

Sustainability Report

2026

BETTER TOGETHER

Contents

Introduction

- 03 Message From Our CEO
- 04 About Franklin Energy

Business Highlights

- 08 Energy Metrics
- 11 Our Impact

Our Priorities

- 17 Investing in Our People
- 21 Mitigating Climate Change
- 24 Serving Customers & Communities

Our Approach

- 29 Letter From the Senior Manager of Sustainability & Diversity
- 30 Sustainability Governance
- 31 Materiality Assessment Results
- 32 About This Report

Appendix

- 34 Goals and Progress
- 35 GRI Indicators
- 36 SASB Indicators

MESSAGE FROM OUR CEO

In 2025, Franklin Energy became a more unified company not just in name, but in how we operate, serve our clients, and show up for the communities that rely on us.

Over the past year, our teams have delivered measurable results across energy efficiency, electrification, and carbon reduction, helping reduce emissions, lower costs, and create local economic value. Our programs generated hundreds of millions of dollars in economic activity, supported thousands of jobs, and delivered meaningful savings to millions of customers. These outcomes reflect not just what we do, but how we do it—by combining strategic insight, program delivery, product innovation, and design/build capabilities into one integrated approach.

At the same time, we completed a significant enterprise shift—bringing together previously distinct organizations into one Franklin Energy. That principle shaped our transformation and continues to guide our future. By aligning our culture, values, and operating model, we’ve moved from a collection of strong parts to a single, integrated platform built to deliver impact at scale.

**“When expertise meets unity,
we become better together.”**

As we look ahead, I am both encouraged and energized. The foundation we’ve built allows us to think bigger, move faster, and lead with confidence. We enter this year ready to deepen partnerships, expand our impact, and continue shaping solutions that meet the urgency of this moment.

Our purpose remains clear: to boldly change our energy future. And now, united by shared values and strengthened by collective expertise, we are better equipped than ever to do exactly that. Thank you to our employees, partners, and clients for the trust you place in us and for the role you play in turning ambition into action. The work ahead is significant—but so is the opportunity.



Terry Sobolewski



Terry Sobolewski
Chief Executive Officer

ABOUT FRANKLIN ENERGY

Founded in 1994, Franklin Energy is the only fully integrated, end-to-end clean energy solutions provider serving the full energy ecosystem across the United States.

We help partners move from strategy to execution by combining strategic consulting, program delivery, product solutions, and design/build services into one coordinated approach. This reduces complexity, accelerates deployment, and ensures clear accountability from planning through implementation.

Our work spans



Strategic Consulting

- Program design consulting
- Engineering consulting
- Marketing consulting
- AI consulting



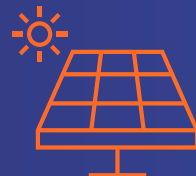
Program Delivery

- Marketing & outreach
- Field services
- Trade ally management
- Rebate processing
- Customer care
- Management & reporting



Product Solutions

- Efficiency product design, development, and manufacturing
- National sourcing & distribution
- E-commerce, kits, education, and turnkey heat pump program delivery platforms



Design/Build

- ITAC-qualified energy audits
- Solar, battery, and EV projects
- Permitting & interconnection
- Installation, financing, and commissioning

Our Purpose

To boldly change our energy future.



1,100+
employees



20+
members of industry
boards and committees



38
offices across the US



40
conference presentations



44
states in which
we operate



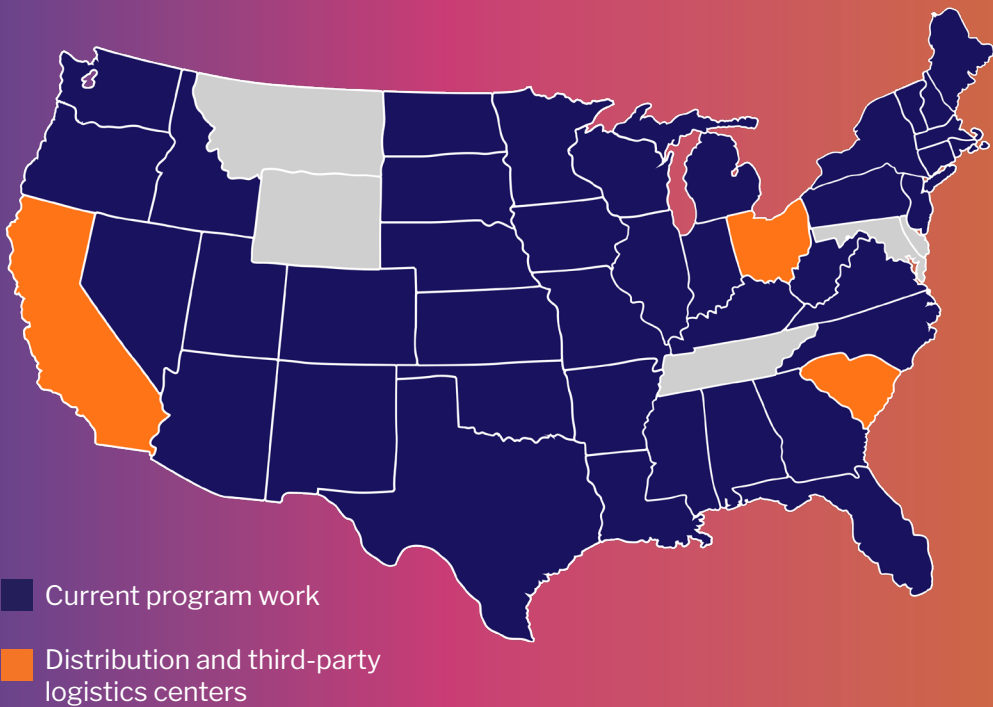
\$20M
dollars of inventory,
thousands of shipments
per day



1,900
volunteer hours used

Our Values

We innovate. We inspire. We include. We do the right thing.



One Team. Many Legacies. United by Impact.



2016
GoodCents introduced a demand response component to the organization, backed by over 40 years of experience.



2018
PlanetEcosystems provided utility clients' customers with an enhanced experience by seamlessly connecting energy efficiency, demand response, and other distributed energy resource programs through automated participation paths tailored to the customers' needs and desires.



2021
Cultivate Energy Optimization brought the experience of a full-service energy management firm heavily rooted in the cannabis industry, which aligned with our focus on the indoor agriculture transformation.



2024
Snugg Home is the company behind Snugg Pro, the market's preferred IRA-compliant tool when qualifying households for deep energy-saving improvements and accurately modeling savings.



2024
AESC adds new consulting services to our offerings and deep C&I technical expertise, which include program design, energy and water audits for large commercial and industrial clients, feasibility analysis for emerging technologies, upgraded roadmapping, and measurement and verification.

2014
Resource Action Programs added energy and water efficiency kits and school-based education offerings to our roster.



2017
AM Conservation is a leader in efficiency products, allowing us to offer comprehensive, integrated solutions with the added bonus of manufacturing and delivering our own high-efficiency products.



2019
Build It Green allowed us to expand work along the West Coast and align resources to continue developing innovative grid optimization programs throughout the country.



2023
Evolve Technologies provided increased resources to further deliver meaningful water, energy, and carbon savings through patented water-saving technology designed to save users money without changing their habits.



2024
EFI's product lines and marketplace capabilities expanded our ability to deliver innovative end-to-end product and service offerings to our clients.



