

**Shareholder Proposal No. 5 on Harley-Davidson, Inc.'s 2026 Proxy Statement:
Shareholder Proposal Regarding a Climate Transition Plan
Harley-Davidson, Inc. Company Symbol: HOG
Filed by: The Green Century Equity Fund**

Green Century Capital Management, Inc. is the investment advisor to the Green Century Equity Fund and seeks your support for the proposal filed at Harley-Davidson, Inc. (hereby referred to as “Harley” or “the Company”) in the 2026 proxy statement asking the Company to report a climate transition plan outlining if and how the Company will achieve its climate targets.

RESOLVED: Shareholders request that Harley issue a climate transition plan, above and beyond existing disclosure, describing if and how the company intends to achieve its climate-related goals. The plan should be published at reasonable expense, omit proprietary information, and detail any progress or plan updates on an annual basis.

SUPPORTING STATEMENT: In developing these disclosures, the proponent recommends considering, at management’s discretion:

- Forward-looking, quantitative strategies, and key actions, for achieving the Company's climate goals;
- Guidance by advisory groups such as the Transition Plan Taskforce.

RATIONALE FOR A “YES” VOTE

1. Harley fails to provide sufficient sustainability reporting for investors.
2. Harley lags its peers on sustainability disclosure.
3. Without an updated climate transition plan, it is not clear how Harley will achieve its climate goals and effectively mitigate climate-related risks to the business.

This is not a solicitation of authority to vote your proxy. Please DO NOT send us your proxy card; Green Century Capital Management is not able to vote your proxies, nor does this communication contemplate such an event. Green Century Capital Management urges shareholders to vote for Item number 5 following the instruction provided on the management’s proxy mailing.

BACKGROUND

All ten of the warmest years in the past 175 years have occurred in the last decade.¹ In 2025, anthropogenic climate change led to increased average temperatures across every U.S. county.²

A changing climate has economic impacts. Each 1°C rise in temperature is expected to decrease global GDP up to 12%.³ Climate change has already cut U.S. incomes by nearly 12% since 2000.⁴ With 3°C of temperature rise expected by the end of this century, reductions in output, capital and consumption could exceed 50%.⁵ As climate change intensifies, the cost of inaction is becoming higher than that of mitigation.⁶

¹ <https://www.nytimes.com/2025/03/18/climate/global-temperatures-wmo-report.html>

² <https://www.climatecentral.org/climate-matters/2025-in-review-us-temperatures>

³ <https://www.harvardmagazine.com/2024/09/harvard-economic-impact-climate-change>

⁴ <https://www.sciencefocus.com/news/climate-change-income>

⁵ <https://www.weforum.org/stories/2024/06/nature-climate-news-global-warming-hurricanes/>

⁶ <https://www.nber.org/papers/w32450>; <https://policyintegrity.org/publications/detail/gauging-economic-consensus-on-climate-change>

Individual businesses also experience the costs of climate change. A study evaluating the consequences of climate hazards across 20 industries found that company-level risk to fixed asset value will result in \$560-\$610 billion in yearly losses by 2035 for listed companies.⁷ 4,000 large companies reported over \$6 trillion in climate risks in 2025.⁸

The transportation industry's GHG emissions grew more than any other sector's between 1980 and 2022, and it had the largest emissions of any U.S. economic sector in 2022.⁹ Emissions from motorcycles rose at the fastest rate of all on-road vehicles between 1990 and 2022, and a 2024 United Nations Environmental Programme study projected a 50% increase in motorcycles on the road by 2050.¹⁰ At the same time, a global shift to 90% battery electric motorcycle sales by 2030 could result in about 11B tonnes in carbon emissions reductions by 2050.¹¹

A changing climate exposes the transportation industry to significant climate-related risks, including physical and transition risks. Harley's 2026 10-K recognizes that "The Company's operations may be affected by greenhouse gas emissions and climate change," citing regulations, energy price volatility, physical risks to operations, supply chain disruption, and changing customer preferences as climate-related business risks.¹²

In 2022, Harley committed to setting SBTi targets and, in 2024, updated its aim to set interim, SBTi-aligned targets, conduct a full climate scenario analysis, and ultimately develop a transition plan that integrates its climate strategy with its business strategy in the next few years.¹³

However, Harley did not publish a comprehensive sustainability report in 2025, as it had annually since 2008. In lieu of a full sustainability report, the Company disclosed a 2023 ESG Data Appendix.¹⁴ This disclosure lacks decision-useful qualitative and quantitative information covering material issues related to climate change, particularly key information Harley had previously shared on initiatives, recent emissions, investments, and outcomes related to achieving its climate targets.

