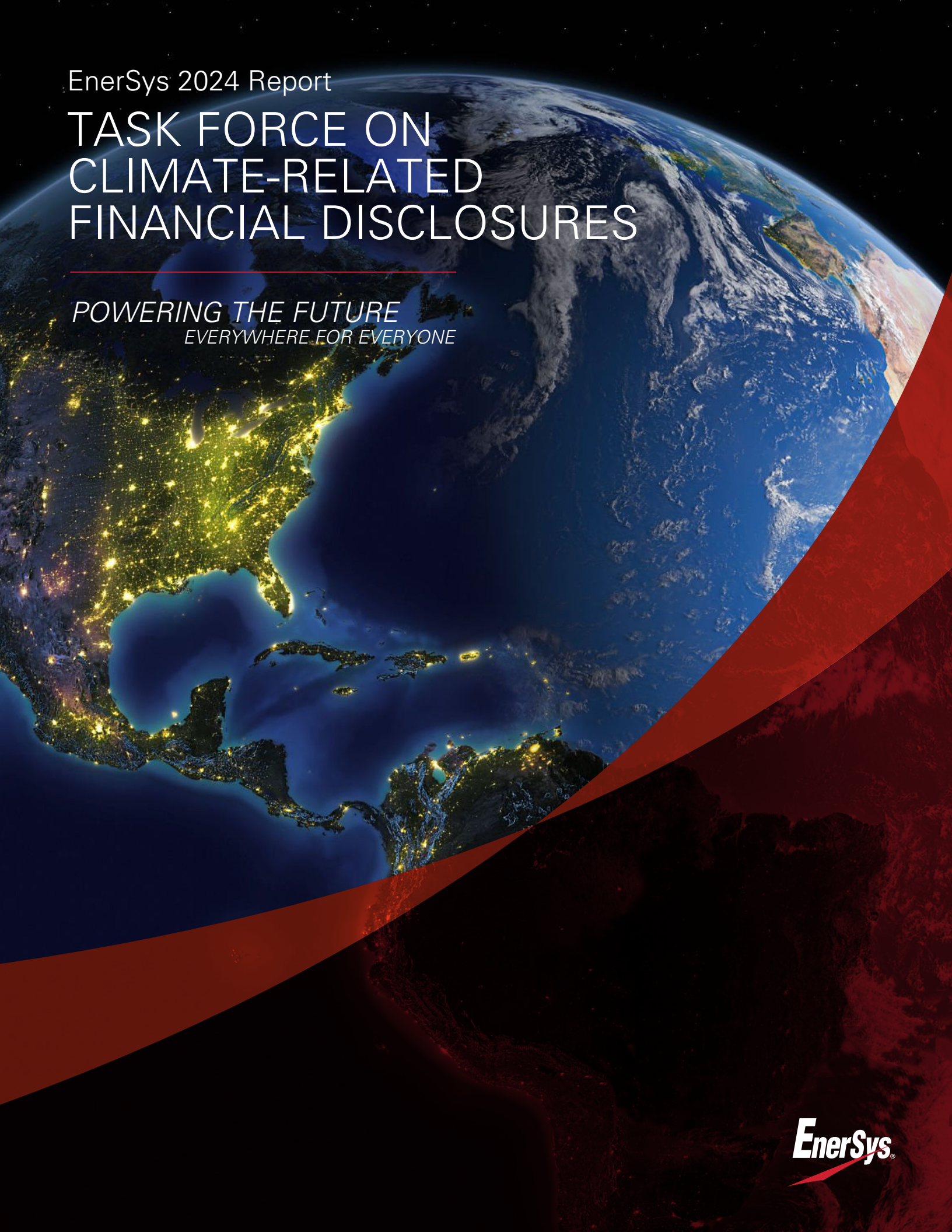
EnerSys 2024 Report

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

POWERING THE FUTURE
EVERYWHERE FOR EVERYONE



CEO STATEMENT

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At EnerSys, we believe that the strength of a company is measured by how it prepares for the future. As the global energy landscape continues to evolve, we remain focused on delivering reliable, resilient, and efficient energy systems that support our customers, strengthen national infrastructure, and enhance energy security.

Calendar year 2024 marked important milestones for our company. We expanded our presence in the defense sector through the acquisition of Bren-Tronics, a leader in advanced portable power solutions for soldiers in the field, and announced plans to develop domestic lithium-ion cell manufacturing capabilities in South Carolina. These efforts not only support the revitalization of U.S. manufacturing, but also advance our ability to provide critical energy solutions that strengthen national security and grid resilience.

EnerSys products are uniquely positioned to meet growing demand for energy independence, stability, and innovation. From our battery systems that power defense applications and critical telecommunications networks, to our technologies that safeguard vital infrastructure, we are building the backbone of an energy-secure future. As we advance these solutions, we remain focused on identifying and managing operational, financial and strategic risks while strengthening our ability to deliver long-term value.

This TCFD-aligned report reflects our commitment to transparency, governance, and forward-thinking leadership. It provides an overview of how we evaluate and address energy-related risks and opportunities across our operations, including the integration of scenario analysis into our business planning. We do this not because it is easy or expected, but because, as Aristotle reminds us, "We are what we repeatedly do. Excellence, then, is not an act, but a habit."

By approaching energy resilience and efficiency as an ongoing practice, we are not only responding to today's challenges – we are positioning EnerSys as a key enabler of tomorrow's solutions. Thank you for your continued trust in our vision and commitment.

Sincerely,

Shawn O'Connell
President & CEO

EXECUTIVE SUMMARY

EnerSys designs, manufactures and distributes energy systems and storage solutions that deliver reliable, resilient energy when and where it is needed most. As a global leader in stored energy solutions for industrial applications, we help move products and data, enhance grid reliability, support communications networks, and power aerospace and defense technologies for customers around the world. Our motive power batteries, specialty batteries, battery chargers, power equipment, battery accessories, and outdoor equipment enclosure solutions provide energy storage solutions that can help meet growing market demand for cleaner, more resilient energy. While EnerSys has risks in the transition to an economy with a broader energy mix, we see the opportunities as greater than the risks. These opportunities may include increased demand for our existing products, new markets and customers, increased innovation, and increased access to capital.

EnerSys continues to innovate and to unlock energy options.

We have worked to solidify our global leadership of stored energy solutions. In July 2024, EnerSys completed its acquisition of Bren-Tronics Defense LLC, which strengthens our position as a critical enabler of the energy transition and expands our lithium portfolio and presence in the defense market. Founded in 1973, Bren-Tronics is a leading manufacturer of highly reliable portable power solutions, including small and large format lithium batteries and charging solutions, for military and defense applications. It has approximately 280 employees across the U.S., France, and the U.K., with 2023 sales of approximately $100 million. Bren-Tronics was integrated into the EnerSys Specialty line of business as of second fiscal quarter 2025.

We also published our inaugural Climate Action Plan Roadmap, ensuring we remain compliant with regulatory requirements and providing greater transparency around our strategies to meet key stakeholder expectations.

Additional 2024 highlights include:

- Receiving our first orders for Battery Energy Storage Systems (BESS) for various applications including demand charge reduction, utility back-up power and energy management.
- Receiving our first orders for our DPX Distributed Power Transport System featuring our new EnShield™ technology, which enables operators to accelerate 5G deployment and, in turn, expedite revenues for their 5G service.
- Receiving our first orders for our NexSys® Air wireless charger for automated guided vehicles (AGVs), enabling our customers to automate their operations by eliminating physical charger connections, while also increasing safety.
- Receiving a $5 million award from the U.S. Department of Defense's Defense Innovation Unit to advance our development of next generation lithium 6T batteries.

RISKS, OPPORTUNITY, & MATERIALITY

The greatest risks to EnerSys are those that could impact our production capabilities and potentially increase costs, which could erode our bottom line. We measured risks with consequences greater than 1% of revenue – a threshold for materiality specific to this report. These include both physical and transition risks associated with climate impacts, which we detail throughout this report and summarize in Appendix A.

MEASURING IMPACTS

EnerSys has evaluated three climate scenarios related to temperature increase of 1.5°C, 2°C, and ~3°C over short-, medium- and long-term time horizons. This report notes that the impact of these scenarios does not vary significantly in the short-term (1-2 years) and medium-term (3-5 years) time frames. However, the impacts become increasingly divergent and significant in the long-term (5+ years).

For each applicable scenario, we evaluated the risks, opportunities, and impacts relevant to our overall operations and specific geographic locations. See Appendix B for a summary of quantified impacts per the three scenarios within the differing time frames.

STRATEGIC RESPONSE: REALIZING OPPORTUNITIES, MITIGATING RISK

We believe EnerSys is well-positioned to address both climate risks and opportunities through our sustainability goals, programs and company policies; relationships with suppliers and customers, and continuous investment in R&D, among other efforts. See Appendix C for a Summary List of Strategic Responses.

Reflecting our commitment to address the sustainability interests of key stakeholders, we have taken a proactive approach to greenhouse gas (GHG) emissions targets, water and waste management, and maximizing energy efficiencies. We also transparently disclose our goals and progress.

In August 2024, EnerSys published our inaugural Climate Action Plan Roadmap ("Roadmap") to advance and disclose our actions for achieving Scope 1 and Scope 2 decarbonization. This comprehensive plan provides our stakeholders with a transparent and detailed view of the opportunities and barriers in front of us in a Company-wide transition toward renewable energy by 2040 and carbon neutral electricity by 2050. These commitments are bolstered by the Company's earmarking $20 million for sustainability initiatives between 2023 and 2028, including efforts that can enhance efficiency and potentially reduce costs.

ABOUT THE TCFD

The Financial Stability Board (FSB) created the TCFD to develop recommendations on the types of information that companies should disclose to support investors, lenders, and insurance underwriters in appropriately assessing and pricing a specific set of risks – risks related to climate change.

In 2017, the TCFD released climate-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation. The disclosure recommendations are structured around four thematic areas that represent core elements of how companies operate: governance, strategy, risk management, and metrics and targets.

The four recommendations are interrelated and supported by 11 recommended disclosures that build the framework with information that should help investors and others understand how reporting organizations think about and assess climate-related risks and opportunities.

Since the publication of the TCFD recommendations, the FSB has asked the Task Force to continue its work – promoting the adoption of the TCFD framework, providing further guidance, supporting educational efforts, monitoring climate-related financial disclosure practices in terms of their alignment with the TCFD recommendations, and preparing annual status reports.

THE CORE ELEMENTS OF THE TCFD

1 GOVERNANCE

The organization's governance around climate-related risks and opportunities.

2 STRATEGY

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

3 RISK MANAGEMENT

The processes used to identify, assess, and manage climate-related risks.

4 METRICS & TARGETS

The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

GOVERNANCE

TCFD Governance GA.1-3 & GB.1-4 See Appendix D for disclosure guidance and page references.

BOARD OVERSIGHT

Our **Board of Directors**, including our CEO, is responsible for overseeing our sustainability strategy and progress, including climate-related topics. Sustainability issues are reviewed by the full Board on a quarterly basis.

Our **Nominating & Corporate Governance Committee (NCGC)** has specific responsibilities to assist the Board in overseeing the Company's policies and practices regarding sustainability matters that are significant to the company. This includes our Climate Change Policy, which outlines our commitment to reducing our energy intensity and GHG emissions.

The Board of Directors has updated the charter of the Nominating and Corporate Governance Committee to explicitly include assisting the Board in overseeing the company's significant policies and practices related to these matters. Our other Board committees also have oversight responsibility for sustainability topics under their purview. At each **Audit Committee** meeting, our Chief Legal & Compliance Officer and Secretary (CLO) reports on both legal, ethics and compliance matters, as well as environmental, health and safety matters. The Audit Committee and the full Board are also directly engaged with sustainability risk areas through our comprehensive enterprise risk management program.

Each Board Committee's Chair regularly communicates with the Independent Non-Executive Chair. The CEO and Board of Directors hold set, quarterly meetings with predetermined agendas and ad-hoc inclusions as relevant and needed. Open dialogue continues outside annual and quarterly meetings to address any concerns or needs that may arise. The Independent Non-Executive Chair of the Board establishes the agenda for Board meetings and distributes it in advance to each Director. The agenda reflects items any Director recommends for inclusion. Directors are encouraged to suggest items for inclusion on the agenda and may raise any other subject not specifically on the agenda for consideration and action at any meeting. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the Chair of that committee.

Table 1.1: Governance Oversight Systems and Schedule

PARTIES RESPONSIBLE FOR OVERSIGHT	MINIMUM FREQUENCY OF REVIEW
Board of Directors	Quarterly
Audit Committee	Quarterly
Nominating & Corporate Governance Committee	Quarterly
SYSTEMS IN PLACE	
Climate Change Policy	Enterprise Risk Management Program
	Sustainability Program

ROLE OF MANAGEMENT

Our Sustainability Steering Committee oversees the execution of our sustainability program, including strategies related to the impacts of an evolving climate. The Committee consists of senior management and subject matter experts and meets quarterly.

