahead of schedule.



PHILANTHROPY CONTINUED

Looking Forward

The Foundation Committee continues to commit £100,000 annually to Sarlahi, and this year is formalising its processes and frameworks. This will include creating a Playbook covering easy access to payroll processes, Foundation structure, and marketing materials. Improving global payroll procedures will remain a key focus area for 2024, primarily for Australia and offices with 20+ employees.

During the 2023 Sarlahi visit, the healthcare centre was highlighted by The Lightsource Foundation as a key area in urgent need of support and equipment when speaking to the local team. As a result, an ultrasound and support staff training has been arranged as a Gift in Kind using surplus funds raised in 2023. This will be delivered in 2024 and has prompted local government contribution of funds to cover localised training too.

An additional focus for The Lightsource Foundation in 2024 will be in pinpointing additional Gift in Kind possibilities, including but not limited to options for PV systems on public buildings such as schools or healthcare centres in Sarlahi.

Our VIBES committee will aim to increase awareness of our volunteering policy and encourage people to both log their volunteering days in our Human Resources system and provide details of their activities.

FOCUS PIECE

Lightsource bp visits Sarlahi

In March 2023, a group of 10 Lightsource bp employees travelled to our community in Sarlahi, Nepal. Visits were previously paused during the pandemic; this was the first Foundation trip with employees across the globe, all of whom donate regularly, or significantly contribute to The Lightsource Foundation's progression. They were accompanied by the World Vision UK CEO, two representatives from the head office, and were supported by the local team. As the first trip to the area, it was key to meet the locals employed by World Vision UK, government officials and most importantly, the children and community. Time was spent at homes where boreholes were being introduced, at young mothers' nutrition centres and with sponsored children in the area. The trip cemented our relationship with the community.



Governance

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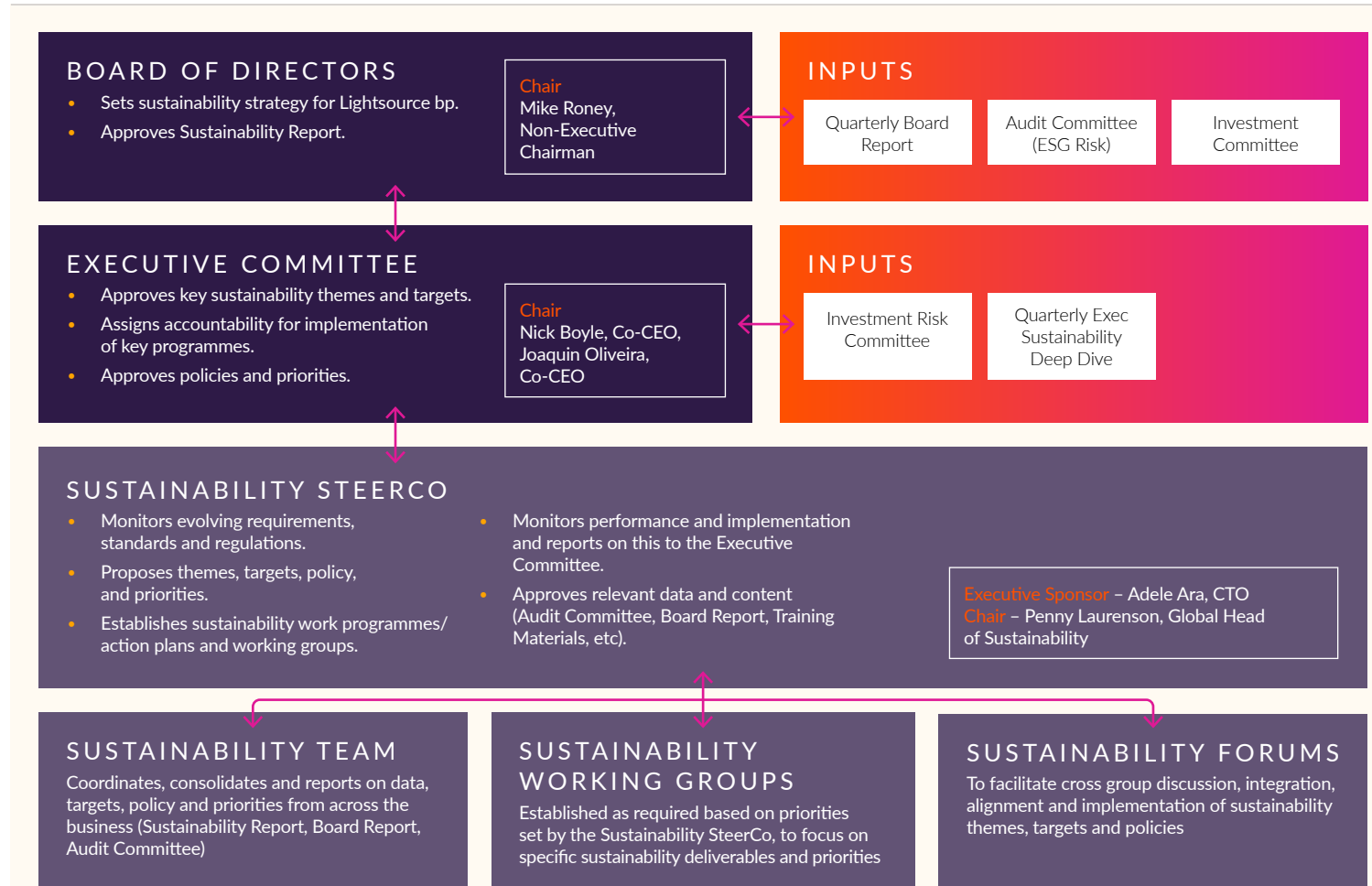
Corporate and Sustainability Governance

Approach

Lightsource bp Renewable Energy Investments Limited is the ultimate holding company of the Group and is owned by both individual shareholders and BP Alternative Energy Investments Limited.