2024
EVA Green Power adds new services to our offerings, including the design, permit, and installation of energy efficiency (e.g., lighting, HVAC, controls, cool roofs), electrification (e.g., EVSE), and distributed energy resources (e.g., solar, batteries) projects for commercial and industrial facilities.



Business Highlights

08 Energy Metrics

11 Our Impact





ENERGY METRICS

Scale and Reach

We partner with utilities, communities, and businesses across the country to deliver measurable energy and sustainability outcomes.

1,900+
clients

served nationwide

450+
programs

designed and delivered
across commercial and
residential markets

30+
years

of continuous
program operation

Powered by Industry Experts

Our strength is in our people. We bring deep, practical expertise to every engagement, ensuring programs are designed, implemented, and evaluated to the highest standards.

- Hundreds of **Certified Energy Managers (CEM)**
- Dozens of **BPI-certified professionals** and **licensed electricians**
- 60 **credentialed energy engineers**

Leading Through Innovation

We continue to set the standard for performance-driven clean energy solutions by developing and implementing the first aggregator-delivered, pay-for-performance, meter-based programs for both commercial and residential markets.

Recognized for Excellence

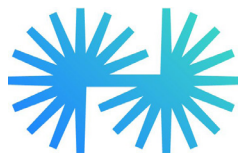
Our commitment to performance, innovation, and responsible business practices earned awards and recognition across the industry in 2025, including:



Fortress Cybersecurity Award
Artificial Intelligence;
Business Intelligence Group



Women Who SPARK Award
Individual Recognition;
Utility Leadership Collaborative 2030



Herizon Shoutout
Individual Recognition;
Herizon Awards



Women in Energy Series Spotlight
Individual Recognition;
Wednesday Women



Outstanding Supplier Development Award
Great Lakes Women's
Business Council



2025 Change Agent Award
Lytho



Knowledge Sharing

We believe transparency and collaboration accelerate progress. Throughout 2025, our experts participated in:

- 40 articles and white papers contributing to industry publications
- Ongoing thought leadership with utilities, state energy offices, policymakers, and peers

Industry Leadership

Our team actively shapes the future of the energy efficiency and clean energy industry. Staff members serve on boards and committees for leading industry organizations, including:



Impact Metrics

In 2025, Franklin Energy’s programs achieved:



\$659,856,015

in economic activity generated in local communities across the U.S.



3,714,634

customers served by our team of energy experts



\$38,221,517

in incentives delivered to low-income customers



5,204

jobs created in local economies through our programs



\$227,324,305

in energy efficiency incentives provided to customers

Over the lifetime of the water- and energy-efficient measures we installed in 2025, our clients and utility customers will save:



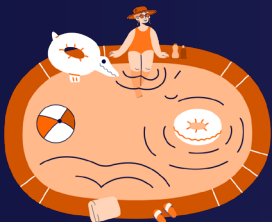
38,608,243,331

kWh — enough to power 310,491 homes for a year



2,081,531,418

therms—equivalent to removing nearly 171,183 cars from the road for a year



116,914,064,190

gallons of water—equal to 177,143 Olympic-sized pools



25,742,821

metric tons of CO₂ equivalent—equal to the carbon sequestered by more than 30 million acres of U.S. forests in one year.

OUR IMPACT

Stronger Together Through Collaboration

Across our organization, teams are advancing energy efficiency, electrification, and resilience through collaborative delivery.

Powering Equitable Electrification

In 2025, Franklin Energy partnered with New Mexico Energy Conservation and Management to launch the nation’s first retail-driven Home Electrification and Appliance Rebate (HEAR) program, delivering instant, point-of-sale rebates for heat pumps, insulation, and ENERGY STAR® appliances to expand access to clean energy for low-income households statewide. In collaboration with AM Conservation, the program also ensures high-quality, cost-effective installation of air-source heat pumps. Together, Program Delivery and Product Solutions are advancing electrification, reducing emissions, and lowering energy costs through a unified, customer-focused approach.

Collaborating Across the Energy Sector

In 2025, we convened more than 150 clients, partners, and industry leaders in Isle of Palms, South Carolina, for Summit Down South. The event featured expert-led sessions and panels focused on whole-home innovation, decarbonization, load management, and research-driven best practices.

Discussions addressed affordability, workforce development, and practical implementation challenges. The summit reinforced collaboration across the energy sector and advanced shared solutions at scale.



Expanding Workplace EV Charging Access

In partnership with Sonoma Clean Power (SCP), AESC and EVA Green Power worked together to accelerate electric vehicle (EV) adoption by expanding access to workplace charging. After SCP’s Transportation Needs Assessment identified limited home charging as a key barrier for EV intenders, the team provided end-to-end planning and installation support for commercial charging infrastructure.

Technical experts completed 10 EVSE (electric vehicle supply equipment) site assessments, identifying four priority workplace locations for the installation of 80 Level 2 charging ports. By increasing reliable charging access where people work, this initiative helps remove adoption barriers while supporting grid-responsive transportation electrification.

Advancing Responsible AI Adoption

We launched the AI Energy Forum in 2025 to support responsible adoption of artificial intelligence (AI) in the energy sector. The roundtable convenes utilities, regulators, and industry leaders to examine how AI can improve energy efficiency, sustainability, and customer experience. Discussions address data ethics, equity, transparency, and risk management—supporting innovation while building trust and accountability.