In August 2024, EnerSys established a Climate Action Plan Committee to facilitate our Climate Action Plan Roadmap and the Enablement Program. The Enablement Program established our Green Revolving Fund, internal carbon pricing framework, and Supplier Innovation Council. The Climate Action Plan Committee reports to our Sustainability Steering Committee.

The Executive Risk Management Committee is composed of senior leaders across the organization and meets quarterly to identify significant risks, coordinate information sharing, and support mitigation efforts for all types of risk, including climate-related risks. These senior leaders from all EnerSys business units and functions have input into our enterprise risk management program, including risk identification and prioritization.

The EnerSys sustainability team leads our key initiatives on important topics such as environment-related risks and programs across our products, operations, and supply chain.

Table 1.2: Leadership Roles Responsible for Oversight

PARTIES RESPONSIBLE FOR OVERSIGHT	KEY LEADERSHIP
Sustainability Steering Committee	CEO
Executive Risk Management Committee	Chief Legal and Compliance Officer
Sustainability Department	Senior Director of Sustainability

On a minimum of a quarterly basis, information regarding risks, including climate-related risks, flows from senior leadership to the Board as follows:

Figure 1.1: Risk Management Organizational Structure

STRATEGY

TCFD Strategy SA.1-4, SB.1, 3-5, 7-10, & SC.1-5
See Appendix D for disclosure guidance and page references.

Per the TCFD disclosure guidance, this topic belongs in Risk Management and responds to TCFD "RA.3: Processes for assessing the potential size and scope of identified climate-related risks." To ensure readability and definition of key topics, we included it at the beginning of the Strategy section.

Our climate strategy involves managing risks and positioning the company to capitalize on opportunities, including the potential benefits associated with our Climate Action Plan.

Risks and Opportunities: An evolving climate will impact every community, industry, and company, including EnerSys. According to the IPCC Summary for Policymakers,[1] future climate-related risks depend on the rate, peak, and duration of warming, with some impacts being long-lasting and irreversible, especially if warming exceeds 2°C. EnerSys is evaluating both the risks and opportunities that an evolving climate presents.

Climate Action Plan: To maximize a variety of potential business benefits and remain compliant with regulatory requirements, EnerSys has created a Climate Action Plan Roadmap. This includes two primary methods for abating the use of fossil fuels: efficiency and elimination of the use of fossil fuels by 2040 and adoption of carbon neutral electricity by 2050. In developing this transition plan, EnerSys evaluated company-wide, site-level, and asset-level GHG emissions, creating plans for action and resource allocation.

Renewable Energy & EnerSys Batteries at Our Facilities: To lower our energy prices and hedge against future price escalation, we have been working to develop onsite renewable energy projects to power our facilities. We have identified five of our manufacturing campuses that contribute a majority of our enterprise-level fossil fuel usage. By targeting these high-impact areas, we can make tangible progress towards our goal of achieving Scope 1 neutrality by 2040, while driving decarbonization at a faster pace to maximize the environmental impact of our efforts.

Advanced Manufacturing: In April 2024, we were awarded our second Better Practice Award from the DOE Better Plants Program. This year's recognition is related to our implementation of the cold-cube cutting process, a resource-efficient advancement in lead battery manufacturing that significantly reduces emissions and enhances the safety and health of our employees. We also received the Energy Efficiency Initiative of the Year Award as part of Environmental Finance's Sustainable Company Awards. This recognition was given specifically for implementation of the EnerSys Operating System (EOS), a lean management program designed to identify, reduce, or eliminate waste and associated costs across our operations.

RISK & OPPORTUNITY ANALYSIS METHODOLOGY

ANALYSIS APPROACH AND PROCESS

Overall climate risk is measured both by the impact of potential risks, including the value or importance of what is vulnerable, as well as likely resilience to those impacts. For a company like EnerSys, climate impacts also pose unique opportunities. Like other innovative energy-storage and technology companies, EnerSys technologies play an essential role in the transition to an economy less reliant on fossil fuels, thus potentially providing an opportunity to increase profits while mitigating risks.

Climate risks and opportunities generally fall into two categories: physical and transition. We have detailed these risks in the following sections.

Informed by "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures," a report published by TCFD in 2021, we developed this analysis using various risk tools. See Table 2.3 on page 10 for a list and description of the tools employed. Combined with our own data, these tools allowed us to map the temperature, target, time, and geographic dimensions of climate risk. While we will continue to refine this analysis over the coming years, we have identified, evaluated, and quantified material climate risks and the potential impacts on our business, strategy, and financial planning.

TIME HORIZONS

The time horizons applied consider the magnitude and potential impact of acute and chronic physical risks, transition risks, opportunities, and asset life. Our time horizons remain defined as in the prior year's reporting and are summarized in the table below:

Table 2.1: Time Horizon Definitions

TIME HORIZON	TIME FRAME	REASON
Short-term	1-2 years	Acute next fiscal cycle impact
Medium-term	3-5 years	Typical financial evaluation modeling
Long-term	More than 5 years	Part of long-term strategy and thinking

MATERIALITY DETERMINATIONS

EnerSys quantifies the extent of likelihood for which climate risk or opportunity impacts are material to our company's operations and financial performance as one percent of revenue.

CLIMATE SCENARIOS: 1.5°C, 2°C, & ~3°C

EnerSys has utilized three IPCC climate scenarios to evaluate both climate risks and potential opportunities, providing a view of various possible futures. We chose the scenarios most relevant to our operations, as outlined in Figure 2.1 below. The chart shows three primary scenarios based on global GHG emissions (measured in gigatons of carbon dioxide equivalents). These scenarios were developed by the IPCC and are published in the AR6 Synthesis Report: Climate Change 2023.[2] The En-ROADS scenarios had levers set with carbon price at $5/ton CO2 for the ~3.2°C.

Figure 2.1: IPCC AR6 Synthesis

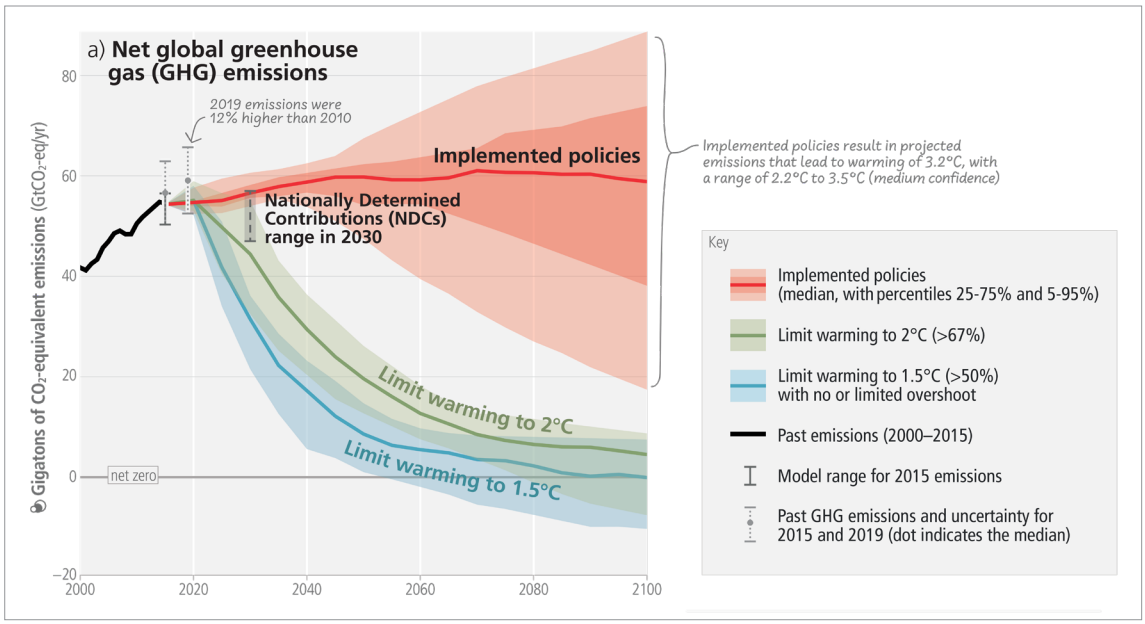


Table 2.2: EnerSys Climate Scenarios Evaluated

WARMING SCENARIO	SSP SCENARIO	RANGE
~3°C Current Climate Policies	SSP 7.0	~3° to ~3.5° C
2°C Beyond National Pledges	SSP 2.6	~2° to ~2.4°C
1.5°C Net Zero	SSP 1.9	~1° to ~1.5°C

TOOLS EMPLOYED

Table 2.3: Climate Risk Analysis Tools Used in EnerSys Risk & Opportunity Analysis

	TOOL NAME	DESCRIPTION OF USE	TIME HORIZON
1	CMRA Climate Mapping & ArcGIS Online	Used to analyze various climate risks and scenarios by geography in the United States. The displayed statistics are generated from official U.S. climate projections for two greenhouse gas emissions scenarios, a Lower Emissions Scenario ~2.5° to ~3° C (RCP 4.5) and a Higher Emissions Scenario ~5° C (RCP 8.5).[3]	Short- & Medium-term
2	World Resources Institute Global Water Risk Atlas	Used to identify regions susceptible to water risks, such as floods, droughts, and water stress.	Short-term
3	The FEMA Risk Index	Used to assess short-term risk in U.S. communities most at risk for 18 natural hazards. It provides locations with composite risk ratings based on expected annual losses, social vulnerability, and community resilience. The composite risk rating can be very low, relatively low, relatively moderate, relatively high, or very high.	Short-term
4	EPA Climate Resilience Evaluation & Awareness Tool (CREAT)	Used to map projections for the U.S. by looking at future scenarios for temperature, precipitation, storms, extreme heat, and sea level. The time horizons are 2035, 2060, and 2080.	Long-term
5	IPCC WGI Interactive Atlas	Used to evaluate climate impact and adaptation within the timeline of the Fifth Assessment Report (AR5) of the Intergovernmental Panel on Climate Change (IPCC). Coupled Model Intercomparison Project Phase 5 (CMIP5) up to the year 2100.[4] Includes data from the EUROCORDEX model.	Long-term
6	The Global Climate Risk Index 2021	Used to analyze the extent to which countries and regions have been affected by impacts of weather-related loss events (storms, floods, heat waves, etc.) from the effects of climate impacts.	Short-term
7	En-ROADS Climate Interactive Model	Used to simulate the impact of various policies that achieve certain temperature targets. The degree scenarios analyzed are described in the Climate Scenarios Section. Policies include electrification, pricing carbon, and improving agricultural practices, to explore impacts on various factors such as energy prices, temperature, air quality, and sea level rise.	Short-, Medium- & Long-term

The scenario analysis is applied where data is available, and the scenarios have materially different impacts. Where the differences in pathway scenarios do not materially impact EnerSys, the analysis assumes a "business-as-usual" or a ~3°C scenario, with time frames relevant to the particular risk, opportunity, or impact.

CLIMATE RISKS AND IMPACTS

OVERALL RISK INDEX

The following sections evaluate risks posed to EnerSys by climate through the lens of the three climate scenarios listed in the previous section.

Geography plays a crucial role in evaluating our overall climate risk and resilience. Geography defines not only the physical but also the socio-economic conditions that impact vulnerability and resilience. Per the Climate Risk Index (CRI), we evaluated each of our locations by level of country risk, categorizing the risk levels as high, medium, and low, pertaining to the CRI score.

Table 2.4: Climate Risk Index Levels

COUNTRY CLIMATE RISK LEVEL	CRI SCORE
High Risk	Score above 20
Medium Risk	Score 1-20
Low Risk	Score below 1

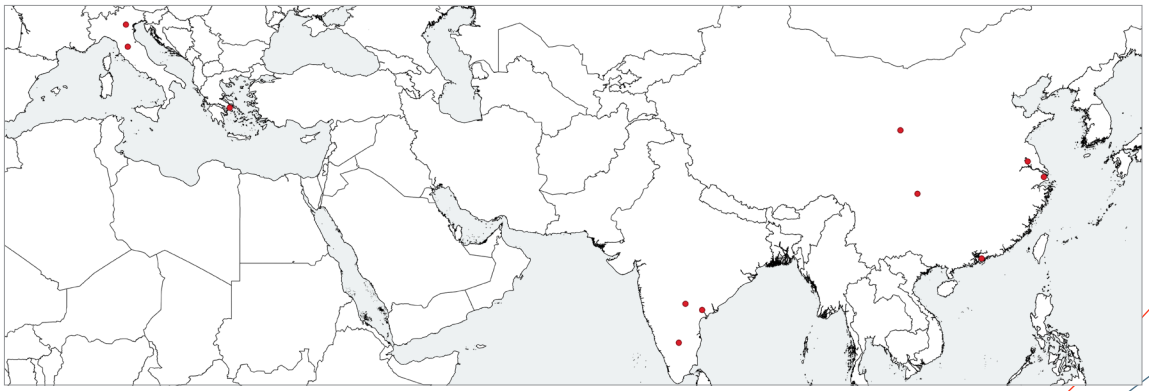
Table 2.5: Facilities at Risk by Country Risk Level & Region

COUNTRY CLIMATE RISK LEVEL	AMER	APAC	EMEA	TOTAL
High Risk	0	8	4	12
Medium Risk	82	17	38	137
Low Risk	2	3	6	11
Total	84	28	48	160

Table 2.6: Facilities at Risk by Country Risk Level & Facility Type

COUNTRY CLIMATE RISK LEVEL	OFFICE	WARE-HOUSE	PROD-UCTION	FACTORY	VEHICLE	STORE	HEAD-QUARTERS	TOTAL
High Risk	7	0	4	0	0	0	1	12
Medium Risk	64	37	23	10	0	2	1	137
Low Risk	9	2	0	0	0	0	0	11
Total	80	39	27	10	0	2	2	160

Figure 2.2: Map of EnerSys locations in Countries with "High Risk" CRI Scores



TCFD Strategy SA.1-4, SB.1, 3-5, 7-10, & SC.1-5
See Appendix D for disclosure guidance and page references.

