Putting Our Energy to Good Use

Environmental, Social & Governance Report • 2022

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Section · 01
Introduction

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Letter from the CEO

Profitability and sustainability are not mutually exclusive

If the worldwide effort to eradicate COVID-19 has proved anything, it's that we're capable of uniting behind a universal cause when it matters most. This ability to work together will no doubt stand us in good stead as we fight the truly existential challenge of climate change.

That fight has always been Blackstone's raison d'être, the reason we are helping clients kick- start and accelerate their low-carbon journeys – and it is the imperative behind our vision to take all our clients to net zero by 2050. To do that, though, we must lead by example. That's why we have voluntarily developed this ESG report, which showcases our environmental stewardship and our resilience in an increasingly complex energy marketplace. Our service model is designed to

simplify these complexities – whether it's managing commodity and utility costs, conducting building audits, developing carbon reduction roadmaps or implementing energy efficiency and renewable projects. We encourage other private companies to implement and harness the power of ESG transparency and accountability to demonstrate lower risks, higher returns and better resilience.

I'm proud to be able to share Blackstone's first ESG Report with you, to highlight how we're working towards a better world – for our stakeholders and our teammates, but most importantly for our children.

Ryan Duffy
Founder & CEO

About Blackstone Energy

Helping clients save, sustain and thrive since 2003

Blackstone Energy Services builds custom carbon and energy management solutions that boost efficiency, lower emissions and drive uptake in leading-edge renewables – all while cutting costs. We take an unbiased, strategic, and full-service approach to every challenge, whether it's commodity management, engineering, project development or carbon advisory. Using hard-earned energy intelligence, industry know-how and innovative financial solutions, we're making it possible for clients to accelerate their net-zero aspirations and power a better tomorrow.

Land Acknowledgement:
We wish to acknowledge that our office resides on the traditional territories of many First Nations, including the Mississaugas of the Credit, the Anishinabek, the Chippewa, the Haudenosaunee and the Huron-Wendat peoples. Today this place is still home to many diverse First Nations, Métis and Inuit peoples and we are grateful to have the opportunity to work on this land.

Our industry involvement:

- Energy Services Association of Canada (ESAC)
- Canadian Manufacturers & Exporters (CME) – Energy Committee
- Canadian Healthcare Engineering Society (national and provincial membership)
- Ontario Energy Association (OEA)
- Association of Power Producers of Ontario (APPrO)
- Canada Green Building Council (CaGBC)
- Canadian Solar Industry Association (CANSia)

- Ontario Waterpower Association
- Co-founding member of XPRIZE's $100 M Carbon Removal Prize
- Regular delegate at the UN Conference of Parties
- Royal Canadian Military Institute
- Professional Engineers of Ontario
- Electric Mobility Canada
- Barbados Renewable Energy Association (BREA)

Every business uses energy.

We help you use it better, smarter and cleaner.

OUR CORE VALUES

CLIENT OBSESSION
CARE FOR OUR PLANET
CREATIVITY
A CAN-DO ATTITUDE
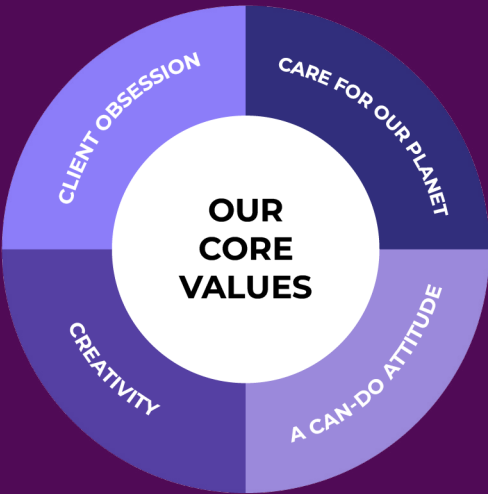
Our Vision:
Take all of our clients to net-zero emissions by 2050.

Our Mission:
To be our clients' trusted advisor in the built environment so they can save, sustain and thrive.

About this Report

Sustainability is at the very core of our business

This report showcases Blackstone's ESG priorities, goals and achievements to date, and highlights key performance metrics that we believe are most important to both our business and our stakeholders. Our four core ESG pillars provide a holistic and transparent overview of how we are integrating our efforts internally and externally.

Within each pillar, we have developed ESG Key Performance Indicators (KPIs) to measure performance and spotlight areas of improvement.

Our report is guided by a variety of rigorous frameworks, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations (UN) Sustainable Development Goals (SDGs). Furthermore, we aim to align with the 2015 Paris Agreement by limiting global warming to achieve a 1.5°C pathway for future generations.

Net-Zero Future

Innovate solutions to advance a net-zero future and ensure climate measures are met under the Paris Agreement.

People & Culture

Create an engaging, safe and positive workplace.

Governance

Uphold the highest transparency, integrity and accountability standards with a future-forward climate lens.

Commitment to Excellence

Continuously improve our products and services to best support our clients, our community, and our planet earth.

Performance Summary

Helping you be informed, be in control and be the change.

Products & Services
Our products and services span the entire energy value chain – from sourcing, procurement and supply of commodities, to carbon credits, energy conservation and efficiency, carbon roadmaps, energy and emissions management, renewable generation assets, governance and compliance reporting of carbon emissions.

This unique and integrated perspective in the marketplace allows us to understand how energy sources and conservation technologies are often interconnected and co-dependent, and therefore appreciate the financial and environmental implications they have on one another. We intimately understand the importance of protecting and managing your energy budget throughout any efficiency, conservation, or generation recommendation.

Awards & Recognition
Blackstone's performance and commitment to sustainability are being recognized by leading industry organizations. Our company is a three consecutive year winner for the Canadian Business Excellence Award, as well as Platinum Award winner for OECM Supplier Recognition Program for both Electric Vehicle Charging Stations and Natural Gas Management & Advisory Services. Furthermore, our CEO Ryan Duffy was a nominee for the Clean50 Award.

Proud Achievements

Net-Zero Future

$1B+
avoided costs for clients

$32M
in incentives and grants secured to date for clients

>1.1M
tonnes of annual Scope 1&2 emissions managed for clients

People & Culture
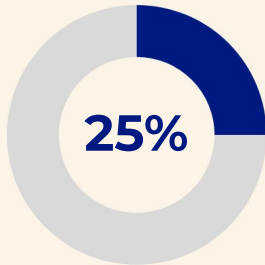
25%
of executive management roles at Blackstone are female
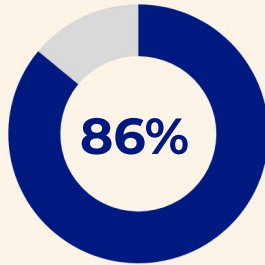
86%
of women at Blackstone are in STEM roles

Governance

$3.1B
value of energy assets under management

100%
board member retention rate over past 6 years

Commitment to Excellence

>12K
accounts managed

>90%
client retention rate since 2003

Section · 02
Our ESG Strategy

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Blackstone's Stakeholders

How We're Setting Our ESG Priorities
In 2021, we surveyed our internal stakeholders to better understand which sustainability topics have the greatest impact on our business and our stakeholders. We also engaged our executive team to further inform our prioritization process. The most important topics are plotted on our materiality matrix.

We apply the principles of materiality and stakeholder inclusiveness to prioritize the topics that matter most to our business and our stakeholders – helping us focus our priorities, refine our reporting and inform our sustainable initiatives.

Advisors   Employees

Suppliers   Executives

Clients   Industry Bodies

Local Communities   Non-Profit Organizations

Contractors & Business Partners   Government & Regulators

Materiality Prioritization Matrix

Net-Zero Future   Governance

People & Culture   Commitment to Excellence

STAKEHOLDERS' INFLUENCE & DECISIONS

STRATEGIC PRIORITY

HIGH PRIORITY

PRIORITY

Carbon & Energy Reduction
Climate Transparency
Business Ethics & Presence
GHG Emissions
Employee Well-being
Environmental Compliance   Client Satisfaction
Innovation & Technology
Procurement Practices
Diversity, Equity & Inclusion
Health & Safety
Training & Education
Community Presence
Cybersecurity & Client Protection

SIGNIFICANCE OF OUR ESG IMPACTS

Our ESG Strategy

Net Zero Future

Carbon & Energy Reduction
GHG Emissions
Environmental Compliance
Procurement Practices

People & Culture

Employee Well-being
Diversity, Equity & Inclusion
Training & Education
Community Presence

