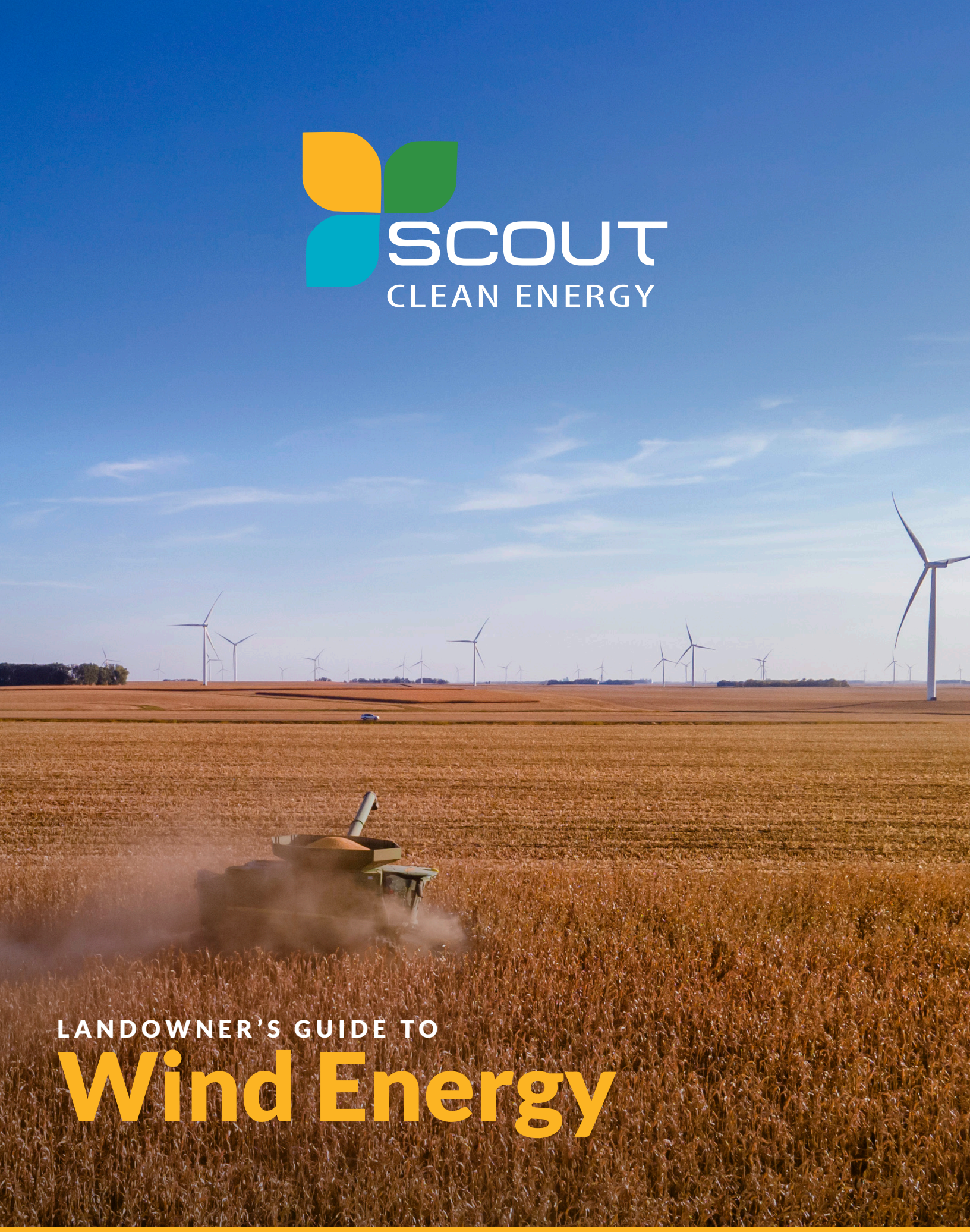
SCOUT
CLEAN ENERGY



LANDOWNER'S GUIDE TO

Wind Energy

Get to **Know Us.**

Scout Clean Energy is an American developer, owner, and operator, dedicated to transforming our country's energy mix. Our mission is to develop cost competitive renewable energy projects while supporting rural economic development and energy security. Scout has extensive experience developing and operating projects that have involved dozens of communities and thousands of property owners including family farms, ranches, business owners, veterans, and retirees.