Harley fails to disclose an updated climate strategy despite disclosures in 2025 that affirmed its goal to achieve net zero across its value chain by 2050 and reduce Scope 1 and 2 GHG emissions from U.S.-owned facilities by 50% by 2030.¹⁵

Without a credible plan to address its climate impact, it is unclear if and how Harley is addressing identified climate-related risks and progressing toward its GHG emissions reduction targets.

I. Harley fails to provide reporting on its climate transition plans for investors.

⁷ <https://www.weforum.org/stories/2025/03/how-climate-hazards-are-reshaping-business-realities-and-responses/>

⁸ <https://www.cdp.net/en/insights/disclosure-dividend-2025>

⁹ <https://www.epa.gov/transportation-air-pollution-and-climate-change/carbon-pollution-transportation;>
<https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions>

¹⁰ <https://www.unep.org/topics/transport/electric-mobility/electric-two-and-three-wheelers#:~:text=Scenario%20calculations%20using%20the%20eMob,motorized%20two%20and%20three-wheelers;>
<https://www.unep.org/topics/transport/electric-mobility/electric-two-and-three-wheelers>

¹¹ <https://www.unep.org/topics/transport/electric-mobility/electric-two-and-three-wheelers#:~:text=Scenario%20calculations%20using%20the%20eMob,motorized%20two%20and%20three-wheelers>

¹² <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000793952/cc04db62-8f27-4316-811b-a4fd4ef0d710.pdf>, 23

¹³ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 14;

https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf, 17

¹⁴ https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf

¹⁵ https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf, 17;

https://s201.q4cdn.com/697889289/files/doc_governance/2025/Mar/06/ENGLISH-Environmental-Energy-Policy-1-e19d87.pdf

Sustainability reporting is a useful tool for companies to disclose information on sustainability issues that impact their business and are thus important to their shareholders. Executives in a Deloitte 2024 study cited reduced risk, increased return on investment, and brand reputation and enhancement as top expected outcomes from sustainability reporting.¹⁶

Integrating climate transition plans into sustainability disclosures strengthens reporting. Climate transition plans further demonstrate that a company has a forward-looking strategy with milestones and timelines for achieving its climate goals.¹⁷ 650 investors representing USD \$33 trillion in assets under management signed the 2024 Global Investor Statement calling for governments to mandate the disclosure of science-based climate transition plans.¹⁸

Sustainability disclosures, particularly those concerning climate change, provide decision-useful information for investors and company-wide benefits:¹⁹

- A survey of institutional asset owners and managers found that 93% of investors believe climate-related risks are likely to affect the performance of investments over the next two to five years.²⁰
- A PwC 2024 survey of investors found that 75% of respondents agreed that they would moderately or significantly increase their investment in companies that are taking a range of climate-related actions. 64% urged companies to moderately or significantly increase their investment to reduce carbon emissions.²¹
- An MSCI survey found that 88% of investors in both North America and Europe analyze the emissions of their investments to more fully consider risk.²²

Harley acknowledges the value and importance of sustainability reporting for stakeholders. The Company's five-year strategic plan includes inclusive stakeholder management as a key pillar, and it cites “transparency beyond compliance” as critical to how it delivers value to shareholders.²³

Nevertheless, Harley’s most recent sustainability disclosures omit key information on its climate strategy, including:

- Recent emissions data. Current reporting provides data only through 2023.²⁴
- A baseline year for Scope 3 emissions measurement.
- Updated plans for motorcycle electrification to address emissions from the use of sold products. Given that the largest source of emissions is from the use-phase of vehicles, manufacturers are gradually shifting their portfolios to EVs to successfully decarbonize.²⁵ Previous reporting included additional plans to electrify Harley’s product portfolio.²⁶

¹⁶ <https://www.deloitte.com/us/en/services/audit-assurance/articles/esg-survey.html>

¹⁷ <https://www.epa.gov/climateleadership/climate-transition-planning>; <https://www.ceres.org/resources/reports/blueprint-for-implementing-a-leading-climate-transition-action-plan>

¹⁸ https://www.unepfi.org/wordpress/wp-content/uploads/2024/09/FINAL-2024-Global-Investor-Statement_17-Sep-2024.pdf, 3