Governance

Climate Transparency
Business Ethics & Presence
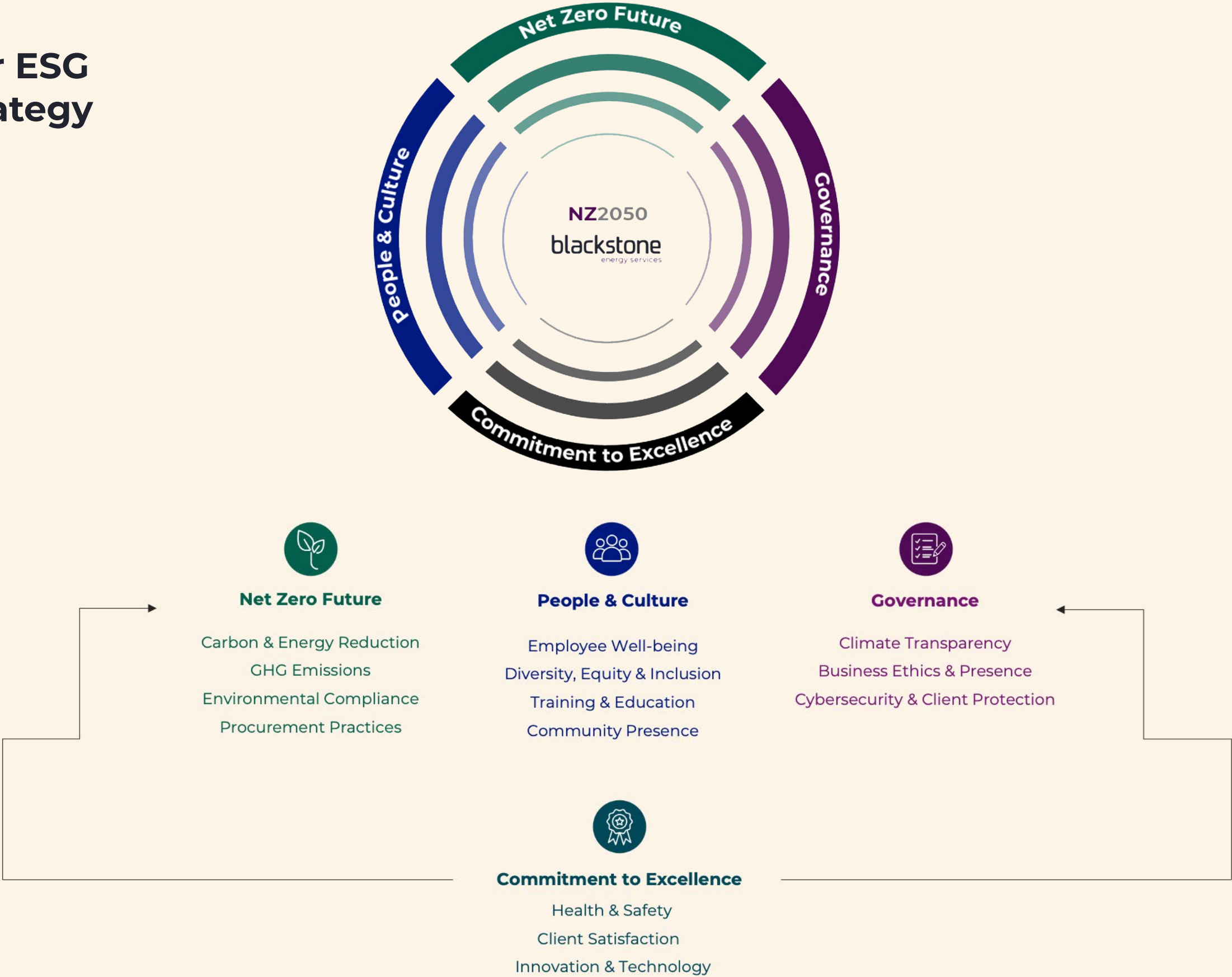Cybersecurity & Client Protection

Commitment to Excellence

Health & Safety
Client Satisfaction
Innovation & Technology

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Net-Zero Future

Innovate solutions to advance a net-zero future and ensure climate measures are met under the Paris Agreement.

- Carbon & Energy Reduction
- GHG Emissions
- Environmental Compliance
- Procurement Practices
- Case Studies

Carbon & Energy Reduction

Net-zero emissions are a state in which the activities within the value chain of a company result in no net impact on the climate from greenhouse gases.

Powering up while driving down emissions

As one of Canada's leading energy management advisors, we've set ourselves an ambitious target for 2023: a 20% increase in avoided carbon costs across our client portfolio vs. 2021 baseline year. We'll get there by helping our clients leverage customized solutions that are designed to reduce emissions and improve efficiency at the same time.

Identified Carbon & Energy Cost Savings
You can't cut what you can't see, so we use a suite of products and services to provide clients with real-time data that turn insight into action.

Incentive & Grant Support
Leaving investment or incentive dollars on the table only serves to slow down sustainability efforts. That's why we proactively monitor the market for funding opportunities, track deadlines and help submit applications on our clients' behalf. We also support clients who secure their own funding by acting as a developer and general contractor, if needed.

Renewable Energy Projects
On-site renewable energy sources are an increasingly accessible way to accelerate low-carbon strategies and gain a buffer against volatile electricity costs. Blackstone continues to collaborate with clients on a growing number of renewables projects.

Carbon Reduction Roadmap
Our Greenhouse Gas Reduction Roadmap and Action Plan (GRRAP) helps clients establish a low-carbon strategy, set targets and anticipated outcomes. Every GRRAP defines, designs and assesses both greenhouse gas (GHG) reduction measures and energy conservation opportunities, while pinpointing impacts on operating costs.

As an example, progress fulfillment on energy conservation and GHG reduction project implementation is recorded annually during our Broader Public Sector updates, filed on behalf of our clients. Moreover, every five years we work with our clients to complete O. Reg. 507/18: *Broader Public Sector: Energy Reporting and Conservation and Demand Management Plans (ECDM)*, where clients are committed to reaching targets as set out in their GRRAP or ECDM plan. We are engaged to provide comprehensive annual updates of their GRRAP Manager Data and project progress.
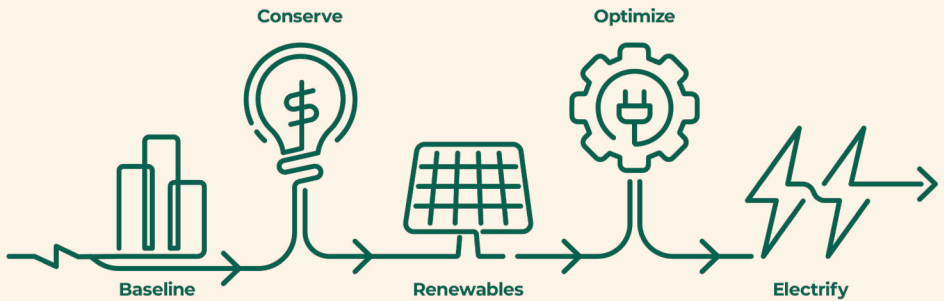
EV-Charging-Infrastructure
We're partnering on a range of EV-charging infrastructure projects, providing system design and charger install, cost impact studies, and recovery analysis and tools to drive easier uptake of this critical low-emissions technology.

Products and Services

We have an extensive range of lower-cost and lower-carbon tools because the push for net zero requires a multi-pronged approach.

• Greenhouse Gas Reduction Roadmap & Action Plans (GRRAP)
• Energy Conservation & Demand Management Plans (ECDM)
• Deep Energy Retrofit Studies (DER)
• Feasibility Studies
• Benchmarking Analysis
• Renewable Energy Strategies (RES)
• High Efficiency Equipment Upgrades & Retrofits
• Electric Vehicle Infrastructure Plans
• Solar PV & Thermal Installations
• Incentives & Funding
• Managed Energy Services Agreement (MESA)
• Energy-as-a-Service (EaaS)

Conserve   Optimize

Baseline   Renewables   Electrify

The GRRAP Pathway

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Milestones To-Date

- 5.1% improvement in avoided carbon cost from 2020 to 2021
- 111 incentive and grant applications submitted, totaling approximately $169M in funding and >36,801 tonnes in proposed CO_2e savings
- Over 1.1 million tonnes of annual Scope 1&2 emissions managed for clients
- 50+ million sq.ft. of infrastructure analyzed for Scope 1, 2 and 3 emissions through GRRAP
- Over $50M in energy efficiency projects implemented in the past five years
- Over 300 level 2 and level 3 EV Charger ports installed between 2021 and Q3 2022

Our Growing Portfolio of Renewable Energy Projects

- **Conestoga College**
  Multi-campus geothermal and solar projects
- **Brock University**
  On-campus EV charging stations, public-facing energy-usage dashboards, student & staff sustainability challenges
- **Natural Resources Canada**
  Federal government clean tech investment in vehicle-to-grid (V2G) demonstration project
- **Export Barbados**
  Solar PV rooftop and ground mount projects empowering a renewable energy transformation in the Caribbean
- **Halton District School Board**
  A large solar PV roof mount project
- **Peel Region**
  A growing portfolio of renewables & distributed generation projects
- **Town of Oakville**
  Renewable energy generation strategy for town infrastructure

Renewable Energy Type	Renewable Energy Created	Identified Savings	Location	Project Year
Geothermal	3.08 MW	95% GHG emission reduction	Canada	2019
Solar	2.50 MWp	2.9M kWh saved from grid annually or $4.5M in savings over 30 years	Canada	2019 - 2022
Solar	7.78 MWp	12.6M kWh saved from grid annually or $39M in savings over 30 years	Caribbean	2022

GRRAP Net Zero Pillars

Energy Conservation and Demand Management:
Retrofit and optimize existing equipment to improve the energy efficiency of the built environment

Purpose: To reduce onsite energy consumption and respective GHG emissions

Renewable Energy Generation:
Generate and use more renewable power on-site such as solar and geothermal

Purpose: To replace GHG intensive fossil fuels used for heating with geothermal and solar thermal, and to offset low GHG emission electricity from the grid with zero-emission electricity from solar PV

Space Use Optimization & Zero Carbon Buildings:
Optimize existing useable space and construct High Performance buildings like LEED or Net-Zero Energy Buildings as part of expansion

Purpose: To limit the effect of growth on total GHG emissions

Facility & Fleet Electrification:
Replace or convert onsite fossil fuel burning equipment to electric

Purpose: To replace GHG intensive fossil fuels with low emission electricity

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Blackstone completed 88 carbon and energy reduction projects between 2019 and 2022.