Advancing Impact Through Program Performance

Advancing Building Performance Through Retrocommissioning

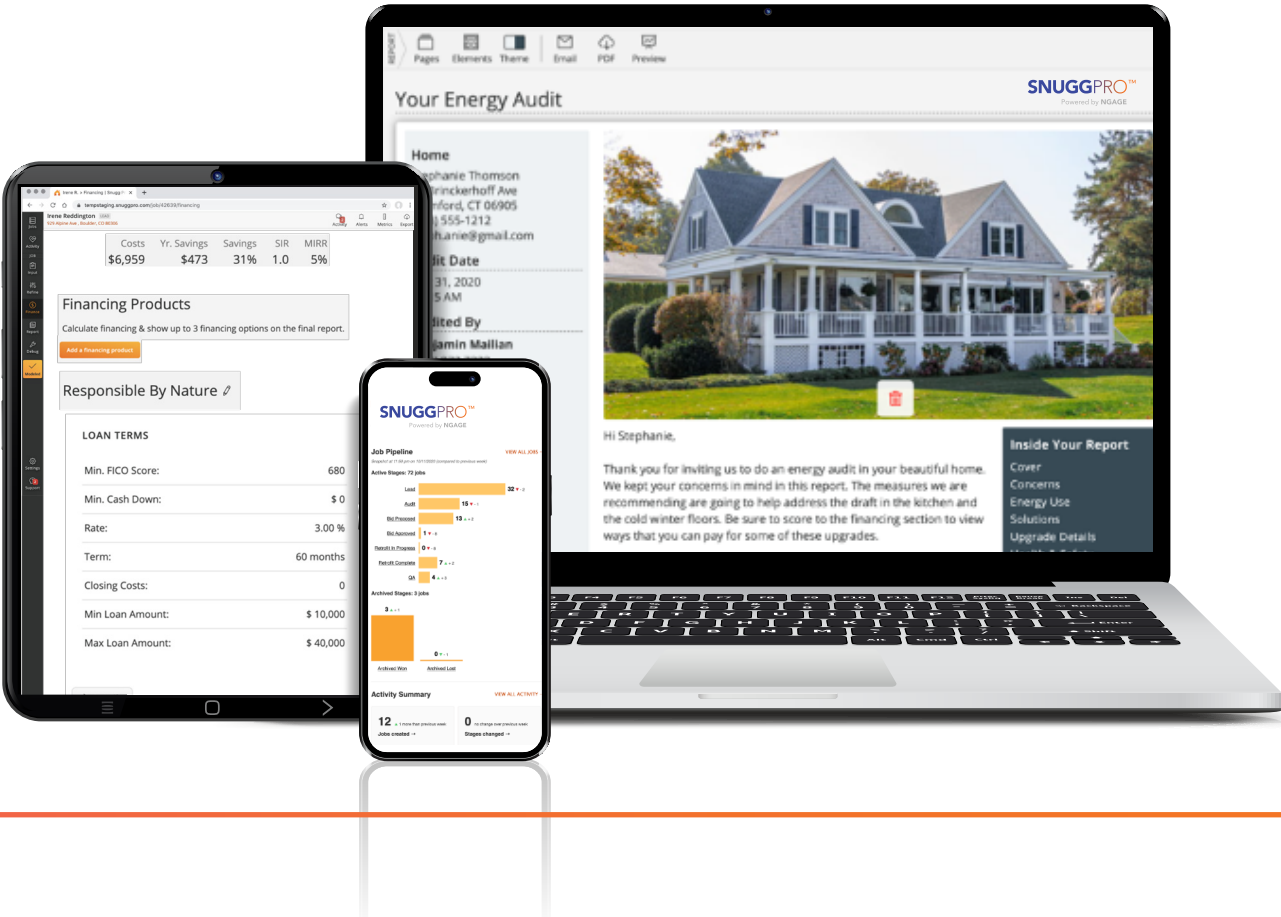
In partnership with a Colorado-based public power utility, we delivered a utility-incentivized retrocommissioning program through the Efficiency Works initiative. The program targets operational inefficiencies in commercial and industrial buildings across Northern Colorado. To date, the program has generated more than 8 million kWh in annual energy savings across 82 facilities, including higher education, healthcare, research, and manufacturing sites.

Optimizing Customer Experience to Improve Program Performance

Partnering with one of the nation’s largest electric utilities, we redesigned the customer journey for a free in-home energy assessment program. Using data analysis to identify friction points, we implemented targeted engagement improvements. Results in the first quarter included a 19% reduction in appointment cancellations, a 76% increase in email open rates, and 668 appointments retained—improving program performance while reducing delivery costs.

Streamlining Energy Audits with Snugg Pro

Using Snugg Pro, our BPI-2400-certified whole-home energy auditing platform, we completed more than 65,000 residential energy audits in 2025 across 7 state energy offices and 88 utilities. The platform standardizes audit processes, delivers accurate savings calculations, and generates clear customer reports. By improving consistency and simplifying incentive calculations, Snugg Pro supports measurable energy savings at scale.



AM Conservation

Expanding Impact Through Access to Efficiency

Modernizing Smart Commerce

Since launching the nation’s first energy efficiency e-commerce marketplace in 2001, we have helped thousands of Massachusetts households access incentive-supported energy-saving products. In 2025, 18,860 new customer accounts generated nearly 20,000 orders. Additionally, we distributed more than 90,000 weatherization products across the state, including through a renter-focused pilot. Ongoing platform enhancements continue to expand product offerings while improving access and participation.

Expanding Access Through Retail Partnerships

Through retail partnerships, we increase access to high-efficiency water and energy products. In 2025, more than 676,000 Niagara Conservation® showerheads were distributed through HD Supply, saving an estimated 1.8 billion gallons of water annually—enough to supply approximately 49,000 households for one year. The initiative was nominated for the HD Supply Connect Sustainability Partner of the Year Award.

Streamlining Program Delivery with Trade Ally Supply

We launched Trade Ally Supply, an integrated procurement, logistics, and reporting platform supporting contractor-installed measures for the nation’s largest gas utility. As the exclusive procurement source for high-efficiency tankless water heaters which are installed in more than 15,000 homes annually, the platform improves quality control, reporting consistency, and cost-effectiveness at scale.





Improving Impact Through Energy Performance

Strengthening Energy Resilience Through Strategic Planning

In response to wildfire-related outages, we partnered with a Northern California community college to develop a data-driven energy resilience strategy. By modeling eight system configurations, we identified measures delivering more than 359,000 kWh in annual energy reductions and approximately \$150,000 in annual cost savings—supporting informed capital planning and long-term reliability.

Advancing Strategic Energy Management for Multifamily Buildings

We have expanded our strategic energy management (SEM) and long-term engagement to reach multifamily buildings. Our team works with residents and on-site staff through practical behavioral and technical coaching, backed by hands-on support. Over time, this approach has produced consistent meter-based energy savings of 2–3% for both owners and residents, along with operational improvements. Across nearly 10,000 multifamily units, many of the homes we serve are occupied by households living on limited or fixed incomes, often below local median benchmarks.

Improving Water System Efficiency and Reliability

We worked with a Northern California municipal water utility to identify cost-effective efficiency improvements across treatment and pumping facilities. The study identified approximately 800,000 kWh in annual electric savings, 7 MMBtu in annual natural gas savings, and nearly \$130,000 in annual utility cost reductions—supporting long-term infrastructure planning.





EVA Green Power

Powering Impact Across the Clean Energy Transition

Modernizing Retail Lighting for Portfolio-Wide Energy Savings

We delivered a turnkey LED retrofit for a national retail pharmacy chain across 53 California stores. Replacing more than 24,000 fluorescent fixtures generated approximately 3.7 million kWh in annual energy savings and reduced cooling demand. By managing design, installation, and multi-utility incentives, we streamlined implementation and improved return on investment across the portfolio.

Powering Performance with 100% Solar

We partnered with active lifestyle brand Seirus to deliver high-impact energy upgrades and commission a 104 kW solar photovoltaic (PV) system. By reducing energy demand through a comprehensive LED lighting retrofit and a cool roof coating to minimize heat absorption, we maximized the value of Seirus’ solar investment while improving occupant comfort. Today, Seirus’ operations are powered by 100% solar energy—showcasing how combining efficiency with on-site renewables drives measurable, long-term results.

Our Priorities

- 17 Investing in Our People
- 21 Mitigating Climate Change
- 24 Serving Customers & Communities



INVESTING IN OUR PEOPLE

Franklin Energy’s success depends on the expertise, dedication, and leadership of our people. By investing in training, development, and education, we equip employees with the skills needed to deliver high-quality energy programs, adapt to a rapidly evolving industry, and grow meaningful careers over time.

Training, Development & Education

Building Skills for a Changing Energy Landscape

We provide role-specific learning opportunities through instructor-led, self-paced, and hands-on training formats. These programs help employees stay current on technical requirements, safety standards, and best practices.

Supporting Professional Growth and Credentials

We encourage employees to pursue professional certifications and credentials that align with their roles and career progression, including industry-recognized designations such as Certified Energy Manager (CEM) and Building Performance Institute (BPI) certifications.

Strengthening Leadership and Career Pathways

Beyond technical training, Franklin Energy is building a culture of leadership, accountability, and continuous improvement. We have expanded development opportunities at all levels of the organization through executive coaching, 360-degree feedback, and structured leadership programs.