PHYSICAL RISKS – CHRONIC

GHG emissions, primarily from human economic activity, are increasing average global temperatures and driving other climate-related risks, which are already impacting many parts of the world. EnerSys and our employees could be impacted by shifts in climate and environmental patterns, including rising sea levels, rising average temperatures and dangerous or prolonged heat waves, decreased or increased precipitation (droughts and floods), among other considerations.

Table 2.7: Chronic Risks, Impacts, & Materiality

RISK	IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
TEMPERATURE INCREASE	Higher Energy Prices	Negative	Medium- & Long-term	Yes
	Increased Energy Consumption (Short-, Medium- & Long-term)	Negative	Short-, Medium & Long-term	Yes
	Higher Costs & Lost Revenue from Workforce Health & Safety Concerns	Negative	Long-term	Not yet quantified
WATER STRESS	Increased Costs Due to Water Stress	Negative	Medium- & Long-term	Yes
	Lost Revenue from Delays Due to Water Scarcity	Negative	Long-term	Yes
SEA LEVEL RISE	Potential Costs from Coastal Flooding	Negative	Long-term	No

1 TEMPERATURE INCREASE

While there may be more impacts, the two impacts that we have identified are energy prices and costs, due to the increase in both per unit price and energy consumption for cooling facilities as global temperatures rise. We have also identified a potential long-term impact of costs and lost revenue related to workforce health and safety. However, this does not meet the materiality threshold and thus is only mentioned, not quantified.

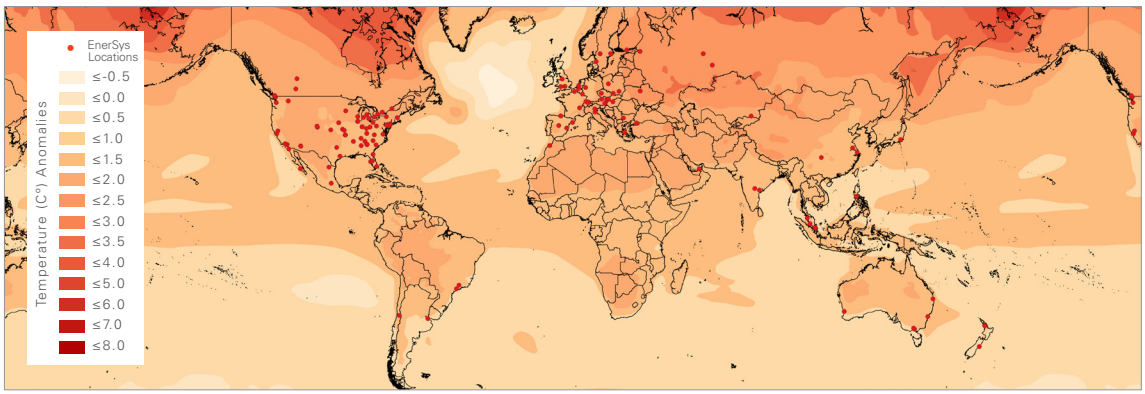
Temperature Scenarios: 1.5°C, 2°C, & ~3.2°C

The following three maps, Figures 2.3 to 2.5, illustrate projected temperature increases ranging from 0.5 °C to a maximum of 8°C over the next three decades. EnerSys facility locations are mapped to show regions affected by increasing temperatures.

~3.2°C Degree Scenario Average Temperature Increase

In this ~3-degree increase scenario, all EnerSys locations would be at risk of temperature increases ranging from 1.5–3.5-degree increases.

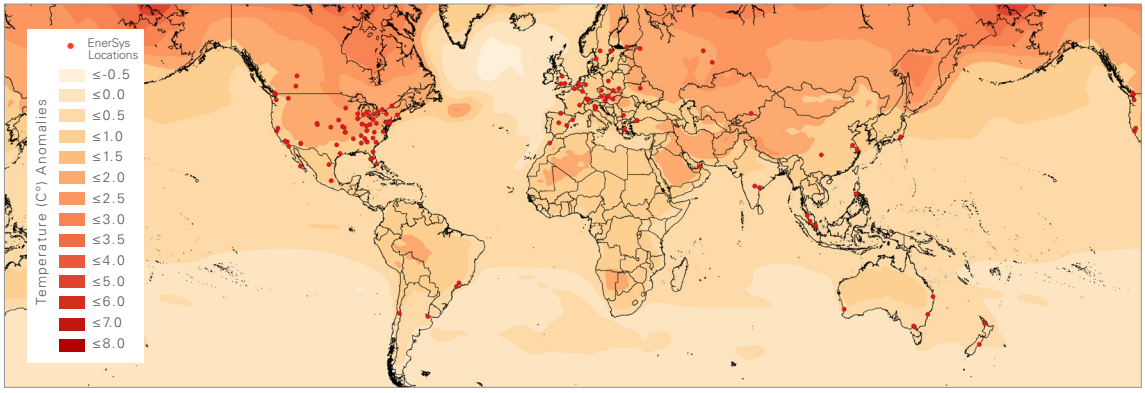
Figure 2.3: Average Temperature Climate Model Projection ~3°C Scenario



2°C Degree Scenario Average Temperature Increase

In the ~2-degree increase scenario, as shown below in Figure 2.7, 77 (65 U.S., 8 Canada, 4 Mexico) locations in North America and 43 locations in Europe, Africa, and Asia would see the most significant impact of 2–3-degree average overall increase.

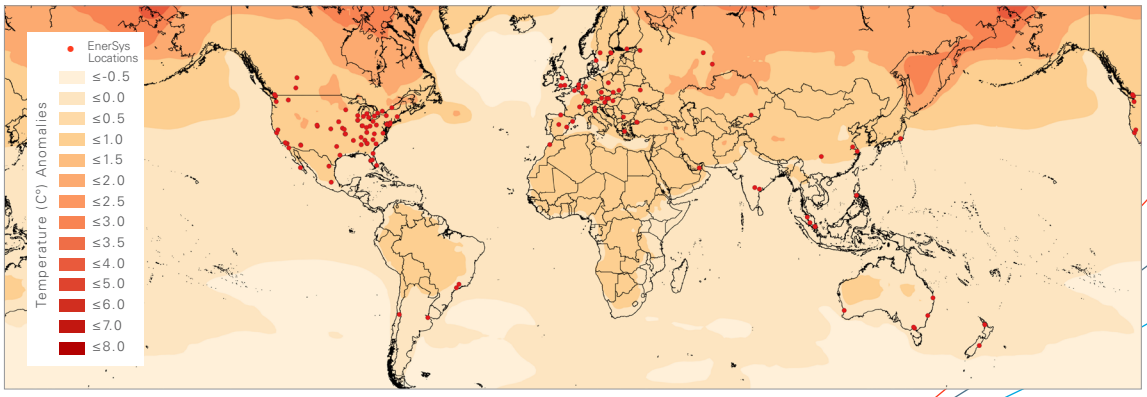
Figure 2.4: Average Temperature Climate Model Projection 2°C Scenario



1.5°C Degree Scenario Average Temperature Increase

In the ~1.5-degree increase scenario, as shown below in Figure 2.8, 74 (62 U.S., 8 Canada, 4 Mexico) locations in North America and 38 locations in Europe and Asia would see the most significant impact of 1–2-degree increase.

Figure 2.5: Average Temperature Climate Model Projection 1.5°C Scenario



Higher Energy Prices

Energy prices are affected by a number of factors, including policies, resource capacity, demand, and infrastructure. Temperature plays a key role in the demand portion of these price levers. Average energy prices may escalate due to an overall increase in loads during peak demand times, as daytime cooling requirements increase and/or as more extreme winter weather increases heating costs. With the transition towards a more reliant and resilient energy grid, electricity prices are expected to rise for a short period and then drop steeply as the grid is upgraded to handle the new generation and load profiles. Using the En-ROADS simulator, we modeled price forecasts for the three-degree pathways scenarios, looking at annual prices for the next 15 years. The charts below illustrate the three pathways with global average market electricity price forecasts. (Note: these prices do not reflect actual electric energy prices paid by EnerSys.)

Figure 2.6: Electricity Price Forecasts 3.2°C Pathway [5]

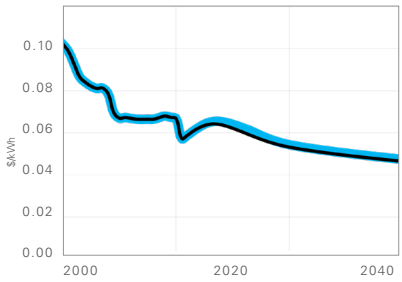


Figure 2.7: Electricity Price Forecasts 2°C Pathway [6]

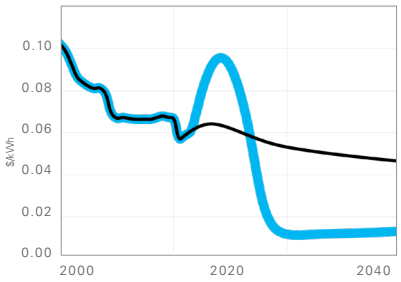
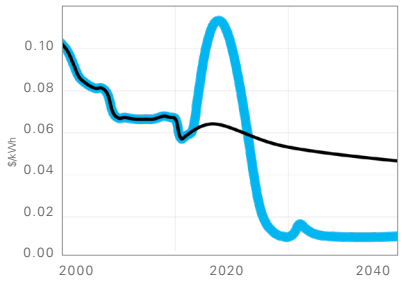


Figure 2.8: Electricity Price Forecasts 1.5°C Pathway [7]



Increased Energy Consumption

Many geographies are already experiencing an increase in average temperature and/or days with extreme heat. This increase in temperature and/or days with extreme heat most often leads to an increase in consumption of energy to cool facilities. In Table 2.8 below, EnerSys has updated our prior hypothetical scenario analysis with refreshed data sources and mathematical modeling. The prior analysis depended upon an 8% energy consumption increase for every 1°C temperature increase.[8] This updated analysis relies upon the same assumption, with added assumptions that as of 2023 the world has experienced a temperature increase of 1.3°C above pre-industrial levels. This is informed by the Climate Action Tracker analysis, published November 2024, and incorporated into this analysis to better model a hypothetical increase in total energy consumption for EnerSys facilities over the short-, medium- and long-term time horizons.

Table 2.8: Potential Energy Consumption Related to Cooling Per Pathway & Time Frame

RISK	IMPACT / SCENARIO		SHORT-TERM (2024-25)	MID-TERM (2026-28)	LONG-TERM (2029-40)
TEMPERATURE	Increased Energy Consumption	Electric energy consumption 3°C Scenario (GJ)	7,300	18,300	51,300
		Electric energy consumption 2°C Scenario (GJ)	7,300	18,300	51,300
		Electric energy consumption 1.5°C Scenario (GJ)	7,300	18,300	22,000

The scenarios analyzed align with SSP 1.9, 2.6, and 7.0, modeling increased temperatures of 1.5°C, 2°C, and 3°C, respectively. The three scenarios have measurable differences only on the long-term time horizon, where temperatures continue to rise in the 2°C, and 3°C. The total energy consumption difference between the 2°C and 3°C Scenarios and the 1.5°C Scenario (from 2024-2040) is 29,300 GJ, approximately the amount of energy used to power 750 average homes in the U.S.[9] When the models from the electricity price charts above are applied, the long-term costs under the 1.5°C Scenario are approximately $500,000 lower than the 2 & ~3°C Scenario Base Case.

Temperature is just one of many factors that affect electricity consumption; multiple variables come into play. The figures provided above are intended solely for illustrative purposes and hypothetical scenario analysis. They do not represent actual predictions or forecasts of energy consumption or costs for EnerSys. Similarly, the electric energy prices cited are not reflective of actual energy prices or costs for EnerSys. These prices are derived from the En-ROADS simulation and are used exclusively for scenario analysis to explore the potential relative impacts of different climate pathways.

