Stonepeak

2020/21 ESG Report

Contents

Stonepeak Partners, LP (together with its affiliated entities, Stonepeak) is a leading alternative investment firm specializing in infrastructure and real assets.

We invest in the critical infrastructure that underpins our daily lives, from communications towers and data centers, which are the backbone of a connected digital society, to energy and electricity production and distribution assets, which power our homes and businesses, to transport and storage facilities, which enable the movement of essential goods.

We sustainably grow investments in our target sectors by providing capital, operational expertise and partnership, with an entrepreneurial mindset. As of June 30, 2021, we had $39.4 billion of assets under management.[1]

We invest in sectors and assets where the tailwinds are strongest and where we expect performance to improve with investment duration. We believe environmental, social and governance (ESG) issues are structural tailwinds, and addressing these issues in both our portfolio companies and in our own operations is not only the right thing to do, but will help us deliver long-term investment outperformance.[2]

Message from CEO Mike Dorrell

ESG considerations have always been fundamental to Stonepeak's investment and asset management approach. This reflects who we are as people, aligns with the requirements of the hundreds of investors who entrust us with their beneficiaries' funds, and recognizes that the infrastructure assets under our stewardship serve critical functions within their communities.

This means ESG isn't a check-box exercise for us. We seek to allocate capital where the thematic trends are most supportive, and right now there are few (if any) themes with stronger tailwinds than ESG. Our belief – supported by our investment results to date – is that businesses benefiting from and embracing ESG trends will tend to outperform those that don't. As investors in essential infrastructure, we have the privilege of being able to help alleviate some of the most pressing ESG issues, such as the global transition to a lower-carbon economy, equitable digitalization and connectivity, and a safe and secure food supply chain.

The last 12 months have seen substantial activity on ESG as we continue to build out a strong and cohesive approach across our sectors and assets. As part of this, we have defined three priorities – stewardship, carbon and people – where we believe we can have the greatest impact.

Strong governance is vital for long-term performance and provides the means through which we – in partnership with our management teams – responsibly steward the businesses under our ownership. To this end, in the last 12 months we have strengthened our suite of ESG policies and internal diligence guidelines, as well as enhanced both our internal and investor reporting of ESG performance. We also joined as signatories to the Principles for Responsible Investment and have made excellent progress with implementing these principles, many of which we already applied.

We undertook a 2019-20 carbon baseline of our operations and are in the process of doing the same for our managed portfolio companies, noting that more than half our investee businesses already track their greenhouse gas (GHG) footprint in some capacity. We have already analyzed our own scope 1, 2 and 3 GHG emissions for 2019-2020 – for which we purchased certified carbon offsets generated by a landfill gas capture project – and we are working with a specialist consultant to aggregate our portfolio companies' footprints. This is an essential step for creating a baseline against which we and our portfolio companies can measure the impact of energy efficiency and carbon reduction initiatives, as well as for reporting under the Task Force for Climate-Related Financial Disclosures, which Stonepeak joined as supporters in 2021. We expect more countries over time will adopt mandatory carbon and climate change risk reporting, and we will support this shift when it happens.

Within our business, we have an increasing focus on diversity, equity and inclusion, in recognition of the benefits of being able to attract and retain people from the widest talent pool. To help our portfolio companies with their own diversity programs, we retained an operating partner specializing in human capital management.[3] In addition, we have begun a program to support organizations making a difference in their communities, starting with a $1 million dollar donation to Son of a Saint, a non-profit in New Orleans working with fatherless young Black men.

Despite our progress, we know we need to continue to raise the stakes to keep pace with rising expectations and evolving market practices in this area. Throughout the year, we expanded our ESG team from one person to three. The team is headed by by Ben Harper, who brings over 30 years of environmental and sustainability excellence to his role as Head of ESG.

More broadly, we are pleased to see the investment industry's increasing focus on affecting social change. As investors in and stewards of essential infrastructure, we are extremely well-placed to continue to positively contribute.

Q&A

Ben Harper, Head of ESG

Why did you join Stonepeak?

Because in addition to the economic benefits, the firm truly believes it can make fundamental changes and positively impact all stakeholders through its investments. Responsible investing has always been a priority for Stonepeak, and I am excited to help drive even greater impact.

Where can Stonepeak have the biggest impact?

All parts of the ESG framework are critical but we have a particular opportunity in the "E" space, especially sustainability and resilience. Urgent investment is needed in mitigation measures, including resilient infrastructure, nature-based solutions, and low-carbon technologies.

What ESG initiative are you most excited about?

As PRI signatories and members of the Net Zero Asset Managers initiative, the big focus over the next 12 months will be on disclosure. We have a duty to set decarbonization goals consistent with reaching net zero emissions by 2050 or sooner, including providing disclosures on net zero investing and climate risk and opportunity across all assets under management. Our first Task Force on Climate-related Financial Disclosures (TCFD) report and associated climate action plan are on track for 2022.

Key achievements & statistics

Total employees (controlled portfolio companies):[4]

~22,000 as of June 30, 2021

+6,000 (37.5%)

increase since June 30, 2020

Construction labor hours in 12 months to June 30, 2021:[5]

22 million

Total LTM combined revenue of controlled portfolio companies (as of June 30, 2021):

$7,776 million

Portfolio companies with

- a developed GHG footprint as of 6/30/21:[6]
  14
- a carbon reduction strategy as of 6/30/21:
  11

Lifetime carbon emissions avoided from current renewables portfolio:

~50,000 metric tons[7]

Lifetime Kilowatt-hours ("KWh") produced:

~75 million

Stonepeak employees:

124

+36 (41%)

increase since June 30, 2020

Stonepeak employee gender breakdown as of July 31, 2021:

40% female

60% male

*Unless otherwise noted, all portfolio company information is derived from Stonepeak internal materials as of June 30, 2021

Our ESG priorities

Our approach to ESG

Identifying trends and emerging risks is core to protecting and creating value for our investors. ESG considerations taken together are among the most significant factors driving opportunities and risks in our target sectors, and the importance of successfully addressing these issues is increasing. Taking a substantive approach to ESG is therefore a key driver of our long-term investment returns and our wider contribution to society.

We continue to advance our approach to ESG issues through our asset selection, due diligence and management processes, and by enhancing our stewardship, policies and reporting. Our values of intellectual honesty and integrity, independence of thought, transparency and long-term thinking are the foundations of our approach to responsible investing. These values are embedded in our teams and therefore directly influence the way we work every day.

We have identified three ESG priorities through which we can categorize and focus our collective efforts: stewardship, carbon and people. These are the areas where we believe we can have the biggest impact as we seek to enhance the sustainability and profitability of our businesses, generating benefits for society and delivering returns to our investor partners and their beneficiaries.

Stewardship

It is our belief that we have thoroughly integrated ESG considerations into our asset selection and asset management, recognizing that companies with strong ESG profiles tend to enjoy a lower cost of capital and generate higher risk-adjusted returns

We therefore seek out sectors and assets with opportunities to reposition and improve ESG performance, as well as those that benefit from structural ESG tailwinds, in support of our aim to contribute to the transition to a more sustainable future. Our choice of management teams and project partners is critical in realizing this aim and we therefore partner with management and project teams who share our views on the importance of ESG performance and are open to our input. We provide capital, guidance, and collaborative feedback to support our management teams in introducing new policies, business processes and reporting that enhances the sustainability performance of our investee businesses.

Key activities

- **developing our approach to ensure we not only meet the requirements of key sustainability frameworks, such as the Principles for Responsible Investment (PRI), but are also strong performers**
- **working with our management teams to deepen sustainability reporting, with reference to best-in-class public standards and benchmarks, supporting enhanced monitoring of our businesses and their ability to demonstrate ESG leadership**
- **ultimately, setting clear targets and, where feasible, having performance against those targets be incorporated into executive remuneration across our portfolio companies**

Carbon

The impact to society of anthropological climate change is among the most pressing of the shared challenges we face today. Carbon emissions and the transition from fossil fuels to renewable energy are therefore a major focus for us, both in where we choose to invest and how we steward our portfolio companies. The decarbonization and global energy transition megatrends are still at a relatively nascent stage and need to happen worldwide, meaning they will be key themes for us for years to come.

Key activities

- **responding to our partners and other stakeholders' needs for increased disclosure, for example by becoming a supporter of the Task Force for Climate-Related Financial Disclosures (TCFD) requirements**
- **engaging with our controlled portfolio companies to quantify their carbon footprints as a baseline for reporting, and develop or continue to pursue carbon reduction activities**
- **monitoring developments driving the rising cost of carbon, such as the introduction of carbon taxes, and how that will affect our investment choices in the long term**

People

The success of every business depends in large part on attracting and retaining high-quality people. This is true for our portfolio companies and particularly for Stonepeak, given that our people, their intellectual capital and relationships are our most important assets. We are therefore acutely focused on having an effective people management framework in our own business, as well as supporting our portfolio companies to maximize the potential of their people. In addition, we recognize that we have a moral and legal responsibility to ensure our portfolio companies provide a safe workplace for their employees.

Key activities

- **an ongoing focus on worker health and safety across all our portfolio companies, particularly those involved in construction or operating physical assets**
- **investing to grow workforces, both in our portfolio companies and in our own operations**
- **enhancing our approach to diversity, equity and inclusion within our business and our portfolio companies, helping us to benefit from the widest possible talent pool while improving access to opportunities for underrepresented groups**

Our material issues

Our approach to materiality

Ensuring we focus our efforts where we can have the biggest impact or where we see the greatest risks requires that we have a good understanding of the issues that are material to us and our stakeholders.

We identify our material issues on a sector-by-sector and asset-by-asset basis, reflecting the diversity of opportunities and challenges our assets face, both between sectors and even within sectors. Our views are informed by our deal teams, with our senior deal leads and portfolio company director nominees having decades of combined experience within their sectors. We partner with management teams who bring deep operating expertise to their respective industries, and we leverage that expertise to collaboratively build consensus on the material sustainability and ESG issues to focus on. Where necessary, we supplement our own and our management teams' views with feedback from other stakeholders, such as key community stakeholders and government agencies. Additionally, we use public reporting frameworks such as the Sustainability Accounting Standards Board (SASB) framework, to inform our materiality and ESG reporting discussions with management team partners.