Key initiatives include:

- The Program Manager and Regional Director Development Program, supported by updated job descriptions and competency frameworks
- A talent matrix to strengthen succession planning and increase visibility into career growth opportunities
- Expanded recruiting capacity, including a dedicated Talent Sourcer, to help attract and retain top talent



3.78/4
average live training rating

2,685
training participants

2,397
live training hours delivered

400+
on-demand learning
courses available

100%
SOC 2 compliance, supporting
strong data security and
operational integrity

Employee Health & Safety

Across program delivery, field operations, and support teams, employees operate within a consistent safety framework designed to anticipate risk, reinforce safe behaviors, and support employees in diverse work environments. Safety moments, role-specific training, and ongoing communication help ensure expectations are clear and reinforced daily.

Our approach goes beyond regulatory compliance. All employees operate under a voluntary occupational health and safety management system that meets or exceeds OSHA and applicable state and local requirements, supporting a proactive and integrated safety culture across the organization.

Each year, employees complete required safety training aligned to their roles and responsibilities. Program and field staff complete up to 12 safety trainings annually, with courses focused on prevention, preparedness, and effective response.

Core safety training topics include:

- Ladder safety
- Slips, trips, and falls prevention
- Safe driving protocols
- Fire extinguisher safety
- First aid, CPR, and AED use



“**Franklin Energy fosters a culture that is transparent, supportive, and committed to employee safety. Through our motto ‘we live safely with care,’ we have built both organizational resilience and a foundation of trust that empowers employees to stay safe in the workplace and at home. This ethos is a keystone piece of our dynamic and unique identity.**”



Anthony Johnson
Regional Safety Lead



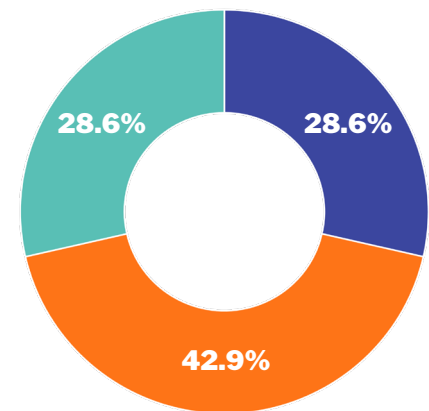
Diversity, Equity, Inclusion & Belonging

At Franklin Energy, our people and their perspectives shape how we work and grow. We focus on creating a workplace where representation is strengthened, opportunities for growth are accessible, and employees feel supported and engaged throughout their careers.

Through our employee resource groups (ERGs), DEI&B-sponsored book club, and other initiatives, we create intentional spaces for networking, mentorship, professional development, community service, cultural events, and meaningful dialogue. These programs help foster connection, build understanding, and strengthen a sense of belonging across the organization.

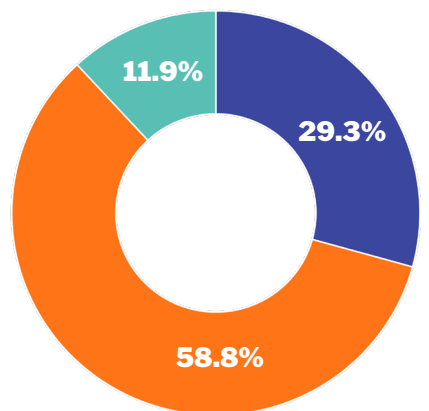
Our DEI&B efforts prioritize representation and inclusion at all levels of the organization—from governance and executive leadership to the broader workforce—while reinforcing practices that support equitable hiring, leadership development, and employee engagement. This approach helps strengthen our culture, inform better decision-making, and reflect the communities we serve.

Diversity of Governance Bodies & Employees



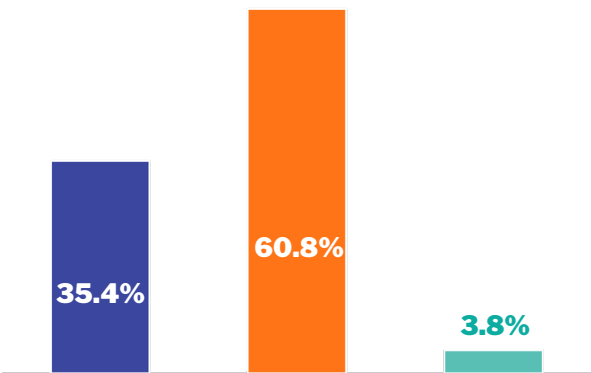
Executive Leadership
Racial/Ethnic Representation

■ BIPOC ■ White ■ Undisclosed



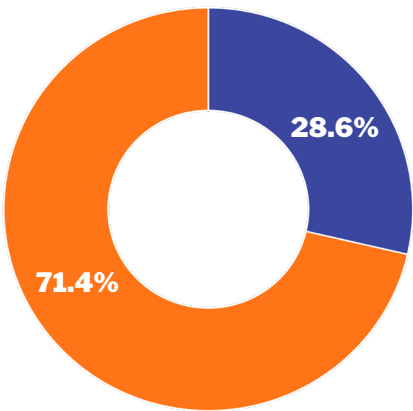
All Employees
Racial/Ethnic Representation

■ BIPOC ■ White ■ Undisclosed



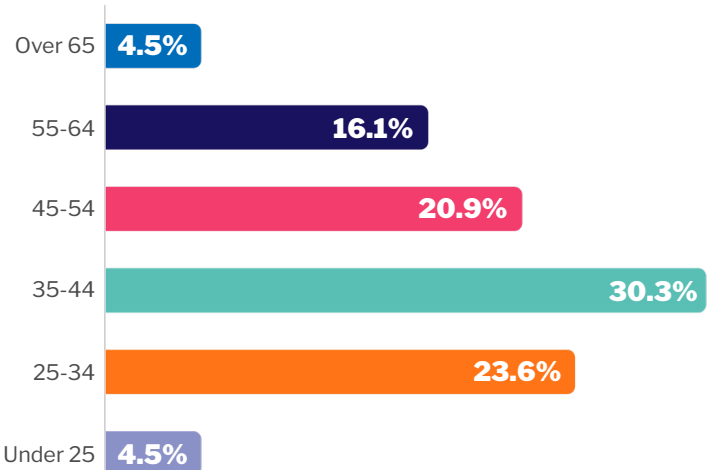
All Employees
Gender Representation

■ Female ■ Male ■ Undisclosed

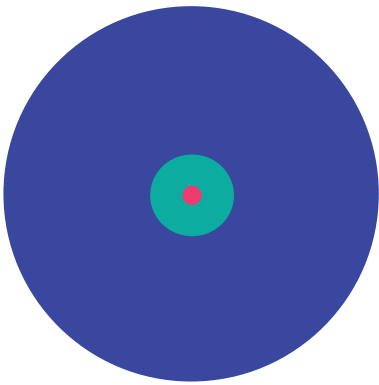


Executive Leadership
Gender Representation

■ Female ■ Male



All Employees Age Distribution



Workforce Composition

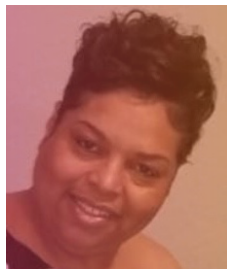
■ Full-Time Employees: 1102
■ Part-Time Employees: 24
■ Paid Interns: 4

87% Remote Workers

13% Office Workers

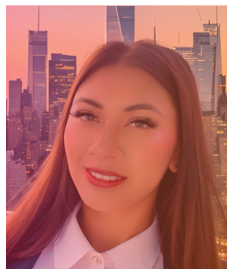
44 States Employees are Located

Our Culture in Action



“There is profound satisfaction in being part of initiatives that uplift people and protect the planet, because nothing compares to the fulfillment of contributing to a future where compassion and sustainability thrive hand in hand.”