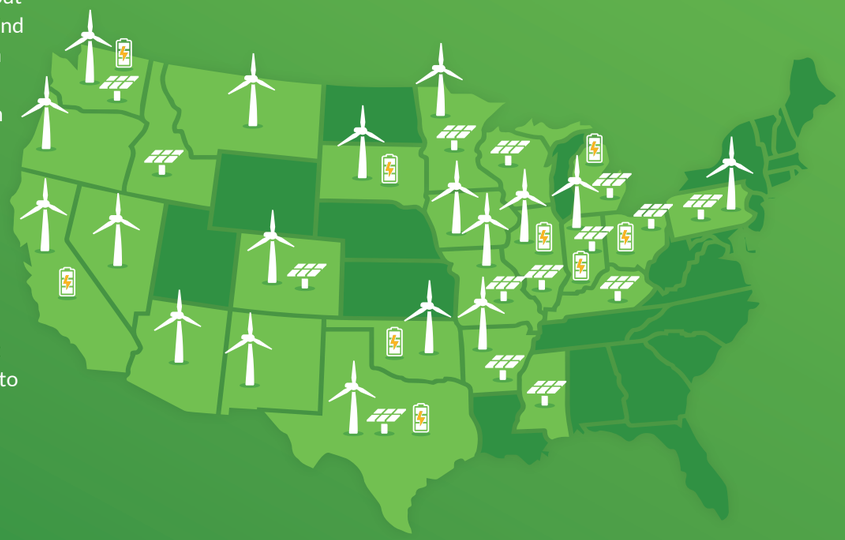
>1.6 Gigawatts of projects in operation or under construction

19 Gigawatts of projects under development

>1600 Executed leases with landowners

>$16 mm Paid to landowners in 2024

Founded in 2016, we are based in Colorado with several local offices at our project locations. Scout has a diverse portfolio of wind and solar projects that span the U.S. Scout has over 1.6 GW of projects in operation or under construction, and over 19 GWs of projects under development. We can proudly say that these projects represent more than 1,600 executed leases with landowners across 25 states. In 2024 alone, Scout paid more than $16 million to participating landowners.

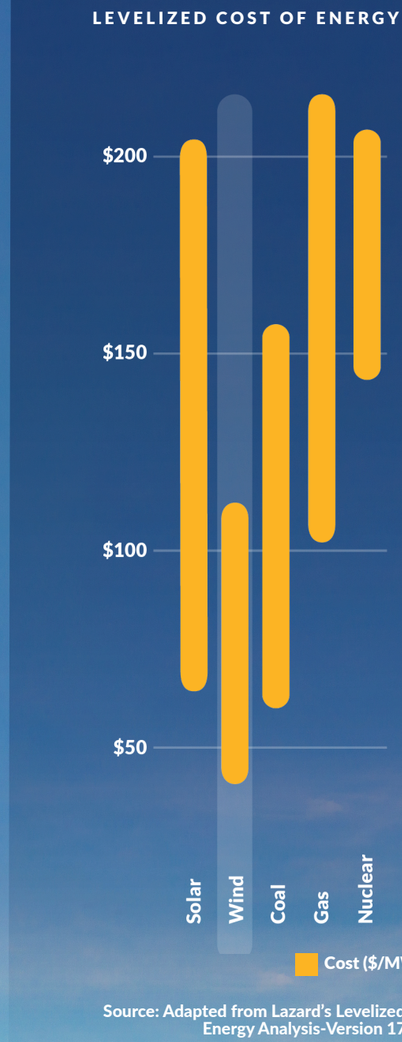


Wind Energy in the U.S.