3.08 MW

Shifted from gas boilers to geothermal in 2019, the equivalent to taking 1,004 vehicles off the road.

3X

The expected revenue for renewable projects has increased nearly 3 fold from the years 2019-2022.

$32M

Total incentives & grants secured since 2019.

$635K

Federal grant to test a vehicle-to-grid (V2G) system that incentivizes EV drivers to discharge power from their car batteries during peak electricity demand periods.

The Incentive Potential
Average $ Savings by Project Type

Interior & Exterior Lighting 12%
Controls & Optimization 6%
Electricity Generation 19%

Building Back Better

Showcasing Blackstone's resiliency against COVID-19 impacts and building a stronger + greener future.

2019	2020	2021	2022	Year
45	8	13	22	Completed Carbon and Energy Reduction Projects

GHG Emissions

Controlling carbon is a key piece in the net-zero puzzle

Innovating new and better ways to manage natural gas use and reduce Scope 1 & 2 GHG emissions is at the core of our commitment to drive down energy emissions across our client portfolio by 40% by 2030, compared to 2018.

Carbon Neutrality

Blackstone makes regular contributions to global carbon neutrality that go beyond environmental benefits and carbon absorption/avoidance. Our climate contributions support the aims of the United Nations Sustainable Development Goals (SDGs), including positive social benefits, biodiversity and gender equality. Our climate contribution supports Papua New Guinea's (PNG) REDD+ program, which is administered through the United Nations Framework Convention on Climate Change. REDD+ (Reducing Emissions from Deforestation and Forest Degradation) pays developing countries to protect their forests. The UN examines and annually verifies PNG's forest-protection work, and also investigates any deforestation and logging. If PNG protects more than it cuts down, they earn Result Units™, also called carbon credits.

Blackstone bought prior assessed forest periods to neutralize our past corporate emissions. We have supported this sovereign-based carbon credits program by covering off our own estimated emissions out to 2030. We urge all corporations to make similar contributions to global carbon neutrality by "cleaning the slate" with nature-based, carbon neutral contributions (CNCs). Such support will encourage rainforest nations to improve conservation and sustainable management. Nature-based credits that protect powerful carbon sinks such as old growth and rainforests recognize that trees are worth more to the planet alive, than dead.

We encourage all other nations to adapt a similar net GHG inventory program for all nature-based initiatives. Without a national carbon balance sheet, it will be difficult to determine if progress is being made towards a net-zero goal. Our lens on sustainability goes beyond the environment and is linked with social benefits.

Natural Gas Reduction: Client Facilities

For our client-managed accounts, natural gas emissions intensity declined between 2018-2021. However, the COVID-19 pandemic played a part in these reductions as facilities saw reduced capacity and output, and hence lower natural gas consumption. Blackstone remains committed to ensuring further emissions declines on a YoY basis using 2018 as our baseline. In our efforts to take all our clients to net-zero by 2050, we will continue to work with clients to source green energy supply.

PNG will ban deforestation by 2030 if they get the support they need to sustainably manage their forests.

Change in Client GHG Emission Intensity

2019	2020	2021
↓	↓	↓
-13%	**-17%**	**-18%**
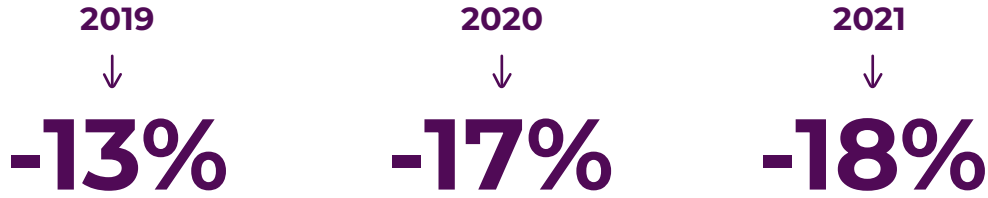
Natural Gas Emission Intensity Reduction Compared to 2018 Levels

Emissions Reduction Opportunities

We're making it easy for clients to choose more responsible energy sources by continuously researching lower-emission alternatives – including those that don't require major capital expenditures – while sourcing credits and using other financial instruments. Our toolkit includes:

Renewable Natural Gas (RNG)

This carbon-neutral fuel source is derived by capturing and cleaning industrial methane emissions from organic waste. It reduces the need for conventional fuel while cutting production and waste disposal costs.

Responsibly Sourced Natural Gas (RNSG)

Featuring a transparent production process that compares producers to find the least carbon-intensive option, it also offers transparency on methane leakage.

Carbon Credits

Validated carbon sequestration efforts can neutralize scope 1,2, & 3 emissions. Efforts include nature-based sequestration i.e., reforestation, avoided nature loss (deforestation) and the improvement of technology-based removal of carbon dioxide from the atmosphere (DAC/CCS).

Renewable Energy Credits (RECs)

Verified environmental attributes from renewable electricity generation projects, such as solar and wind, can be purchased but also traded and sold on the open market.

What we put on and in the earth is as important as what we put on and in our bodies.

Environmental Compliance

Staying one step ahead in a shifting regulatory environment

The carbon landscape is a complicated and rapidly changing one, so we adhere to and monitor environmental compliance policies in a way that offers both transparency and accountability. We help clients understand their federal, provincial and state emission reduction requirements in order to meet net-zero emissions by 2050.

In Canada, the Greenhouse Gas Pollution Pricing Act (GGPPA) and associated regulations, including the Output-Based Pricing System (OBPS) and Emissions Performance Standards (EPS), operationalize Canada's commitment to achieve our Nationally Determined Contribution (NDC). We abide by these regulations and policy measures. In the United States, they set a Nationally Determined Contribution to reduce net GHG emissions by 50-52% by 2030 and launched the Global Methane Pledge to advance their climate action domestically and internationally. The Inflation Reduction Act (IRA) is a step towards greater federal action on climate change and supports the overarching vision of building a more sustainable, resilient, and equitable economy.

Globally, the Carbon Pricing Leadership Coalition (CPLC) is a voluntary initiative that allows countries, private sector, and stakeholders to collectively share their best practices on carbon pricing policies, disseminate research, and inspire action towards implementation of carbon pricing around the world. The Intergovernmental Panel on Climate Change (IPCC) provides policymakers with regular scientific assessments of climate data, showcases implications and potential future risks, and offers a wealth of statistics and methodologies for governments to estimate their greenhouse gas emissions and removals. Our emission reduction targets aim to align with international guidelines, in order to contribute our part in this global climate crisis.

Procurement Practices

Taking a 360° view of our impact

Social and environmental factors cannot be uncoupled from our procurement practices. Some of the ways we are addressing our emissions are as follows: procuring energy efficient equipment at our head office includes long lifespan energy-efficient LED lighting and sub-metering monitoring systems to track and reduce consumption.

Our waste diversion program aims to redirect 95% of all office waste from landfill. While our ability to manage some waste at our head office does rely on the infrastructure set up with our landlords, we fully participate with them on responsible on-site paper recycling programs to help ensure landfill diversion. Electronics and other supply recycling is handled directly by Blackstone including computers, printer cartridges, batteries, and select office supplies through programs such as Xerox Green World Alliance, Recycle My Electronics and Staples Canada/Terracycle.

What we put on and in the earth is as important as what we put on and in our bodies. We are careful to secure products for use in our office that include verifications such as B Corporation, Environmental Choice, and EcoLogo (cleaning). Further, we look for validations from the Forest Stewardship Council (for paper products), Leaping Bunny (cosmetic cleaning products) which ensure cruelty-free testing in products and biodegradability certification to protect our oceans and water sources. Water conservation is managed by a no plastic water bottle policy and we provide filtered water with reusable glassware.

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Net-Zero Case Studies

Conestoga College

Conestoga set an aggressive goal to cut campus-wide baseline GHG emissions by 80% by 2050, and turned to Blackstone for a custom-built solution. We designed and installed a half- megawatt solar field and a 250-ton geothermal heat pump at the College's Cambridge campus.