¹⁹ <https://acrobat.adobe.com/id/urn:aaid:sc:US:935181e6-8e45-4a3b-af6b-735c49d06924>, 14

²⁰ https://www.gsb.stanford.edu/sites/default/files/publication/pdfs/cgri-survey-2024-institutional-investor-survey-sustainability_0.pdf, 4

²¹ <https://www.pwc.com/gx/en/news-room/press-releases/2024/pwc-2024-global-investor-survey.html>

²² <https://www.msci-institute.com/themes/climate/climate-change-dominates-investors-outlook-stanford-msci-sustainability-institute-survey-finds/>

²³ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 7

²⁴ https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf

²⁵ <https://www.deloitte.com/us/en/insights/topics/environmental-social-governance/automotive-industry-sustainability.html>

²⁶ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 18

- Forward-looking plans to reduce Scope 3 emissions through conducting life-cycle assessments and innovating product design and materials, including previously disclosed projected emissions reductions from their implementation.²⁷
- Updates on key actions and their contribution to Harley's strategy to reach Scope 1-3 GHG emissions targets.²⁸
- Qualitative details on specific projects to reduce Scope 1 and 2 emissions and improve energy efficiency across Harley's operations, as well as quantitative results. Prior reporting detailed cost savings and estimated emissions reductions.²⁹

The failure to measure, report, and adequately address climate-related risks extends beyond individual company performance and creates systemic risks.

Climate change also poses portfolio-wide risks to diversified investors. Because overall market performance is the major determinant of diversified portfolio returns, systemic risks such as climate change threaten returns in ways investors cannot out-diversify.

The U.S. economy stands to lose between about 1-4% of GDP annually by the end of the century due to climate change.³⁰ When companies fail to mitigate their contributions to climate change, they are not only increasing firm-specific costs but amplifying these systemic risks. Thus, climate mitigation becomes a material issue that concerns the preservation of stable markets and is a precondition for sustained shareholder returns.

Without these disclosures, investors cannot understand the current and planned actions Harley is investing in to achieve its climate targets. The Company has also removed all prior sustainability reports from its website.

Updated sustainability reporting that includes Harley's climate transition plan would better meet investor expectations for material information on whether and how the Company's climate strategy and goals will impact the enterprise and diversified investors' exposure to climate risk.

II. Harley lags its peers on sustainability disclosure.

While Harley stopped providing investors with details on its climate strategy, its competitors have continued to disclose them.

Honda, Yamaha, Kawasaki, BMW, and Suzuki disclosed sustainability reports in 2025 and have been doing so on a regular basis. These disclosures describe how each company integrates climate-related risks and opportunities into their strategic decision-making, such as current and future initiatives to reduce emissions, expected emissions reduction pathways, and specific governance policies to support climate transition.

Competitors have published climate transition plans, providing greater visibility into forward-looking actions and progress toward achieving their climate goals:

- Honda has published the details and progress of its climate transition plans in its ESG reports and website since 2024. Details include the timeline and expected emissions reductions of key

²⁷ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 17

²⁸ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 14

²⁹ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 16

³⁰ <https://epic.uchicago.edu/area-of-focus/climate-change-and-the-us-economic-future/>

initiatives for achieving net zero, particularly by addressing use of sold products emissions, and collaborations with external organizations.³¹

- Yamaha reports its “Yamaha Motor Group Environmental Plan 2050” on its website and in its sustainability report. Its plan discloses future actions to reduce emissions from products and operations informed by climate scenario analyses, including improving fuel efficiency and field tests for expanding electric vehicle (EV) models.³²
- Kawasaki's climate transition plan reports medium- and long-term initiatives to provide carbon-free products, including projections of how it will scale its business alongside the achievement of its climate targets.³³
- BMW's climate transition plan is integrated into its annual report and outlines its biggest levers for reducing supply chain emissions and detailed vehicle emissions disclosures.³⁴
- Suzuki publishes quantitative progress regarding initiatives to reduce product use and supply chain emissions, such as how many of its models are powered by alternative fuel and the sales of hybrid system models.³⁵

Without regular sustainability reporting, it is unclear if Harley is adequately managing the impacts of climate-related risks and opportunities on company profitability:

- A recent study by Imperial College London also found that across industries, companies that take sustainability actions across products, processes, governance, and/or value chains have statistically significant higher stock prices than those that do not.³⁶
- Harley's most recent ESG data appendix highlights that producing EVs is an opportunity associated with climate change.
- A 2025 Bloomberg report expects that 87% of total two-wheeler sales will be electric by 2040 due to falling battery prices and rising penetration of low-cost battery chemistries.³⁷
- Honda, Kawasaki, BMW, and Suzuki disclose targets and progress on vehicle electrification, EV sales, and/or EV investment to achieve their long-term net zero goals.