The Board is responsible for the overall supervision and control of the affairs of the Group subject to delegation of any matters to committees of the Board in accordance with the shareholders' agreement. In addition to the Executive Directors, the Board is comprised of an Independent Non-Executive Director and Non-Executive bp-nominated Directors to ensure that shareholder views on Lightsource bp matters are taken into consideration. In addition, the Board has established principal committees which support it in carrying out its duties. The Board routinely monitors the delegation of authority, ensuring that it is regularly updated, while retaining ultimate responsibility.

A refresh of the Sustainability Governance Structure was undertaken in the final quarter of 2023 to align with our growth, prepare for the future and better embed sustainability in our decision-making processes. The Board continues to have responsibility for setting the sustainability strategy for Lightsource bp, while the Executive Committee approves the key sustainability themes and targets in line with this strategy and assigns accountability for the implementation of key programmes to support the strategy and approve new group level policies and priorities.



Business Conduct and Ethics

Our aim

We are a company of uncompromising integrity and business ethics. Indeed, integrity is one of our five core values. We achieve our ambitions and strategic objectives by doing the right thing in an honest, fair, transparent, and responsible way. Our commitment to complying with all laws wherever we operate is a foundation of our sustainability commitments.

We also want to do business in a peaceful, safe, and stable world and recognise that we have a role to support SDG 16 – Peace, Justice and Strong Institutions. Our Ethics and Compliance (E&C) programme places particular focus on preventing bribery and corruption, meeting all sanctions and trade control regimes, competing fairly and respecting stakeholders' privacy rights.

Approach

Governance

Our E&C programme is overseen by the Audit Committee of the Board, and the full Board receives an annual update. An Executive E&C Committee, chaired by the CEO, meets twice per year to enable our executive team to have deeper oversight of the E&C programme. Our Chief Compliance Officer reports to the General Counsel, a member of the Executive Committee.

Codes of Conduct

We have two related codes of conduct: [Our Code of Business Conduct and Ethics](#) helps us to put our values into practice.

It makes clear that we, as a business, respect the law, operate safely, support universal human rights, and take great care to respect the people and cultures of the communities we work with worldwide. It sets out the principles that guide our people and operations. Our related [Code of Business Conduct and Ethics for Counterparties](#) sets out the expectations and commitments of those with whom we do business. These include joint venture partners and developers, vendors, suppliers, contractors, customers, land agents, service providers, consultants, and any sub-contractors thereof. Compliance with our Code for Counterparties is included in our contracts and agreements.

Our Speak Up Programme

We have a Speak Up Programme which encourages those within Lightsource bp, its counterparties and any sub-contractors to speak up if they see or suspect instances not aligned with our codes, policies or the law.



Your manager



A member of your Leadership Team



A Legal, HR, E&C or HSE colleague



Ethics inbox: ethics@lightsourcebp.com



Code Helpdesk a confidential, independent reporting tool

Human Rights

Our support for human rights is evident in many areas of our business. Practical examples described elsewhere in this report include our approaches to diversity, equity, and inclusion, to the health and safety of our staff and contractors, to mitigating modern slavery risk, and to respecting the private lives of our stakeholders through our data privacy activities. See also our [Human Rights policy](#) and [Modern Slavery Statements](#). In 2023, we were included alongside others in the [Business and Human Rights Resource Centre's Renewable Energy & Human Rights Benchmark 2023](#). Our 2024 sustainability workplan includes actions to improve transparency of our existing activities and underlying performance across multiple dimensions of the benchmark.

BUSINESS CONDUCT AND ETHICS CONTINUED

Focus Areas

Whilst we commit to complying with all laws that apply to us, within our E&C programme we have additional specific policies, procedures, communications, training and monitoring to address the following areas of law:

- Anti-bribery and anti-corruption.
- Sanctions, money laundering and terrorist finance.
- Trade control, covering import and export.
- Competition and anti-trust.
- Data privacy.

Underpinning all these is our approach to counterparty risk management – we conduct appropriate due diligence to understand counterparty compliance risks, mitigate those identified risks, put in place appropriate contract clauses and other controls, and monitor them as they deliver services for us. Where a counterparty cannot meet our standards, or we cannot adequately mitigate the risks, we may choose not to work with them.

Progress in 2023

In 2023, we continued to enhance and embed the E&C programme including:

- Defining a new risk-based counterparty due diligence, risk mitigation, onboarding and ongoing monitoring process, supported by a new system, which began roll-out in June 2023. The new process covers all types of counterparty that

we may engage with throughout the solar project lifecycle and in corporate functions, including landowners, developers, direct and indirect suppliers, construction contractors, consultants, agents, and recipients of charitable donations or social investments. E&C risk is proactively considered within the investment risk forum alongside other risks, and we also apply the tool and process to project acquisitions. Over 2,800 individuals and organisations were screened under the process, with almost 400 going through a full due diligence (DD) process including a detailed questionnaire.