- The system proved so effective, Cambridge Campus total emissions reduction reached 90%, exceeding their original goal

- Conestoga now generates 800 MWh of its own clean, sustainable energy annually

- The school's GHG-emitting natural gas boilers, chillers and cooling towers are a thing of the past – more than 5000m^3 of natural gas has already been saved

- Conestoga is now a recognized leader in the higher education community with improved brand awareness

London Health Sciences Centre

Blackstone built a comprehensive Greenhouse Gas Reduction Roadmap & Action Plan (GRRAP) for LHSC so both facilities staff and leadership teams have an actionable strategy and a suite of tools to meet ambitious targets. Multiple GHG emissions reduction scenarios were presented with options for measures, implementation strategies, timelines and financial structures. Net-zero financing approaches included analysis of capital investments with options for planned capital, cost influence factors, operational costs, forecasted utility costs, funding, utility rate structure and emerging technology costs.

Our plan included:

- A GHG footprint analysis, growth assumptions, business-as-usual forecasting, weather impacts, renewable generation, grid carbon intensity, carbon offsets, waste management and barriers/considerations

- ASHRAE Level 1 audits of all site buildings (3,507,474 ft^2)

- A carbon reduction roadmap to achieve 40% carbon reduction by 2030, and net zero by 2050

- Aerial thermography inspection

- Energy loss quantification reports

- A detailed Central Utility Plant (10MW CHP, absorption chillers & steam boilers) analysis and report

- Customized recommended energy efficiency measures

90% total emissions reduction at Conestoga College's Cambridge campus.

Regional Municipality of Peel

The Regional Municipality of Peel has set out a goal to reduce their GHG emissions by 45% below 2010 levels by 2030. Blackstone was engaged to conduct an electric vehicle fleet charging infrastructure study, as part of the municipality's overall Green Fleet Strategy. Peel is one of Ontario's fastest growing municipalities, with 1.5+ million residents, so fleet electrification presents a compelling opportunity to contribute to the region's GHG emission reductions targets. Fleet electrification was divided between Peel Regional Police, Paramedics and Public works

Our study included:

- Determining fleet charging schedules and corresponding electric infrastructure requirements

- Preparing an eight-year, phased rollout plan with concept drawings and cost estimates

- Ensuring client is on target to reach their goal to reduce specific fleet emissions to 50% below 2017 levels by 2030

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People & Culture

Create an engaging, safe and positive workplace.

- Employee Wellbeing
- Diversity, Equity & Inclusion
- Training & Education
- Community Presence

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Employee Wellbeing

Putting a people-first lens on everything we do

We believe in an inclusive work environment for all team members, one that is engaging, safe and positive. In our continued efforts to build the best possible work environment, we have committed to maintaining an 85% or greater employee satisfaction rate in our annual employee survey.

Health & Wellness Benefits
Our employee-focused, comprehensive benefits package is fully funded by the company and ranks above industry standards across several benefits. This includes employee and dependent life coverage, as well as for our employees' and their families' most in-demand benefits such as chiropractic, psychology, physiotherapy, and massage therapy.

Work-Life Balance
We take a two-pronged approach to ensuring our team members can be their best and do their best, whether they're at work or at home. That begins with a clear-cut disconnect from work policy so that time away from work is, in fact, time away from work. We've also committed to a remote-first workplace model. Giving employees the flexibility to choose where they work is part of our strategy for adapting to – and thriving in – the new COVID-19 context, while helping us reduce our Scope 3 carbon emissions. For those times that demand collaboration and team building, we bring the entire group together.

Robust supports for the people that matter most

• Virtual MDs (Teledoc), Pocket Pills and preventive vaccines

• 24/7 support for mental, physical, social, and financial wellbeing and events beyond the scope of traditional health coverage

• Interactive self-help platform including exercise and meditation tools, virtual fitness programs, tools, podcasts and videos.

Sustainability Engagement
Our ecoBoss Sustainability Challenge app encourages employees to make sustainability an everyday habit in a fun, gamified way. Our regular challenges help them see the positive, measurable effects their actions can have – and leads to a little friendly, intra-office competition.

Recognition & Reward Program
When employees are acknowledged for their contributions, they're more motivated, more productive and feel more connected to the team – especially in a remote-first environment. That's why we're implementing a new recognition framework that goes beyond traditional forms of appreciation. We're committed to building a program that increases a sense of belonging, offers meaningful rewards, has a 'give back' component, and supports our cultural DEI imperatives. Our goal is to have this implemented in 2023.

b ecoBoss
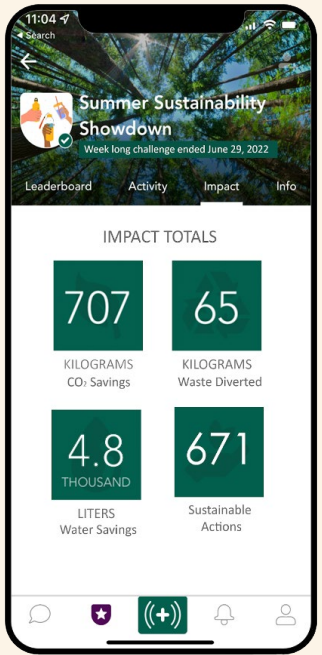
Our Performance

95% of employees agree or strongly agree that they would recommend BES as a great place to work.

90% of employees still see themselves working at Blackstone in two years.

80% of employees strongly agree or agree that the leadership at Blackstone keeps them informed and well-versed.

100% of employees agree or strongly agree that the leaders of the company have created a mission and vision that drive purpose and inspire them.

More than **80%** of employees believe there are good career growth opportunities at Blackstone.

70% of employees agree or strongly agree that Blackstone motivates them to go beyond what they would in a similar role elsewhere.

*82% completion rate**

Great talent will always be one of our greatest advantages, and it's been the foundation of how we've built our business over the last 19 years. As such, we will increase our investment in management training for our leaders and managers to ensure we evolve and capitalize on effective management styles in a post-pandemic world and new generation of leaders. In doing so, we have set out a plan to increase our training and education spending outlined on page 21.

Diversity, Equity & Inclusion

Giving everyone the opportunity to thrive

Our deeply held belief in diversity, equity and inclusion is helping us create a collaborative environment where everyone can reach their potential. We're committed to achieving a corporate workforce that boasts both 50% female employees and 50% diverse employees by 2024.

Female Representation

Blackstone is co-owned by a woman and has proudly been an equally-owned company since 2012. Women-owned and equally-owned private enterprises are a rarity in the Canadian economy – especially in the male-dominated energy industry, where they have the lowest representation, according to Statistics Canada. Our owners' partnership is not just a powerful symbol of our commitment to diversity, but a benchmark for the energy industry at large. We've set a goal to ensure that 50% of our total employee count is female by 2024, with specific focus on women in STEM roles and to increase our female senior leadership (director-level and above) to 25% of total company by end of 2024.

> "I believe that the pursuit of diversity in ESG isn't just about doing the right thing but amplifying it. At Blackstone, I experienced this first-hand. We strive this to be embedded in not only in our ways of working but also culture."
>
> *Salim Abdi,*
> *Director, Policy & Regulatory Advisory*

Accessibility

Blackstone complies with all relevant portions of the Accessibility for Ontarians with Disabilities Act (AODA) and makes accommodations or alternate arrangements, as required. Our most recent AODA compliance report is provided in Supporting Documents 5.0.7 2020 Accessibility Compliance Report-ACR-52839. 100% of Blackstone employees are AODA trained and our website is WCAG 2.0 AA compliant. We are an equal opportunity employer and adhere to a hiring policy that values inclusiveness and diversity. More information about our efforts can be found in our Accessibility Policy on our website.
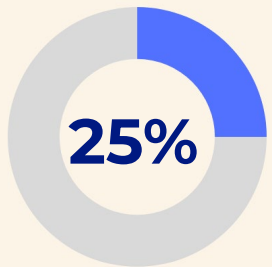
Equality of Opportunity

We know that diversity and inclusivity can enable the success of our net-zero vision and that we have a responsibility to champion equality and justice for all. This means recruiting and developing diverse talent across equity-deserving groups. Our Code of Conduct guides us in providing equal opportunities to employees regardless of gender, race, ethnicity, disability, sexual orientation, religion, marital status or age. Further, we strive to maintain an inclusive culture where everyone feels valued, respected and heard, and can be their best selves at work. Diversity awareness and education is a big part of our commitment to our team, with a goal to have half of our organization represented by People of Colour by 2023. We've made it a priority to share awareness programs around **Black History Month, Truth & Reconciliation Month and Pride month** to further understanding, appreciation, and sensitivity.
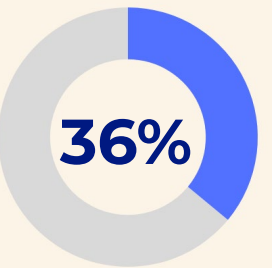
100%
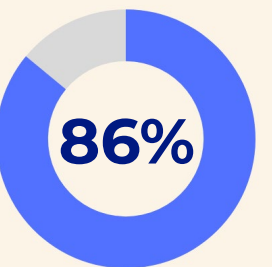All employees completed DEI and Cultural Awareness/Unconscious Bias training in 2022