Higher Costs & Lost Revenue from Workforce Health & Safety Concerns

Increases in peak summer temperatures may lead to worker health impacts, ranging from exposure to new infectious diseases that emerge from changing climates to physical and mental impacts of extreme heat.

EnerSys battery storage solutions improve the resiliency of communities, our customers, and the electrical grid by providing reliable power in unpredictable conditions.

2 WATER STRESS

We use water as an input to many of our battery production processes. Increased water scarcity and/or pricing due to extended drought and/or increased water demand could potentially impact our production capabilities and/or revenues as well as the livelihoods of our people.

Current climate models suggest that most EnerSys locations globally will experience at least a slight decrease in annual precipitation over the long term. Sixteen EnerSys locations in the U.S. are in regions expected to see more than a 2% decrease in annual precipitation by 2035, with four locations expecting more than a 5% decrease. The three maps below show the projected annual precipitation changes per each Shared Socioeconomic Pathways (SSPs).

SSPs are climate scenarios of projected socioeconomic global changes up to 2100 as defined in the IPCC Sixth Assessment Report on climate change. This report uses three SSP scenarios representing 1.5°C, 2°C, and 3°C:

- SSP 1.9
- SSP 2.6
- SSP 7.0

EnerSys continues to evaluate its water use and best practices to reduce the demand for water across operations.

Figure 2.9: Annual Precipitation Climate Model Projection 3°C Scenario

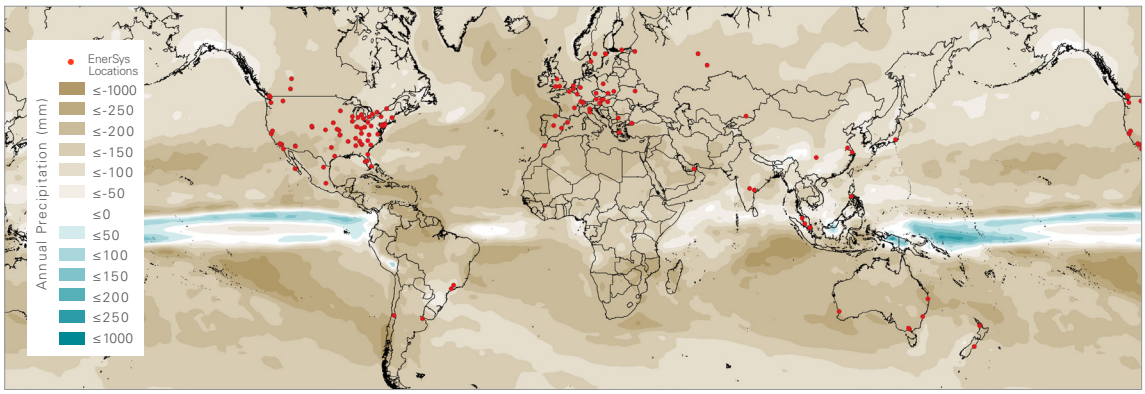


Figure 2.10: Annual Precipitation Climate Model Projection 2°C Scenario

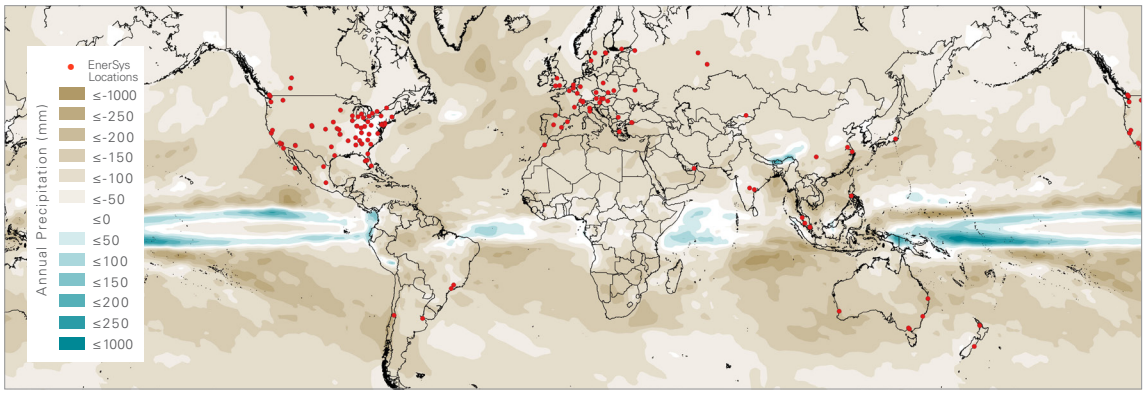
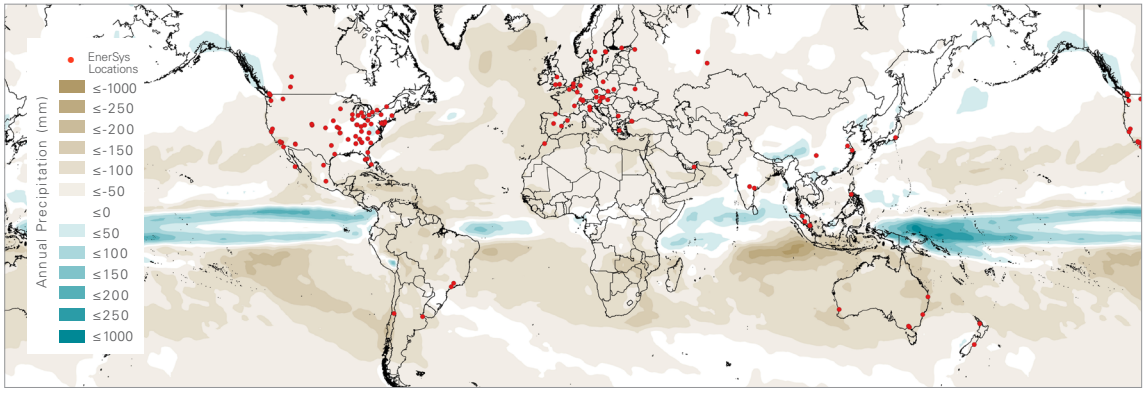


Figure 2.11: Annual Precipitation Climate Model Projection 1.5°C Scenario



Increased Costs Due to Water Stress

Water is an essential input in our manufacturing operations and is used for multiple processes, including preparing electrolytes, plate manufacturing, battery formation, and washing finished production equipment and manufacturing areas. We work to increase water recycling in our processes, which can reduce our water demand and the potential impact of water stress in communities where we operate. Expansion of water recycling capabilities and/or potential increases in the cost of water could lead to increased capital expenditures and/or operating costs for EnerSys.

Lost Revenue from Delays Due to Water Scarcity

Water stress and scarcity caused by an evolving climate poses an operational risk for our business and a health and safety risk for our employees. A decrease in water supply could negatively impact our manufacturing processes and/or supply chain, potentially reducing our production capacity, which could result in lost revenue.

Water Commitments & Metrics

EnerSys is committed to responsible water usage, with efforts that include:

1. **Global Commitments:** In 2021, EnerSys joined the U.N. CEO Water Mandate, a CEO-led commitment platform for business leaders and learners to advance water stewardship and reduce water stress worldwide by 2050.
2. **Water Efficiency:** In 2022, we committed to reducing our water intensity per kWh of storage produced by 25% by 2030 compared to 2020.
3. **Water Security:** In 2024, EnerSys completed CDP's water questionnaire for the first time, receiving a B rating.

3 SEA LEVEL RISE & COASTAL FLOODING RISK

Potential Costs from Coastal Flooding

Our manufacturing and/or distribution facilities, along with those of our suppliers, in coastal areas could face challenges to facilities and infrastructure as sea levels rise and the frequency and severity of storms increases. Over the long term, this could affect our ability to continue operations in those locations, increase our capital cost due to damages, or reduce our revenue due to decreased production capabilities. Insurance premiums in these areas are expected to increase, which may also impact our profitability. According to our analysis of various coastal flood scenarios, eight of our locations are within a coastal area that could be subject to coastal flooding associated with sea level rise. However, any sea level rise that could impact our facilities is not forecasted to occur until the end of the 21st century and, thus, has not been deemed sufficiently material to warrant a quantitative analysis.

PHYSICAL RISKS – ACUTE

Table 2.9: Physical Risks – Acute: Extreme Weather and Natural Disasters

RISK	IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
EXTREME WEATHER & NATURAL DISASTERS	Increased Capital Costs & Insurance Expenses	Negative	Short-, Medium- & Long-term	Yes
	Asset Loss from Water, Impact, or Fire Damage	Negative	Short-, Medium- & Long-term	Yes
	Revenue Lost from Operational Interruptions	Negative	Short-, Medium- & Long-term	Not Yet Quantified
	Higher Costs & Lost Revenue from Workforce Impacts	Negative	Short-, Medium- & Long-term	Not Yet Quantified
	Increase Costs & Lost Revenue from Supply Chain Interruptions and Delays	Negative	Short-, Medium- & Long-term	Not Yet Quantified

4 EXTREME WEATHER & NATURAL DISASTER RISKS

Extreme weather and natural disasters like floods, hurricanes, wildfires, heat waves, etc., can cause damage to human health and safety, communities, and infrastructure. While extreme weather and natural disasters are different risks, they are grouped because they can have similar operational and financial impacts on EnerSys.

With acute risks, a slight temperature variance can have unpredictable outcomes, which are harder to measure on shorter time horizons. The three climate-scenarios utilized for this report extend predicted impacts through 2050 to determine magnitude and timing of chronic climate risks. It's important to note that over the next five years (short- to medium-term), the temperature differences between the three scenarios are very minimal; thus, we assume the "Business as Usual" 3.2°C scenario for all impacts assessed.

Increased Capital Costs & Insurance Expenses

Increased frequency and intensity of extreme weather events like cyclones, hurricanes, tornadoes, hailstorms, winter storms, and more could cause significant damage to our facilities, increasing capital expenditures and/or insurance premiums.

Asset Loss from Water, Impact, or Fire Damage

Potential asset loss due to extreme weather includes facilities, equipment, data storage, and inventory.

Revenue Lost from Operational Interruptions

Extreme weather can cause business interruptions to our manufacturing operations, and our supply chain and/or our customers' facilities. This could reduce our revenue due to decreased production capacity and/or demand.

Higher Costs & Lost Revenue from Workforce Impacts

Extreme weather also poses risks to the safety and well-being of our employees and the local infrastructure where we operate, which are critical to our continued business success. Negative impacts on our workforce could result in higher labor costs, reduced business capacity and/or lost revenue.

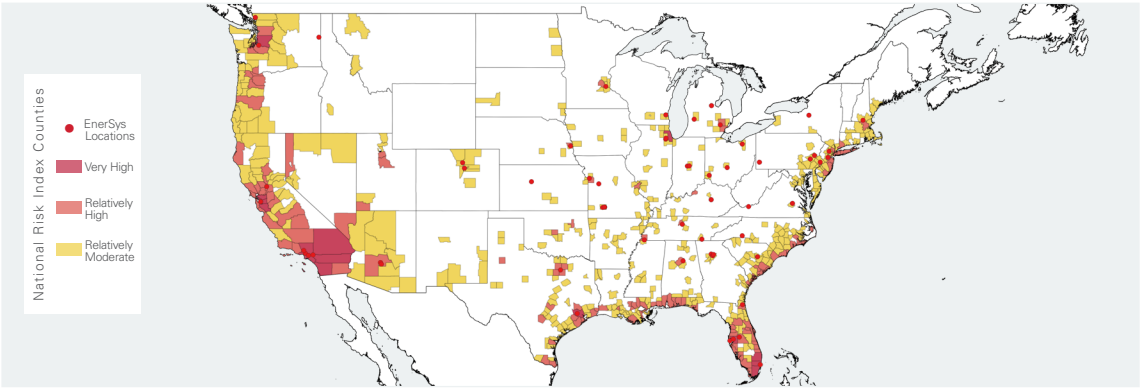
Increase Costs & Lost Revenue from Supply Chain Interruptions & Delays

Extreme weather and natural disaster events can also cause supply chain disruptions, which result in higher costs and losses due to delays.

Like chronic physical risks, acute risks are very much dependent on geography. However, unlike chronic risks, they are less predictable and are typically measured by the probability in which an event will occur. Complete acute risk data is not available on a global scale; however, we have mapped the locations in the United States where we have reliable data on acute risks from climate-related extreme weather or natural disasters.

Instead of evaluating each risk independently – as the grouped risk factors cause similar financial impacts – we have determined the level of acute physical risk using FEMA's Risk Index. FEMA's Risk Index is formulated as follows: Risk is equal to expected annual loss times social vulnerability, divided by community resilience. (Risk Index = expected annual loss x social vulnerability.) The total risk score for each location varies.

Figure 2.12: EnerSys Locations & FEMA Moderate, High, & Very High Risk Counties



Extreme Weather & Natural Disaster Risks *Strategic Response*

We take a multi-pronged approach to addressing these risks, with efforts that include:

1. **Disaster Preparedness & Planning:** EnerSys has developed emergency and contingency plans for our locations and will continue using a climate risk assessment to refine and customize these plans. We anticipate that each of our global sites will need to develop its own emergency preparedness and disaster readiness plans as we experience the worsening impacts of an evolving climate.