Kathy Ireland
Customer Care Specialist
Member of BEN and HERnergy ERGs



“I am passionate about finding ways to make processes more efficient and impactful. I am proud to be part of a team that’s making a real difference in advancing energy efficiency and creating a more sustainable future.”

Shirley Zacarias
Operations Analyst



“Not only does Book Club encourage me to read books I might not otherwise read, but it also allows me to connect with colleagues all over the country and discuss different perspectives and ideas.”

Amy Bobel
Energy Advisor
Member of Book Club



“My passion is fueled by trust and partnership. It’s about becoming a partner to my coworkers and clients, and having them come back because of the relationship we built.”

Dennis Geiger
Energy Advisor



MITIGATING CLIMATE CHANGE

Franklin Energy’s approach to mitigating climate change addresses greenhouse gas (GHG) emissions across **Scopes 1, 2, and 3**, consistent with the GHG Protocol.

Our greatest climate impact comes from the work we deliver for utilities and their customers. By designing and implementing energy efficiency, electrification, and clean energy programs at scale, we help reduce emissions across the energy ecosystem while supporting grid reliability and affordability.

In 2025, **Franklin Energy remains carbon-negative** when accounting for avoided customer emissions enabled through our programs. This section summarizes 2025 performance and describes how we continue to focus on maximizing emissions reductions where we have the most influence—through program delivery, operational discipline, and data-driven measurement.

Managing Our Operational Emissions (Scopes 1 and 2)

Franklin Energy actively manages emissions associated with our own operations, including **Scope 1 emissions from fuel use in our fleet and natural gas consumption at our facilities** and **Scope 2 emissions from purchased electricity used across our offices and distribution centers**. In 2025, combined Scope 1 and 2 emissions totaled 3,501 metric tons CO₂e—down from 4,087 in 2019—representing a 586 metric ton absolute reduction and a 14% improvement on a per-employee basis.

Our approach

- Reducing Scope 1 emissions through fleet optimization, electrification, and improved fuel efficiency
- Managing Scope 2 emissions through facility energy management and strategic electricity sourcing
- Maintaining consistent emissions tracking, reporting, and methodology alignment across business units

Delivering Emissions Reductions Through Utility Programs (Scope 3)

Energy efficiency remains one of the most immediate and cost-effective tools for mitigating climate change. The majority of Franklin Energy’s **Scope 3 emissions impact is associated with the downstream emissions reductions enabled through the programs we design and implement** on behalf of utility clients.

Areas of focus

- Scaling high-impact energy efficiency and demand-side management programs
- Integrating emissions-reduction potential into program design and performance metrics
- Supporting electrification-ready measures aligned with evolving utility and regulatory goals
- Leveraging advanced measurement and verification tools to ensure accuracy and transparency

Scopes 1 and 2 Emissions Per Full-Time Employee

2019
4,087 metric tons CO₂e

2025
3,501 metric tons CO₂e

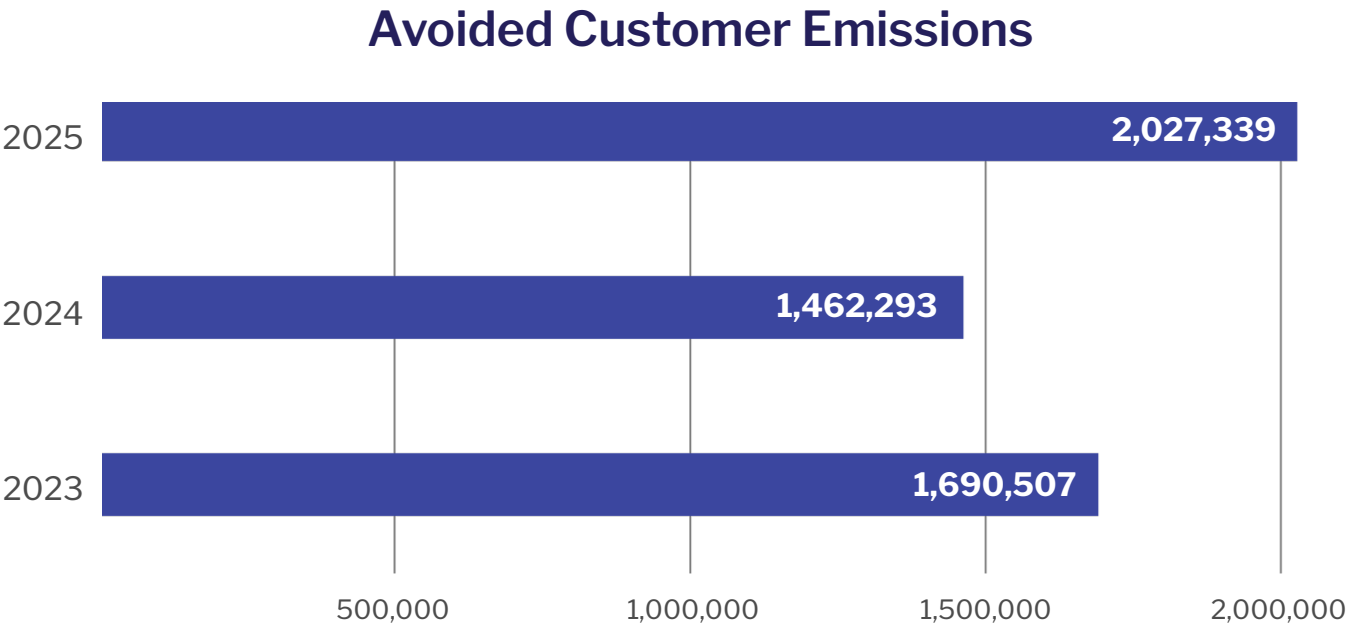
14%
Reduction per employee

Our commitment to achieving net zero Scope 1 and Scope 2 emissions by 2030 remains unchanged. As we’ve grown through the addition of AESC facilities, we’ve expanded our inventory scope and identified new reduction opportunities. While fleet electrification timelines have been shaped by market availability, we are actively investing in commercial electric vehicles, building energy improvements, and operational efficiencies to accelerate our path to net zero.



Customer Emissions

In 2025, Franklin Energy’s programs helped customers avoid more greenhouse gas emissions than the company generated across its operations. Customer emissions avoided exceeded total Scope 1, 2, and 3 emissions by approximately 160,000 metric tons of CO₂e, **resulting in a net positive climate impact for the year.**



2025 Program Impact

Total avoided customer emissions:

2.0

million metric tons CO₂e

Electricity savings delivered:

3.67

billion kWh

Natural gas savings delivered:

138

million therms

Customers served in 2025

3,714,634

customers

* These outcomes demonstrate the scale at which program delivery can accelerate decarbonization while creating economic and community value.