Blazing a trail for women in the energy industry

25%
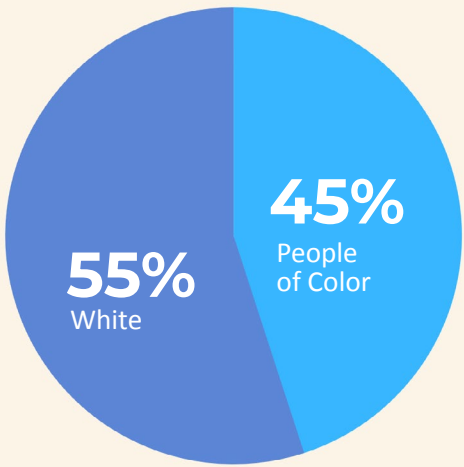of executive management roles at Blackstone are female
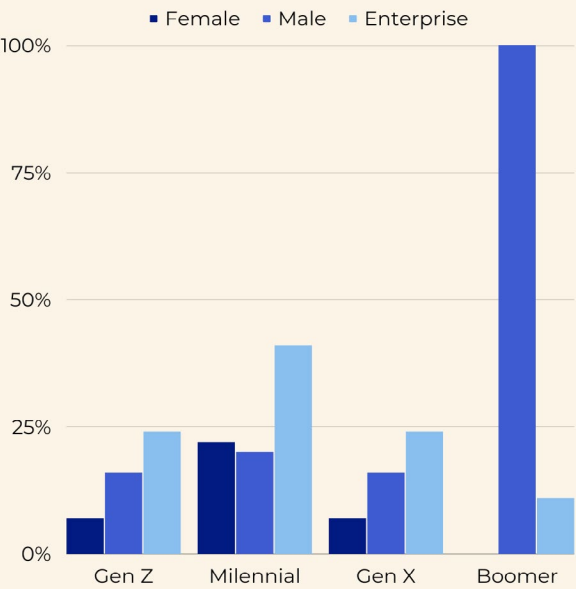
36%
of Blackstone employees are female

86%
of women at Blackstone are in STEM roles

Ethnicity & Representation

55% White
45% People of Color

Age of Workforce

■ Female   ■ Male   ■ Enterprise

Gen Z   Milennial   Gen X   Boomer

Training & Education

Creating a culture of continuous learning

Rapid change makes the low-carbon industry both an opportunity and a challenge. To maintain our leadership in the space, we're putting learning for our employees – as well as our clients – front and centre. In fact, we've boosted our spending on training and education by 24% in 2022, compared to 2021.

In addition, we offer financial support for continued education and certificate opportunities for Blackstone employees. We've heard from our team and know how important training and education is to them, especially in a rapidly changing energy and carbon landscape. We will continue to invest in training through individualized and team commitments as well as company-wide training opportunities where our in-house expertise can be shared cross-functionally. Our goal is to increase training spending by another 15% by 2024.

We boosted our training and education by 24% in 2022, compared to 2021.

Our Team Credentials

- Certified Engineering Technologists (CET)
- Certified Energy Managers (CEM)
- Project Management Professionals (PMP)
- Certified Measurement & Verification Professionals (CMVP)
- Certified Demand Side Managers
- Professional Engineers (P.Eng)
- LEED AP Building Construction & Operation
- LEED Green Associates
- Certified RETScreen Experts
- Automation and Controls Technicians

- GRI-Certified Sustainability Professionals
- Utility Rate Experts
- Certified Building Commissioning Professionals
- Data Scientists
- Full Stack Software Developers, Computer and Software Engineers
- Renewables Experts
- Sustainability Managers & Analysts
- Economists
- MBAs, CFAs, CPAs
- All staff are AODA trained

We support employee volunteer causes and time commitments, as well as aspire to donate 5% of corporate profits to our focused causes going forward.

Community Presence

Doing good where we live, work and play

Community Presence includes corporate and employee monetary giving and volunteerism. We take care to support the local communities we, and our clients, serve, focusing our efforts on environmental causes, healthcare, COVID support and underserved groups.

Financial contributions from 2020-2022 were directed towards several organizations, including:

- Princess Margaret Cancer Foundation
- North York Harvest Food Bank
- Water.org
- Convenant House
- Leukemia & Lymphoma Society

- Albright Centre
- Black Owned Toronto
- Trillium Health Foundation
- McEwen UHN Stem Cell Institute
- William Osler Health Foundation
- Lakeridge Health Foundation
- Royal Canadian Military Institute
- The Concerned Kids
- Birdies for Kids/Shaw Charity Classic

- Ride to Conquer Cancer
- Hockey Helps the Homeless
- St. Sophia Ukrainian Orthodox Church
- Airbnb COVID support
- Sick Kids Foundation
- Stroll for Seniors (Better Living Health)
- Canadian Red Cross
- St Joseph's Healthcare Hamilton Foundation
- Food for Kids Niagara

Governance

Uphold the highest transparency, integrity and accountability standards with a future-forward climate lens.

- Climate Transparency
- Business Ethics & Presence
- Cyber Security & Client Protection

Climate Transparency

Clarity that empowers rapid change

This describes our company's internal and external climate change related financial impacts on a local, sub-national, and national level. We are committed to mitigating climate risk and ensuring long term financial stability for Blackstone and our clients through adaptation and net-zero strategic measures.

What is Net-Zero?
Net-zero emissions are a state in which the activities within the value chain of a company result in no net impact on the climate from greenhouse gases.

What is Carbon Neutrality?
Carbon neutrality refers to net zero CO_2 emissions and is achieved when anthropogenic CO_2 emissions are balanced globally by anthropogenic CO_2 removal over a specific period. According to the IPCC report, limiting global warming to 1.5°C means organizations and countries should reach net zero CO_2 by 2050.

Blackstone's Net-Zero Services

- Carbon accounting
- C-Suite engagement and stakeholder facilitation and consultation
- Sector-based sustainability benchmarking
- ESG Modelling and strategy development
- GHG quantification and reporting in line with emerging sustainability standards
- Providing guidance on setting GHG reduction targets
- Net-zero roadmap and GHG Manager dashboard
- Identify, develop and implement green infrastructure projects
- Apply for incentives and arrange project financing

(Source: IPCC 2018)

Net–Zero Emissions ≠ **Zero Carbon Emissions**
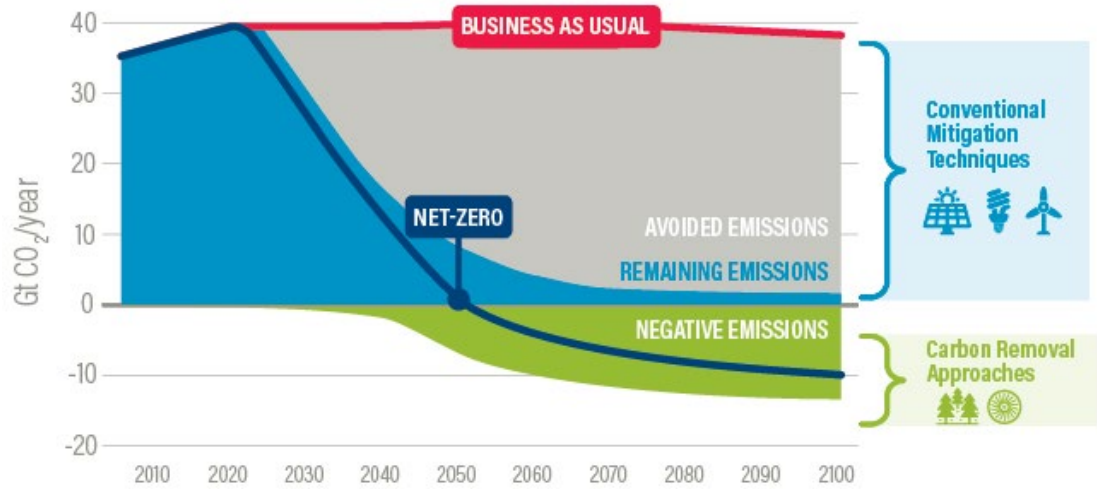
Carbon Reduction Methods

Carbon Elimination	Carbon Neutralization	Carbon Compensation
Changing your business operation, infrastructure & sourcing	Carbon sink & technology	Invest nature-based projects for emissions out of your control (i.e., scope 3)

Risk Management

Our robust business continuity plans ensure business resumption and data security in the case of natural disaster risk. Moreover, we are working towards an enterprise-wide risk management program that will focus on internal controls, risk identification and assessment, and mitigation strategies for the organization. We have developed an organizational risk heat map and strategies for managing both performance and growth regarding climate-risk management.

Climate Strategy

We take a two-pronged approach here. First area of focus is compliance credits. Our in-depth knowledge of carbon compliance regulations and carbon management, including both government mandates and voluntary reduction tools. We help clients participate in carbon credit markets so they can meet their emission reduction targets and achieve their ESG goals. We regularly monitor existing and new regulatory practices that incentivize the purchase of compliance credits. These policies include the Clean Fuel Standards, Clean

Electricity Regulations, Greenhouse Gas Offset Credit System and REDD+ - all of which aid in the transition towards clean energy and support international emission reduction projects.

