

December 13, 2022

H&M group signs a power purchase agreement with Neoen and Alight for a new solar park in Sweden (90 MWp)

The construction of the landmark Hultsfred solar project, developed and owned by Neoen and Alight is scheduled to begin in the second half of 2023. Under the long-term agreement, the solar park will provide renewable energy to H&M Group and play an important role in reducing H&M Group's carbon footprint. This is the largest solar PPA in Sweden to date. With a total capacity of at least 90 MWp, the Hultsfred solar park will generate the equivalent to the annual electricity consumption of over 16,000 homes.

Neoen (ISIN: FR0011675362, ticker: NEOEN), one of the world's leading producers of exclusively renewable energy, and Alight, a leading solar developer and independent power producer in Europe, announce the signing of a power purchase agreement (PPA) for 90 MWp of green energy in Sweden with the Swedish fashion retailer H&M Group. Under the long-term agreement, the solar park, located in Hultsfred, Sweden, will provide H&M Group with local renewable energy and guarantees of origin, putting the company one step closer to its goal to only source renewable electricity. This is the largest solar PPA contracted in Sweden to date.

Jointly developed and owned by Neoen (majority shareholder) and Alight, the project will have a total capacity of at least 90 MWp. It will be built using low-carbon photovoltaic panels to be installed around the runway of Hultsfred airport, in the south-east of Sweden. Construction is planned for the second half of 2023, with commissioning to follow in 2025.

H&M Group has set the ambitious goal to reduce the company's absolute scope 1 and 2 emissions and its scope 3 emissions by 56% both by 2030 and from a 2019 baseline and to increase the annual sourcing of renewable electricity to 100% by 2030. As part of the company's green investments, PPAs play a very important role in the company's climate work to achieve its targets. By contracting in this PPA, H&M Group will make the project viable and add new green power capacity to the Swedish grid.

Ulrika Leverenz, Head of Green Investment of H&M Group, said: *"We are very excited to see Hultsfred's solar park becoming a reality in the near future. Renewable energy plays a crucial role in our climate roadmap to reduce emissions and achieve net-zero by 2040. Business and countries must show leadership to limit global warming to 1.5°C according to what the climate science urges us to do. Power purchase agreements like this one with Neoen and Alight bring us one step closer to meet our ambitious climate goals and increase the availability of clean energy in the country."*

Harald Överholm, CEO of Alight, said: *"We are very proud of our partnership with Neoen and H&M Group for signing a power purchase agreement that enables us to rapidly build new clean electricity in Southern Sweden, where the demand for electricity is the highest. When a large corporation and power user decides to go big on renewable energy, it has a real impact on society as a whole, while at the same time creating more energy security."*

Xavier Barbaro, CEO and Chairman of Neoen, concluded: *"I would like to thank H&M Group for the trust they have placed in us and congratulate our local team and our partner Alight on the signing of this agreement. This is our first power purchase agreement in Sweden and our ninth in the Nordics. Our longstanding contracts in the region now cover almost half a gigawatt of renewable energy, showing once again our ability to meet the needs of companies like H&M Group and provide them with a secure supply of competitive, local renewable energy."*

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About H&M Group

H&M Group is a family of brands and businesses, driven by the desire to make great design available to everyone, in a more sustainable way. The company offers fashion, design and services that inspire and enable people to express their style while making it easier to live more circular.

H&M Group's vision for sustainability is to lead the change towards a circular fashion industry with net zero climate impact, while being a fair and equal company. The company works according to its ambitious sustainability strategy produced jointly with external and internal experts. H&M Group's sustainability work spans the entire value chain, focusing both on its own operations and, together with other stakeholders, the industry in general.

For more information hmgroup.com.

About Neoen

Founded in 2008, Neoen is one of the world's leading independent producers of exclusively renewable energy. With proven expertise in solar power, wind power and storage, the company plays an active role in the energy transition by producing competitive, green, local energy on four continents. After a five-fold increase in the last five years, its capacity in operation and under construction stands at 5.6 GW.

Neoen's flagship operations are France's most powerful solar farm (300 MWp) in Cestas, Finland's largest wind farm (404 MW) in Mutkalampi, one of the world's most competitive solar plants in Mexico (El Llano, 375 MWp) and two of the world's most powerful large-scale storage plants, both in Australia: Hornsdale Power Reserve (150 MW/193.5 MWh storage capacity) and the Victorian Big Battery (300 MW/450 MWh).

A high-growth company, Neoen is targeting 10 GW in operation or under construction by the end of 2025. Neoen is listed in Compartment A of Euronext's regulated market in Paris (ISIN code: FR0011675362, Ticker: NEOEN) on the SBF 120 and CAC Mid 60 indexes.

This is Neoen's first PPA in Sweden, the second renewable energy project in the country and the ninth in the Nordics, where Neoen now has over 610 MW of assets under construction or in operation. It comes just a few months after the start of construction on the Storbrännkullen wind farm (57.4 MW, [storbrannkullen.se](https://www.storbrannkullen.se)) and shows Neoen's ability to quickly develop significant solar and wind projects. Neoen aims to become a leading player in Sweden and actively contribute to achieving the national target of being 100% carbon neutral by 2040.

For more information: www.neoen.com

About Alight

Alight is a leading Nordic solar developer and independent power producer, founded in 2013 to usher in a new era of solar power to businesses seeking to go greener. With an entirely subsidy-free business model, Alight develops, owns and operates solar projects, onsite and offsite, across Europe. By 2030 Alight is set to have an installed capacity of at least 5 GW backed with solar Power Purchase Agreements (PPAs). Alight is the leading solar PPA provider in the Nordics - with customers including Swedbank, Martin & Servera, Kingspan and Toyota - and is developing more than 1 GW of PPA-based projects across Sweden, with a further 170 MW under development across the rest of Europe. Alight is also leading the industry on co-located battery storage, a key component of ensuring that grid stability copes with the solar roll-out. www.alight-energy.com