Fleet & Operational Performance

Percentage of fleet that is electric or hybrid

20.15%

Total electric/hybrid vehicles in service:

60

2025 idling total

7%

* Fleet optimization and electrification remain key levers for reducing operational emissions while enhancing safety and cost efficiency.

SERVING CUSTOMERS & COMMUNITIES

Franklin Energy works in communities of every size—from small towns to major metropolitan areas—helping customers access programs that lower energy costs, improve comfort, and support long-term economic stability.

Building Local Economies

Expanding Access to Energy Savings

In 2025, Franklin Energy-supported programs delivered targeted incentives and assistance to help customers make meaningful energy upgrades—reducing utility bills while improving housing quality and energy performance.

Supporting Local Jobs and Economies

Our programs support local economic development by creating and sustaining jobs in the energy efficiency and clean energy sectors.

Supplier Development and Economic Inclusion

Franklin Energy’s supplier development efforts are designed to expand access to contracting and business opportunities within the energy efficiency and clean energy ecosystem. In 2025, we continued to strengthen relationships with small, local, and diverse suppliers while maintaining performance, safety, and quality standards.

1,031

Active suppliers participating in development initiatives

\$17 Million

Spend with small and diverse suppliers

“Our long-standing relationship with Franklin Energy reflects a true spirit of partnership—one where ideas are welcomed, perspectives are valued, and collaboration feels natural. I’m grateful for the way the thoughts of our team are not only encouraged but thoughtfully incorporated, creating a working dynamic that is both productive and deeply rewarding.”

Kelly Shelton
President & CEO, Shelton Solutions, Inc.



\$38.2 Million

Low-income incentives distributed



300,000+

Households served in historically underserved communities



\$39

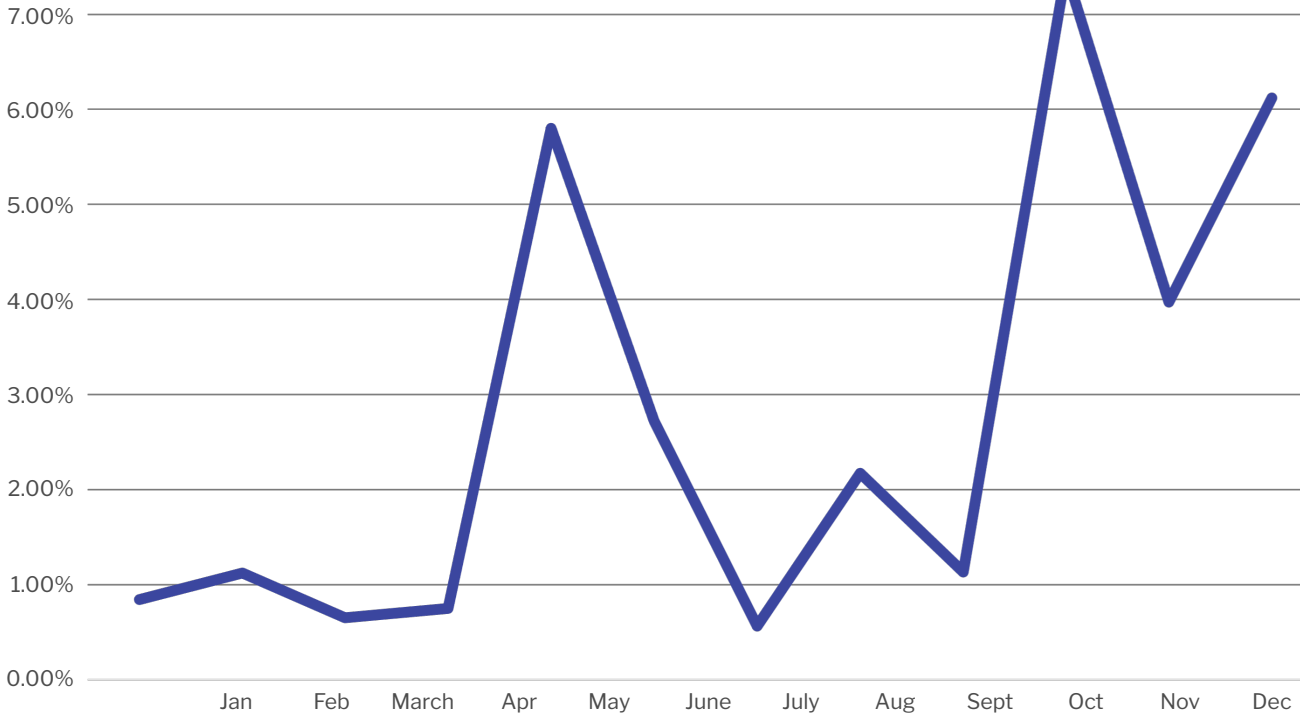
Average annual bill savings per household



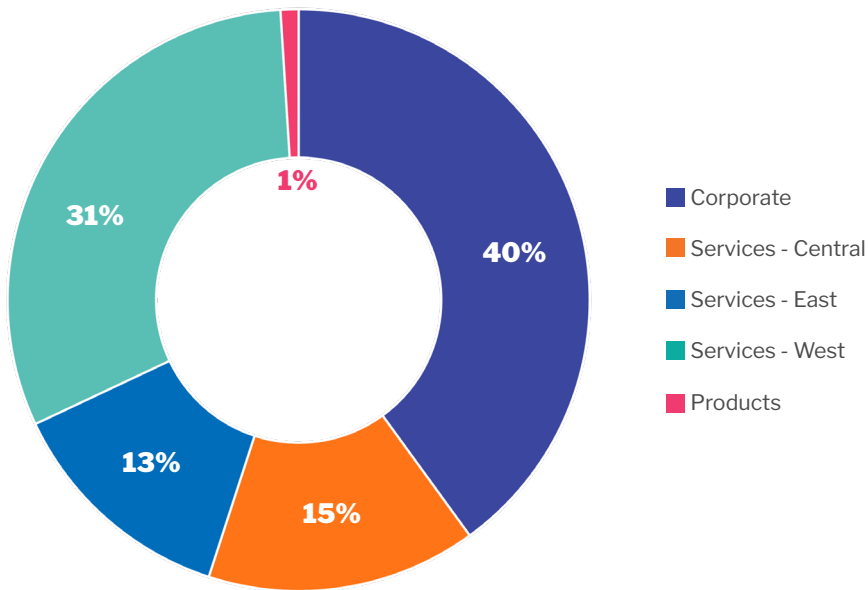
Over 5,000

Local jobs supported nationwide

2025 Volunteerism by Month



2025 Volunteerism by Region



Community Engagement and Volunteerism

Franklin Energy employees contribute time and expertise to the communities where they live and work, supporting local organizations and community-led initiatives.

- Over the past year, we:
- Strengthened the employee volunteerism program to drive broader participation in Earth Day cleanups and sustainability-focused community service. Integrating emissions-reduction potential
 - Supported employees in their cumulative **1,900 volunteer hours**.
 - Continued the quarterly Sustainability Award program, recognizing employees who demonstrate leadership in carbon reduction and sustainability performance.

301 employees volunteered, contributing nearly 1,900 hours in support of local communities.

Employee volunteer participation reached 28.2%, surpassing the company goal of 25% and increasing nearly 60% from 2024 levels.

Building on this momentum, Franklin Energy will continue expanding volunteer opportunities and encouraging employees to utilize available volunteer time throughout the year.