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Our material issues

We have identified three material areas that apply across our business. These are worker safety, environmental performance and adherence to regulations and policies, which align directly with the priorities outlined on pages 6-7.

The sector-specific material issues we have identified are shown in the table below:

Energy Transition
— Upstream supply chain provenance (particularly for solar)
— Pipeline and plant maintenance and integrity
— Fugitive emissions
— Repurposing and repositioning of existing infrastructure to reduce operational carbon intensity
Transport
— Alternate fuels and renewable energy procurement, to reduce carbon intensity
— Managing COVID-19 related temporary supply chain stresses
— Waste reduction and recycling
Communications
— Network performance and uptime at peak use
— Data privacy and integrity
— Net promoter scores, customer satisfaction and response time for consumer-facing businesses
— Renewable energy procurement

Addressing material sustainability issues can require management to balance the competing demands of the business (in terms of human and financial capital) and its stakeholders, or to juggle interests that differ between stakeholder groups. However, we believe successful management of the material issues identified above will result in improved outcomes for both the business and our stakeholders.

Our key stakeholders

Stonepeak has a wide range of key stakeholders. We engage with many both directly and frequently in our day-to-day operations, such as our limited partners and employees. Other stakeholder relationships – for example, with customers, suppliers and government entities – are managed through our portfolio companies, with key indicators of stakeholder management (such as net promoter scores, churn, customer spend, and regulatory process updates) reported to us via formal channels (such as through boards of directors and programmatic management reporting), as well as via the frequent ad hoc communications we foster and maintain with our management teams.

We seek to be long-term, repeat, and highly reputable operators in our chosen markets. Maintaining this social license to operate requires we earn and maintain our stakeholders' trust; and we recognize that trust – if lost – is difficult to regain. We therefore aim to demonstrate high standards of operating integrity in all our interactions with our stakeholders.

Our key stakeholders are:

Limited partners
We treat our investors as true partners, meaning we listen, communicate transparently, and engage closely to ensure their interests and views are front of mind in our key investment and asset management decisions. We work collaboratively with our partners on co-investments and, in partnership with our management teams, seek to steward our assets in a way that is consistent with their requirements.

Customers
The customers our portfolio companies serve range from household consumers to multinational corporations and government bodies. Our portfolio companies can and do play an important role in helping their customers achieve their own sustainability goals, such as decarbonizing energy grids or their supply chains.

Local communities
Our portfolio companies own and operate essential infrastructure and it is critically important to us that they are seen as good actors within the communities served by and around those businesses, in support of maintaining our social license to operate.

Government
We interact with governmental and public agencies as an intrinsic aspect of our portfolio companies' operations, for example in securing permits and licenses, or undergoing regular way inspections, with respect to the construction or ongoing operation of assets.

Employees
As noted on page 7, employees are central to the success of every business and this is reflected in our choice of people as one of our three priority areas.

Supply chain
Our portfolio companies are often involved in major procurement initiatives, particularly around construction projects, and it is essential that they have robust frameworks in place for selecting and managing their supply chains.

Aligning with the global ESG agenda

Helping to tackle the world's shared challenges

Our approach to ESG does not exist in isolation. We are acutely aware society faces global challenges, which we have a part to play in addressing.

These global challenges are captured by the United Nations' Sustainable Development Goals (SDGs).[8] Taken together, the 17 SDGs are designed to direct investment activities toward helping end poverty, protect the planet and ensure peace and prosperity.

We do not underwrite against or allocate capital toward specific SDGs in the investments we make, as this is not conducive to our opportunistic investment approach. However, as an investor in and operator of critical infrastructure assets, we recognize that our investment activities are highly impactful against broader societal goals. As such we believe each of our investments meaningfully and substantively contributes to at least one of the SDGs through the normal course of operations.

Our alignment to the sustainable development goals

The SDGs our businesses are most closely aligned to are set out below. As the SDGs are interrelated, with progress in one area contributing to advances in others, we believe our impact is likely to extend beyond the summary below.

Sustainable Development Goals

Our contribution

7 AFFORDABLE AND CLEAN ENERGY

A growing global population needs access to affordable energy that mitigates or slows the impacts of anthropological climate change, as well as the adverse impacts to human health caused by airborne pollutants released by the burning of coal and oil. This requires investment in new technologies and infrastructure. Our renewables and energy transition businesses directly contribute to the advancement of this goal.

8 DECENT WORK AND ECONOMIC GROWTH

Improving living standards requires economic and employment growth, alongside greater productivity and technological innovation. As growth-oriented investors, we seek to deploy capital expenditure to expand businesses and construct assets, which creates both permanent and temporary jobs.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Optimizing the use of limited resources contributes to the sustainability of economic activity. We invest in and grow businesses that have responsible consumption and production embedded into their operations, for example:

— Lineage is the world's largest cold storage warehouse business.[9] It handles around 30%[10] of the United States' food production, flash freezing and distributing it in a way that ensures food safety and minimizes wastage.

— TRAC Intermodal is a leading provider of intermodal chassis rental and associated services. It seeks to reduce waste via a recycling program in which over 20 million pounds of metal, 70 thousand tires and 1.6 million pounds of tire rubber dust are recycled annually.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Infrastructure is a key enabler of economic growth and as the global population becomes increasingly urbanized and digitalized, more people rely on services provided by telecommunications, energy and transport infrastructure. As specialist infrastructure investors, this SDG is at the heart of our business.

13 CLIMATE ACTION

We are helping to protect the climate by supporting the transition from fossil fuels to renewable energy generation, and by guiding our portfolio companies in their efforts to reduce their carbon emissions and meet new reporting standards, such as TCFD.

Benchmarking our efforts

Since becoming signatories to the Principles for Responsible Investment (PRI) in August 2020, we believe we have made tangible progress against its requirements. This includes:

- Developing our portfolio companies' reporting and management of sustainability issues, in line with the PRI's Infrastructure module. Our portfolio company engagement efforts have been particularly focused on sustainability key performance indicator (KPI) alignment to best-in-class public standards, supply chain management, and carbon tracking.
- Continuing to enhance our own reporting, including this report which is internally audited and reviewed by key people in our business, including our CEO and legal team.
- Actively governing ESG internally by elevating it to our Executive Committee.
- Refreshing existing ESG policies and introducing new ones (see page 12), as well as a new pre-transaction and onboarding ESG checklist.
- Becoming a supporter of TCFD in 2021, in recognition of its alignment with PRI and the rapidly growing importance of carbon and climate risk disclosures.

While PRI has indicated the 2022 reporting and assessment cycle will not take place, as the reporting framework undergoes changes, we look forward with confidence to completing our inaugural cycle in 2023 and believe we are well-positioned to achieve a strong assessment.

The principles for responsible investment:

Principle 1

We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2

We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3

We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4

We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5

We will work together to enhance our effectiveness in implementing the Principles.

Principle 6

We will each report on our activities and progress towards implementing the Principles.

ESG in our operations

We have made good progress with implementing each of our three ESG priorities over the last 12 months, and we will continue to selectively support important social or nonprofit causes.

Stewardship

During the year, we continued to add to and improve our suite of ESG policies. In particular, we:

- Refreshed our responsible contractor and responsible investment policies.
- Adopted a new supplier code of conduct and stewardship policy.
- Refreshed our ESG due diligence questionnaire and onboarding checklist.
- Are in the process of adopting new anti-corruption, economic sanctions, and export control investment due diligence policies.

These policies and procedures support our stewardship activities in several ways:

- They support internal governance and ESG operating procedures, by providing guidance to deal team members with respect to ESG matters.
- Our stewardship policy and supplier code of conduct provide our portfolio company management team partners a clear understanding of the ESG matters that are most important to us, and thus set expectations for how we intend to steward our investments. These policies also provide guidance to management teams as to how their own governance and policy frameworks ought to apply.
- In addition, applying these policies aligns us to both PRI's Stewardship module requirements and evolving market best practices.

Carbon

We are working towards more comprehensive tracking and disclosure of GHG emissions and climate risks, as well as means to either reduce or offset emissions, across both our operations and our controlled portfolio companies. With PRI having adopted TCFD into its reporting framework and with a growing proportion of our investor partners also having adopted TCFD disclosures, we view TCFD as a logical framework through which to disclose our own carbon and climate change risk management. We therefore became supporters of TCFD in May 2021 and we expect to issue our first TCFD statement in early 2022.

We have already analyzed our own GHG emissions and we are working with a specialist consultant to aggregate our portfolio companies' footprints. We expect to complete this work in the first half of 2022.

We also believe that TCFD reporting (in some form) will become compulsory in the US and note that the SEC is currently reviewing this matter. We support the broader move toward more consistent carbon and climate-related risk disclosures and, to that end, Stonepeak was a signatory to PRI's submission to the SEC on this topic.

People

Our people are our business, embodying both our capabilities and our culture. It is essential that in a highly competitive marketplace we maximize our ability to attract and retain the talented people we need to support our investment and asset management activities.

Across the firm, we have a growing commitment to diversity, equity and inclusion (DE&I)[11] and have put the foundations in place for building a more diverse organization, including appropriate policies, training and hiring approaches. As part of this, we have introduced quarterly reporting to the Executive Committee, providing updates on hiring, diversity and other people initiatives. We also recently announced that boards of newly acquired, majority-controlled North American and European portfolio companies will have at least one diverse board director within one year of Stonepeak acquiring a controlling interest.[12]

As we grow our business, we seek to hire for long-term success and we thus ensure diverse candidate slates when recruiting. We already have a high proportion of female employees in many of our functions, as well as a growing number of people from minority backgrounds. In furtherance of our efforts, we have recently joined the ILPA Diversity in Action initiative, which brings together limited and general partners to advance DE&I in our industry. We have also rolled out mandatory unconscious bias training, and are putting in place new fertility benefits for everyone at the firm, with the aim of being best in class.