Carbon Credits

Blackstone has purchased United Nations REDD+ Results Units (RRUs), nature-based credits. In fact, Blackstone was the first non-Sovereign Nation to be allowed to purchase them. We continue to monitor our carbon footprint estimates versus actual. Where we are not able to control the reduction of GHGs we will top-up any excess with additional credits. We expect to buy RRUs again as they are the only form of offset credit that takes into consideration the whole issuing nation's total net GHG inventory.

As it relates to our clients' climate strategies, we help them purchase carbon credits per their determined regulated and voluntary climate action plan. Moreover, we assist in various climate-based solutions as we recognize the collateral ESG impact that ensues given the unique nature of each of our clients.

ESG Education

Our second area of focus is ESG Education. Our team boasts a diverse expertise to inform strategic decisions, behavioral change, infrastructure transformation and communication across both our own and our clients' climate journeys. We have taken a variety of positions in helping organizations define the operational bounds of net-zero, such as road mapping their journey, aligning with an industry-leading definition, defining the regulatory approach to net zero, re-evaluating procurement decisions, and intimately guiding their strategy towards a net-zero future. We recognize that the complexity of net zero requires a unique approach and definition for each organization.

Alignment with International Sustainability Standards & Frameworks

Our team is well-versed with all the leading frameworks across the climate landscape.

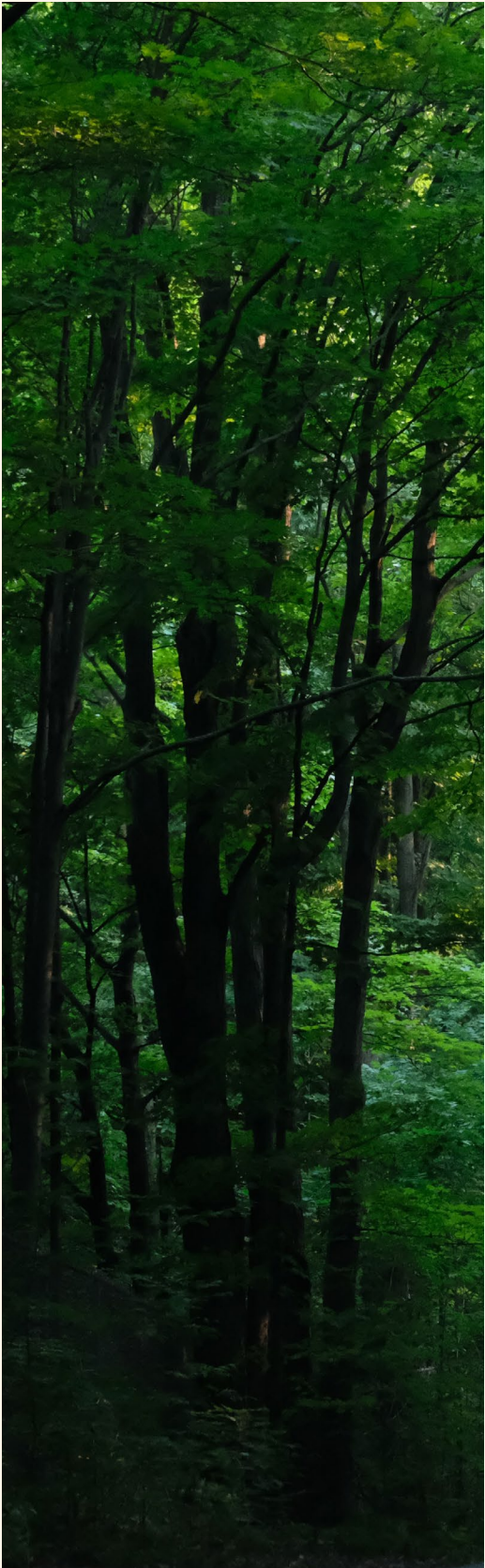Due to each critical importance, Blackstone aims to align with all the following frameworks:

Business Ethics & Presence

100% board member retention over the past six years.

Guided by a strict set of values

We maintain a morally consistent attitude throughout the company, from executives to new hires, to ensure everyone is treated with respect, fairness, and honesty.

Compliance
Our Code of Conduct ensures that we are continuously working to foster an environment where employees enjoy freedom of expression and open communication. It outlines ethical conduct that applies to all employees, regardless of employment agreement or rank, and summarizes Ontario Human Rights Code compliance, our equal employment and respect in the workplace commitments as well as anti-harassment, non-discrimination, and DEI obligations. We are dedicated to safe and healthy working conditions, adhering to the strictest health and safety standards in the province, and have a clean WSIB record. As part of our enterprise risk program, we document our internal controls and assess and measure risks the organization faces using an Internal Control Matrix.

Blackstone adopts the COSO framework as a guide to identify and define risks and objectives for this purpose. Our Performance Scorecard has four pillars – Financial, Sales Enablement/Growth, Talent/Diversity, and Risk Management. Under each category, drivers and KPIs are defined and tracked for performance purposes.

The scorecard fosters transparency, aligns strategic goals and defines tangible actions that will help us manage our financial and operational wellbeing. We're proud to declare that we are SOC-1 Type 2 Certified and meet all the ethical and financial control standards of accreditation. Blackstone engages a third-party accounting firm to conduct this review on an annual basis.

Employee Wages
We have a formal commitment to provide our team members with a fair wage based on the Ontario Living Wage Network (OLWN) and Living Wage Canada guidelines. In fact, 100% of our staff meet or exceed the local living wage (benefits excluded) – as of May 2022. This includes contract and part-time employees who meet equivalent pay rates of regular FTEs with some PTEs and contractors having access to full health benefits plans.

Board Member Skills, Experience, & Retention
We're proud to say that we have retained 100% of our board members over the past six years. They find meaning in being able to support a purpose-driven company, one that prioritizes commitment to clear and regular communications and values their opinions and expertise.

Blackstone's Advisory Board

Peter Boyd

Founder & CEO of Time4Good. Expert in helping sustainable companies grow and manage their businesses.

Mike Curry

CEO at Mycionics Inc. Expert in impact investing and corporate governance.

Jack Duffy
CPA, CA, CFE, ICD.D

Expert in corporate structure, risk management and tax planning.

Mark Maier
CFA

President & CEO at The Aurum Group. Expert in building private and public companies.

Ryan Duffy

Founder and CEO of Blackstone Energy Services. A certified director and expert in not-for-profit and public boards.

Darlene Remlinger

Co-owner and VP Communications/HR at Blackstone Energy Services. 20+ years experience in advertising and communications industry.

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Cyber Security & Client Protection

Best practice safety measures

We take our obligation to protect client and employee data seriously, so we have implemented robust privacy policies and network security measures to help us maintain a 99% risk-free and secure environment across the organization.

Privacy Programs & Initiatives
To combat the growing frequency and complexity of cyberattacks – and fortify our remote-work model – we ensure all staff have Cybersecurity Training through Watsec Cyber Risk Management, an accredited certification body with CyberSecure Canada.

Cyber Risk Policies
We use Third Party Assessments & Audits to ensure regular review of and compliance with IS Policies as well as routine awareness and training for all team members. We're proud to have earned the CompTIA™ Security Trustmark, which authenticates our ability to prevent data breaches and IT security intrusions. Our Security & Data Protection process is rigorous and includes internal initiatives on data governance. Our CompTIA Security Trustmark+ certification is based on the NIST

Cybersecurity Framework and demonstrates compliance with industry- leading regulations. This certification focuses on the adequacy of our policies and processes to identify, detect, protect against, respond to, and recover from security incidents. Data security and access management are key areas reviewed and certified at Blackstone as part of our SOC 1 Type 2 review.

Our Information Security Policy ensures a cyber risk management process is in place at Blackstone. Risk assessments are conducted on an annual basis as part of the regular review and update of our IS Policy by Executive Team sponsors. Risk assessments are conducted in partnership with our contracted IT service provider to identify potential risks that could adversely impact business, and the means by which to mitigate those risks that warrant action.

Measuring Performance
Our server security protocols adhere to security controls for ISO 27001, ISO 27018, SOC 1, SOC 2, SOC 3, FedRAMP, HITRUST, MTCS, IRAP and ENS.

We have implemented robust privacy policies and network security measures to help us maintain a 99% risk-free and secure environment.

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Commitment to Excellence

Continuously improve our products
and services to best support our clients
and our wider community.

- Client Satisfaction
- Health & Safety
- Innovation & Technology

Client Satisfaction

## Strong relationships make anything possible

It's easier to work towards a better tomorrow when you're working together. That's why we go above and beyond to ensure our clients are heard, happy and empowered. We try to walk in their shoes, to anticipate their needs and act with unbiased transparency to keep their trust. Since our inception in 2003, we have proudly maintained a >90% client retention rate. Over the last five years we have grown our client base 42%.