- Selecting a new provider for our Speak Up disclosure and case management service to enhance its accessibility, reach and effectiveness, and updating our Speak Up policy. In particular, we added a telephone service to the web-based intake, enabling 24/7 live reporting in the caller's local language. All stakeholders, including individual community members, can access our [Code Helpdesk](#) and make a report in their own language.
- We received 13 Speak Up reports via multiple channels. Following assessment or investigation, none required disclosure to regulatory bodies. One report enabled us to avoid a potential corruption incident before it occurred, hence we experienced no incidents of bribery or corruption in 2023.
- Updating our E&C intranet content to provide simpler, more accessible 'plain language' guidance for staff.

- Improving employee engagement through a new approach to E&C onboarding training and increasing the number of in-country engagement visits by E&C team members. Over 160 new joiners received instructor-led E&C onboarding training, and E&C team members conducted detailed sessions in nine of the countries we operate in.
- Further embedding our data privacy programme through a global data mapping exercise to update our processing activities. This, alongside business as usual, resulted in 88 records of processing activity assessments, 61 privacy-specific due diligences and 166 supplier privacy onboarding exercises. Unfortunately, we experienced one reportable breach in 2023 – a payroll provider in Brazil was hacked resulting in them losing significant volumes of client data. This included personal data relating to current and former Lightsource bp employees and in some cases their dependants. We promptly reported to the Brazilian regulator as our legacy contract with the provider did not include adequate privacy clauses. All impacted employees were offered access to web and financial monitoring solutions to reduce the personal risk to them. We accelerated our contract review process to remediate those where data privacy needed to be strengthened.

>2,800

Organisations and
individuals screened

BUSINESS CONDUCT AND ETHICS CONTINUED

Looking Forward

We aim to continuously improve our E&C programme based on cases, learning and external good practice. Our priorities for 2024 include:

- Embedding our new counterparty process and supporting system globally and in all corporate functions.
- Embedding our new communications, Speak Up service, disclosures management system and related case management activities.
- Deploying E&C topic-specific e-learning to complement our existing programme of face-to-face and virtual instructor-led training.
- Rolling out E&C leadership expectations and our country and functional E&C monitoring framework.



be the
change.

Risk Management

Our aim

We take a coordinated approach to risk management following an enterprise risk management framework (ERM Framework), approved in May 2023 and supervised by the Audit Committee. The ERM Framework aims to provide guidelines and best practice on the structure and processes of Corporate Risk Management.

Approach

The corporate governance structure adopted at Lightsource bp comprises a Board of Directors which represents and manages the company. The Board of Directors has set up a sub-committee, the Audit Committee with delegated duties on risk management. It assists the Board in fulfilling its corporate governance duties in risk management, internal control, and financial reporting.

The governance structure for risk management activities includes three lines of defence, with the following representatives:

- 1) Audit Committee (delegated sub-committee of the Board on risk management);
- 2) External/Internal Audit (3rd line of defence);

- 3) Group Risks and Energy Markets Function (2nd line of defence);
- 4) Business Units (1st line of defence).

As part of the 2nd line of defence, the Group Head of Risk chairs three distinct Risk Forums to cover all risk topics and facilitate discussions and decision-making: Investment Risk Forum, Energy Risk Forum and Financial Risk Forum. In these Risk Forums, risks are evaluated across four major categories as per the Lightsource bp risk taxonomy.

ESG risk is embedded within the counterparty and strategic risk categories. For example, supply chain sustainability is considered as part of counterparty risk, and other ESG risks, including climate change, are part of the strategic risk category. Risk updates to the Audit Committee are produced on a quarterly basis, gathering inputs from key stakeholders across the business, as needed.





To ensure that all risks are actively managed and reported, each quarter an Audit Risk Report is distributed, which includes a summary on energy markets, financial markets and operational exposures and the mitigating or preventative actions taken. The quarterly reporting also includes a specific risk assessment on one of the following risk categories or sub-categories: Q1 – Strategic Risks; Q2 – Energy Markets Regulation and Country Risk; Q3 – HSE and Compliance Risk; Q4 – Operational Risk and ESG Risk. Recommended changes to existing policies are communicated to the Audit Committee within the quarterly update.

Climate Change Risk

Risks from climate change are considered through processes embedded within our existing risk management framework. Impact assessments, tailored to specific geographies, inform choices in design, technology, and construction to minimise potential impacts to production or damage to sites where physical risks materialise. Our strategic thinking and planning in relation to transition risks are also incorporated within our existing risk management framework.

A comprehensive climate change impact assessment, aligned with the principles of the Task Force on Climate-related Financial Disclosures (TCFD), was conducted in 2023. While we are not seeking to achieve compliance at this stage, we believe the principles of the TCFD broadly support many aspects of several fast-approaching ESG frameworks. Therefore, we are seeking to enhance our disclosure in a transitional manner. This assessment covered short-term (to 2025), medium-term (to 2030), and long-term (to 2050) time horizons and looked to identify significant climate-related risks and opportunities that could have a material financial impact on our business.