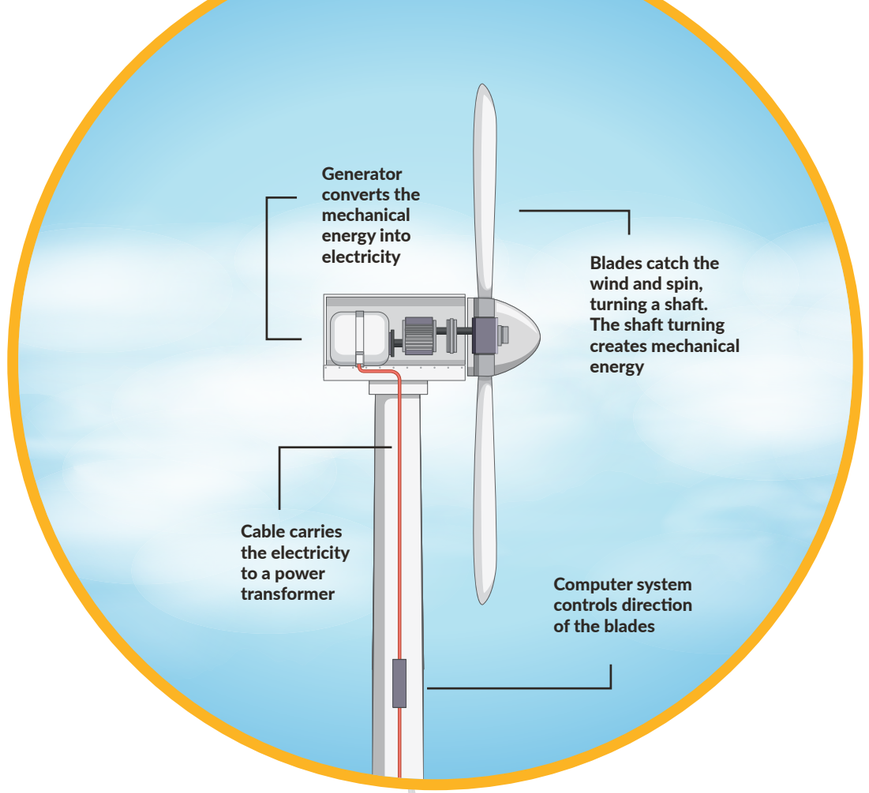
Wind energy is the largest source of renewable electricity generation and fourth largest source of any type of electricity generation in the U.S. For thousands of years, humans have harvested energy from wind, first to crush grain or pump water. Now we use it to generate electricity, which is then delivered to homes and businesses through the electric grid.

"According to the American Clean Power Association, there are wind projects installed in 44 states with a total capacity of about 146 GW, **enough to power 46 million American homes.** Overall, wind energy supplied 12% of total U.S. electricity generation in 2024. With wind energy generation on the rise, employment of wind technicians is expected to grow 60.7% over the next decade, making it one of the fastest growing job types in the country. According to the U.S. DOE, the American wind industry could support 600,000 jobs by 2050.

According to the U.S. Energy Information Administration, an average wind turbine can generate enough electricity in 94 minutes to power an average U.S. home for a full month, at a very low cost. Studies show that the levelized cost of wind energy is lower than nuclear, coal, and gas. Levelized cost of energy is the total cost to develop, build, and operate a facility over its lifetime.



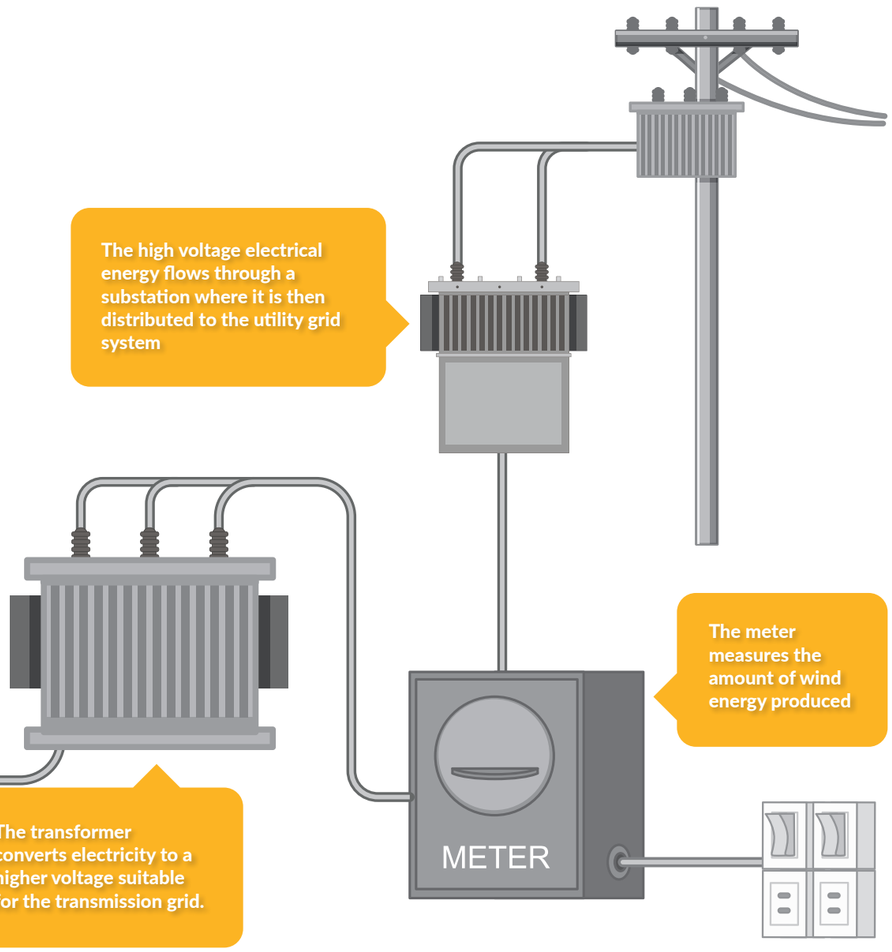
Source: Adapted from Lazard's Levelized Cost of Energy Analysis-Version 17.0 2024