Earth Day Volunteer Impact



Friends of Lake Hodges

Franklin Energy supported Friends of Lake Hodges in San Diego for Earth Day, joining volunteers to remove debris and restore shoreline habitats. Together, the team collected 243 pounds of trash and recyclables, strengthening the long-term health of the lake and surrounding ecosystem.

Earth Day for Fort Collins

PRPA team members used paid volunteer time to support Earth Day Fort Collins, a community event helping deliver sustainability education and community resources focused on energy efficiency and conservation. Their service strengthened local engagement and reinforced PRPA's commitment to sustainability leadership.



Leading by Example



Alexander has gone above and beyond in advancing Franklin Energy's sustainability mission. He actively supports the Sustainability Team, contributes to key initiatives, and brings strong engagement to our sustainability education efforts.

His dedication was especially evident in the research and preparation behind recent presentations, demonstrating both initiative and passion. Alexander also volunteered at a local community cleanup event, reflecting his commitment to sustainability not only at work, but in the community.

Alexander Van Lewen
Energy Advisor I
Winner of the Q2 Sustainability Award

Customer Privacy & Data Security

Franklin Energy manages sensitive customer, utility, and partner data as a core part of delivering clean energy programs. Protecting that data and maintaining trust are essential to our role as a long-term utility partner. Our approach to data security and privacy is designed to safeguard information across the full lifecycle of our work, from program design and delivery to reporting and analytics.

Governance and Oversight

Franklin Energy maintains governance structures that define accountability for data security and privacy across the organization.

Our governance framework includes:

- Clearly defined roles and responsibilities for data security and privacy oversight
- Policies and procedures that guide data access, handling, and retention
- Ongoing coordination among information security, legal, compliance, and program teams

Data Protection and Risk Management

We use a risk-based approach to protect systems and data from unauthorized access, misuse, or disruption.

Key practices include:

- Security controls aligned with recognized industry standards
- Regular risk assessments and vulnerability management
- Access based on job function and business need
- Monitoring and response processes to identify and address potential incidents
- Data resiliency using high availability, replication, and backups



Continuous Improvement

The threat landscape continues to evolve, and so do our practices. Franklin Energy regularly evaluates and enhances data security and privacy controls to reflect emerging risks, regulatory expectations, and operational needs.

- Employees completing data security and privacy training: **100%**
- Security risk assessments completed: **39**
- Reportable data security incidents: **0**

Privacy and Responsible Data Use

Franklin Energy is committed to using data responsibly and in accordance with applicable privacy requirements.

Our approach includes:

- Limiting data collection to what is necessary for program delivery and reporting
- Applying privacy considerations throughout system and program design
- Training employees on data privacy and security expectations and responsibilities

Responsible Use of Artificial Intelligence

Franklin Energy recognizes the importance of using AI technologies in a manner that aligns with our values and regulatory obligations. We are committed to ensuring that AI is deployed thoughtfully, with careful consideration for ethical, transparent, and accountable practices.

Our responsible AI use includes:

- Ensuring AI systems are used to enhance, not replace, human judgment in sensitive decision-making processes
- Maintaining transparency about when and how AI is used in program delivery
- Implementing safeguards to prevent biased or unfair outcomes from AI-driven processes
- Regularly reviewing AI applications for compliance with privacy, data security, and ethical standards
- Providing training to employees on responsible AI practices and potential risks

Our Approach

- 29 Letter from the Senior Manager of Sustainability & Diversity
- 30 Sustainability Governance
- 31 Materiality Assessment Results
- 32 About This Report



LETTER FROM THE SENIOR MANAGER OF SUSTAINABILITY & DIVERSITY

As we reflect on another year at Franklin Energy, I am proud of the progress we’ve made—and mindful of the responsibility that comes with it.

Sustainability remains central to how we support our clients, how we show up in communities, and how we approach our own impact as an organization working at the center of the clean energy transition.

This year, our programs continued to deliver energy savings and emissions reductions at scale, supporting millions of customers nationwide. The outcomes detailed in this report reflect more than performance metrics—they represent healthier homes, stronger local economies, and practical progress toward a more resilient energy future.

In 2025, Franklin Energy’s programs helped customers avoid more greenhouse gas emissions than the company generated across its operations. Customer emissions avoided exceeded total Scope 1, 2, and 3 emissions by approximately 160,000 metric tons of CO₂e, resulting in a net positive climate impact for the year. In addition, continued investments in fleet electrification, facility efficiency, and data integrity helped us better understand and reduce our footprint, while reinforcing transparency and accountability across the organization.

Looking ahead to 2026, our focus turns to deepening our operational impact—particularly through improving energy efficiency across our office portfolio and accelerating progress on our path to net zero. These are not just organizational goals; they are commitments I am personally driving.

In 2025, we reached a milestone that I will carry with me for a long time: the greenhouse gas emissions our programs helped customers avoid exceeded the emissions generated by Franklin Energy’s own operations—resulting in a net positive impact of more than 160,000 metric tons of carbon dioxide equivalent (CO₂e). Seeing that number put our work into perspective. It reinforced that our efforts aren’t just reducing environmental impact—they’re helping create cleaner air, a more resilient grid, and stronger communities. That’s why this work matters, and it’s the standard we will continue striving to uphold.

Beyond our operations, sustainability at Franklin Energy is defined by the reach of our programs and the commitment of our people. Through our clients and partners, we support communities nationwide—expanding access to energy efficiency, creating local economic opportunity, and contributing time and expertise where it matters most.

This report captures our progress and points to the work still ahead. Sustainability is not a single outcome or milestone; it is an ongoing effort that requires focus, collaboration, and continuous improvement. I am grateful for the dedication of our teams, the trust of our partners, and the opportunity to keep pushing this work forward together.

**Let’s continue to lead with purpose
and deliver impact that lasts.**



Maryam Ramin



Dr. Maryam Ramin
Senior Manager, Sustainability & Diversity



SUSTAINABILITY GOVERNANCE

We have structured our sustainability governance to include all levels of the company and every employee and function. In this manner, sustainability is embedded in all our practices and the decisions that we make.