We believe that our culture is an important part of what makes us an attractive employer. We have an inclusive and collegiate culture, where people's input is valued and they are trusted and enabled to make decisions. At the same time, we have the ambition and determination to help people be their best, so they can achieve great results. When hiring, we look for people who are a good fit for our culture and who will be good ambassadors for the firm.

Philanthropic activity

Juneteenth is an annual holiday that commemorates the end of slavery in the United States. We honor the occasion as a firmwide day of paid leave, so everyone can focus on reflection and advocacy in their own way. This year we also donated to Son of a Saint, an organization in New Orleans that provides vital support for fatherless young Black men, their families and custodians.

This donation is part of a broader effort by the firm to support small non-profit organizations focused on social justice and other important causes.

ESG in our portfolio companies

Our approach to managing ESG and sustainability matters across our portfolio companies starts with our due diligence and continues throughout our ownership. We use a common framework across the organization for identifying, monitoring and managing both ESG risks and opportunities, while recognizing that the relevant ESG issues are often sector-specific, as discussed on page 8. As we continue to grow as a firm, our institutional knowledge base becomes an increasingly powerful tool which allows us to apply lessons and best practices from prior experiences to new issues and opportunities.

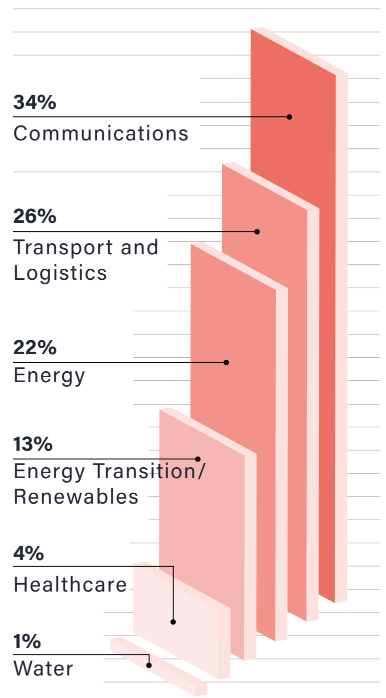
For each asset in our portfolio, deal teams perform quarterly reviews with the relevant fund's investment committee taking a "warts and all" approach. These reviews include ESG performance and establish continuity between asset acquisition, onboarding, management and exit. This process also ensures accountability for delivering on agreed objectives, including ESG initiatives.

Our senior investment professionals actively exercise our formal governance rights, where applicable, allowing us to observe and influence our portfolio companies' ESG performance and enabling us to discuss and report on material issues.

An important aspect of our stewardship is to guide by example and strive to establish that our controlled portfolio companies' ESG policies and processes incorporate or reflect the standards and commitments of Stonepeak itself. Over the last year, we have identified a range of actions aligned to our priorities, which we are working with our management teams to address. Information on these actions for controlled portfolio companies can be found on the following pages. In defining these activities, our focus is on those issues that are most substantively important to business performance and which are increasingly non-negotiable for capital market participants.

Good stewardship is supported by benchmarked and relevant quantitative information on which to base decisions. We therefore seek frequent, in-depth data collection and analysis from all our portfolio companies across financial, operational and ESG key performance indicators. To this end, particularly during portfolio company onboarding, we work with management team partners to align their sustainability KPI tracking to best-in-class standards, with reference to public and private benchmarks. Improved data also supports more in-depth reporting, aligning well with our focus on transparency.

Stonepeak Sector Diversification by capital commitments[13]



Active as of June 30, 2021.

Renewables	Energy	Energy Transition	Transport & Logistics	Communications
Madison Energy Solar generation, U.S.	**MPLX** Midstream infrastructure, U.S.	**Stonepeak Northeast Power** Power generation, U.S.	**Hygo Energy** Transition, LNG solutions, Brazil	**Cologix** Data centers, U.S. and Canada
Peak Energy Solar generation, Japan	**Oryx Midstream** Integrated crude transport system, U.S.	**Targa DevCo** Natural gas pipelines, U.S.	**Lineage** Cold storage company, U.S.	**Digital Edge** Data centers, Asia
Swancor Renewable Energy Wind energy, Taiwan	**Phillips 66 Partners** Midstream infrastructure, U.S.	**Targa Resources Partners** Natural gas and NGL midstream services, U.S.	**TRAC Intermodal** Marine chassis provider, U.S.	**euNetworks** Broadband provider, Europe
GreenPeak Renewables Solar generation, Taiwan	**Plains All American Pipeline** Crude oil MLP, U.S.	**Whistler Pipeline** Natural gas pipeline, U.S.	**Venture Global, Calcasieu Pass** LNG export terminal, U.S.	**ExteNet Systems** Wireless infrastructure, U.S.
	Evolve Transition Infrastructure Energy processing and transportation systems, U.S.		**Stonepeak Aviation** Aviation investment platform	**Vertical Bridge** Wireless infrastructure, U.S.
			Stonepeak Infrastructure Logistics Infrastructure logistics platform	**Xplornet Communications** Broadband provider, Canada
				Lumen LatAm* Data centers and broadband, LatAm
				DELTA Fiber* Broadband provider, Netherlands
				Astound Broadband provider, U.S

*Stonepeak's investments in each of Lumen LatAm and DELTA Fiber has signed but not yet closed. There can be no assurance that the transaction will close or if it closes that it will be on the terms currently agreed.

Our priorities

Stewardship

Our approach to stewardship in our portfolio companies

To enhance our portfolio companies' ability to holistically manage ESG within their businesses, we steward and encourage them toward developing fully integrated and sustainability management systems, similar to those they already have for financial performance. This means:

— Establishing which metrics to track, taking into account management views, reporting frameworks, such as the Sustainability Accounting Standards Board (SASB), and peers' disclosures.

— Setting clear targets and reporting progress against those targets.

— Sensibly incorporating into appraisal and incentive systems metrics or targets which reinforce workforce behaviors consistent with the established targets .

As noted on page 12, having the right policies in place is central to effective stewardship. We therefore seek to actively influence our portfolio companies to have written policies pertaining to supply chain management, which regulate supplier selection, define procurement governance, and establish procedures for material procurement decisions. We also steward our portfolio companies towards adopting a range of other policies, such as an employee code of conduct or ethics policy, an anti-sexual-harassment policy, and a worker health and safety policy.

Progress[14]

As of June 30, 2021:

59

board seats across 19 portfolio companies held by Stonepeak[15]

100%

board meeting attendance rate by Stonepeak

Introducing new reporting practices at TRAC

Stonepeak worked with TRAC Intermodal's management to introduce new ESG reporting practices, which allow the Board of Directors to more closely monitor metrics pertaining to TRAC's worker safety, fleet performance and compliance, as well as its tire recycling and chassis upgrade programs (see case study on page 19). These changes support business decision-making and help TRAC demonstrate its sustainability performance to customers, highlights of which are now available on the company's website at www.tracintermodal.com/sustainability.

Case study

Ensuring the highest stewardship standards

Swancor Renewable Energy (Swancor) is a leading renewable energy project developer and operator based in Taipei, Taiwan, with a team of over 100 people currently focused primarily on projects within the offshore wind sector.[16] The 376MW Formosa II offshore wind farm – currently under construction being led by Swancor's project delivery team[17] – on completion[18] will contribute to Taiwan's targets to generate 20% of its energy from renewable sources by 2025, as well as its goal of achieving net zero carbon emissions by 2050 (announced April 2021).[19]

Formosa II is a multifaceted and complex project, involving many suppliers, contractors and thousands of workers, underscoring the need for an active stewardship approach. As well as overseeing and coordinating the project's complex supply chain, Swancor and Stonepeak closely monitor safety performance through Formosa II's project steering committee, with at least weekly reviews to ensure effective integration of health, safety and environmental (HSE) practice. Formosa II has completed 16.7 million hours worked to-date (as of 6/30/21), with only three recordable safety incidents. To maintain high standards as its operations grow, Swancor continues to recruit experienced professionals, including an HSE director and a human resources head in the last 12 months.

Our priorities

Carbon

Our approach to carbon in our portfolio companies

As noted on page 13, we are working with our portfolio companies to develop their GHG emissions footprints. This is a key step in being able to report effectively under TCFD, as well as forming the baseline for devising GHG emissions reduction and long-term targeting strategies.

While some of our portfolio companies already have explicit carbon reduction strategies and targets in place, we are working with management teams across our portfolio to broaden their understanding and adoption of decarbonization strategies and targets that are appropriately aligned to that industry's emissions reduction pathway. We believe that with governments, investors and corporates increasingly pledging long-term emissions reduction targets aligned to the Paris Accord, businesses which do not align their emissions pathways with science-based targets will tend to face higher costs of capital and reduced valuations.

Progress

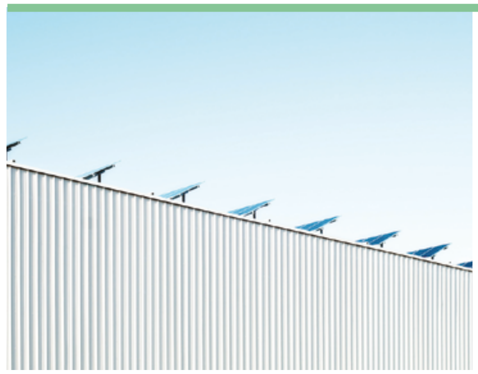
As of June 30, 2021:

10,335

megawatts active or under development[20]

32m

powered households



Expanding our use of renewable energy

As a cold storage business with over 2.3 billion cubic feet of capacity across 350 facilities, Lineage inherently has significant energy needs. We have been working with Lineage to meet its goals for increased renewable energy procurement and decreased power costs through fellow Stonepeak portfolio company, Madison Energy. To-date, Lineage and Madison have partnered on 12 sites with 15MW of installed solar capacity. We estimate this saves Lineage around $700,000 per annum in electricity costs and reduces its CO2 footprint by approximately 20,000 tons annually.[14] The teams are working to expand this relationship.