2. **Renewable Energy & EnerSys Batteries at Our Facilities:** Our products are a valuable resource to promote resilience in the face of natural hazards. EnerSys energy storage technology has already been used to combat the effects of severe weather on our operations, our customers, and the communities they serve. Our batteries store energy and save it to bridge the gap during crises and power outages. As electrification expands, our products will be critical for providing reliable energy every day, and during and after severe weather events.

TRANSITION RISKS & OPPORTUNITIES

Transition risks are risks related to the global transition of the energy landscape to a broader mix of sources. These risks are grouped into three categories: 1) policy and legal, 2) market and technology, and 3) reputational risk.

Table 2.10: Transition Risks & Opportunities

RISK	IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
POLICY & LEGAL	Increased Costs from Carbon Pricing	Negative	Short-, Medium- & Long-term	Yes
	Increased Costs Associated with Disclosures	Negative	Short-, Medium- & Long-term	No
	Fees or Other Costs Associated with Regulatory Compliance	Negative	Medium- & Long-term	No
NEW MARKETS & TECHNOLOGY	Increased Demand for EnerSys Products	Positive	Medium- & Long-term	Not Yet Quantified
	Increased Access to Capital	Positive	Short-term	Yes
REPUTATIONAL	Potential Revenue Loss Due to Reputational Decline	Negative	Long-term	Not Yet Quantified
	Increased Revenue Due to Reputation Improvements	Positive	Medium- & Long-term	Not Yet Quantified

5 POLICY & LEGAL RISKS

Increased Costs from Carbon Pricing

The introduction and/or expansion of carbon pricing mechanisms in markets where we have a presence may create market demand for our products while potentially also impacting our operating costs, directly and indirectly, depending on the carbon pricing policy. Emissions trading schemes also can play a role in how carbon price is determined. Regardless of the policy mechanisms, carbon pricing has a downstream cost effect, which impacts costs by adding a direct cost or increasing the cost of fuels. Per the En-ROADS Simulator, various climate pathways have associated carbon pricing, per the table below:

Table 2.11: Carbon Price Estimates $U.S. per MT CO2e per En-ROADS Simulation

CARBON PRICE PATHWAY SCENARIO	TERMINAL VALUE	SHORT-TERM	MEDIUM-TERM	LONG-TERM
Carbon Price 3°C Scenario*	$10	$6	$8	$10
Carbon Price 2°C Scenario*	$85	$12	$28	$85
Carbon Price 1.5°C Scenario*	$250	$16	$53	$250

*Carbon price forecasts and scenarios are derived from the World Carbon Pricing Database.[10]

The carbon price escalation schedule was modeled to increase over ten years, reaching a terminal price at year 10. A carbon price raises the cost of coal, oil, and natural gas based on how much carbon dioxide they emit per unit of energy produced. Based on our most recent GHG emissions inventory and modeling our emissions reductions trend and our planned target, we have calculated the total potential cost of carbon for each scenario in the table below. The carbon price was only applied to our Scope 1 emissions to represent the proportional increase in costs assigned to carbon. It's important to note that carbon price does not apply to bioenergy, even though it can also be a source of GHG emissions. In this calculation, the carbon price is not applied to electric sources of energy.

Figure 2.13 Carbon Costs for EnerSys Scope from 2025 to 2031.

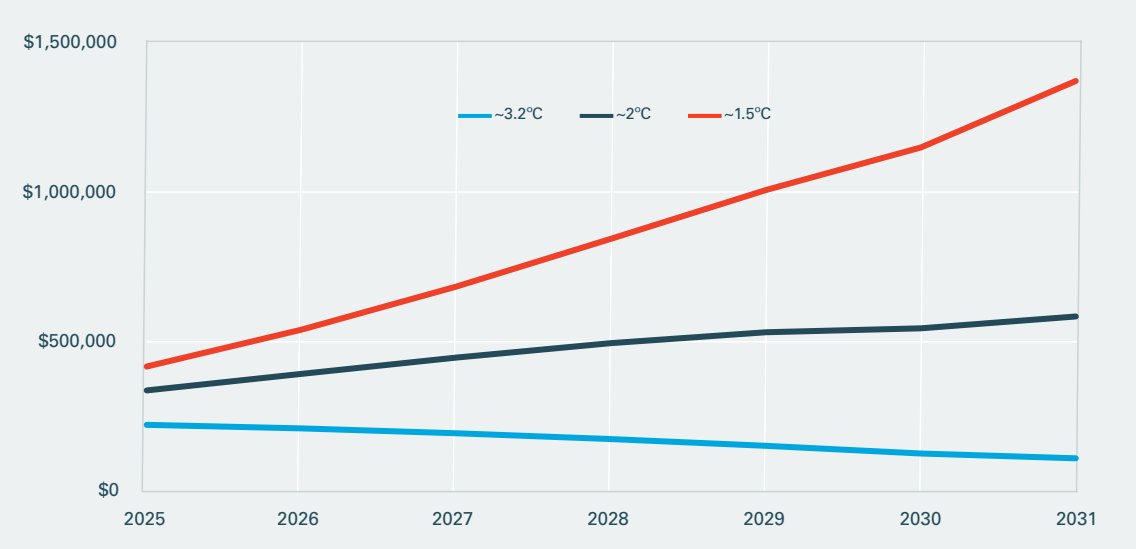


Table 2.12: EnerSys Scope 1 Carbon Costs by Scenario

RISK	IMPACT / SCENARIO		SHORT-TERM (2025-26)	MED-TERM (2027-29)	LONG-TERM (2030-40)
CARBON PRICE	Cost from Carbon Pricing	Carbon Costs (Scope 1) 3°C Scenario	$400 K	$900 K	$1.6 M
		Carbon Costs (Scope 1) 2°C Scenario	$700 K	$2 M	$7.4 M
		Carbon Costs (Scope 1) 1.5°C Scenario	$900 K	$3.2 M	$18 M

EnerSys acknowledges the significance of internal carbon pricing as an economic instrument (also known as "shadow carbon pricing") to minimize the societal externality of GHG emissions.

By incorporating the cost of carbon emissions into our financial calculations, EnerSys can make more informed decisions on everyday actions such as business travel. By incentivizing emission reductions, carbon pricing also encourages prioritization of energy investments outside of fossil fuel sources and the adoption of low- to no-emission producing technologies, thereby aligning financial decision-making with climate goals.

As a preliminary Internal Carbon Pricing System, EnerSys is establishing an initial price of carbon of ~$200 / mtCO2e for Scope 1 emissions. This internal price of carbon will be applied to projects where EnerSys is evaluating a transition away from fossil fuels within our operations.

We have identified several policy and legal risks and opportunities, as outlined below.

Increased Costs Associated with Disclosures

We expect to face increased costs for compliance with applicable environment-related disclosure requirements in the markets where we do business, including expenditures for third-party preparation of relevant materials, verification and audits. We may also have to expend funds to comply with or discharge liabilities arising under such new regulations.

Fees or Other Costs Associated with Regulatory Compliance

While our processes ensure that we comply with all laws and regulations, the risk of non-compliance has potential financial risks associated with data inaccuracy or non-compliance, however unintentional.

Policy & Legal Risks *Strategic Response*

In response to the identified risks, we are taking a number of steps that may reduce our exposure to several policy and legal risks. These include:

1. **Emissions Targets**: We have set GHG emissions reduction targets that are in line with global stakeholder expectations and regulatory requirements in key markets where we operate.
2. **Proactive Disclosure:** We have published our Climate Action Plan Roadmap, which outlines actions and resources to reduce our GHG emissions and achieve our set targets.
3. **Landscape Monitoring:** To better anticipate and prepare for potential changes to requirements and standards, our teams regularly monitor regulatory developments in the countries, states, and regions in which we operate. EnerSys is committed to meeting all regulatory requirements in the countries and regions where we operate and actively updates our company policies in alignment with these requirements. A forward-looking approach to regulation reduces our risks of additional or unexpected costs or fines due to non-compliance with regulatory requirements.
4. **International Disclosure Frameworks:** We publish annual disclosures aligned with established sustainability frameworks, including the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), and an inaugural CSRD ESRS-aligned report for calendar year 2023. In doing so, we have established the necessary data collection processes and procedures to enable accurate and timely measurement of the non-financial data increasingly requested by investors, customers, and some regulators. Moving forward, we are preparing to seek external validation for key non-financial performance metrics, as required.

6 NEW MARKETS & TECHNOLOGY RISKS & OPPORTUNITIES

Technological solutions that improve energy efficiency, expand renewable energy, store energy, and capture carbon have all been identified as necessary pathways to reduce global warming and/or mitigate the impacts of climate change. Investment in lower emission technologies, products, and services present both risks and opportunities for EnerSys.

Potential challenges include uncertainty in market signals and the predictability of changing customer behavior, changing regulatory requirements, and the potential for increased cost of raw materials.

We see potential in the growing importance of energy storage as key markets prioritize resilience and/or shift to a greater mix of renewable energy-sources. As financial assets diversify and financing for low-emissions infrastructure increases, opportunities for EnerSys may also increase. Forward-looking opportunities may include the potential for expanded revenue and increased innovation in our products and services; expanding market opportunities, such as new collaborations and/or an increased customer base; enhanced access to capital and the potential for EnerSys to emerge as an energy solutions market leader.

The acquisition of Bren-Tronics furthers the relationship between EnerSys and the U.S. Department of Defense, expanding our presence in the military and defense markets. Increasing market presence beyond our primary power motive industrial application market buffers EnerSys from shifts in market dynamics by further diversifying our customer base and securing governmental contracts, which can carry less financial risk associated with the potential failure to fulfill contractual financial obligations. Additionally, the role of EnerSys as a supplier to the U.S. Department of Defense could position us as a solution and provider of grid resiliency in disaster and conflict areas.

We also see potential internal risks and opportunities. In our Climate Action Plan Roadmap, EnerSys evaluated the useful life of our assets with respect to fossil fuel consumption and GHG emission production. Of the 650 major fossil fuel consuming assets identified, 9% (61 assets) have a useful life of >10 years left and 5% (34 assets) have a useful life beyond our 2040 commitment. These assets will initially be prioritized for energy efficiency solutions but will remain options for innovations that could create a business case for early replacement.

Our existing fossil fuel-based production and operation processes are less expensive than present low-emissions technologies. Investing in these low-emission alternatives might have a higher initial cost but could also present future cost savings.

Increased Demand for EnerSys Products

These shifts could also lead to greater demand for our existing products. Batteries help balance the variability of renewable energy sources by storing excess generation for later deployment. They also help utility operators regulate the frequency of electrical current, an essential aspect of electricity transmission, which helps store electricity until transmission capacity is available. In this way, they help maintain capacity reserves. Traditional electricity grid suppliers also benefit from batteries, with their ability to absorb, store, and deliver electricity as needed.[11] Organizational commitments to reduce emissions also could increase demand for our motive power solutions.

However, shifts in customer preferences towards certain technology or specific battery chemistries could potentially reduce the demand for some of our existing products and services. Further, unexpected shifts in energy costs and increased costs in materials critical for our products, including lithium and cobalt, could increase our operating costs and decrease profit margins.

Increased Access to Capital

Access to capital is essential to fund potential new investments and provide financing to cover upfront fixed costs not supported by operating cash flows. The international transition to an economy with a broader energy mix may provide opportunities for introduction into new and diverse markets, encourage the use of public-sector incentives, and require greater insurance coverage for new assets and locations.

As part of our Enablement Program facilitated through our Climate Action Plan Roadmap, EnerSys established a Green Revolving Fund (GRF) to support and finance sustainable initiatives in a circular manner. The GRF is an internal pool of capital set aside for sustainability initiatives that revolves by capturing the savings of the reduced energy cost or available utility incentives provided by the projects it funds. We prioritize projects with a high return on investment, measured through energy cost savings and/or utility incentives.

The GRF allows EnerSys to prioritize meaningful operational expense reduction, better manage internal resource allocation and secure investment for sustainability projects and enable the development of proceeds to support fossil fuel transition projects.

Potential relationships with governments, development banks, impact investors, and others may enable companies to uncover new opportunities for financing.

Upgrading and renewing our infrastructure at existing facilities also will help us meet growing production demand while advancing our sustainability commitments. EnerSys could be eligible for additional access to capital for infrastructure renewal through tax credits provided by the U.S. government.

At certain plants across the U.S., EnerSys produces batteries that qualify for an Advanced Manufacturing Production Credit as outlined in Section 45X of the Internal Revenue Code. Section 45X provides Advanced Manufacturing Production Credits ("Credit(s)") for battery cells and battery modules produced in the United States (U.S.) with an energy density of no less than 100 watt-hours per liter.