RISK MANAGEMENT CONTINUED

		Description and impact	Time horizon
Physical (acute)	Increased frequency or severity of extreme weather events such as flooding, hail, hurricanes/ cyclones, wildfires, and storms	<p>Risk 1</p> <p>These events have the ability to damage both our operational assets and the supply chains on which we depend to do business. This can have an impact on insurance premiums, rectification costs and the ability for us to generate revenue if we are unable to operate our assets or source material for further development of our solar projects.</p> <p>We are also highly aware that our geographical footprint means the degree to which we are exposed to the materialisation of these risks can significantly vary between markets. Our analysis has indicated that these risks are particularly significant in the US and Australia. However, it's important to note that both countries are vast, and exhibit a wide range of exposure, varying significantly across regions.</p>	
Physical (chronic)	Sustained rise of global mean temperatures	<p>Risk 2</p> <p>Like all machinery, solar panels have conditions of optimal efficiency. Rising average temperatures may therefore proportionally impact efficiency over the longer term. We have not yet taken a detailed assessment of this risk that accounts for mitigating actions we have, or will, put in place.</p>	
Transition	Evolving governmental policy, regulation, and action	<p>Opportunity 1</p> <p>Governmental policy is a key enabler for renewable energy growth. Policies and regulation such as carbon pricing mechanisms and binding transition plans can significantly increase demand for utility-scale solar energy impacting both our development pipeline and renewable energy prices.</p> <p>Risk 3</p> <p>Policy, regulation and lack of governmental action can therefore also negatively affect our business. Surges in demand and unclear or unexpected legislation could lead to supply chain bottlenecks, inefficiencies, and increased capital costs.</p> <p>There is also a risk that renewable energy investment is not sufficiently matched by improved grid infrastructure, limiting our ability to successfully deliver our pipeline.</p>	
Transition	Accelerated climate action significantly increases the demand for utility-scale renewable energy	<p>Opportunity 2</p> <p>As decarbonisation ambition grows, so does the need to deliver affordable renewable energy at scale. This could positively impact our development pipeline and renewable energy prices through heightening demand.</p> <p>Risk 4</p> <p>Increased renewables development could drive limitations on land usage, heighten community resistance and cause longer interconnection queues which slows down development.</p>	

RISK MANAGEMENT CONTINUED

Following the identification of our material climate-related risks and opportunities we have begun performing forward-looking analysis using three diverse scenarios. We believe these scenarios offer a representative mix of potential climate-driven energy projections while giving sufficient stretch, including a scenario below 2°C, to allow us to truly assess our resilience.

Looking Forward

Given the scenario analysis exercise is not fully finalised we have not reported on the output for 2023. In 2024, we plan to complete this process internally to ensure we have sufficiently assessed the resilience of our business and quantified the potential impact of the risks and opportunities identified above.

CASE STUDY

Project Whiskeyball: Lightsource bp's hail mitigation system

Climate change is already affecting many weather and climate extremes in every region across the globe¹⁴. As identified in our Climate Change Risk section, hail damage is a serious threat to the profitability and sustainability of solar projects, especially in areas with high risk of hailstorms. This threat has been particularly evident in 2023 with extensive damage caused to panels at one of our projects in Australia (see Circularity section).

To address this challenge, our US Innovation and the Applied AI Team have collaborated to create an innovative hail mitigation programme that uses cutting-edge weather forecasting, data analytics, and site automation to safeguard our solar projects from hail damage. Each day, the members of our weather monitoring team review hail probability forecasts from the National Weather Service, send advisories to site teams to notify them of risks, and discuss stow timing for sites at risk later in the day. When a storm approaches, our monitoring team reviews weather conditions at the site such as irradiance and wind before safely stowing our modules until the severe weather passes. In most cases clouds arrive and production drops in advance of severe weather, allowing our team to stow modules well in advance of hail and maximise personnel and equipment safety with a minimal impact to production. In cases

where storms pop up or forecast severity changes last-minute, our hail mitigation programme also uses an automated system which monitors constant 15-minute forecasts for hail risk and can stow in an emergency without any human intervention. Using this system, our team placed sites into protective placement over 150 times, keeping our modules in production and the green electricity flowing.

This solution is the first of its kind in our industry and sets a new standard for solar protection. The programme, dubbed Project Whiskeyball, aims to reduce the risk exposure of project owners and insurers, and to enhance the resilience and performance of our solar assets.

Key to its implementation are the trackers that typically enable solar panels to follow the sun throughout the day from east to west. To mitigate hail damage, we leverage those trackers to rapidly tilt the panels into a vertical position and reduce the damage potential of a falling hailstone.

As of July 2023, the programme is actively protecting 100% of our operational projects in the US, and we hope to extend this project into other jurisdictions in order to minimise damage to panels and ensure the longevity of our assets.

¹⁴ IPCC, 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S.L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M.I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R. Matthews, T.K. Maycock, T. Waterfield, O. Yelekçi, R. Yu, and B. Zhou (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, 2391 pp., doi:10.1017/9781009157896.

Memberships and Associations

We continue to be a strong leader in the solar and storage industry globally, bringing continuous value to our trade and industry associations through our involvement as board directors, committee heads and overall quality engagement.

Our team members are consistently asked to provide expertise on a range of policy matters including financial, environmental and community engagement. We believe that driving good policy is valuable for the entire industry to advance the energy transition and clean energy economies.

In Brazil we are members of Absolar (the Brazilian solar association) and hold the position of Vice-President on its Board, and we are members of the Clean Energy Council and RE-Alliance in Australia.