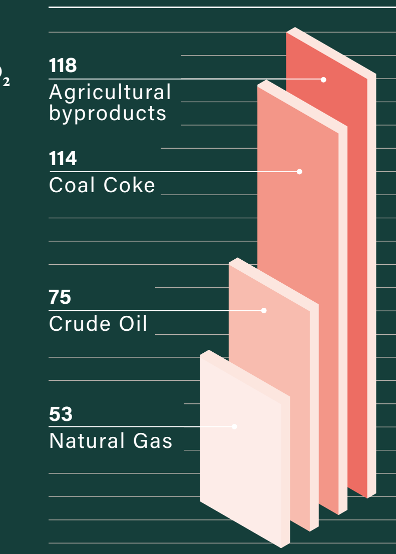
Achieving carbon neutrality

In 2020, portfolio company Vertical Bridge became the world's first certified carbon neutral telecommunications tower company. Vertical Bridge is supporting four projects in North America to offset its unavoidable carbon emissions, which are estimated at ~23,000 tCO2e.[21] Stonepeak is proud to support Vertical Bridge in this initiative.

Supporting the transition to clean energy

Natural gas has an important role to play in helping the world to transition to cleaner energy. It emits between 30% and 50% less CO2 per unit of energy, compared to the coal, oil, and agricultural byproducts it typically replaces.

Relative Emissions Profile: KG CO_2 per MMBTU



Case study

TRAC's focus on recycling, waste mitigation, and carbon reduction

TRAC Intermodal is the largest marine chassis provider and pool manager in the U.S., with a fleet of 180,000 chassis in over 600[22] locations. The business has sustainability deeply embedded into its operations, via its twofold zero waste strategy.

TRAC first aims to minimize its waste stream, with a focus on fleet refurbishment and greening before retirement. This is achieved through initiatives, such as tire retreading, bias to radial ply conversions, and LED light switching. Secondly, at the end of the chassis' useful life, TRAC seeks to repurpose or recycle component parts including chassis metal, tire rims, and tire rubber.

The combined impact of TRAC's fleet refurbishment and recycling programs is significant. TRAC annually recycles approximately 20 million pounds of chassis metal, 5 million pounds of rims, and 1.6 million pounds of rubber dust.[23] The ~70,000 tires TRAC retreads annually saves approximately 1 million gallons of oil each year compared with manufacturing new tires, equivalent to 11,000 tons of CO2, and converting from bias ply to radial tires improves fuel consumption by around 5% due to reduced drag.[23]

As TRAC's customers increasingly focus on the sustainability and carbon intensity of their supply chains, Stonepeak has worked with TRAC management to baseline and analyze its GHG footprint, and has helped to develop TRAC's wider ESG monitoring and Board reporting. Stonepeak also supported TRAC in the publication of its sustainability strategy, culminating in TRAC's relaunched website.

Our priorities

People

Our approach to people in our portfolio companies

As part of our ongoing commitment to worker health and safety (WH&S) across our portfolio companies, we endeavor to work with management teams to establish policies, reporting and operating practices that are aligned to Stonepeak's own policies, as well as recognized global standards, such as the UN Global Compact. Partnering with project and management teams who understand the criticality of instituting rigorous WH&S standards is an ongoing focus for us, even more so as our investment activities gradually expand to other jurisdictions. We meet this ongoing focus via practical measures, such as granular WH&S reporting, engaging directly with project construction partners, and by prioritizing headcount additions focused on WH&S within our portfolio companies.

To support our management teams in the development and realization of their DE&I and other human capital policies and goals, this year we engaged Mara Swan as Talent Operating Partner.[24] Mara is working with our portfolio companies on organization structure, DE&I, compensation design and other talent priorities.

In addition, our portfolio companies continue to work to protect employees from the ongoing COVID-19 pandemic, with full details of our response set out in last year's report (which is available upon request).

Progress

As of June 30, 2021:

5

controlled portfolio companies had established their DE&I policies, goals and plans

Venture Global
https://www.hydrocarbons-technology.com/news/venture-global-to-install-two-liquefaction-trains-at-calcasieu-pass-plant/

Achieving exceptional safety standards

Venture Global, Calcasieu Pass is an under-construction 10MMTPA LNG liquefaction and export terminal, due to commence operations in late 2022.[25] As of July 2021, the project had logged 15.9 million hours worked with only five recordable safety incidents.[14] This is an OSHA incident rate of 0.06, well inside heavy and civil engineering construction industry averages.[26]

Case study

Cologix's people-oriented culture

We believe that one of the enablers of Cologix's success to date is its strongly people-oriented culture, based on shared values, engaged employees and a focus on safety and wellbeing.

Cologix seeks to empower its talented teams to serve, with an unwavering commitment to customers. To connect employees and keep morale high, the Cologix Culture Club fosters engagement, competition and fun through activities and events. Having a safe working environment is also of utmost importance, so Cologix maintains industry leading standards and seeks to ensure that all employees are well-trained in WH&S matters.

During the pandemic, Cologix worked hard to remotely maintain its culture and collaboration through regular communication, business updates and the sharing of stories of employees doing extraordinary things in difficult circumstances.

Through 2021, Stonepeak has worked with Cologix to advance its ESG performance and strategy. Firstly, we supported Cologix in the preparation of its inaugural ESG report, the first such report produced by a Stonepeak-controlled portfolio company. At the date of this report, work is ongoing on the next phase of Cologix's ESG strategy, which is to benchmark its ESG performance against peers and stakeholder considerations, and subsequently develop a roadmap and implementation plan for Cologix to be recognized as best-in-class.

The benefits of Cologix's ongoing focus on the wellbeing, diversity, and success of its 300-person workforce, are reflected in it achieving strong social indicators. In particular, Cologix has:[27]

— Female senior leaders: 62.5%

— US employees from ethnically diverse backgrounds: >38%

— Employees saying they receive the support they need: 93%

— Employees who would recommend Cologix to a friend: 96%

— Lost time injuries in 2020: zero

Energy Transition & Renewables

With global energy demand rising and electricity production being responsible for approximately one fourth of global GHG emissions[28] there is a need to transition the grid to cleaner forms of energy to mitigate the impacts of anthropological climate change. Governments and corporates are increasingly setting discrete long-term carbon reduction targets, and regulators and lawmakers are encouraging the clean energy transition by supporting investment in technologies, such as renewable energy.

Madison Energy

We believe this transition will be complex, requiring massive investment in renewables, as well as lower-carbon forms of traditional and transition fuels. Natural gas/LNG is proliferating as a transition fuel, with its lower emissions intensity relative to coal and oil making it a significant contributor to reductions in US CO2 emissions over the last decade. Traditional oil & gas companies are investing to decarbonize their businesses, with renewable diesel, sustainable aviation fuel, and renewable natural gas offering cleaner fuel sources compatible with existing transportation. In addition, hydrogen represents a potential future energy source, to reduce global CO2 emissions.

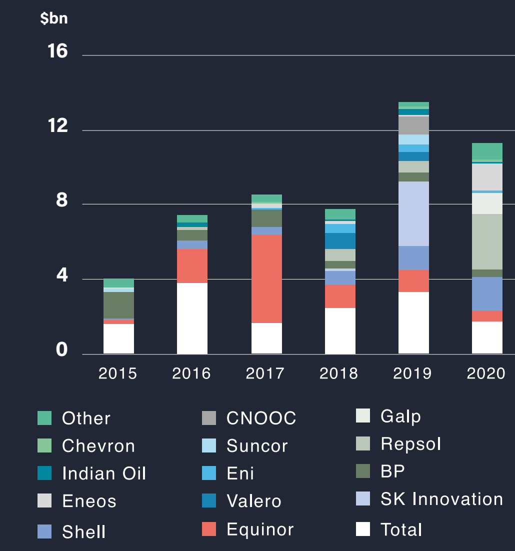
Stonepeak is the responsible buyer of midstream assets and views West Texas Gas (WTG) as a continuation of this strategy. A central part of our investment thesis with any traditional oil and gas investment we make is to seek to materially improve these businesses from an ESG perspective under our ownership. We set emissions reduction targets with the assets we purchase and hold our management teams to these thresholds. We've successfully executed on this thesis multiple times, including the improvements we've made to the two residue gas pipelines in Targa DevCO and Whistler, which have directly reduced flaring. We believe that capital underinvestment and under-management of the business have left WTG historically lagging on ESG. We are focused on improving and optimizing WTG's operations from an ESG perspective and are excited about the opportunity to make an impact on ESG at WTG.[29]

Given the multifaceted and complex nature of the global energy sector, we decided at the end of 2020 to consolidate our deal team members focused on midstream energy, conventional power and utilities, and renewable energy into a combined Stonepeak Global Energy Group. This recognizes the reality that traditional energy companies are increasingly taking up the mantle of energy transition, and provides us with the greatest perspective and coordination to pursue and execute investment opportunities across the broader energy value-chain, with a particular focus on investments aligned with the ongoing energy transition theme.

These conditions present a range of investment opportunities including in LNG transport infrastructure, renewable energy generation and storage systems, and electric vehicles charging stations, as well as in the growing use of renewable fuels and hydrogen.

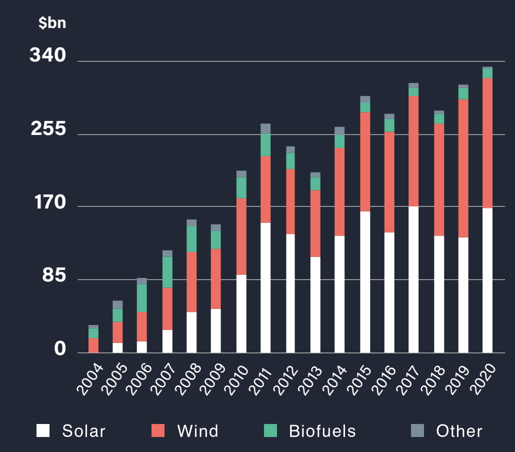
Clean Energy Investment by Oil & Gas Companies ($ billion)

By Company



Global New Investment in Renewables

By Technology



Stonepeak New England Power (SNEP)

SNEP is one of the largest power generating portfolios in New England. Canal 1 & 2 are oil and natural gas-fired power generation facilities with 1,112 MW of nameplate capacity, located in Sandwich, Massachusetts. Canal 3 is a new 333 MW peaking unit, capable of running on either natural gas or ultra-low sulfur diesel. Bucksport, acquired in 2019, is a 175 MW dual fuel simple cycle unit located in Bucksport, Maine.