How does it **Work**?

When wind flows across the blade of a turbine, it causes a pressure difference between the two sides of the blade. This difference in pressure makes the blades spin, rotating a shaft inside the turbine. The shaft then spins a series of gears that speed up the blades' rotation and creates mechanical energy. This mechanical energy in turn, runs a generator that changes the mechanical energy into electricity.

The electrical energy then moves through the project's underground collection cables that run from the turbines to a power transformer. The transformer acts as a link between wind turbines and the distribution grid by converting the electricity to the right voltage for the local network. Next, the electricity flows through a substation, where it can then be safely delivered to the grid.



What's in it for the **Landowner**?

As a landowner, you have a valuable resource above your land in the form of wind, or as we like to say, "yields above your fields!" When you sign an agreement with Scout, you are participating in an opportunity to harvest that resource and earn a secondary long-term, reliable income. Since wind projects typically operate for up to four decades, these annual payments can last well into retirement, help farms mitigate against risk, or even help support the next generation take up the family business. Scout's lease has development, construction, and operation terms during which landowners are compensated for their participation in the project.

Volatile commodity prices, precipitation and temperature patterns, pests and pathogens, changing trade relations, and other unpredictable realities can cause agricultural profits to fluctuate regularly. Hosting a renewable energy project alongside agricultural production can provide a steady income stream complimentary to the unpredictability of farm income. According to the USDA, 89% of U.S. farms are family owned and the households operating these farms typically rely on off-farm sources for the majority of their household income. This means that finding new ways to mitigate risk and diversify farm income is more important than ever.

A turbine and its access road, once the project is operating, would occupy less than an acre of land. This allows for agricultural uses to simultaneously exist with the wind project. Any underground cables are buried at a depth compatible with farming. Scout regularly improves existing roads and builds new ones to access our turbines. Landowners are welcome to use these durable, all-weather roads to move equipment in and out of their fields. On average, 98% of land around a wind energy facility can be used for other purposes.

INFLATION-ADJUSTED CORN, WHEAT, AND SOYBEAN PRICES, 1912-2024

Source: USDA, Economic Research Service calculations using data from USDA, National Agricultural Statistics Service and U.S. Department of Labor, Bureau of Labor Statistics.

What's in it for the **Community**?

A Scout project provides communities with additional tax revenue. This tax revenue can be used to fund schools, roads, and community centers, all without placing a strain on local services. Scout's 130 MW Bitter Ridge Wind Farm in Jay County, Indiana will pay $15M in local taxes over the lifespan of the project.

Scout's projects also create jobs. A typical Scout project generates **hundreds of construction jobs** as well as a number of long term operating jobs. During construction, these employees and contractors support the local economy by choosing local dining, convenience store, and lodging options. Labor statistics show the U.S. wind industry employs America's veterans at a rate **67% above the national average**. Additionally, landowners often spend their lease payment revenue locally, which in turn helps other local businesses including restaurants, auto and farm equipment dealers, farm service providers, and more. Once a project is built, our employees and their families live and work in these communities.

Every Scout project lives **Somewhere**

Beyond taxes, Scout directly supports and sponsors local organizations and causes including fire departments, 4-H groups, livestock shows, and local festivals. From sponsoring local events to protecting wildlife, we've formed win-win relationships with the communities that are home to our solar and wind projects.

What we mean by **Clean.**

While all energy generation has an impact on the environment, wind energy production is unique in that the only fuel required is wind, which will never be depleted. No emissions are produced while a project is in operation.