At the European level, Lightsource bp is a board member of SolarPower Europe (SPE) and holds the positions of Chair of the Markets and Investments workstream and Vice-Chair of the Land Use and Permitting workstream. At a country level, we are on the board of Solar Energy UK (SEUK), the Spanish Photovoltaic Union (UNEF), the Portuguese Renewable Energy Association (APREN), and the Polish Photovoltaic Association (PPA), and are active members of Solar and Renewable Trade Associations in France, Greece, Ireland, Italy, Netherlands, Poland, Portugal, Spain, Germany and the UK. By participating in these groups, we support policy development that shapes the solar industry's future.

FOCUS PIECE

Lightsource joins SSI

In 2023, Lightsource bp became a founding member of the Solar Stewardship Initiative (SSI).

The SSI is the first ever supply chain sustainability assurance scheme specifically tailored to the solar PV sector. As a programme seeking to drive a more responsible, transparent and sustainable supply chain through the development of solar-specific standards and an accompanying certification scheme, the SSI represents a big step for the European solar industry.

We have been an early supporter of the SSI, endorsing it since its establishment as an independent task force within SolarPower Europe and Solar Energy UK. Actively engaged in formulating current ESG standards and committed to participating in drafting forthcoming traceability standards, we have demonstrated our dedication to enhancing sustainability within the sector. As market leaders, we aim to advance the sector's sustainability collectively by contributing to the development of rigorous standards.

Furthermore, through membership and formal integration of SSI standards into our operations, we endeavour to solidify our core values transparently and effectively.



MEMBERSHIPS AND ASSOCIATIONS CONTINUED

In 2023, we were selected to represent the UK solar industry in the Government's Solar Taskforce – an initiative aiming to create a Solar Roadmap addressing the challenges faced by the solar sector by proposing solutions to put the UK on track to meet 70GW of solar PV deployment by 2035.

Additionally, we participated as main speakers at policy conferences and trade association summits around Europe (Portugal, Italy, Poland, Spain, UK and Brussels). Finally, we have also successfully used our position to contribute to some of the year's most relevant industry topics, such as the EU revision of the Renewable Energy Directive, the electricity market design legislation and the Net Zero Industry Act, and nationally on a breadth of topics ranging from support scheme design to the regulatory frameworks for renewable permitting, grid and battery energy storage.

In the US, we are members of over 15 trade and industry associations with a number of leadership roles, including serving as board members of Solar Energy Industries Association (SEIA), United Scale Solar Energy Coalition of Ohio and Texas Solar Power Association. We are also on the board of Women of Renewable Industries and Sustainable Energy (WRISE). We chair various committees and add subject matter expertise on a wide range of committees and industry initiatives. Additionally, we were an initial signatory and industry leader in the Uncommon Dialogue, an agreement in partnership with Stanford University, The Nature Conservancy and the Solar Energy Industries Association bringing together solar developers, agricultural groups, tribal groups, and environmental NGOs to revolutionise solar development strategies that prioritise climate, conservation, and community – all through the lens of an equitable and just energy transition.

We also sent a delegation to COP28 to be part of the global movement to mitigate climate change, strengthening relationships with key external stakeholders such as government officials, scientists and NGOs, with the goal of advancing policy and technology solutions.



Our Reporting

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Independent Limited Assurance Report

Independent Limited Assurance Report to the Directors of Lightsource BP Renewable Energy Investments Limited on Scope 1 and Scope 2 Greenhouse Gas Emissions

Our limited assurance conclusion

Based on the procedures we have performed, as described under the “Summary of work performed” and the “Key Assurance Matter” sections below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information marked with the symbol “^” in Lightsource BP Renewable Energy Investments Limited (“Lightsource bp”)’s Sustainability Report for the year ended 31 December 2023 (the “Report”) and summarised below (together, the “Subject Matter Information”), has not been prepared, in all material respects, in accordance with Lightsource bp’s ‘Greenhouse Gas (‘GHG’) Emissions Basis of Reporting’ version June 2024 (the “Reporting Criteria”).

What we were engaged to assure

The Subject Matter Information needs to be read and understood together with the Reporting Criteria which Lightsource bp’s Directors are solely responsible for selecting and applying. The Subject Matter Information and the Reporting Criteria are as set out in the table below:

The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Report.

Our work

Professional standards applied

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3410 ‘Assurance Engagements on Greenhouse Gas Statements’, issued by the International Auditing and Assurance Standards Board.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance engagement can vary, we give more detail about the procedures performed, so that the intended users of the Subject Matter Information can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Subject Matter Information	Location of Subject Matter Information	Reporting Criteria
Scope 1 GHG emissions – 1,021 tCO ₂ e	Page 52 of the Report within the ‘Greenhouse Gas Emissions’ table	Version June 2024 ‘GHG Emissions Basis of Reporting’ found on Lightsource bp’s website ^[1] .
Scope 2 (location-based) GHG emissions – 8,332 tCO ₂ e		
Scope 2 (market-based) GHG emissions – 4,008 tCO ₂ e		

^[1]The maintenance and integrity of Lightsource bp’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on Lightsource bp’s website.



In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- evaluated the suitability in the circumstances of Lightsource bp's use of the Reporting Criteria as the basis for preparing the Subject Matter Information including the associated reporting boundaries;
- through inquiries, obtained an understanding of Lightsource bp's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design, obtaining evidence about their implementation or testing operating effectiveness of particular control activities;
- evaluated whether Lightsource bp's methods for developing estimates are appropriate and had been consistently applied, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Lightsource bp's estimates;
- compared year on year movements and obtained explanations from Lightsource bp management for significant differences we identified;
- performed limited substantive testing of the Subject Matter Information, which is aggregated from information submitted by Lightsource bp's solar project sites and offices. Testing involved agreeing arithmetical accuracy of calculations, and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported; and
- evaluated the disclosures in, and overall presentation of, the Subject Matter Information.