	MW/h generated	Emissions (MTCO2e)[31]	Reportable incidents
2020	314,305	180,959	0
2019	204,828	59,812	0

The Canal and Bucksport facilities together are a critical part of the New England power grid, providing additional generating capacity when energy demand peaks and complementing the rise of renewables and other intermittent generation in the region. The portfolio has continued to operate to high safety and environmental standards, while achieving growth in power generated in the period and offering good availability.

Ironclad (RED Rochester)

Ironclad was a management partnership formed in 2016 in conjunction with the acquisition of the district energy system (RED Rochester) at the Eastman Business Park in Rochester, New York. RED Rochester completed its transition from coal to natural gas in March 2018, following a ~$75M, 18-month conversion and construction project, reducing the facility's GHG emissions by approximately 50%.

	MW/h generated	Emissions (MTCO2e)[32]	Reportable incidents[32]
2020	239,802	399,181	0
2019	122,554	399,163	1

Ironclad has continued to operate consistently and safely. We realized our investment in this business in mid-2021.

Oryx Midstream Holdings LLC (Oryx)

Oryx is a Delaware Basin crude transportation and gathering system, with ~760 miles of pipeline in operation and ~220 miles under construction at the time of investment[33] Oryx's system originates at low diameter (w4-8") crude gathering sub-systems primarily located in three counties in West Texas (Reeves, Pecos, Ward) in the Southern portion of the Delaware Basin and two counties in New Mexico (Eddy and Lea).

	Total hours worked	Lost time / reportable incidents	Leaks / spills (barrels released)
2020	548,511	0	26 (6 recordable)
2019	772,932	2	28 (4 recordable)

The Oryx team maintains a strong focus on worker safety and pipeline integrity. As at H1 2021, Oryx and its contractors had driven 36.8 million miles since inception and the lost time injury frequency rate over the same period was 0.2, against an industry average of 0.8.[34]

On July 12, 2021, Oryx and affiliates of Plains All American entered into a definitive agreement to merge their respective Permian Basin assets, operations, and commercial activities into a newly formed strategic joint venture, Plains Oryx Permian Basin LLC, creating what we view as a premier North American crude infrastructure asset.[34]

Madison Energy Investments (Madison)

Madison[18] develops, owns, and operates distributed solar generation assets within the commercial, industrial, and small utility-scale sectors.

	Lifetime CO2 avoided (inception-to-date)	Lifetime CO2 avoided (inception-to-date) equivalent cars off the road for a year	MW operational and in-construction	Corporate diversity
H1 2021	69,240	15,058	182	52%

As at H1 2021, Madison's portfolio had since inception enabled the production of over 97 million kWh of renewable energy, avoiding 69,240 metric tons of CO2. This is equivalent to taking more than 15,000 cars off the road for a year.[35]

Swancor Renewable Energy Co., Ltd (Swancor)

Swancor is a leading offshore wind developer and operator, based in Taiwan. It currently has one facility in operation (Formosa I) and a second (Formosa II) under construction. The business also has a sizeable portfolio of further projects under development, giving it 8,300 MW of generating capacity under development, construction and exclusivity as of June 2021.

H1 2021
Total MW operational (Formosa I)
128

H1 2021
Total MW under construction (Formosa II)
376

H1 2021
Total MW under development
7,750

H1 2021
Total worker hours on Formosa II completed to-date
16,685,670

H1 2021
Recordable incidents (Formosa II)
3

Swancor continues to progress with its growth plans, increasing the number of employees to 101 at June 2021. Total worker hours on the Formosa II project stood at 16.7 million at the same date, with only three recordable incidents logged to-date.

Peak Energy Investments Ltd (Peak Energy)

Peak Energy – established in late 2020 – is a platform dedicated to the development, ownership and operation of solar assets in Japan and other Asian markets.

H1 2021
# of employees
6

H1 2021
MWh under construction (Minamata)
28

H1 2021
MWh signed
99

H1 2021
Construction hours to-date (Minamata)
192,439

Peak presently has one operating asset – a 28MW ground-mounted, utility scale solar installation situated near Minamata, Kumamoto Prefecture. The project was completed on budget and has been in operation since August 2021. Minamata is expected to save 22.6kt of CO_2e per year, equivalent to taking around 5,000 passenger vehicles off the road.[35, 36] Construction was completed with no lost time injuries.

GreenPeak Renewables (GreenPeak)

GreenPeak is a partnership established in late 2020 with a leading Taiwanese solar developer, Smart Green Energy, with a dedicated focus on the solar market in Taiwan.

H1 2021
MWh signed (Taxi Township)
45

We have worked with the GreenPeak team to adopt a Code of Business Conduct and Ethics, which applies to Smart Green and all the contractors and partners of the platform. The Code covers anti modern slavery and human trafficking provisions in line with the United Nations Global Compact, and forms part of the employer's requirement under the EPC / O&M contracts and future tendering requirements. Ahead of construction of GreenPeak's first asset (Taxi Township), the Smart Green team continues to seek to implement a robust and comprehensive E&S framework, in compliance with the Equator Principles and IFC standards.

Jezael Melgoza, Tokyo, Japan

Transport & Logistics

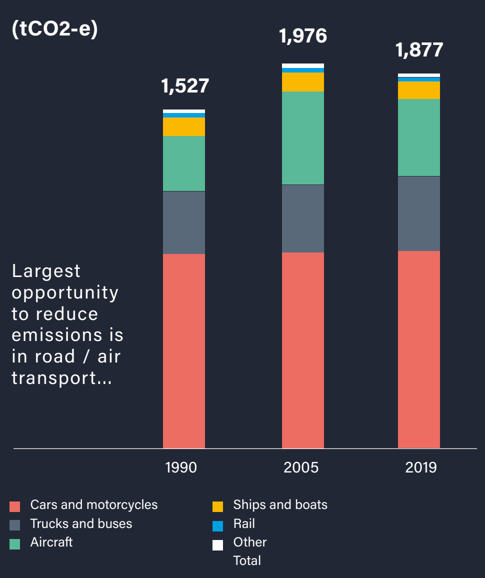
The Covid-19 pandemic led to both a change in consumption patterns, with an increased demand for goods at the expense of services, as well as restricting factory and supply chain capacity. Coupled with the accelerated rise in e-commerce, this has placed global supply chains under immense stress over the last 18 months. TRAC and Lineage have demonstrated the critical nature of their services within their respective points of the supply chain, having seen record chassis utilization and warehouse throughput, respectively.

Decarbonization is a major theme across the sector, with efforts focused on both efficiency (such as reduced per unit energy and electricity usage) and fuel switching (for example, to renewable fuels). Both TRAC (see case study on page 19) and Lineage have efficiency and decarbonization programs embedded into their operations. In the case of Lineage, this is both a business and environmental imperative, as electricity is Lineage's second largest cost.[37] In 2021, the US Department of Energy recognized Lineage for innovation in energy management for the third year running.[38]

Technology adoption is another megatrend impacting businesses within the transport infrastructure sector. We believe that Lineage's focus on technology is a key competitive advantage, with its Applied Sciences team of data scientists helping to solve business challenges, such as energy consumption, efficient pallet racking and throughput, and waste minimization. TRAC is also investing in technology through its ERP platform – enabling enhanced system capabilities and solutions for chassis booking, data sharing and billing activities – and its tech-enabled roadside assistance business, FYX.

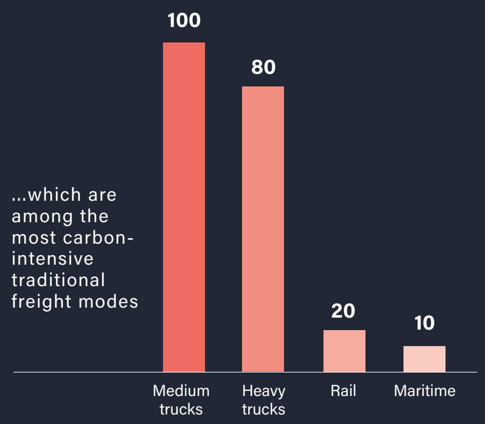
Key Themes to Watch: Low-Emissions Transportation[39]

U.S. Transportation GHG Emissions



Carbon Intensity of Transportation Modes[39]

(grams CO2 per ton-km)



Lineage Logistics (Lineage)

Lineage is the largest cold storage warehousing and logistics company and the largest automated cold storage company globally.

2020
Incident rate
4.1

2020
Warehouse safety compliance
92%

The business maintains a rigorous focus on food safety as well as the safety of its ~17,000 employees, and has embedded into its operations various programs to reduce energy usage intensity. As at H1 2021, Lineage had reduced its energy costs by 23% over the preceding three years, and had over 2.3bn cubic feet of food storage across its 350 warehouses.

TRAC Intermodal (TRAC)

TRAC Intermodal is the largest marine chassis provider and pool manager in the U.S., with a fleet of 180,000 chassis in over 600 locations.[40] It plays a critical role in supporting the imported goods supply chain, by enabling the onward movement of shipping containers.

2020
Tires recycled
71,867

2020
Axles and chassis recycled (lbs)
19,250,480

2020
Total recordable incidents
12

2020
OSHA incident rate
3.4

2020
FMCSA performance
91%

TRAC has an ongoing focus the health and safety of its ~750-member workforce, with an OSHA incident rate below the average for transportation equipment manufacturing (3.7) and tractor trailer manufacturing (7.6). It also exceeds its target for FMCSA levels 1 & 5 inspection performance of 88%. TRAC has an active program of reducing waste and emissions through fleet upgrades and recycling tires, axles and chassis – more information on this can be found in the case study on page 19.