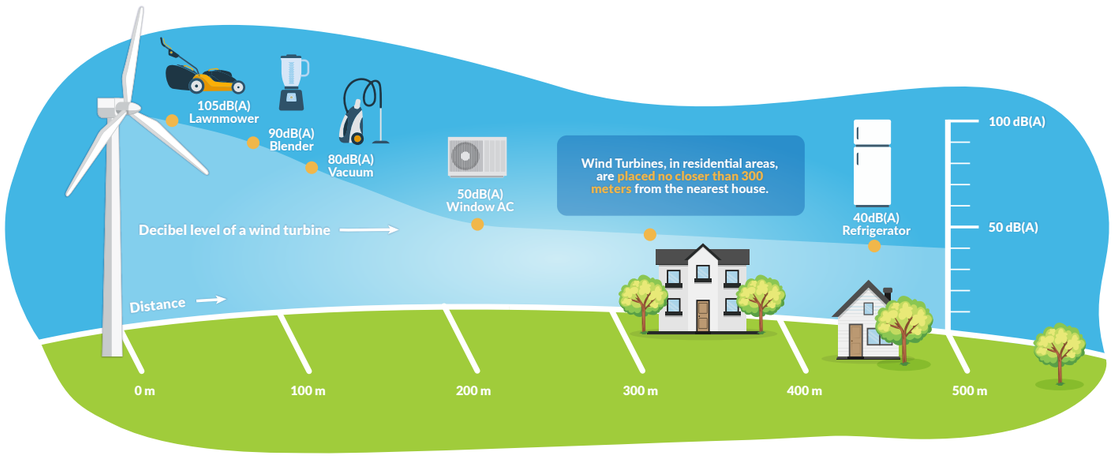
Sustainability shouldn't just be about compliance, it should be about vision. We've implemented our own standards on top of internationally recognized guidelines. Scout partners with wildlife organizations like the Renewable Energy Wildlife Institute (rewi.org) to facilitate responsible wind development.

Additionally, Scout has committed to the Equator Principles standard (equator-principles.com) for ensuring that projects are developed in a manner that is socially responsible and reflects sound environmental management practices.

Turbines and **Sound**

At the local level, Scout takes community input very seriously by making sure to site all wind projects responsibly. One of the most common questions about turbine related health issues is how the sound generated from them will impact residents. The Environmental Health Sciences Research Center at the University of Iowa College of Public Health, the Iowa Policy Project, and the Iowa Environmental Council have summarized the results of the best research available, and the review concluded that there is little scientific evidence that sound from wind turbines represents a risk to human health.

Turbines generate two types of sound: aerodynamic sound from the movement of the blades in air, and mechanical sound from the turbine itself. At 300 meters, the standard setback from a home, a turbine is not louder than your average PC or refrigerator at home. To put that in context, a refrigerator typically runs at around 40 decibels. Additionally, it is important to remember that when the wind is blowing the hardest, the ambient noises from trees or corn stalks rustling are often louder than a turbine itself.



Wind Project **Decommissioning**

The tower, foundation, generator, and gearbox of a wind turbine are made up of concrete, steel, cast iron, and other materials, which are easy to recycle or sell and have a useful second life. About 85-90% of a dismantled wind turbine can be recycled.

There are many options for the recycling of turbine blades, which usually start by cutting, shredding, and grinding them to reduce their size into small fiberglass particulates. These particulates can then be mixed into cement, plastic, paint, and other materials or incorporated into things like roofing, weather resistant siding, and warehouse pallets to add additional structural strength.

As outlined in your wind lease, Scout sets forward standards to ensure the removal of the wind facilities at the end of their useful life. Many counties and states also require a Reclamation and Removal Bond.

Why **Here**?

So, why does Scout want to place a wind project here? There are several factors that make this area the ideal spot for a productive, safe, and efficient wind project.

Wind Resource
The wind is strong enough to turn the blades and generate sufficient electrical output.

Geography
This is a clear area or a ridge line where the wind resource is strong and consistent.

Minimal Environmental Impact
This project in sited in an area where it will have the least impact on critical species and habitat.

Grid Connectivity
This project area is near a transmission line that will allow the project to cost effectively deliver electricity to the grid.

Robust Energy Market
Many utilities and corporations are looking to procure cost competitive and clean renewable energy for the future. Because wind energy does not rely upon volatile fuel prices, we can offer a fixed energy price for a decade or more! Many utilities and companies find this price certainty very attractive.

Thank you for reading and we look forward to working with you!

For further information on wind energy, check out these trusted, third-party resources.

www.cleanpower.org

www.cleangridalliance.org

www.energy.gov/eere/office-energy-efficiency-renewable-energy

visit www.scoutcleanenergy.com to learn more

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