Materiality

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context. Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:

Overall materiality	Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information. Materiality has been set at 5% for Scope 1 GHG emissions, 5% of the following: <ul style="list-style-type: none"> • Scope 1 GHG emissions • Scope 2 (location-based) GHG emissions • Scope 2 (market-based) GHG emissions
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We also agreed to report to the Directors misstatements ("reportable misstatements") identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

Key Assurance Matter

Key Assurance Matters are those areas of our work that in our professional judgement required particular focus and attention, including those which had the greatest effect on the overall assurance strategy, the allocation of resources, and directing the efforts of the engagement team.

We considered the following area to be a Key Assurance Matter and discussed this with Lightsource bp's management.

Identification of solar projects completed during the year and the recognition and accounting of the relevant GHG emissions.	
Nature of the issue	<p>Lightsource bp applies an operational control approach to its organisational boundary which determines the accounting for GHG emissions from its group entities and their relevant solar projects that should be included within its reporting.</p> <p>During the year, a number of solar projects which were under construction were completed and therefore the operational control passed to Lightsource bp. Subsequently, associated GHG emissions were recognised in the current period and included in the reported GHG emissions data. As there are a number of solar projects at varying stages of development, identification of those completed during the year and recognition of relevant emissions can significantly impact reported GHG emissions.</p>
How our work addressed the key assurance matter	<p>We performed the following procedures to address this issue:</p> <ul style="list-style-type: none"> • Obtained an understanding of Lightsource bp's internal processes to identify and account for the GHG emissions from the completed and operational solar projects; • Obtained a list of all projects under construction from the Lightsource bp Global Asset Management team and compared the projects on the listing to the projects included in Lightsource bp's GHG inventory; and • Selected a number of solar projects from the listing and checked their assigned project status to supporting evidence, including official letters communicating the commercial operational date from a third party. For each project selected, we also checked whether the associated GHG emissions were either appropriately included or appropriately excluded.
Element(s) of the Subject Matter Information most significantly impacted	Scope 1 GHG emissions, Scope 2 (location-based) GHG emissions and Scope 2 (market-based) GHG emissions



INDEPENDENT LIMITED ASSURANCE REPORT CONTINUED

Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

In particular, the emission factor of zero used in calculation of the UK element of the scope 2 market-based emissions is based on the UK energy suppliers' commitments under their terms of their renewable tariffs to supply Lightsource bp with energy backed by the Renewable Energy Guarantees of Origin certificates (REGOs). REGOs are subject to inherent limitations, including but not limited to the risk of double counting and uncertainty as to whether the third-party energy suppliers will purchase and retire enough certificates to cover all of the energy supplied to all of their customers who have purchased the energy through their renewable ('green') tariffs in the reporting period, over which the customer has no oversight.

Reporting on Other Information

The other information comprises all of the information in the Report other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

Responsibilities of the Directors

Directors of Lightsource bp are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to Lightsource bp and the intended users of the Report;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;

- documenting and retaining underlying data and records to support the Subject Matter Information; and
- producing the Report that provides a balanced reflection of Lightsource bp performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Report.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Lightsource bp.

Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of Lightsource bp in accordance with the agreement between us dated 1 May 2024 (the "agreement"). To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and Lightsource bp for our work or our report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
Aberdeen

19 June 2024

KPI Appendix

This is our third annual sustainability report. We expect to improve our reporting and data collection processes each year.

Company Context

Metric	Unit	2022	2023
Projects developed ¹⁵ to-date	GW	8.4	8.8
Projects developed ¹⁵ in-year	GW	3	0.4
Total solar development pipeline	GW	55	63.7
Assets under construction	#	16	30
Assets under construction	GW	1.9	3.77
Renewable energy delivered from our owned assets	TWh	3.0	3.7
Countries of operation	#	19	19

Biodiversity

Metric	Unit	2022	2023
Self-developed ¹⁵ projects with BMP	%	89	100
Co-developed ¹⁵ projects with BMP	%	33	67
Developed projects with agrivoltaics	%	50	100
Operational assets with agrivoltaics	%	-	31
Projects in development pipeline with agrivoltaics	%	-	12
Number of new contracts signed with farmers	#	-	37

Greenhouse Gas Emissions

Metric	Unit	2022	2023
Scope 1: Direct emissions ¹⁶	tCO ₂ e	1,100	1,021 [^]
Scope 2: Indirect emissions (location-based)	tCO ₂ e	4,954	8,332 [^]
Scope 2: Indirect emissions (market-based) ¹⁷	tCO ₂ e	2,463	4,008 [^]
Total Scope 1 and 2 (location-based) emissions	tCO ₂ e	6,054	9,353
Total Scope 1 and 2 (market-based) emissions	tCO₂e	3,563	5,029
Scope 3: Categories 1-5 emissions	tCO ₂ e	1,361,090	17,216
Scope 3: Categories 6-7 emissions	tCO ₂ e	4,807	14,048
Scope 3: Category 12 emissions	tCO ₂ e	7,378	- ^{^^}
Total Scope 3 emissions	tCO₂e	1,373,275	31,264
Emissions intensity (S3)	tCO₂e/MW	680	- ^{^^}
Capacity of projects starting construction	MW	2,019	- ^{^^}

¹⁵ Developed here means projects reaching the Final Investment Decision within the relevant calendar year.