Venture Global, Calcasieu Pass (Venture Global)

Venture Global, Calcasieu Pass is an under-construction 10MMTPA LNG liquefaction and export terminal located in Cameron Parish in Southwest Louisiana. As of July 2021, construction is 67% complete and on track for commissioning in late 2022.[18]

2020
Total site hours worked (Kiewit and subcontractors)
6,896,599

2020
Recordable safety incidents
1

2020
Safety trainings and orientations conducted
3,805

2020
Reportable environmental incidents
12

Under lead EPC, Kiewit, the $5.8 billion project continues to deliver excellent standards of worker health and safety, with an OSHA incident rate of 0.06, considerably below the heavy and civil engineering construction industry average of 2.4.[41] As of July 2021, the project had approximately 5,100 workers on site and COVID-19 controls – including social distancing, mask usage, and temperature checks at site entry – were being strictly enforced.

Hygo Energy Transition (Hygo)

Hygo is a joint venture formed with Golar LNG Ltd. to develop, own and operate integrated LNG-based transportation and downstream solutions. It owns an operating floating storage and regasification unit (FSRU) terminal and a 50% interest in a 1,500 MW combined cycle gas-fired power plant in Sergipe, Brazil, as well as two other FSRU terminals with 1,200 MW of power in advanced stages in Brazil.

Sergipe is the largest thermal power plant in Brazil and the construction effort spanned more than three years and nine million labor-hours. Our deal team and operating partners[24] worked with the Hygo management team in overseeing the successful management and completion of construction, including coordination and negotiation with equipment manufacturers and construction counterparties through construction, commissioning, and early stages of commercial operations.

2020
GHG emissions (MTCO2e)
218,153

2020
Total hours worked (Sergipe power plant only)
441,431

2020
Accidents with leave (Sergipe power plant only)
3

2020
Accidents without leave (Sergipe power plant only)
4

2020
Environmental incidents (Sergipe power plant only)
0

We realized our investment in Hygo in 2021, via a transaction with New Fortress Energy.

Communications

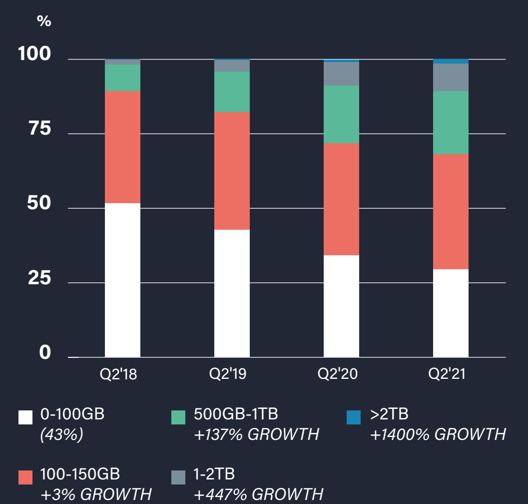
Demand for data and connectivity continues to rise inexorably – data traffic is growing at around 25% per annum, with mobile data increasing by 45% annually[14] – driven by 5G rollout, the proliferation of cloud architecture, and the comprehensive rollout of high speed broadband into the home. Towers, small cells, long haul and metro fiber, FTTH, interconnection hubs, cable landing stations and hyperscale data centers act as the infrastructure backbone that underpins this growth.

For Stonepeak, these trends mean immense capital deployment opportunities. To date, we and our co-investors have invested $13.3 billion of equity across nine digital infrastructure investments. These investments[42] have taken place across data centers (Cologix, Digital Edge, euNetworks, and Lumen LatAm), telecommunications towers and small cells (Vertical Bridge, Digital Edge, and ExteNet), fiber (euNetworks), consumer connectivity (Astound and Xplornet), residential connectivity (Astound, DELTA Fiber, Xplornet), and broadband infrastructure (Astound, DELTA Fiber, euNetworks, Lumen LatAm, and Xplornet).[43]

Looking ahead, we see the potential for continued opportunities in home broadband, the transition to 5G and rapid growth in interconnection demand. There may also be opportunities in adjacent digital infrastructure.

Data Traffic, Processing and Storage Growth Accelerating[44]

Bandwidth Usage Tiers (per month)

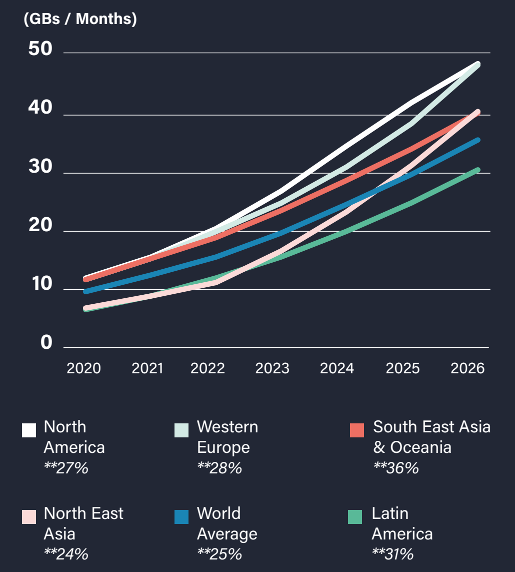


Communications and Digital Infrastructure Global Presence

Stonepeak Global Communications and Digital Infrastructure Footprint

*The DELTA Fiber and Lumen LatAm transactions have signed but not yet closed.
There can be no assurance they will close or that if they close it will be on the terms currently agreed.
**CAGR 2020-2026.

Transition to 5G / Mobile Backhaul Opportunity[45]



euNetworks

euNetworks is a bandwidth infrastructure company of ~340 employees providing mission-critical fiber connectivity across major markets in Western Europe. It operates 2,900 kilometers of dense metro fiber network in 17 key European metro markets, connected by a 29,000 kilometer intercity backbone covering 51 cities across 15 countries. euNetworks directly connects over 440 data centers across its footprint, as well as 14 cloud platforms, and has ~2,260 buildings, towers, and landing stations on-net.[46] Through this network, euNetworks controls major ingress and egress points for data communication across western Europe and focuses on providing high-margin, high-bandwidth services, primarily for data center to data center and enterprise to data center connectivity.

2020
Capital expenditure (MM)
€113

2020
Cumulative data centers connected
445

2020
Cumulative power (MW)
3,138

In the last 12 months, euNetworks has undertaken significant projects to enhance and shape its social, environmental and impact roadmap. This includes performing its first carbon baselining exercise (showing euNetworks generated 28,908 tCO_2e[47] in FY19), and identifying its three sustainability KPIs (diversity, clean energy, and emissions reductions) against which it will be measured for the purposes of a planned sustainability linked loan. In addition, euNetworks hired a dedicated ESG Officer reporting to its Chief Impact Officer (Richard Taylor), in support of its increased focus on all sustainability aspects of its operations.

Cologix

Cologix is a leading connectivity-centric, scalable data center ecosystem in North America. The business includes 39 interconnection and hyperscale edge data centers, across 11 strategic North American markets. Its reliable, high-performance network and cloud connectivity provides critical IT infrastructure to over 1,600 customers across varying industries.

2020
Energy consumed (kWh)[48]
228,853,955

2020
Renewables as percentage of total energy
45%

2020
Total renewable energy consumed
102,230,444

2020
Energy efficiency improvement projects completed in 2020
51

2020
Lost time injuries
0

2020
Employees
>300

2020
Female leadership team
62.5%

Through 2021, Stonepeak has worked with Cologix to advance its ESG performance and strategy. Firstly, we supported Cologix in the preparation of its inaugural ESG report, the first such report produced by a Stonepeak-controlled portfolio company. Work is currently ongoing on the next phase of Cologix's ESG strategy, which is to benchmark its ESG performance against peers and stakeholder considerations, and subsequently develop a roadmap and implementation plan for Cologix to be recognized as best-in-class.

As a data center business, Cologix's operations are inherently power intensive and the business is therefore highly focused on energy efficiency and sourcing a growing proportion of its power needs from renewable sources. Since 2016, the business has invested $15 million of capital expenditure in environmental projects.

Digital Edge

Digital Edge is a diversified, independent data center platform, focused on acquiring and developing data centers and related digital infrastructure across select Asia-Pacific markets.

H1 2021
Employees
67

H1 2021
Q2-21 hours worked (offices, construction and operations)
64,072

H1 2021
Q2-21 workdays lost (offices, construction and operations)
0

Digital Edge is a new platform and, having commenced operations in early 2020, is presently acquiring and building out facilities. As of June 2021, the business had signed seven transactions representing approximately $510 million of total equity need (when fully funded with budgeted expansion).

In standing up the platform, we have worked closely with Digital Edge management to implement its ESG governance program and define which sustainability KPIs are to be reported once the business' data center operations reach critical mass. Digital Edge management was introduced to Cologix to have working sessions on ESG and sustainability reporting, and Digital Edge has hired a Director of EH&S to spearhead its worker health and safety program.


Cologix data center

ExteNet Systems

ExteNet is the leading independent provider of distributed networks. It designs, builds, owns and operates distributed networks for use by wireless carriers and venue owners in key strategic markets. Its networks enhance coverage and capacity and enable superior wireless service in both outdoor and indoor environments.

2020
Employees (FTEs)
384

2020
Nodes activated (FY2020)
2,100

2020
Outdoor network average uptime
99.9%

2020
Indoor network average uptime
99.9%

2020
Engineer-handled tickets (12 months to March 2021)
38,639

2020
Truck rolls (12 months to March 2021)
9,416

2020
Overall workforce diversity (March 2021, women and non-white employees)
53%

ExteNet maintains a particularly strong focus on the social aspects of its ESG program, with initiatives over the last 12-18 months including:

- The company completing its second annual employee engagement survey, in which >90% of employees participated with an 87% overall satisfaction rate.
- Establishing a Safety Committee focused on training, communications, PPE, and general safety needs across the company.
- Establishing an internal diversity committee, which aims to track diversity goals for contractors and suppliers in partnership with customers.