Our Client Retention Success

- Up to 10 years
- 10 - 15 years
- Over 15+ years

20%

46%

33%
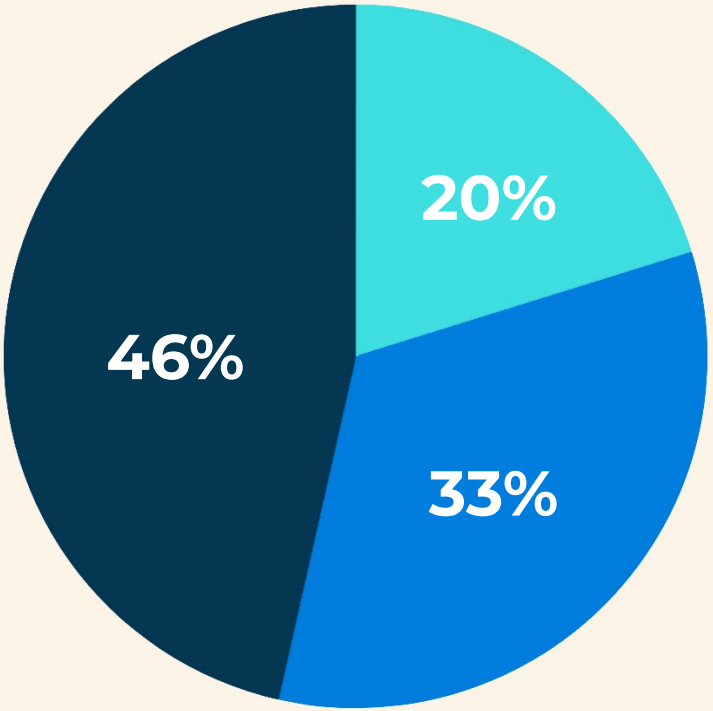
>90%
client-retention rate.

Health & Safety

Protecting our people is at the core of our success

We uphold the highest standards for safety in the workspace for both our people and our clients. We are committed to maintaining zero fatalities or safety incidents every year.

Health & Safety Program
We maintain an annually updated H&S policy that ensures compliance with local, regional, and site-specific H&S efforts, including COVID-19 screening and best practices, OHSA, Working at Heights, Workplace Violence and Harassment and Personal Protective Equipment. We can proudly say that we have ensured a clean WSIB record for our employees, nor have we committed any environmental harm to our

project sites in the history of our business. Blackstone will be pursuing a safety management system in late 2022-early 2023, using either COR standards or ISO 45001. We currently do not require external certification for our general contractor operations, and always adhere to our clients' H&S requirements.

Our H&S programs are underpinned by our commitment to training. We require all employees in our WSIB-governed businesses to receive the necessary level of H&S training for their work environment. We ensure that new staff and external contractors meet or exceed training requirements at the time of

orientation or identify and close any gaps through the onboarding process. Ongoing health and safety on-site documentation is provided through H&S Orientations and Site Inductions for all workers, recurring jobsite inspection checklists, JSA forms, and toolbox talks (safety talks).

We maintain a corporate Joint H&S committee across all business units where standards, processes and procedures are reviewed quarterly with an eye to prevention and upholding the highest standards.

Innovation & Technology

Leading-edge solutions for the most important challenge of our times

We continually drive the adoption of best-in-class technology and look for ways to innovate GHG reductive and energy management solutions.

Integrated Energy Information & Analytics System

Innovation at Blackstone is continuous. Our latest innovation is the Blackstone Professional Analytics Controller (blackPAC™), a cloud-based enterprise energy management system and distributed energy resource management solution.

Unlike typical building automation and energy management systems, blackPAC™ monitors total facility energy consumption by accessing data from every IoT-enabled device across an operation. Think of it as aggregating anything with a pulse, collecting data and analyzing it for meaningful insights into an energy management system.

Green Technology

Blackstone is pioneering and perfecting vehicle-to-grid (V2G) infrastructure in partnership with Natural Resources Canada, which allows facilities to tap into a new power source – the batteries in their EVs – so they don't have to purchase electricity from the grid during peak demand when it is dirtiest and most expensive.

Energy-as-a-Service

Blackstone's Energy-as-a-Service (EaaS) model is flexible and purpose-built to address our clients' unique challenges while managing rising energy costs and addressing both capital constraints and reduced operational budgets. It provides several flexible financial solutions as a means of enabling a commercially viable path for our clients to reach their carbon and sustainability goals.

blackPAC™

Utility Overview

Overview all utilities and energy performance are presented in main dashboard.

Single Site or Enterprise

Clients can create secure user credentials to present, analyze and report utility information for individual utilities, buildings or enterprise consolidation of sites for intuitive analysis and management.

Utility Monitoring

Near real-time utility data acquisition and presentment. Data is acquired securely both at the edge within buildings and in the cloud through our vast collection of integration connectors.

Custom Analytics

Complex analytics allow for near real-time energy & carbon performance tracking.

Drill Down

Individual utility dashboards provide customizable detail.

Section · 03
Our Ambition

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Our Ambitions

Net-Zero

Blackstone aims to create purposeful, positive change for a growing roster of clients who know that cutting carbon is both imperative and an opportunity. Our goal is to take all of our clients to net-zero GHG emissions by 2050.

Inclusivity

We will create a dedicated DEI Awareness and Education Committee. Diversity is an imperative for our team, one that drives employee engagement and satisfaction, innovation and profitability as well as improved recruitment and retention.
Our goals are:

1. In Q4 of 2022, we plan to establish a DEI Committee with representation from employees across the company at all levels.

2. In Q1 of 2023, our committee will define DEI, set goals to ensure that we understand where our gaps and challenges lie, identify a clear purpose, and define strategic pillars to ensure DEI initiatives progress at Blackstone.

Leadership Strength

As Blackstone continues to expand, we look to add strength by diversifying our leadership. Our goals are to:

1. Add another female board member in the next 12 to 18 months, leveraging the ICD for available certified directors

2. Consider compensation for willingness to lead additional initiatives like a Compensation Board

Innovate

Blackstone will continue to explore new technologies such as Vehicle-to-Everything (V2X) charging capabilities. V2X is like V2G, but makes it possible to export the energy in an electric vehicle battery to various entities, including buildings and other EVs. The potential of V2X technology is endless.

Section · 04
Appendix

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Sustainability in the Workplace

Practice	Explanation
Office Lighting	Low energy light bulbs installed through the office use schedules to ensure lights are not on after hours.
Computer Usage	All computers purchased after 2020 are EnergySTAR compliant.
Printers	All office printers have energy savings mode, as well as toners and cartridges are part of Xerox Canada's Green World Alliance collection/reuse/recycling program.
Electronic Waste	Blackstone diverts 100% of e-waste from landfills by disposing of them in an environmentally conscious manner through accredited, local recycling programs.
Improve Indoor Air Quality	Blackstone avoids any paints, stains and chemicals containing VOC's (volatile organic compounds) to improve air quality at our office.
Water Conservation	Staff is encouraged to reduce bottled water, by providing filtered water for use in refillable containers.

Practice	Explanation
Green Wall	Blackstone's office green wall is an aesthetically pleasing feature that also helps improve air quality by removing harmful pollutants and helping stabilize humidity levels. Not only do plants clean the air, they also improve mood and productivity.
Cleaning Products	Blackstone procures products that limit their impact on the environment, using those that are eco-friendly and non-hazardous.
Appliances	Blacktone has a policy in place to prioritize EnergyStar certified products for all future purchases.
Staff Commuting	Our corporate policy is 'remote first' allowing workers to create work-life balance and reduce our scope 3 emissions. Bicycle storage is available for on-site staff and our office is on a major subway line.
Travel	We encourage public transit, EV driving and carbon offsets from air travel. In doing so, we have reduced 80% of corporate air travel since 2019.

GRI Alignment

General Disclosures 2021

The Global Reporting Initiative (GRI) is an international organization founded in 1997 that assists organizations to take responsibility for their ESG impacts and improve sustainable development. GRI standards enable any organization to understand and report on their business impacts by providing them with a globalized common language to communicate environmental, social, and economic disclosures.

Blackstone utilized GRI disclosures to ensure accountability and increase transparency for our stakeholders, while taking responsibility for our actions and ESG impacts. Our alignment with General Disclosures 2021 and Material Topics 2021 is indicated here. General Disclosures 2021 showcases information about Blackstone's company details and reporting practices, including its activities, governance, and policies. In contrast, Material Topics 2021 discloses more detailed information on material topics that were determined by our most significant impacts on the economy, environment, and people.