¹⁶ Due to the nature of our office lease agreements and limited data visibility, we have excluded fugitive emissions from our commercial office utilisation. We will seek to improve visibility in the future.

¹⁷ The calculation of Scope 2 market-based emissions is based on the electricity suppliers of renewable tariffs in the UK fulfilling their contractual obligations under the terms of the renewable tariffs to back all energy supplied to all of their customers on such tariffs by Renewable Energy Guarantees of Origin (REGOs). We have no oversight over that process. This is laid out in more detail in the 2023 GHG Emissions Basis of Reporting.

[^] This metric was subject to external independent limited assurance by PricewaterhouseCoopers LLP (PwC). For the results of that assurance, see PwC's assurance report on page 49 and Lightsource bp's 2023 GHG Emissions Basis of Reporting.

^{^^} See page 20 for more detail on these figures.

KPI APPENDIX CONTINUED

People

Metric	Unit	2022	2023
Total employees	#	978	1,194
Female employees	%	35	36
Females in Senior Leadership ¹⁸	%	29	25
Permanent employees Age 18-24	#	27	17
Permanent employees Age 25-34	#	377	480
Permanent employees Age 35-44	#	354	426
Permanent employees Age 45-54	#	166	205
Permanent employees Age 55+	#	53	66
Nationalities	#	53	59
Leaders attended leadership development programmes	#	102	180

Health and Safety

Metric	Unit	2022	2023
LSbp company Recordable Injury Frequency	Per 200k hrs worked	0	0.3
LSbp company recordable injuries	#	0	3
LSbp outside operating boundaries Recordable Injury Frequency	Per 200k hrs worked	1.06	1.05
LSbp outside operating boundaries recordable injuries	#	19	32

Governance

2023 Board of Directors (as at 31 Dec 2023)

Name	Position
Mike Roney	Non-Executive Chairman
Nick Boyle	Group CEO
Kareen Boutonnat	CEO Europe and International
Paul McCartie	Chief Investment Officer
Joaquin Oliveira	Non-Executive Director
Noelia Alvarez Marivela	Non-Executive Director
Simon Ashley	Non-Executive Director

Governance Metric	Unit	2022	2023
Female Board members	%	29%	29%
Counterparties screened in due diligence	#	3,000+	3,000+
Speak Up reporting rate	reports per thousand employees	5	11
Material non-compliance events	#	0	0

¹⁸ Executives plus Key Strategic Roles (Key Functional and Operational Roles). The 2022 Sustainability Report referred to Exec -1 however Executive team and KSRs is a truer reflection of senior roles within the business.

GRI Standard Index

We have used the GRI Standards to inform the preparation of our disclosures in this report and those linked in the table below. It is important to note that where we reference a particular GRI disclosure we have not necessarily disclosed all mandatory elements as set out in the relevant standard.

This is driven both by the application of a materiality lens, considering key stakeholders, our impact on ESG matters and their impact on us, and by the relative maturity of some of our datasets. As set out in this report we continue to improve our reporting and data collection processes and strive to be able to provide more information in future years.

GRI disclosure	Description	Lightsource bp disclosure
General Disclosures		
2-1	Organisational details	About Lightsource bp; Corporate and Sustainability Governance
2-2	Entities included in our sustainability reporting	About this Report
2-3	Reporting period, frequency and contact point	About this Report; contact info@lightsourcebp.com
2-4	Restatements of information	No restatements for prior year data in this report
2-5	External assurance	This report was reviewed and approved by the Board of Directors of Lightsource bp. Scope 1 and scope 2 market-based and location-based emissions for 2023 were subject to an independent limited assurance engagement by PwC, as set out in the limited assurance report on page 49.
2-6	Activities, value chain and other business relationships	About Lightsource bp; Supply Chain Sustainability; Business Conduct and Ethics
2-7	Employees	Our People and Culture
2-9	Governance structure and composition	Corporate and Sustainability Governance
2-11	Chair of the board	Corporate and Sustainability Governance
2-12	Role of the board in overseeing management of impacts	Corporate and Sustainability Governance; Business Conduct and Ethics; Risk Management
2-13	Delegation of responsibility for managing impacts	Corporate and Sustainability Governance; Business Conduct and Ethics; Risk Management
2-14	Role of the board in sustainability reporting	Corporate and Sustainability Governance
2-15	Conflicts of interest	Business Conduct and Ethics