Vertical Bridge

Vertical Bridge owns and manages wireless communication infrastructure in the United States. It primarily leases space to telecommunications carriers and other users of wireless technology. Stonepeak sold its interests in Vertical Bridge in October 2021.

2020
GHG emissions (tCO2e)
20,806

2020
Carbon offsets acquired (tCO2e)[49]
20,806

2020
Charity donations
$1,530,625

Vertical Bridge's 225-employee workforce is 62% diverse (as of March 31, 2021) with employees from 25 countries throughout the world. The business makes significant donations to charitable causes, with total donations since inception standing at $6.2 million. As described on page 18, the business achieves carbon neutrality through purchasing offsets. Stonepeak announced on August 10, 2021 that it had agreed to sell its interests in Vertical Bridge.

Xplornet Communications

Xplornet is Canada's largest rural-focused broadband service provider. It offers high speed fixed broadband to customers in every Canadian province and territory, through an extensive broadband infrastructure network which in FY2020 handled over 74,000 terabytes of network traffic.

H1 2021
Fixed wireless sites
2,898

H1 2021
Customers (July 2021)
424,056

H1 2021
Approximate customer calls per year
1,443,159

H1 2021
Approximate truck rolls per year
204,655

Xplornet plays a vital role in bridging the 'digital divide' between metro and rural communities, by providing Canadians living in rural areas with fast and reliable internet connectivity. This is particularly important for enabling work and education from home, the instance of which has increased dramatically over the last 18 months due to COVID-19. The business is focused on customer service metrics, such as network speed, net promoter scores, calls handled, truck rolls and time to service calls.

Xplornet Communications management team

Astound Broadband

Astound is the sixth largest cable provider in the United States (by high-speed data subscribers). It provides voice, video and high-speed data services at gigabit speeds with over 970,000 residential customers across eight of the top ten largest metro areas throughout the United States.

H1 2021 **Total Households Passed**	H1 2021 **% Residential Customer Penetration**
3,022,066	32.1%

Stonepeak's acquisition of Astound was completed in August 2021 and deepens Stonepeak's footprint within broadband infrastructure established through the acquisitions of Xplornet, EuNetworks, DELTA Fiber and Lumen LatAm. Astound aims to embed sustainability into its operations through initiatives such as:

— Promoting eco-friendly business practices by transitioning customers away from older set-top boxes to the smaller, greener, and more efficient models.

— Utilizing self-install kits to reduce the number of technicians visiting customer homes, decreasing the company's total gas consumption.

— Deploying fiber-to-the-home to another 1m+ homes.

Since acquisition, Stonepeak has engaged with Astound management and work has commenced to align ESG KPI tracking and reporting practices with public standards.

DELTA Fiber[42]

DELTA Fiber is a leading owner and operator of fixed telecom infrastructure in the Netherlands, providing broadband, TV, telephone and mobile services to B2C and B2B customers over a predominantly fiber network spanning approximately 50,000km, which affiliates of Stonepeak and EQT agreed in October 2021 to acquire in a 50-50 partnership.

July 2021 **Full time employees**	July 2021 **Total households connected**	July 2021 **Households connected – Fiber**
866	800,000	~620,000

July 2021 **Households connected – Coaxial**	October 2021 **Monthly new connections**
~196,000	~20,000

Delta's ambition is to connect two million Dutch households to fiber by 2025, generating material energy savings as the company's fiber broadband consumes 40-60% less energy than legacy networks it replaces. Delta has developed a human resources structure allowing for grievances to be logged with a clear employee handbook and employee contracts – which are aligned to union bargaining arrangements – and tracks health & safety and business ethics accidents. Direct health and safety risk is low as most installation and construction activities are outsourced to trusted contractors.

Lumen LatAm[42]

Lumen LatAm – which Stonepeak agreed to acquire in July 2021 – provides fiber-based connectivity and data center services to a global customer base of over 6,300 customers, including cloud and SaaS operators, media, content and application platforms, ISPs and telecommunication providers, and enterprises. With a footprint spanning 20 countries, and including 87,000 fiber km, 18 data centers, and 16 cable landing stations, the company's asset base represents a unique platform of strategic fiber and data center assets providing backbone infrastructure throughout the region.

2020 **Employee work incidents**	2020 **Lost workdays**	2020 **Scope 1 & 2 GHG emissions (metric tons CO2e)**
6	55	60,923

Lumen LatAm has a well-established and comprehensive ESG program within its operations, with key elements including:

— Maintaining a team of regional Environmental, Health, and Safety ("EHS") leads who are responsible for supporting local operations; EHS management is structured around EHS certification compliance schemes at the facility level as well as EHS regulatory compliance by region.

— International Organization for Standardization (ISO) 14001:2015 environmental management and Occupational Health and Safety Assessment Series (OHSAS) 18001 occupational health and safety (H&S) management certifications for its operating entities in countries in which it has major operations.

— EHS management system training conducted annually, and outside certifiers audit the company's facilities to identify issues and corrective actions, as well as review internal EHS audits.

— Reporting of Scope 1, 2 and 3 carbon emissions to the Carbon Disclosure Project.

End notes

1 Stonepeak's assets under management (AUM) calculation provided herein is determined by taking into account (i) unfunded capital commitments of funds advised by Stonepeak and any co-invest vehicles managed by Stonepeak as of June 30, 2021, (ii) the gross asset value of such funds and co-invest vehicles, plus any feeder fund level cash with respect to such funds and co-invest vehicles as of June 30, 2021, and (iii) capital commitments of certain funds accepted between July 1, 2021 and August 27, 2021. The AUM figure differs from the amount of assets under management reported for regulatory purposes and is based on gross asset values that are estimated and unaudited.

2 Past performance is not necessarily indicative of future results, and there can be no assurance that target returns will be achieved. There is no guarantee that Stonepeak's funds and strategies will be successful. Please see "Important Information" at the end of this presentation.

3 "Operating partners" and "senior advisors" are not employees or affiliates of Stonepeak and are often compensated by Stonepeak, its funds or its portfolio companies. Please see "Important Information" at the end of this report for additional information.

4 Controlled portfolio companies refer to any portfolio company in respect of which (i) ownership by Stonepeak fund(s) exceeds 50% (in the aggregate) of such portfolio company and/or Stonepeak has the ability, through robust governance, to exercise control with respect to the operations of such portfolio company, or (ii) a representative of Stonepeak maintains at least one board seat on the portfolio company board.

5 Represents aggregate construction hours completed as of June 30, 2021, across the funds' investments in Venture Global, Carlsbad Desalination, Ironclad RED Rochester, SNEP, Sergipe (Hygo), the Whistler Pipeline, Paradigm Energy Partners, Oryx, Targa DevCo and Swancor Renewable Energy's Formosa 2. Construction hours in all cases represent total construction hours completed for the relevant project, as reported to Stonepeak by the applicable lead contractor.

6 Based off of Anthesis's carbon baselining work to date.

7 Carbon dioxide equivalent ("CO2e") metric tons avoided. 2019 data not included for Madison Energy Investments ("Madison") and Swancor Renewable Energy ("Swancor") as metrics were not tracked at the time.

8 sdgs.un.org/goals

9 https://www.bay-grove.com/lineage

10 https://www.forbes.com/sites/chloesorvino/2020/03/21/steph-curry-and-the-quiet-food-giant-a-partnership-forms--to-combat-the-coronavirus-crisis/?sh=59906ea34f9a

11 Diversity is defined as the inclusion of women and non-white men.

12 Majority-controlled North American and European portfolio companies refer to any portfolio company in respect of which ownership by Stonepeak fund(s) exceeds 50% (in the aggregate) of such portfolio company and/or Stonepeak has the ability, through robust governance, to exercise control with respect to the operations of such portfolio company.

13 Since inception of the firm until June 30, 2021. These metrics are reflective of all accounts managed by the firm, not including co-invests.

14 Stonepeak internal materials as of June 30, 2021.

15 Whistler has 1 out of 4 operations committee seats, which was included in this metric.

16 https://www.swancor-renewable.com/en/about/

17 Swancor Renewable Energy owns a 25% equity interest in the 376MW Formosa 2 project.

18 There is no guarantee that this project will be completed (or, if completed, by the targeted completion date) or on the terms currently contemplated. Please see "Important Information" at the end of this report for additional information regarding forward-looking statements.

19 https://www.reuters.com/business/environment/taiwan-begins-plan-zero-emissions-by-2050-2021-04-22/

20 Reflects MW under construction or in operation and projects under exclusivity and is presented on a gross basis. In addition, note that Swancore currently owns a 25% equity interest in the 376 MW Formosa 2 project, which is in construction, and a 70.75% equity interest in each of Formosa 4 (up to 1.3 GW) and Formosa 5 (up to 1.4 GW) (development-phase).

There can be no assurance that any of the projects under exclusivity will be consummated or, if consummated, that they will be on the terms currently agreed.

21 Vertical Bridge management team.

22 https://www.tracintermodal.com/

23 https://www.tracintermodal.com/sustainability

24 "Operating partners" and "senior advisors" are not employees or affiliates of Stonepeak and are often compensated by Stonepeak, its funds or its portfolio companies. Please see "Important Information" at the end of this report for additional information.

25 There can be no assurance that this opportunity will materialize and, if it does, on the terms currently contemplated. Please see "Important Information" at the end of this report for additional information regarding forward-looking statements.

26 https://www.bls.gov/iif/oshwc/osh/os/summ1_00_2019.xlsx

27 Cologix 2020 ESG Report.

28 https://www.epa.gov/ghgemissions/sources-greenhouse-gas--emissions

29 Projections of ESG impact are based on Stonepeak's "base case" underwriting assumptions, which Stonepeak currently believes are reasonable under the circumstances, but there is no guarantee that the conditions on which such assumptions are based will materialize. Past performance is not necessarily indicative of future results. There can be no guarantee that any past trends will continue. Please see "Important Information" at the end of this report for additional information regarding forward-looking statements.

30 Unless otherwise noted, all portfolio company information is derived from Stonepeak internal materials as of June 30, 2021.