EnerSys published a guidance document in December 2024 indicating expected annual credits tied to production range from $135-175 million based on forecasted production levels. Credits from this program are expected to continue through 2032, with certain phase-outs occurring in 2030, 2031, and 2032.[12]

Investment in infrastructure renewal at these facilities will ensure operational and labor resilience to maximize production to meet the market demand for Section 45X eligible products.

Table 2.13: Access to Capital

RISK	IMPACT / SCENARIO		SHORT-TERM (2024-25)	MID-TERM (2026-28)	LONG-TERM (2029-40)
NEW MARKETS	Increased Access to Capital	Access to Capital 3°C Scenario	$360 M	$720 M	$2 B
		Access to Capital 2°C Scenario	Not Yet Quantified		
		Access to Capital 1.5°C Scenario	Not Yet Quantified		

Tax credits, financial incentives, & grants.

New Markets & Technologies *Strategic Response*

1. **Innovation:** We are continually innovating and investing in product research and development (R&D) for greater efficiency and lower emissions in both production and use-phase. Capital to invest in R&D, new facilities, and updates to existing ones, as well as incentives that reduce Cost of Goods Sold (COGS) or operating expenses, will be key in pursuing those opportunities.
2. **Renewable Energy & EnerSys Batteries at Our Facilities:** We're also working to identify efficient, lower-cost, and lower-carbon energy sources for our operations, as well as areas for cost reductions to accommodate new investments. These principles are interwoven into our Environmental and Climate Change company policies.
3. **Customer & Stakeholder Feedback:** With feedback from our customers through open discussion and submitted surveys, we work to understand their existing and future needs for energy storage. Doing so allows us to provide and prepare products according to our customers' primary needs and reduce the risk of unforeseen shifts in customer preferences that would decrease demand. Market risk is further mitigated through the support of our products in transitioning to a low-carbon economy.
4. **Stakeholder Engagement:** EnerSys capitalizes on a range of opportunities to engage with key stakeholders, including through relevant government-sponsored sustainability initiatives. Examples include the U.S. Department of Energy Better Plants Program, the U.N. Global Compact CEO Water Mandate, and the Alliance to Save Energy.

7 REPUTATIONAL RISKS & OPPORTUNITIES

All companies face reputational risks and opportunities. In the context of the energy transition, for EnerSys these may include:

Revenue Loss Due to Reputational Decline

Failure to effectively position EnerSys sustainability efforts and/or products within a rapidly changing market could result in reputational decline. This includes any negative perceptions or competitive shortcomings that could arise from insufficient progress against and/or disclosure of sustainability goals. Whether through real or perceived shortcomings, damage to a company's reputation could result in loss of financial capital, social capital, market share, and/or revenue.

Increased Revenue Due to Reputation Improvements

Effectively positioning EnerSys around sustainability-related issues could create or expand business opportunities. For example, EnerSys products can help current or prospective customers aiming to increase efficiency and resilience and advance their climate-related targets. Additionally, EnerSys' sustainability goals and performance could be an asset for customers seeking to meet their own Scope 3 targets and could support our ability to compete in the global marketplace for talent. We are taking a strategic approach to address the risks and opportunities outlined above, with approaches that include the responses below.

Reputational Risk & Opportunities *Strategic Response*

1. **Customer & Stakeholder Feedback:** Engagement with stakeholders enables us to better identify potential opportunities and to review and address potential concerns. We also publish resources to inform and educate those interested in battery technology and the ways in which our products can help promote an energy secure and resilient future.
2. **Compliant Policies and Programs:** Our policies are updated as needed to ensure proactive response in protecting our people, communities, and environment from identified risk. As noted in previous risk categories, we have set goals to reduce the energy intensity of our operations and our GHG emissions.
3. **Robust Disclosure:** We use international standards to disclose risk and sustainability performance and work to ensure our communications are accurate and transparent.

OPPORTUNITIES

We have grouped relevant opportunities into the categories in the table below.

Table 2.14: Opportunities

RISK	IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
RESOURCE EFFICIENCY	Reduced Operating Costs from Improved Efficiency	Positive	Medium & Long-term	Not yet quantified
ENERGY SOURCING	Increased Revenue from New Customers	Positive	Short-, Medium- & Long-term	Not yet quantified
	Reduced Risk & Cost Avoidance	Positive	Short-, Medium- & Long-term	Yes
PRODUCTS & SERVICE	Increased Demand & Market Growth	Positive	Short-, Medium- & Long-term	Not yet quantified
RESILIENCE	Business Continuity	Positive	Short-, Medium- & Long-term	Not yet quantified
	Competitive Advantage	Positive	Short-, Medium- & Long-term	Not yet quantified

8 RESOURCE EFFICIENCY IMPROVEMENT OPPORTUNITY

There may be opportunities to further incorporate efficiencies within our facilities, transportation, production and distribution processes, waste management and recycling practices, and water use and consumption. These and other areas may present initial costs as well as the potential for savings by reducing the operating costs of our facilities, production, and transportation over the short-, medium-, and long-term.

Resource Efficiency Improvement Opportunity *Strategic Response*

1. **Increasing Efficiency:** We continuously work to enhance efficiency across our operations, including reducing the use of energy and water and reducing waste. We also factor efficiency into other decisions, such as the purchase and/or maintenance of information technology (IT) assets to support our operations. Where possible, we prioritize efforts that are most likely to provide the greatest impact and return on investment of time, capital and other resources

2. **Advancing Electrification:** We are electrifying various aspects of our operations, notably the lead heating process in our manufacturing plants. This makes the process more efficient, reduces GHG emissions (with further benefits expected as the electric grid decarbonizes), and makes our operations safer for our employees.

9 ENERGY SOURCING OPPORTUNITIES

To advance business resilience, companies can explore a variety of tools, such as new technologies; policy and programmatic incentives; government, customer and other external support; participation in the carbon market; and shifts towards a broader energy mix. These approaches also may reduce energy costs, provide capital for efficiency and/or innovation, bolster key stakeholder relationships and/or advance reputation.

Increased Revenue from New Customers

The variable nature of renewable energy sources means that energy storage will play a crucial role for those who transition to greater reliance on these sources. We believe EnerSys is well-positioned to play a role with our energy storage technologies.

Reduced Risk & Cost Avoidance

Additionally, as global energy markets continue to increase the proportion of renewables in our energy consumption mix, energy costs may decrease as renewable energy costs continue to decline. This may also reduce exposure to price volatility in energy markets.

Energy Sourcing Opportunities *Strategic Response*

1. **Electrification:** As regularly evaluate the costs and benefits of electrification to advance our business objectives, including managing costs and advancing our Scope 1 targets. We see a financial benefit to electrification, which can reduce the total cost of ownership of much of our equipment.
2. **Renewable Energy & EnerSys Batteries at Our Facilities:** We continue to increase renewable energy use across our operations. Our batteries can support our Scope 2 emissions reduction goals, particularly when paired with on-site renewable power generation. Using EnerSys batteries, we can load-shift, storing electricity during off-peak (less-expensive) hours and then using that stored energy during on-peak times (more expensive). This reduces our energy costs and our demand on the grid during peak hours, which in turn supports grid stabilization for surrounding communities.

10 PRODUCTS & SERVICE EXPANSION & MARKETING OPPORTUNITIES

Market demand is shifting toward electric and/or alternative energy sources, which opens the door for us to provide needed products and/or services and enhance our competitive position.

Overall time horizons (short-, medium-, and long-term), EnerSys may benefit from growing demand for products and services that can enhance energy flexibility and independence while reducing emissions.

Products & Services Expansion & Marketing Opportunities *Strategic Response*

1. **EnerSys Market Positioning:** We work to position EnerSys to derive business benefits through our resource management efforts and showcase the ways that our products and solutions deliver energy management and resilience technology. Battery storage and energy systems help provide consistent access to energy from intermittent renewable sources. This supports our customers' desire for greater energy flexibility and independence as well as GHG emissions reductions goals by providing reliable and affordable access to energy, including during times of peak grid load and during disasters. This aligns with market demand and UN Sustainable Development Goal #7.
2. **Customer & Public Education:** Our customers are already using EnerSys technology globally to advance energy flexibility and independence. For instance, many of our top customers are committed to RE100, a global corporate renewable energy initiative bringing together businesses committed to 100% renewable energy. Our products and services support the integration of renewable energy sources to the grid, as well as grid resilience and reliability.

11 RESILIENCE OPPORTUNITIES

Companies can enhance their resilience by participating in renewable energy programs, adopting energy efficiency measures, and substituting or diversifying resources. These actions can significantly benefit companies such as EnerSys that rely on long-lived fixed assets, large supply and distribution networks, utilities and infrastructure, and natural resources for their operations.

Business Continuity

By advancing resource efficiency in our operations and supply chain, EnerSys can become even more resilient in the face of climate-related risks.

Competitive Advantage

Our proactive climate risk mitigation measures enable us to compete in a highly global market. This approach may provide a source of competitive advantage in terms of business continuity, customer preference, and regulatory compliance. Resilience to climate-related risks may positively impact current and future customer perception, especially as the mandate for supply chain transparency grows in EU markets.

Resilience Opportunities *Strategic Response*

This report and companion disclosures such as the EnerSys Sustainability Report detail many of the steps we are taking to increase our resiliency and better withstand the climate impacts so we can provide battery storage solutions to our customers and communities.

RISK MANAGEMENT

TCFD Risk Management RA.1-2, RB.1-2 & RC
See Appendix D for disclosure guidance and page references.

Our Risk Management Program is designed to identify risks across EnerSys with input from each business unit and function. Initial identification of climate risks is integrated into our climate risk reporting process and outlined in the methodology section of this report. Risks are initially assessed in terms of size, scope, time frame and the materiality threshold.

This process and management of climate-related risks are built into our Risk Management Program, which relies on input from each business unit and function. Climate risk determination is made through the lens of potential financial impacts that are material. We take a conservative approach and evaluate all potential risks and quantify any that are deemed potentially material. Throughout this process, existing and emerging regulatory requirements, such as reporting for SASB, GRI, ESRS, and ISSB frameworks, are reviewed and considered.

EnerSys has an executive risk management committee of senior managers across the organization – including the sustainability lead – that meets quarterly to identify significant risks, promote information sharing, and coordinate risk mitigation efforts. The Board oversees various risks potentially affecting EnerSys directly and indirectly through its independent committees (Audit, Compensation, and Nominating and Corporate Governance). Material risks identified and prioritized by management and the risk committee are reported regularly to the Audit Committee. Each prioritized risk is referred to the appropriate committee of the Board or the full Board for oversight. The Board reviews relevant information on a quarterly basis. For more information on our Risk Management Program, please refer to our most recently filed Annual Report on Form-10K and Proxy Statement.

CLIMATE RISK IN FINANCIAL DECISION-MAKING

The potential impact of an evolving climate on our operations is uncertain; it may result in new and erratic weather patterns, increases in the frequency or severity of storms, increased and decreased temperatures and rising sea levels. We consider potential risks, including climate-related risks, as part of the process of making major financial decisions, which may include establishment or expansion of key facilities, potential acquisitions, or investments.

Our Annual Report discusses additional certain risk factors that could materially and adversely affect our business, financial condition and our results of operations, and could cause actual results to differ materially from our expectations and projections.

Shareholders are cautioned that these and other factors, including those beyond our control, may affect future performance and cause actual results to differ from those which may, from time to time, be anticipated. These risk factors should be considered in connection with the matters discussed within the "Cautionary Note Regarding Forward-Looking Statements" included in our annual Form 10-K as well as in other reports and materials that we file with the SEC. All forward-looking statements made by us or on our behalf are qualified by the risks described below. Although the risks are organized by headings and by category, many risks are interrelated. The disclosure of any risk factor should not be interpreted to imply that the risk has not already materialized.

SUPPLY CHAIN CLIMATE RISK MANAGEMENT

We build long-term relationships with suppliers of the critical material inputs for our products. Our vetting process includes a review of supplier operations against a variety of factors, including environmental considerations. EnerSys verifies product supply chains through multiple methods, including site evaluations, questionnaires, discussions, verification of government debarments, and denied parties lists. We participate in and encourage active involvement in external organizations that assist with supply chain due diligence, management, and verification processes.

To enhance sustainability and long-term business value, in 2024, EnerSys established our Supplier Innovation Council, which will bring together key EnerSys suppliers to advance electrification. For further details on the Supplier Innovation Council, please refer to our Climate Action Plan Roadmap.

As a contractual condition, we require all suppliers to comply with all applicable laws and regulations. Suppliers outside the United States are required to comply with their local laws and the applicable laws of the United States. We hold our suppliers to specific environmental, health and safety, social, product safety, and other standards that align with our Code of Business Conduct and Ethics, Anti-Slavery and Human Trafficking Statement, Corporate Social Responsibility and Human Rights Policy, Workplace Labor Rights Policy, Environmental Policy, and Climate Change Policy.

METRICS & TARGETS

TCFD Metrics & Targets MA.1-4, MB.1-3, & MC.1-6
See Appendix D for disclosure guidance and page references.