GRI STANDARD INDEX CONTINUED

GRI disclosure	Description	Lightsource bp disclosure
General Disclosures continued		
2-16	Communication of critical concerns	Corporate and Sustainability Governance; Business Conduct and Ethics; Risk Management
2-22	Statement on sustainable development strategy	Letter from the CEO; Our Ambitions
2-23	Policy commitments	Business Conduct and Ethics; Codes of Conduct; Health, Safety and Environment Policy; Human Rights Policy; Biodiversity Policy
2-24	Embedding policy commitments	Biodiversity, Ecosystems and Multiuse Solar; Health and Safety; Business Conduct and Ethics; Supply Chain Sustainability
2-25	Processes to remediate negative impacts	Business Conduct and Ethics; Modern Slavery Statement; Supply Chain Sustainability
2-26	Mechanisms for seeking advice and raising concerns	Business Conduct and Ethics; Modern Slavery Statement
2-27	Compliance with laws and regulations	Lightsource bp had zero material non-compliance events in 2023 that resulted in administrative or judicial sanctions or fines
2-28	Membership associations	Memberships and Associations
2-29	Approach to stakeholder engagement	Our Ambitions; Memberships and Associations; Local Communities; Biodiversity, Ecosystems and Multiuse Solar
Disclosures on material topics		
3-1	Process to determine material topics	Our Ambitions
3-2	List of material topics	Our Ambitions
Biodiversity		
304-2	Significant impacts on biodiversity	Biodiversity, Ecosystems and Multiuse Solar
304-3	Habitat areas protected or restored	Biodiversity, Ecosystems and Multiuse Solar
Emissions		
305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions

GRI STANDARD INDEX CONTINUED

GRI disclosure	Description	Lightsource bp disclosure
Emissions continued		
305-3	Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions
305-4	GHG emissions intensity	Greenhouse Gas Emissions
Waste		
306-1	Waste generation and significant waste-related impacts	Circularity
306-2	Management of significant waste-related impacts	Circularity
306-3	Waste generated	Circularity
306-4	Waste diverted from disposal	Circularity
306-5	Waste directed to disposal	Circularity
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Sustainability
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Sustainability
Employment		
401-1	New employee hires	Our People and Culture
Occupational Health and Safety		
403-1	Occupational health and safety management system	Health and Safety
403-2	Hazard identification, risk assessment and incident investigation	Health and Safety
403-5	Worker training on occupational health and safety	Health and Safety
403-9	Work-related injuries	Health and Safety
Training and Education		
404-2	Programmes for upgrading employee skills	Our People and Culture

GRI STANDARD INDEX CONTINUED

GRI disclosure	Description	Lightsource bp disclosure
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Our People and Culture
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	No such incidents were noted in 2023.
Forced Labour		
409-1	Operations and suppliers at significant risk for incidents of forced labour	Supply Chain Sustainability; Modern Slavery Statement
Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	No such incidents were noted in 2023.
Local Communities		
413-1	Operations with local community engagement and development programmes	Local Communities
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Supply Chain Sustainability
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Sustainability; Modern Slavery Statement

SASB Standard Index

Our business falls into multiple SASB industries. The index below outlines how our existing disclosures align with the recommended metrics for our primary sector, the SASB Solar Technology and Project Developer Standard. We also disclosed relevant metrics from additional standards to increase transparency, including the Electric Utilities and Power Generators Standard.

Note, areas including coal ash management, pollutants, energy affordability, end-use efficiency and demand, nuclear safety and emergency management and grid resiliency are not applicable to our activities and therefore have not been included. It is important to note that where we reference a particular SASB topic we have not necessarily disclosed all required elements as set out in the relevant guidance.

This is driven both by the application of a materiality lens, considering key stakeholders, our impact on ESG matters and their impact on us, and by the relative maturity of some of our datasets. As set out in this report we continue to improve our reporting and data collection processes and strive to be able to provide more information in future years.

SASB topic	SASB metric	SASB code	Lightsource bp disclosure
Greenhouse Gas Emissions & Energy Resource Planning	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations, and emissions-reporting regulations.	IF-EU-110a.1	Greenhouse Gas Emissions
	Greenhouse gas (GHG) emissions associated with power deliveries.	IF-EU-110a.2	As a renewable energy provider, this is zero.
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	IF-EU-110a.3	Greenhouse Gas Emissions
Energy Management	Energy consumed % grid electricity % renewable	RR-ST-130a.1	Greenhouse Gas Emissions
Water Management	Total water withdrawn and consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	RR-ST-140a.1	This is not disclosed – please see Circularity section for more detail.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	RR-ST-140a.2	This is not disclosed – please see Circularity section for more detail.
Hazardous Waste Management	Hazardous waste generated and recycled	RR-ST-150a.1	Circularity
	Reportable spills and quantity recovered	RR-ST-150a.2	Circularity

SASB STANDARD INDEX CONTINUED

SASB topic	SASB metric	SASB code	Lightsource bp disclosure
Ecological Impact of Project Development	Description of efforts in solar energy system project development to address community and ecological impacts	RR-ST-160a.1	Biodiversity and Multiuse Solar
Management of Energy Infrastructure Integration & Related Regulations	Description of risks associated with integration of solar energy into existing energy infrastructure and discussion of efforts to manage those risks	RR-ST-410a.1	Climate Change Risk
	Description of risks and opportunities associated with energy policy and its effect on the integration of solar energy into existing energy infrastructure	RR-ST-410a.2	Climate Change Risk
Materials Sourcing	Description of the management of risks associated with the use of critical materials	RR-ST-440a.1	Supply Chain Sustainability
	Description of the management of environmental risks associated with the polysilicon supply chain	RR-ST-440a.2	Supply Chain Sustainability
Workforce Health and Safety	Total recordable incident rate (TRIR), fatality rate, and near miss frequency rate (NMFR)	IF-EU-320a.1	Health and Safety
Activity Measures	Total capacity of completed solar energy systems	RR-ST-000.B	Renewable Energy at Scale
	Total electricity generated, percentage by major energy source, percentage in regulated markets	IF-EU-000.D	Renewable Energy at Scale

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