31 https://www.epa.gov/ghgreporting/data-sets

32 Stonepeak internal materials as of March 31, 2021.

33 https://www.oryxmidstream.com/

34 Oryx management team as of June 30, 2021.

35 https://www.epa.gov/energy/greenhouse-gas-equivalencies--calculator

36 Projections of ESG impact are based on Stonepeak's "base case" underwriting assumptions, which Stonepeak currently believes are reasonable under the circumstances, but there is no guarantee that the conditions on which such assumptions are based will materialize. Please see "Important Information" at the end of this report for additional information regarding estimates and forward-looking statements.

37 Lineage management team.

38 https://www.lineagelogistics.com/news-stories/lineage-logistics-awarded-us-department-energy-outstanding-accomplishments-energy

39 LEK Consulting as of August 2020.

40 https://www.tracintermodal.com/about-us

41 https://www.bls.gov/iif/oshsum.htm#20Summary_News_Release

42 Stonepeak internal materials as of October 2021.

43 Stonepeak's investments in each of Lumen LatAm and DELTA Fiber has signed but not yet closed. There can be no assurance that the transaction will close or if it closes that it will be on the terms currently agreed.

44 OVBI Broadband Insights Report Q2'21. OpenSignal – Quantifying the Impact of 5G and COVID-19 on Mobile Data Consumption (June 2021), Synergy Research Group, JLL Year-End Data Center Outlook. As of August 2021.

45 OECD (as of Q2'21), Ericsson Mobility Report (as of Jun. '21), LionTree Estimates (as of Q1'21), Equinix GXI Vol.4 (as of Oct. '20).

46 https://eunetworks.com/about/

47 euNetworks 2019 Carbon Footprint Report.

48 Stonepeak internal materials as of September 30, 2021.

49 Vertical Bridge management team as of June 30, 2021.

Important information

This report is provided for discussion and informational purposes only to provide background information with respect to Stonepeak Partners LP (together with its affiliates, "Stonepeak") and its investment activities and is not an offer to sell or the solicitation of an offer to buy an interest in any current or future vehicle, account, product, or fund sponsored or managed by Stonepeak (each a "Fund"). The distribution of this report in certain jurisdictions may be restricted by law. This report does not constitute an offer to sell or the solicitation of an offer to buy in any state of the United States or other U.S. or non-U.S. jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such state or jurisdiction.

This report is not intended to form the basis of any investment decision for sale of an interest in a Fund, and you agree and acknowledge that you are not relying on the information contained in this report as the basis for any such investment decision you may make in the future. Any offer or solicitation with respect to a Fund will only be made pursuant to the final confidential private placement memorandum issued with respect to such Fund, which qualifies in its entirety the information set forth herein and which should be read carefully prior to any investment in such Fund for a description of the merits and risks of such an investment.

In considering case studies and investment performance information contained in this report, prospective investors should bear in mind that past or projected performance and past investment activity information is not necessarily indicative of future results and there can be no assurance that a Fund will achieve comparable results, that it will be able to implement its investment objectives or that targeted, projected or underwritten returns, cash yields or asset allocations will be met.

The performance of any index or benchmark listed herein has not necessarily been selected to represent the most appropriate index or benchmark to compare to the performance of the relevant Fund, but rather is disclosed to represent what Stonepeak believes to be a relevant point of comparison for each Fund. The indices listed may employ different investment guidelines and criteria than the relevant Fund and, therefore, the securities held by such relevant Fund may differ significantly from the securities that comprise such index. The Funds also differ from certain of the indices listed in that each is an actively managed entity that bears fees and uses leverage. No representation is made as to the risk profile of any index listed relative to the risk profile of the relevant Fund. The S&P 500 index includes non-infrastructure investments and may include investments with substantially different capital structures. The market volatility, liquidity and other characteristics of infrastructure investments made by the Funds are materially different from those of the indices listed. Broad-based public indices are comprised of publicly traded securities or as combined by market database providers, while a Fund's investments are made in different types of securities. Accordingly, investors should attach correspondingly qualified consideration to the benchmark comparisons shown herein.

Certain information contained herein constitutes "forward-looking statements" regarding future events, targets or expectations regarding a Fund or its strategies. Due to various risks and uncertainties actual events or results or actual performance of a Fund or any investments described herein may differ materially from those reflected or contemplated in such forward-looking statements. As a result, a prospective investor should not rely on such forward-looking statements in making their investment decisions. No representation or warranty is made as to future performance or such forward-looking statements. In addition, with respect to the market information, outlook and trends set forth in this report, there can be no assurance that such information, outlooks and trends will continue or that such information will remain accurate based on current and future market conditions. Statements contained herein (including those relating to current and future market conditions, trends and expected financial performance of the portfolio companies described herein) that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of Stonepeak. Such statements are subject to a number of assumptions and involve known and unknown risks, uncertainties and other factors, and should not be relied upon. Unless otherwise noted, the information provided herein is based on matters as they exist as of the date of the preparation of this report and not of any future date.

Further information regarding the assumptions underlying such statements is available from Stonepeak upon request. Investment highlights reflect Stonepeak's subjective judgment of the primary features that may make investment in the relevant sector attractive. They do not represent an exclusive list of features and are inherently based on Stonepeak's opinion and belief based on its own analysis of selected market and economic data and its experience generally. Qualitative statements regarding regulatory, market, and economic environments and opportunities are based on Stonepeak's opinion, belief, and judgment.

Further details can be provided upon request. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used have been stated or fully considered. Actual performance may differ substantially from the forecasted performance presented. Changes in the assumptions may have a material impact on the forecasted performance presented. The data presented represents the assumptions and estimates of Stonepeak and is believed by Stonepeak to be reliable; however, Stonepeak does not guarantee or give any warranty as to the accuracy, adequacy, timeliness or completeness of such assumptions. Nothing contained herein may be relied upon as a guarantee, promise or forecast or a representation as to the future.

Certain information in this report relates to portfolio companies of the Funds and their operations and/or financial condition (including information in respect of Stonepeak's valuation of such portfolio companies). They are intended to provide insight into Stonepeak's investment strategy. They are not representative of all investments that will be made by a Fund, and it should not be assumed that a Fund will make equally successful or comparable investments. Past performance is not indicative of future results. Moreover, the actual investments to be made by a Fund will be made under different market conditions and differ from those investments presented or referenced in this report. Information relating to a Fund's portfolio companies and their operations and/or financial condition is commercially sensitive and highly-confidential. While Stonepeak believes the statements made herein with respect to current and future operating performance and financial condition of such portfolio companies are reasonable under the circumstances, there can be no guarantee of future performance of such portfolio companies, which is difficult to predict and subject to a number of uncertainties and risks (both known and unknown). There can be no assurance that the conditions upon which such Stonepeak's assumptions are based will materialize. Prospective investors acknowledge that the valuations and other information set forth herein relating to portfolio companies and their operations are, unless historical facts, preliminary estimates based on current information available to Stonepeak and its beliefs regarding their valuation and performance.

Certain information contained in this report (including certain forward-looking statements and information) has been obtained from sources other than Stonepeak. In addition, certain information contained herein may have been obtained from companies in which investments have been made by Stonepeak. Although such sources are believed to be reliable, none of Stonepeak, any Fund, or any of their respective directors, officers, employees, partners, members, shareholders, or their affiliates, or any other person, assumes any responsibility for the accuracy or completeness of such information and each Fund is under no obligation to update or keep current such information. This report is not intended to, and does not, include all information necessary to make the statements herein not misleading.

As used herein, references to "impact" are not a financial performance metric, are often subjective and may change over time, and are not intended to be an indication of investment return, but are intended to measure potential or actual positive social or environmental impact of an investment. Stonepeak's assessment of "impact" is informed by third-party standards, guidelines and metrics as Stonepeak deems relevant from time to time. Certain reported impacts expected to be provided by third parties may be estimates that have not been verified by a third party and are not necessarily reported according to any particular established standards or protocols, and therefore Stonepeak does not guarantee the accuracy, adequacy or completeness of such information. There may be certain investment scenarios in which Stonepeak modifies its impact measurement methodology with respect to an investment. There may also be other metrics relevant to assessing "impact" that are not considered by Stonepeak. Any reference contained in this report to transactions or experience of Stonepeak personnel includes the tenure of such personnel at other firms before joining Stonepeak.

"Operating Partners" and "Senior Advisors" are not employees or affiliates of Stonepeak and are often compensated by Stonepeak, its Funds, or its portfolio companies. The nature of the relationship varies considerably; compensation can include retainers and expense reimbursements, such as for travel. Payments to Operating Partners and Senior Advisors are not deemed paid to or received by Stonepeak and do not offset the management fee or any other fee paid to a Fund's investment advisor. From time to time, Stonepeak adds additional Operating Partners and Senior Advisors who were not acting as such, and thus were not named in offering documents, at the time of a Fund's offering.

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Our portfolio companies

Headquarters of our portfolio companies.

- 1 Vertical Bridge, Boca Raton, Florida
- 4 ExteNet, Lisle, IL
- 2 Texas Midstream, Houston, TX
- 3 Hygo, London, UK
- 4 Stonepeak Northeast Power, Illinois, Massachusetts, and Maine
- 5 Cologix, Denver, CO
- 3 EuNetworks, London, UK
- 2 Targa DevCo, Houston, TX
- 2 Oryx, Midland, TX
- 6 Lineage, Novi, MI
- 2 Whistler, Austin, TX
- 7 TRAC, Princeton, NJ
- 8 Xplornet, Woodstock, New Brunswick
- 9 Digital Edge, Singapore
- 8 Madison, Vienna, VA
- 10 Swancor, Taipei, Taiwan
- 11 Peak Energy, Tokyo and Osaka, Japan
- 10 GreenPeak, Taipei, Taiwan
- 12 Astound, Taipei, Taiwan
- 13 DELTA Fiber, Schiedam, Netherlands
- 1 Lumen LatAm, Miami, FL

As of June 30, 2021
*Signed after June 30, 2021.

Stonepeak