We believe that what gets measured gets managed. That is one reason why we are committed to setting meaningful sustainability goals backed by measurable targets in line with our strategy and risk management process. We are focused on the following areas:

Our Climate Action Plan Roadmap includes a number of goals and targets, notably:

Emissions Targets: We continue to reduce our GHG costs, consumption and associated emissions by increasing equipment efficiency and working to power our operations with renewable energy. This reduces our overall climate impact and, therefore, contributes to broader global efforts to reduce the long-term risks of climate-related impacts. We have committed to GHG neutrality for Scope 1 by 2040 and Scope 2 by 2050.

Energy Efficiency Targets: As part of our U.S. Department of Energy Better Plants Program partnership, in 2022, we set a goal to reduce our energy intensity per kWh of storage produced by 25% by 2030 compared to 2020.

Table 2.15: Climate Goals

SCOPE 1	SCOPE 2	ENERGY INTENSITY	WATER INTENSITY
NET ZERO by 2040	NET ZERO by 2050	25% reduction by 2030	25% reduction by 2030
Absolute Scope 1 GHG neutrality by 2040.	Absolute Scope 2 GHG neutrality by 2050.	Reduce energy intensity per kWh of storage produced by 25% reduction by 2030 compared to 2020.	Reduce water intensity per kWh of storage produced by 25% by 2030 compared to 2020.

Our 2024 Environmental Data Table highlights the following achievements and progress toward our targets:

- Scope 1 emissions reduced 27.5% since 2019
- 15% reduction in energy intensity since 2020
- 10% decrease in overall energy consumption since 2019
- 2.5% reduction in Scope 3 emissions between 2022 and 2023
- Inclusion of appendix aligned with the EU Corporate Sustainability Reporting Directive

Historical values of metrics used to measure progress towards our goals can be found in our Data Table, published in May 2024. All emissions are calculated per the Greenhouse Gas Protocol and other metrics are aligned with industry standards and described in the Sustainability Report. Below are graphs illustrating historical values from 2019 to 2024 and associated trends related to our progress toward our set goals.

Figure 2.14 illustrates a company-wide 10% reduction in energy consumption since 2019. Figure 2.15 illustrates the 27% decrease in Scope 1 GHG emissions since 2019. Figure 2.16 represents total Scope 1 & 2 GHG emissions per million $U.S. of revenue from 2019 to 2024, representing a 18% decrease. Figure 2.17 represents total Scope 1 & 2 GHG emissions per MWh of energy storage produced, representing an 10% decrease.

Figure 2.14: Total Energy Consumed Year Over Year

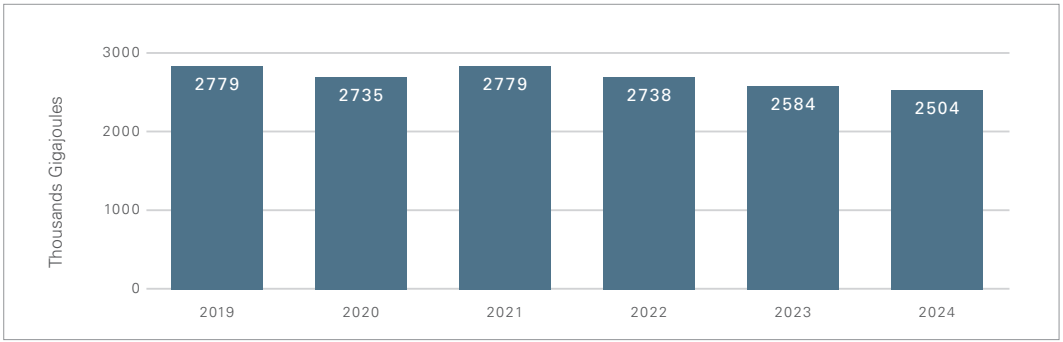


Figure 2.15: Scope 1 GHG Emission Year Over Year

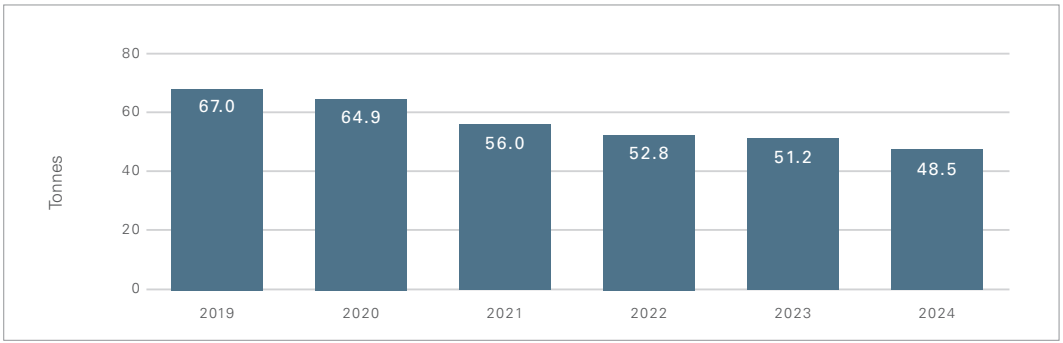


Figure 2.16: Total Scope 1 & 2 GHG Emissions per Million $U.S. Revenue

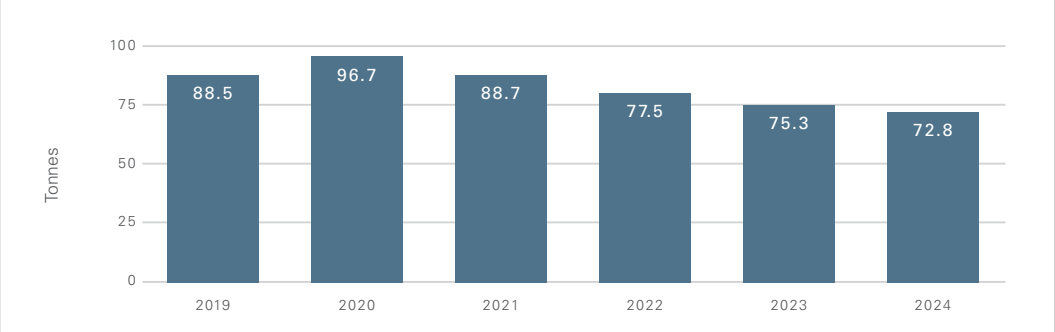
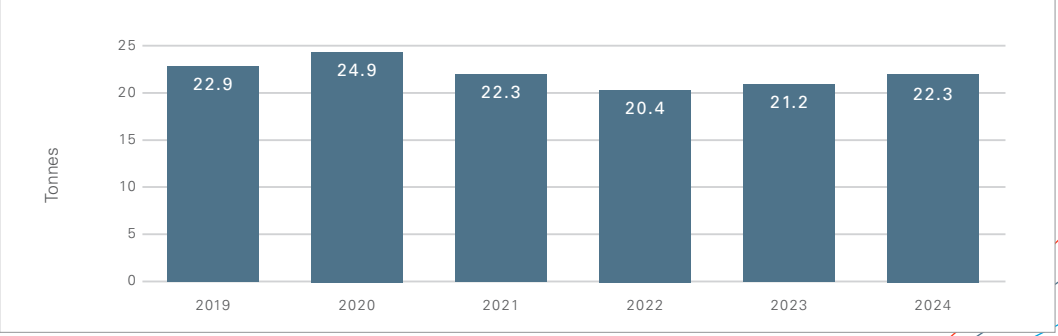


Figure 2.17: Total Scope 1 & 2 GHG Emissions (tonnes) per MWh of Storage Produced



RISK		IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
PHYSICAL RISKS – CHRONIC	TEMPERATURE INCREASE	Higher Energy Prices	Negative	Medium- & Long-term	Yes
		Increased Energy Consumption (Short-, Medium- & Long-term)	Negative	Short-, Medium- & Long-term	Yes
		Higher Costs & Lost Revenue from Workforce Health & Safety Concerns	Negative	Long-term	Not yet quantified
	WATER STRESS	Increased Costs Due to Water Stress	Negative	Medium- & Long-term	Yes
		Lost Revenue from Delays Due to Water Scarcity	Negative	Long-term	Yes
	SEA LEVEL RISE	Potential Costs from Coastal Flooding	Negative	Long-term	No
PHYSICAL RISKS – ACUTE	EXTREME WEATHER & NATURAL DISASTERS	Increased Capital Costs & Insurance Expenses	Negative	Short-, Medium- & Long-term	Yes
		Asset Loss	Negative	Short-, Medium- & Long-term	Yes
		Revenue Lost from Operational Interruptions	Negative	Short-, Medium- & Long-term	Not Yet Quantified
		Higher Costs & Lost Revenue from Workforce Impacts	Negative	Short-, Medium- & Long-term	Not Yet Quantified
		Increased Costs & Lost Revenue from Supply Chain Interruptions and Delays	Negative	Short-, Medium- & Long-term	Not Yet Quantified
TRANSITION RISKS & OPPORTUNITIES	POLICY & LEGAL	Increased Costs from Carbon Pricing	Negative	Short-, Medium- & Long-term	Yes
		Increased Costs Associated with Disclosures	Negative	Short-, Medium- & Long-term	No
		Fees or Other Costs Associated with Regulatory Compliance	Negative	Medium- & Long-term	No
	NEW MARKETS & TECHNOLOGY	Increased Demand for EnerSys Products	Positive	Medium- & Long-term	Not Yet Quantified
		Increased Access to Capital	Positive	Short-term	Yes
	REPUTATIONAL	Potential Revenue Loss Due to Reputational Decline	Negative	Long-term	Not Yet Quantified
		Increased Revenue Due to Reputation Improvements	Positive	Medium- & Long-term	Not Yet Quantified

RISK / OPPORTUNITY		IMPACT	IMPACT TYPE	TIME FRAME	MATERIAL
OPPORTUNITIES	RESOURCE EFFICIENCY	Reduced Operating Costs from Improved Efficiency	Positive	Medium- & Long-term	Not Yet Quantified
	ENERGY SOURCING	Increased Revenue from New Customers	Positive	Short-, Medium- & Long-term	Not Yet Quantified
		Reduced Risk & Cost Avoidance	Positive	Short-, Medium- & Long-term	Yes
	PRODUCTS & SERVICE	Increased Demand & Market Growth	Positive	Short-, Medium- & Long-term	Not Yet Quantified
	RESILIENCE	Business Continuity	Positive	Short-, Medium- & Long-term	Not Yet Quantified
		Competitive Advantage	Positive	Short-, Medium- & Long-term	Not Yet Quantified

NEGATIVE IMPACTS: CARBON PRICING

The carbon price escalation schedule was modeled to increase over ten years, reaching a terminal price at year 10. A carbon price makes coal, oil, and natural gas more expensive depending on how much carbon dioxide they release for the amount of energy produced. Based on our most recent GHG emissions inventory and modeling the downward trend from our historic emissions reductions and our planned target, we have calculated the total potential cost of carbon in the table below for each scenario. The carbon price was only applied to EnerSys' Scope 1 emissions to represent the proportional increase in costs assigned to carbon. It's important to note that carbon price does not apply to bioenergy, even though it can also be a source of greenhouse gas emissions. In this calculation, the carbon price is not applied to electric sources of energy.

Table 2.8: Potential Energy Consumption Related to Cooling Per Pathway & Time Frame

RISK	IMPACT / SCENARIO		SHORT-TERM (2025-26)	MID-TERM (2027-29)	LONG-TERM (2030-40)
CARBON PRICE	Cost from carbon pricing	Carbon Costs (Scope 1) 3°C Scenario	3,700 GJ	6,200 GJ	28,100 GJ
		Carbon Costs (Scope 1) 2°C Scenario	3,700 GJ	6,200 GJ	28,100 GJ
		Carbon Costs (Scope 1) 1.5°C Scenario	3,700 GJ	6,200 GJ	27,900 GJ

The average global carbon price prior to 2023 is from Dolphin (2022) and is weighted by the share of emissions covered by a carbon tax or emissions trading system. Source: Dolphin, G. (2022). World Carbon Pricing Database. Resources for the Future.

POSITIVE IMPACTS: ACCESS TO CAPITAL

Per the December 13, 2023 issuance of proposed regulations by the U.S. Department of Treasury regarding the Advanced Manufacturing Production Credit- Section 45x of the Internal Revenue Code, EnerSys expects the annual tax credits range of approximately $120 million to $160 million annually through December 31, 2032. While the current policies are designed to continue until at least 2023, further climate commitments by governments around the world would likely increase the amounts and extend the timeline of these programs. We have not yet quantified 2°C or 1.5°C Scenarios, but we expect the values to be higher as the policies implied by these degree pathways include increased subsidies, tax credits, grants, and low-cost capital programs for renewable energy technology.

Table 2.13: Access to Capital

RISK	IMPACT / SCENARIO		SHORT-TERM (2025-26)	MID-TERM (2027-29)	LONG-TERM (2030-40)
NEW MARKETS	Increased Access to Capital*	Access to Capital 3°C Scenario	$360 M	$720 M	$2 B
		Access to Capital 2°C Scenario	Not Yet Quantified		
		Access to Capital 1.5°C Scenario	Not Yet Quantified		

*Tax credits, financial incentives & grants.