Harley may confront competitive risks as peers more effectively evaluate and disclose their actions to address material environmental issues in sustainability reporting, including the risks and opportunities of climate change.

The regular evaluation of a company's contribution and response to the impacts of climate change aids in developing more resilient business models and identifying market opportunities. Harley's lack of a climate transition plan may cause it to fail to find or implement decarbonization measures to achieve its targets, mitigate key risks, and increase profitability in the transitioning economy. Disclosing such evaluations further assures investors that climate considerations are embedded in governance structures, risk management processes, and business planning.

³¹ <https://global.honda/en/environment/>; https://global.honda/en/sustainability/cq_img/report/pdf/2025/honda-SR-2025-en-004.pdf

³² https://global.yamaha-motor.com/sustainability/download/pdf/Sustainability2025_Eng_Lt.pdf; https://global.yamaha-motor.com/sustainability/environment/climate_change/

³³ https://global.kawasaki.com/en/corp/sustainability/environment/co2.html#section_03

³⁴ https://www.bmwgroup.com/content/dam/grpw/websites/bmwgroup_com/ir/downloads/en/2026/bericht/BMW-Group-Report-2025-en.pdf

³⁵ https://www.globalsuzuki.com/sustainability/environment/climate_change.html

³⁶ <https://assets-gbr.mkt.dynamics.com/f152573f-fb95-49d8-a928-b8d8e57cc426/digitalassets/docs/a6f4e251-df97-f011-b41b-7ced8d39984e?ts=638941613870000000>

³⁷ <https://assets.bbhub.io/professional/sites/24/202506-EVO2025-Executive-Summary.pdf>, 6

III. Without a climate transition plan, it is not clear how Harley will achieve its climate goals or effectively mitigate climate-related risks to the business.

In the absence of an updated sustainability report detailing Harley's climate transition plan, investors are left uncertain about what initiatives the Company is pursuing to address the climate-related risks and opportunities identified in its TCFD report. The effectiveness of any actions in mitigating climate risks and providing return on investment is also unclear without recent data.

Harley faces physical and transition climate risks:

- State-level clean fuel standards are in place in California, Oregon, and Washington, and eleven states are considering or introducing similar standards.³⁸ The failure to meet these standards may result in fines or financial penalties.
- Harley's dealerships are concentrated in California, Texas, and Florida, which are disproportionately vulnerable to the impacts of climate change. These impacts may disrupt store operations and adversely impact business.³⁹
- In 2017, Harley reached a settlement with the Environmental Protection Agency and the U.S. Department of Justice that required the Company to stop selling, buy back, and destroy illegal tuning devices that increase air pollution from their motorcycles that fail to meet Clean Air Act emissions standards. Harley also paid a \$12 million civil penalty.⁴⁰
- In 2025, the Utah Physicians for a Healthy Environment entered a similar consent decree with Harley regarding illegal tuning devices that called for four dealerships to pay a \$450,000 civil penalty for past alleged Clean Air Act violations.⁴¹

Harley acknowledges the importance of mitigating climate risk to its business:

- Harley's website reports that its inclusive stakeholder approach ensures "profitable growth and sustainable, long-term value for our stakeholders – our planet, people and communities." Its focus areas, which include "creating a path to Net Zero", "recognize the interdependence between healthy societies, a healthy planet, and prospering, inclusive economies."⁴²
- Harley's first sustainability report, published in 2008, focuses primarily on climate change. It states that "to ensure long-term success in a competitive business environment, and to be prepared for future global climate policies, we have developed a plan to reduce energy use and [GHG]."⁴³ It also notes that reducing GHG emissions will "align its business with society and shareholder values."
- The Company recognizes that it is likely to face regulatory pressure to develop less emissions-intensive products. Harley's 10-K notes UK and EU legislation banning new fossil fuel car sales by 2035 and that "concerns about global climate and related changes in consumer preferences could lead to a similar ban on internal combustion engines for motorcycles."⁴⁴
- Harley acknowledges "physical risk to supply and production due to future scarcity and disruption caused by climate-related events" as a business risk.⁴⁵