GRI	Disclosure Title	Blackstone Declaration
GRI 2-1	Organizational details	Blackstone Energy Services Inc Toronto headquarters, Calgary office & Barbados office
GRI 2-3	Reporting period, frequency and contact point	Contact details
GRI 2-6	Activities, value chain, and other business relationships	Products & Services
GRI 2-7	Employees	55 Employees
GRI 2-9	Governance structure and composition	Our team
GRI 2-14	Role of the highest governance body in sustainability reporting	Materiality Matrix
GRI 2-17	Collective knowledge of the highest governance body	Board Member Skills, Experience, & Retention
GRI 2-22	Statement on sustainable development strategy	Our ESG Strategy
GRI 2-23	Policy commitments	Business Ethics & Presence
GRI 2-27	Compliance with law and regulation	Environmental Compliance
GRI 2-28	Membership associations	Blackstone Membership Associations
GRI 2-29	Approach to stakeholder engagement	Stakeholder Engagement

GRI Alignment

Material Topics 2021

GRI	Disclosure Title	Blackstone Declaration
GRI 3-1	Process to determine material topics	Materiality Matrix
GRI 3-2	List of material topics	Net-Zero Future, People & Culture, Governance, & Commitment to Excellence
GRI 204	Procurement Practices	Procurement Practices
GRI 302	Energy	Carbon & Energy Reduction
GRI 305	Emissions	GHG Emissions
GRI 401	Employment	Employee Wellbeing
GRI 403	Occupational Health & Safety	Health & Safety
GRI 404	Training and Education	Training & Education
GRI 405	Diversity and Equal Opportunity	Diversity, Equity & Inclusion
GRI 406	Non-discrimination	Compliance
GRI 409	Forced or Compulsory Labor	Compliance
GRI 413	Local Communities	Community Presence
GRI 416	Customer Health and Safety	Health & Safety
GRI 418	Customer Privacy	Cyber Security & Client Protection

SDG Alignment

The United Nations Agenda for Sustainable Development outlines 17 Sustainable Development Goals (SDGs) and 169 targets aimed to achieve global peace and prosperity by 2030. As a universal call to action, Blackstone targets 8 SDGs of critical importance for humanity and the planet by improving education, reducing inequality, and tackling climate change while increasing economic growth.

4 QUALITY EDUCATION

Commitment to provide training for all employees to increase relevant knowledge and skills. Commitment to educate our clients on climate impacts and energy to promote sustainable development.

Blackstone Action
Blackstone has increased their spending on training and education by 24% in the year 2022 compared to 2021.

Moreover, we have deployed our own Sustainability Challenge software application as an innovative way to educate employees through practical application of sustainable practices in everyday habits at work, school, and home.

Our Goal
Increase our training and education spending by 30% by 2024.

5 GENDER EQUALITY

Commitment to report annually on female representation in corporate leadership and management positions, across all employment categories, and within internal training and development programs.

Blackstone Action
Blackstone is 50% owned by a woman and has proudly been an equally-owned company since 2012.

Other female statistics include: 30% of employees are female with 86% of women in STEM roles.

Our Goal
By 2023, we set a goal to ensure that 50% of our total employee count is women, with specific focus on women in STEM roles.

7 AFFORDABLE AND CLEAN ENERGY

Commitment to develop renewable energy strategy ahead of target. Apply Net Zero Carbon Commitment for Scope 1 and Scope 2 by 2030. Increase energy efficiency and use of renewable energy across our operations and developments.

Blackstone Action
Blackstone has worked on several EV-charging installations and renewable energy projects.

On-site renewable energy sources are an increasingly accessible way to accelerate low-carbon strategies and gain a buffer against volatile electricity costs. Blackstone is collaborating with clients on a growing number of renewables projects.

Our Goal
By 2030, increase avoided carbon cost across our client portfolio by 20% from 2021 baseline year.

8 DECENT WORK AND ECONOMIC GROWTH
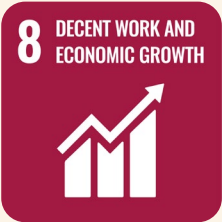
Commitment to report annually on employee engagement and satisfaction survey results, the number of in-house training hours completed, and the amount spent on individual professional development and education tuition annually.

Blackstone Action
Blackstone believes in an inclusive environment for all team members, one that is engaging, safe, and positive. In our continued efforts to build the best possible work environment, we hold an annual employee satisfaction survey.

Our Goal
Blackstone's goal is to achieve and maintain a minimum 85% in our annual employee satisfaction survey through to 2024.

SDG Alignment

SUSTAINABLE
DEVELOPMENT
GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Commitment to enhance ESG and climate-change related disclosures in alignment with leading disclosure standards. Leverage technology and innovation to realize efficiencies. Set goals to meet climate and decarbonization targets.

Blackstone Action
Blackstone has developed various Key Performance Indicators (KPIs) to measure our ESG performance and indicate areas in which we can make improvements. Our reporting is guided by frameworks, such as the Global Reporting Initiative (GRI) standards, the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations (U.N.) Sustainable Development Goals (SDGs).

Our Goal
Blackstone aims to align with the 2015 Paris Agreement by limiting global warming and achieving a 1.5°C pathway for future generations.

10 REDUCED INEQUALITIES

Commitment to empower and promote the social, economic, and political inclusion of all people within our company, and partnerships. Report annually on diversity of representation, equitable remuneration and percentage of training covered per each demographic.

Blackstone Action
Blackstone is 50% owned by a woman and has proudly been an equally-owned company since 2012. In 2022, we trained all employees on Diversity, Equity & Inclusion (DEI) and Cultural Awareness / Unconscious Bias.

Our Goal
By 2024, achieve a corporate workforce with 50% females and 50% employees from diverse backgrounds.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Commitment to report annually on Blackstone's natural resource management practices and efforts to reduce its operational footprint, plus monitor performance over time. Actively implement innovative approaches that will support conservation efforts and waste reduction and diversion across the portfolio.

Blackstone Action
Blackstone participates in responsible on-site paper recycling programs to aid in landfill diversion, as well as recycle their electronic waste through programs such as Xerox Green World Alliance, Recycle My Electronics, and Terracycle.

Our Goal
Blackstone aims to annually divert 95% of office waste from the landfill.

13 CLIMATE ACTION

Commitment to report annually on Blackstone's carbon footprint and progress toward GHG emissions reductions. Assess climate-related risks across our portfolio and integrate resiliency measures into our asset management approaches.

Blackstone Action
Blackstone's Greenhouse Gas Reduction Roadmap and Action Plan (GRRAP) enables clients to create a low-carbon strategy, set targets, and achieve results. A GRRAP evaluates both GHG reduction measures and energy conservation opportunities.

Our Goal
By 2030, reduce energy emissions across our client portfolio by 40% compared to a 2018 baseline.

TCFD Alignment

The Task Force on Climate Related Financial Disclosures (TCFD) is designed to provide information to stakeholders and investors about company related risk in terms of climate change. In 2017, TCFD released four disclosure recommendations to advance climate-related financial reporting and risk management. Blackstone has aligned with TCFD's four recommendations to help stakeholders understand what we are doing to mitigate our risks of climate change and increase transparency in the way we are governed. To mitigate the financial risk of climate change, Blackstone manages risk and opportunity, utilizes climate-related policy, and invests in revolutionizing green technology.

TCFD Core Element	TCFD Description	TCFD Recommended Disclosure	Blackstone's Alignment
Governance	Disclose the organization's governance around climate related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	Board Member Skills, Experience, & Retention Climate Strategy
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Risk Management Climate Strategy Net-Zero Target
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Carbon Reduction Roadmap Alignment with International Standards & Frameworks Risk Management
Metrics & Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Alignment with International Standards & Frameworks Blackstone Carbon Neutrality Net-Zero Target

Blackstone Glossary

A

AODA
Accessibility for Ontarians with Disabilities Act

ASHRAE
American Society of Heating, Refrigerating and Air-Conditioning Engineers

B

blackPAC
Blackstone Professional Analytics Controller

C

CBLC
Carbon Pricing Leadership Coalition

CCS
Carbon capture and storage

CHP
Combined Heat and Power

CO_2e
Carbon dioxide equivalent

COSO
Committee of Sponsoring Organizations of the Treadway Commission

D

DAC
Direct air capture

DEI
Diversity, Equity, and Inclusive

E

EaaS
Energy-as-a-Service

ECDM
Energy Reporting and Conservation and Demand Management

EPS
Emissions Performance Standards

ESG
Environmental Social Governance

EV
Electric Vehicle

EVID
Electrical Vehicle Infrastructure Demonstration

F

FTE
Full time employee

FY
Fiscal year

G

GGPPA
Greenhouse Gas Pollution Pricing Act

GHG
Greenhouse gas

GRI
Global Reporting Initiative

H

H&S
Health and safety

I

ICD
Institute of Corporate Directors

J

JSA
Job Safety Analysis

K

KPI
Key Performance Indicators

L

LEED
Leadership in Energy and Environmental Design

LED
Light emitting diode

LHSC
London Health Sciences Centre

Blackstone Glossary

M

M
Million

Mt
Metric tonne

MW
Megawatt

MWh
Megawatt hour

MWp
Megawatt power

N

NDC
Nationally Determined Contribution

O

OBPS
Output-Based Pricing System

OHSA
Occupational Health and Safety Act

OLWN
Ontario Living Wage Network

P

PNG
Papua New Guinea

PTE
Part time employee

R

RECs
Renewable Energy Credits

REDD+
Reducing Emissions from Deforestation and Forest Degradation

REIT
Real estate investment trusts

RETScreen
Renewable-energy and Energy-efficiency Technology Screening software

RNG
Renewable Natural Gas

RSNG
Responsibly Sourced Natural Gas

S

SDGs
Sustainable Development Goals

STEM
Science, technology, engineering and math

SOC
Service Organization Controls

T

TCFD
Task Force on Climate-related Financial Disclosures

U

UN
United Nations

V

VSD
Variable speed drives

V2G
Vehicle-to-grid

V2X
Vehicle-to-Everything

Putting Our Energy to Good Use

Environmental, Social & Governance Report • 2022

blackstone
energy services