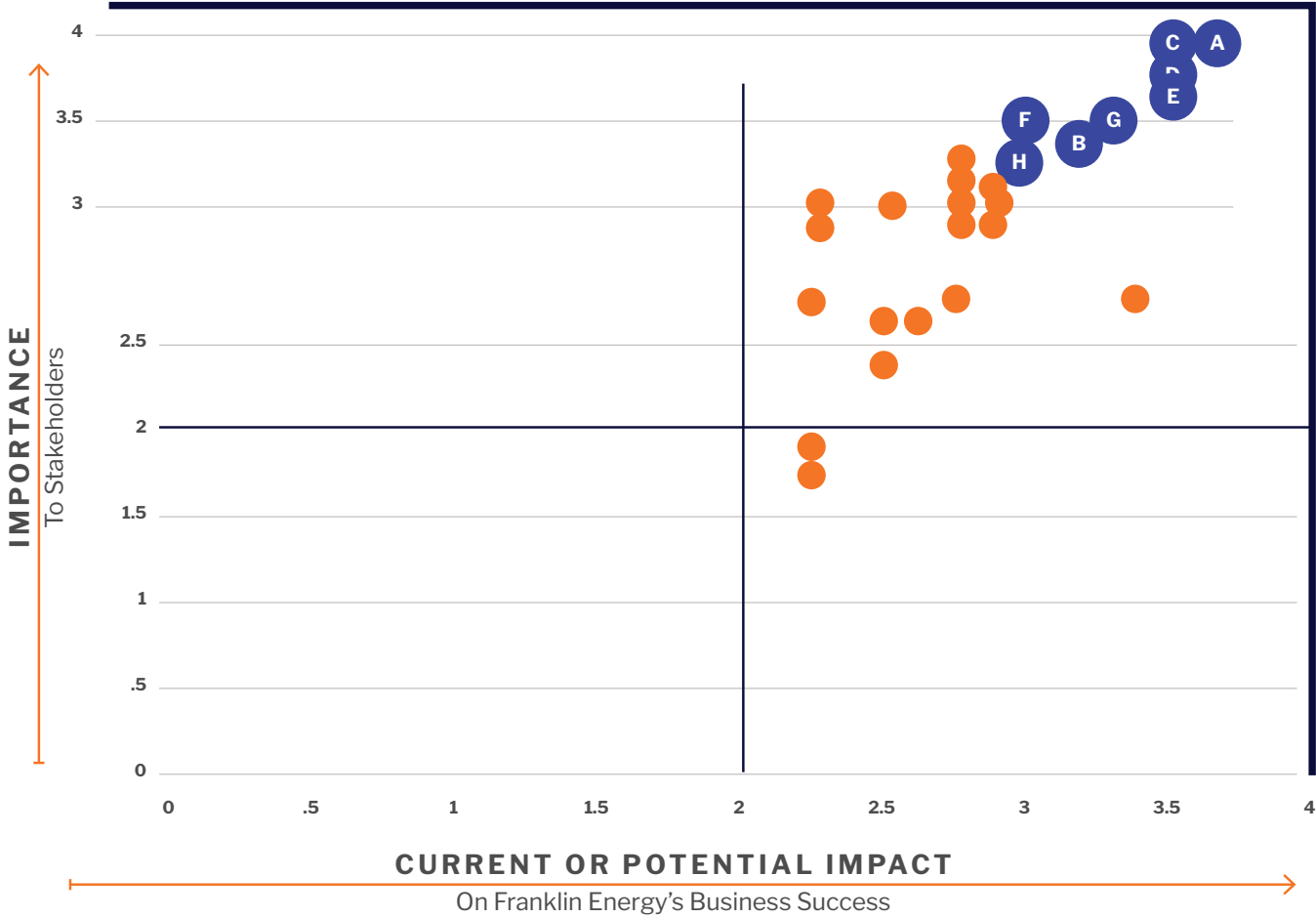


MATERIALITY ASSESSMENT RESULTS

By performing a full assessment of our material issues, we can identify and manage key environmental, social, and governance issues. This practice is critical to driving our long-term sustainability strategy and setting meaningful goals to ensure continued improvement.

Our process includes a comprehensive review of our material issues using the Global Reporting Initiative’s (“GRI”) Standards, in which stakeholders from across the company individually provided input on current and emerging issues. This was followed by a robust workshop during which the results were prioritized and finalized.

The risks and opportunities that were identified are grouped into eight categories: occupational health and safety; diversity and equal opportunity; training and education; emissions, effluents, and waste; energy; customer privacy; customer health and safety; and socioeconomic compliance. With these eight categories serving as our guidelines, we reviewed and adjusted our overarching priorities to ensure we stay focused on what matters most.



MATERIALITY ISSUE		REPORT PRIORITY
A	Occupational health and safety	Investing in Our People
B	Diversity and equal opportunity	
F	Training and education	
D	Emissions, effluents and waste	Climate Change
E	Energy	
C	Customer privacy	Customer and Community
G	Customer health and safety	
H	Economic performance	

● Additional issues considered

ABOUT THIS REPORT

Franklin Energy’s 2026 Sustainability Report includes consolidated data within the operational control of Franklin Energy Services, AM Conservation Group, Alternative Energy Systems Consulting, Inc., and EVA Green Power for the calendar year 2025.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards: Core Option and aligned with the Sustainability Accounting Standards Board (SASB) framework. Framework-specific disclosure tables are included in the appendix of this report.

The information in this report may contain forward-looking statements, estimates, or projections. These statements relate to, among other matters, our sustainability plans, goals, and strategies. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially.

For questions about this report or the information contained within it, please contact Franklin Energy’s Sustainability Team at sustainability@franklinenergy.com.



Appendix

34 Goals and Progress

35 GRI Indicators

36 SASB Indicators



GOALS AND PROGRESS

		2025		
	Timeline	Not Achieved	In Progress	Achieved
Investing in Our People				
Achieve 50% diversity for new hires	Annually		✓	
Maintain or increase number of veterans in our employee base over the previous year	Annually			✓
Increase employee retention to 85% by 2025	2025	✓		
Achieve 85% of employees establishing or updating an individual development plan	2025	✓		
Meet or exceed 95% participation for safety training sessions	Annually			✓
Offer first aid and CPR training at no cost to employees	Annually			✓
Climate Change				
Calculate our Scopes 1, 2, and 3 footprint in accordance with an internationally recognized methodology	Annually			✓
Achieve net zero emissions across Scopes 1, 2 and 3 by end of 2030	2030		✓	
Increase number of electric & hybrid vehicles in fleet to at least 12% of total fleet	2025			✓
Launch fleet idling reporting initiative and maintain or reduce idling rates	2025		✓	
Customer and Community				
Support our local communities by achieving more than 25% participation rate in employee volunteerism	2025			✓
Achieve SOC I and SOC II certification on an annual basis	Annually			✓
Require all employees to complete annual data security training, SOC II	Annually			✓
Grow our supplier and partner development program	Annually			✓

GRI INDICATORS

GRI STANDARD	DISCLOSURE	REPORT LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About Franklin Energy
	2-2 Entities included in the organization’s sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	Climate Change
	2-7 Employees	Investing in Our People
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment Results
	3-2 List of material topics	Materiality Assessment Results
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Customer and Community
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Change
	302-4 Reduction of energy consumption	Climate Change
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change
	305-5 Reduction of GHG emissions	Climate Change
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Investing in Our People
	403-5 Worker training on occupational health and safety	Investing in Our People
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Investing in Our People

Franklin Energy has reported the information cited in this GRI content index for the period January 1, 2025 to December 31, 2025 with reference to the GRI Standards. GRI 1: Foundation 2021.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD REFERENCE TABLE

Below is a table referencing Franklin Energy’s public disclosures to the Sustainability Accounting Standards Board’s (“SASB”) Professional & Commercial Services Industry standards. The far-right column represents where you can find more information on each of these topics.

Topic	Accounting Metric	Code	Response
SASB: Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1 CG-EC-230a.1	Customer and Community
	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	Customer and Community
SASB: Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1 CG-EC-330a.3	Investing in Our People
Hardware Infrastructure Energy & Water Management	1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	CG-EC-130a.1	Climate Change

Activity Metric	Code	Response
Number of employees by (1) full-time and part-time, (2) temporary, and (3) contract	SV-PS-000.A	Investing in Our People



Published July 2026
www.franklinenergy.com/sustainability

Contact:
(866) 735-1432
inquiries@franklinenergy.com

© 2026 Franklin Energy. All rights reserved.