³⁸ <https://stillwaterpublications.com/low-carbon-fuel-program-proliferation-2026/>

³⁹ <https://www.scrapehero.com/location-reports/Harley-Davidson-USA/>;
https://map.climatevulnerabilityindex.org/map/cvi_overall/florida?mapBoundaries=Tract&mapFilter=0&reportBoundaries=Tract&geoContext=State

⁴⁰ <https://www.epa.gov/enforcement/harley-davidson-clean-air-act-settlement>

⁴¹ <https://www.uphe.org/2025/12/16/court-orders-excess-air-pollution-to-stop-from-tampered-motorcycles-sold-and-serviced-at-harley-davidson-dealerships/>

⁴² <https://www.harley-davidson.com/us/en/about-us/sustainability.html>

⁴³ https://www.responsibilityreports.com/HostedData/ResponsibilityReportArchive/h/NYSE_HOG_2008.pdf

⁴⁴ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000793952/cc04db62-8f27-4316-811b-a4fd4ef0d710.pdf>, 23

⁴⁵ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000793952/cc04db62-8f27-4316-811b-a4fd4ef0d710.pdf>, 23;
https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf, 17

- Harley’s 10-K notes that legislative and regulatory efforts to limit greenhouse gas emissions may increase the cost of electricity and/or natural gas, increasing its expenses and reducing competitiveness.⁴⁶

Harley lacks plans detailing how it will reduce the majority of its emissions from the use of sold products:

- Scope 3 emissions comprised 97% of Harley’s total carbon footprint in 2023, and the Scope 3 use of sold products category accounted for over half of overall emissions.⁴⁷
- In its last sustainability report, Harley noted its listing of all-electric brand LiveWire as a separate publicly traded company in which it holds a majority stake.⁴⁸
- In its 2026 10-K, Harley acknowledged that “the Company will not be primarily focused on electric vehicles,” and the separation “may adversely affect the Company’s efforts to develop electric vehicles... and that could have longer-term negative impacts on the Company’s ability to offer electric vehicles”⁴⁹
- The Company also reports that it will be the primary manufacturer of all LiveWire vehicles, thereby expanding its GHG footprint while failing to capitalize on the decarbonization benefits of shifting its own product line to electric.⁵⁰
- Harley’s 2023 ESG Data Appendix discloses that the vast majority of the vehicles sold in 2022 were gas-powered and, in 2023, LiveWire sold 660 EV motorcycles.⁵¹
- By spinning off its EV products and not publishing a climate transition plan outlining whether and how LiveWire fits into its climate strategy, Harley risks being left behind as the transition to zero-carbon vehicles accelerates.

A climate transition plan would allow investors to better assess the Company’s contribution to climate change, related exposure to climate-related risks, and the impact of any mitigation steps over time.

CONCLUSION

Harley recognizes that climate change poses a risk to its business in its prior reporting, yet the Company has failed to update investors on if and how it is progressing toward its net zero goal and on related risks and opportunities. Even more, Harley has reduced reporting on its climate strategy without explanation. To meet investor expectations and address competitive risk, Harley should issue a climate transition plan describing if and how the company intends to achieve its climate-related goals.

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For questions regarding this proposal, please contact Giovanna Eichner, Green Century Capital Management, geichner@greencentury.com.

⁴⁶ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000793952/cc04db62-8f27-4316-811b-a4fd4ef0d710.pdf>, 23

⁴⁷ Harley-Davidson, Inc. 2024 CDP Climate Questionnaire Response, 68-71

⁴⁸ <https://investor.harley-davidson.com/news/news-details/2021/LiveWire-To-Become-The-First-Publicly-Traded-EV-Motorcycle-Company-In-The-U.S.-Through-Merger-With-AEA-Bridges-Impact-Corp/default.aspx>

⁴⁹ <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000793952/cc04db62-8f27-4316-811b-a4fd4ef0d710.pdf>, 23

⁵⁰ https://s201.q4cdn.com/697889289/files/doc_downloads/2022/2022-H-D-ISM-Report_FINAL.pdf, 18

⁵¹ https://s201.q4cdn.com/697889289/files/doc_governance/2024/Dec/19/2023-HOG-ESG-Data-Appendix-d63b63.pdf, 20