In response to climate risks and opportunities, we developed a set of strategic responses that fit into five general categories: energy, planning, stakeholders, disclosure, and innovation. While the risks and opportunities vary greatly, we found that these strategic responses tend to repeat as the response is applied to more than one risk/opportunity.

Response frequency, the number value in the furthest column to the right in the table below, refers to the frequency in which a strategic response addresses an identified risk or opportunity.

We calculated the frequency of these responses to identify which responses should be further evaluated for inclusion in scenario planning exercises in the future.

Table 2.8: Potential Energy Consumption Related to Cooling Per Pathway & Time Frame

CATEGORY	NO.	STRATEGIC RESPONSES	FREQUENCY
ENERGY	E1	Efficiency (Energy, Water, Waste)	3
	E2	Renewable Energy & EnerSys Batteries at Our Facilities	4
	E3	Electrification	2
PLANNING	P4	Emissions Targets	3
	P5	Climate Planning	1
STAKEHOLDERS	S6	Strong Government Relations	1
	S7	Customer & Stakeholder Feedback	2
	S8	Customers & Public Education	2
DISCLOSURE	D9	Proactive Disclosure	1
	D10	International Disclosure Frameworks	2
	D11	Industry Commitments	1
INNOVATION	I12	Innovation	1
	I13	Recognize EnerSys as Climate Tech	1

	DISCLOSURE	NO.	DISCLOSURE DESCRIPTION & GUIDANCE	PG #
GOVERNANCE	a) Describe the board's oversight of climate-related risks and opportunities.	GA.1	Processes and frequency by which the board and/or board committees (e.g., audit, risk, or other committees) are informed about climate-related issues.	04
		GA.2	Whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures.	04
		GA.3	How the board monitors and oversees progress against goals and targets for addressing climate-related issues.	04
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	GB.1	Whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues.	05
		GB.2	A description of the associated organizational structure(s).	05
		GB.3	Processes by which management is informed about climate-related issues.	05
		GB.4	How management (through specific positions and/or management committees) monitors climate-related issues.	05
STRATEGY	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	SA.1	A description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organization's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms.	06
		SA.2	A description of the specific climate-related issues potentially arising in each time horizon (short-, medium-, and long-term) that could have a material financial impact on the organization.	09-28 & Appendix A
		SA.3	A description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organization.	06-09
		SA.4	Organizations should consider providing a description of their risks and opportunities by sector and/or geography, as appropriate. In describing climate-related issues, organizations should refer to Tables A1.1 and A1.2.	09-18; 21
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. How climate-related risks and opportunities are integrated into their (1) current decision-making and (2) strategy formulation, including planning assumptions and objectives around climate change mitigation, adaptation, or opportunities.	SB.1	Building on recommended disclosure (a), organizations should discuss how identified climate-related issues have affected their businesses, strategy, and financial planning. Organizations should consider including the impact on their businesses, strategy, and financial planning in the following areas: 1) Products and services. Non-Financial Sector: Research and development (R&D) and adoption of new technology.	27, 28, 30
		SB.2	Supply chain and/or value chain. Non-Financial Sector: Existing and committed future activities such as investments, restructuring, writedowns, or impairment of assets.	Not Available
		SB.3	Adaptation and mitigation activities. Non-Financial Sector: Critical planning assumptions around legacy assets, for example, strategies to lower carbon-, energy-, and/or water-intensive operations.	09-28 & Appendix C
		SB.4	Investment in research and development. Non-Financial Sector: How GHG emissions, energy, and water and other physical risk exposures, if applicable, are considered in capital planning and allocation; this could include a discussion of major acquisitions and divestments, joint-ventures, and investments in technology, innovation, and new business areas in light of changing climate related risks and opportunities.	22-28

	DISCLOSURE	NO.	DISCLOSURE DESCRIPTION & GUIDANCE	PG #
STRATEGY		SB.5	Operations (including types of operations and location of facilities) Non-Financial Sector. The organization's flexibility in positioning/ repositioning capital to address emerging climate-related risks and opportunities.	09, 10, 20 & Appendix B
		SB.6	Acquisitions or divestments	Not Available
		SB.7	Access to capital	23
		SB.8	Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.	09-28 & Appendix A
		SB.9	Organizations should describe the impact of climate-related issues on their financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities).24 If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.	09-28 Appendices A & B
		SB.10	Organizations that have made GHG emissions reduction commitments, operate in jurisdictions that have made such commitments, or have agreed to meet investor expectations regarding GHG emissions reductions should describe their plans for transitioning to a low-carbon economy, which could include GHG emissions targets and specific activities intended to reduce GHG emissions in their operations and value chain or to otherwise support the transition.	09-28; 31-32
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. Refer to Section D in the Task Force's report for information on applying scenarios to forward-looking analysis.	SC.1	Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a low-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks. Non-Financial Sector: Organizations with more than one billion U.S. dollar equivalent (USDE) in annual revenue should consider conducting more robust scenario analysis to assess the resilience of their strategies against a range of climate-related scenarios, including a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks.	28
		SC.2	Where they believe their strategies may be affected by climate-related risks and opportunities. Non-Financial Sector: Organizations should consider discussing the implications of different policy assumptions, macro-economic trends, energy pathways, and technology assumptions used in publicly available climate-related scenarios to assess the resilience of their strategies. For the climate-related scenarios used, organizations should consider providing information on the following factors to allow investors and others to understand how conclusions were drawn from scenario analysis:	09-28 & Appendix C
		SC.3	How their strategies might change to address such potential risks and opportunities: Non-Financial Sector: Critical input parameters, assumptions, and analytical choices for the climate related scenarios used, particularly as they relate to key areas such as policy assumptions, energy deployment pathways, technology pathways, and related timing assumptions.	09-28 & Appendix C
		SC.4	The potential impact of climate-related issues on financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). Non-Financial Sector: Potential qualitative or quantitative financial implications of the climate-related scenarios, if any.	13, 14, 18, 19, 20, 22, 23 & Appendix B
		SC.5	The climate-related scenarios and associated time horizon(s) considered.	06 & Appendix

	DISCLOSURE	NO.	DISCLOSURE DESCRIPTION & GUIDANCE	PG #
RISK MANAGEMENT	a) Describe the organization's processes for identifying and assessing climate-related risks.	RA.1	Organizations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organizations determine the relative significance of climate-related risks in relation to other risks.	29
		RA.2	Organizations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.	29
		RA.3	- processes for assessing the potential size and scope of identified climate-related risks.	06
		RA.4	- definitions of risk terminology used or references to existing risk classification frameworks used.	06, 07, 09
	b) Describe the organization's processes for managing climate-related risks.	RB.1	Organizations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks. In addition, organizations should describe their processes for prioritizing climate-related risks, including how materiality determinations are made within their organizations.	06, 07, 29
		RB.2	In describing their processes for managing climate-related risks, organizations should address the risks included in Tables A1.1 and A1.2 (pp. 75–76), as appropriate.	10, 17, 29 & Appendices A & C
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	RC	Organizations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.	06, 29
METRICS & TARGETS	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	MA.1	Organizations should provide the key metrics used to measure and manage climate-related risks and opportunities, as described in Tables A1.1 and A1.2 (pp. 75–76), as well as metrics consistent with the cross-industry, climate-related metric categories described in Table A2.1 (p. 79). Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable. Non-Financial Sector: For all relevant metrics, organizations should consider providing historical trends and forward-looking projections (by relevant country and/or jurisdiction, business line, or asset type). Organizations should also consider disclosing metrics that support their scenario analysis and strategic planning process and are used to monitor the organization's business environment from a strategic and risk management perspective.	31-32
		MA.2	Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies.	Not Available
		MA.3	Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a low-carbon economy.	Not Available
		MA.4	Metrics should be provided for historical periods to allow for trend analysis. Where appropriate, organizations should consider providing forward-looking metrics for the cross-industry, climate-related metric categories described in Table A2.1 (p. 79), consistent with their business or strategic planning time horizons. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics.	31-32

	DISCLOSURE	NO.	DISCLOSURE DESCRIPTION & GUIDANCE	PG #
METRICS & TARGETS	b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	MB.1	Organizations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate, Scope 3 GHG emissions and the related risks. All organizations should consider disclosing Scope 3 GHG emissions.	31-32
		MB.2	GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions. As appropriate, organizations should consider providing related, generally accepted industry-specific GHG efficiency ratios.	31-32
		MB.3	GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate the metrics.	31-32
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. In describing their targets, organizations should consider including the following.	MC.1	Organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with the cross-industry, climate related metric categories in Table A2.1 (p.79), where relevant, and in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a low-carbon economy.	31-32
		MC.2	- whether the target is absolute or intensity based;	31
		MC.3	- time frames over which the target applies;	31
		MC.4	- base year from which progress is measured;	31
		MC.5	- key performance indicators used to assess progress against targets.	31-32
		MC.6	Organizations disclosing medium-term or long-term targets should also disclose associated interim targets in aggregate or by business line, where available.	31
		MC.7	Where not apparent, organizations should provide a description of the methodologies used to calculate targets and measures.	31

1. IPCC, 2021: Summary for Policymakers. In: *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, pp. 3–32, doi:10.1017/9781009157896.001.
2. Intergovernmental Panel on Climate Change (IPCC). "AR6 Synthesis Report Climate Change 2023." Retrieved from: *https://www.ipcc.ch/report/ar6/syr/*.
3. Climate Mapping for Resilience and Adaptation (CMRA) v1.1.0.
4. EURO-CORDEX is the European branch of the international CORDEX initiative, a program sponsored by the World Climate Research Program (WRCP).
5. Climate Interactive. *En-ROADS Scenario: 3.2 Degree Pathway* (Carbon price $10/ton). October 28, 2023.
6. Climate Interactive. *En-ROADS Scenario: 2 Degree Pathway* (Carbon price $85/ton). October 28, 2023.
7. Climate Interactive. *En-ROADS Scenario: 1.5 Degree Pathway* (Carbon price $250/ton). October 28, 2023.
8. Luis Ortiz et al, 2018. "Climate change impacts on peak building cooling energy demand in a coastal megacity". Environmental Research Letters. 13 094008.
9. EIA.gov. *How Much Electricity Does an American Home Use?* Sourced on Nov 6, 2023.
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11. Kawamura, Hiroshi; LaFleur, Marcelo; Iversen, Kenneth; and Cheng, Hoi Wai Jackie. *Frontier Technology Issues: Lithium-ion batteries a pillar for a fossil fuel-free economy?* 8 July 2021. Sourced: *un.org* 1 November 2023.
12. EnerSys. *EnerSys Provides Update on IRC Section 45x Tax Credit Benefits and Updated Guidance for Its Fiscal Third Quarter 2024*. Press Release. Dec. 19, 2023.

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Important Notes: This document includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. The information set forth herein is expressed as of the date hereof and EnerSys reserves the right to update its measurement techniques and methodologies in the future. The information provided herein is based in part on information from third-party sources that EnerSys believes to be reliable, but which has not been independently verified. EnerSys does not represent that the information is accurate or complete. The inclusion of information contained in this report should not be construed as a characterization regarding the materiality or financial impact of that information.

This report, and oral statements made regarding the subjects of this report, contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, or the Reform Act, which may include, but are not limited to, statements regarding EnerSys' projections, plans, objectives, expectations and intentions to reduce emissions and emissions intensity, ability to influence, control and change the environmental impact of its business activities, the development of future technologies, business plans, and other statements contained in this report that are not historical facts, including statements identified by words such as "believe," "plan," "seek," "expect," "intend," "estimate," "anticipate," "will," and similar expressions. All statements addressing operating performance, events, or developments that EnerSys expects or anticipates will occur in the future, including statements relating to the Company's goals of achieving Scope 1 greenhouse gas neutrality by 2040 and Scope 2 neutrality by 2050 and ability to influence emissions related to its activities, as well as statements expressing optimism or pessimism about such plans are forward-looking statements within the meaning of the Reform Act. The forward-looking statements are based on management's current views and assumptions regarding future events and operating performance, and are inherently subject to significant business, economic, and competitive uncertainties and contingencies and changes in circumstances, many of which are beyond the Company's control. The statements in this report are made as of the date of this report, even if subsequently made available by EnerSys on its website or otherwise. EnerSys does not undertake any obligation to update or revise these statements to reflect events or circumstances occurring after the date of this report.

Although EnerSys does not make forward-looking statements unless it believes it has a reasonable basis for doing so, EnerSys cannot guarantee their accuracy. The foregoing factors, among others, could cause actual results to differ materially from those described in these forward-looking statements. For a list of other factors which could affect EnerSys' results, including earnings estimates, see EnerSys' filings with the Securities and Exchange Commission, including "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Forward-Looking Statements," set forth in EnerSys' Annual Report on Form 10-K for the fiscal year ended March 31, 2024. No undue reliance should be placed on any forward-looking statements.