



Stonepeak



2023 Sustainability Report





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About Stonepeak

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

We invest in the infrastructure that underpins our daily lives – the physical assets that power homes, connect communities to the internet, feed families, enable travel, and deliver goods.

We view sustainability as an important investment consideration in understanding and reducing risks or improving returns. We therefore believe that a bottom-up, integrated approach to sustainability in our investment and asset management processes is essential and enables us to maintain a holistic view.



Our assets are at the heart of everything we do

A data-driven mindset has always been an integral component of our approach to protecting and creating value. At Stonepeak, we rely on hard facts and data to inform the actions we take across all facets of our business, including our investment and asset management activities. Our fourth sustainability report highlights how this approach supports our commitment to delivering value for our investors through our responsible investment program.

How we think about climate-related risks and opportunities

Energy price, availability, and mix, and climate change's physical and transition risks, are inherent considerations across our portfolio of global infrastructure assets, which tend to have large physical footprints and may be either significant users or producers, or both, of energy and power. This reality informs our investment and stewardship approach to the interrelated issues of energy use, production, transportation, and climate change.

Climate change is real, and anthropogenic greenhouse gas (GHG) emissions are its primary accelerant. The climate is complex and climate models are highly sensitive to small changes in assumptions, such as cloud cover impacts. This means it is quite reasonable to doubt

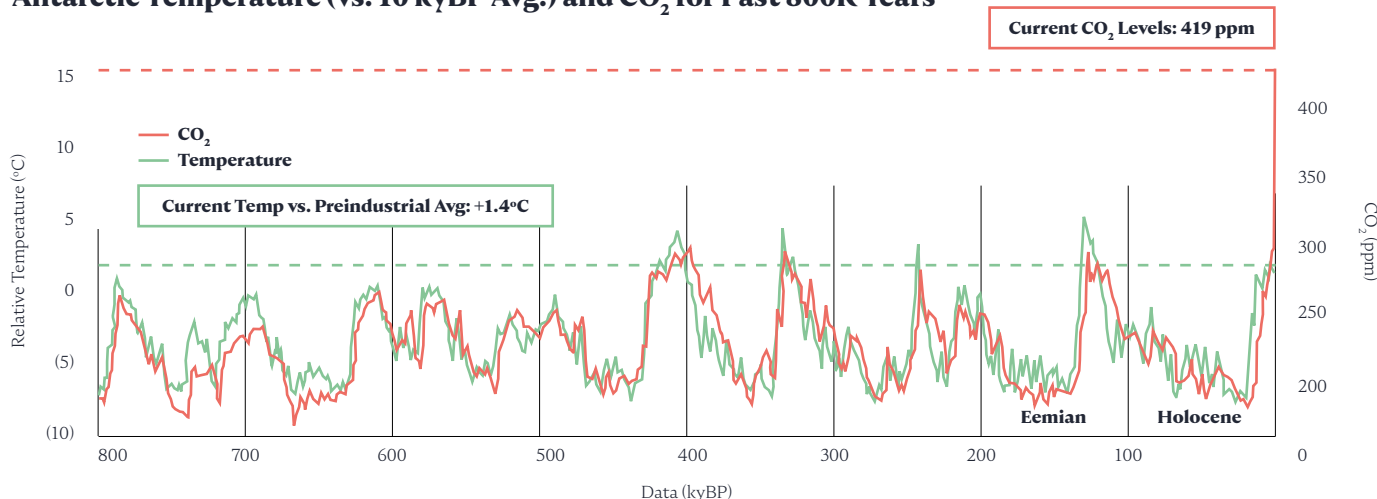
specific climate forecasts. However, the following is fact and ought to be a wake-up call to any intellectually honest climate-change skeptic (and if you want to keep it really simple, just examine the chart below):

- Carbon dioxide (CO₂) levels and temperature have moved in lockstep for 800,000 years.
- Between the last ice age and the preindustrial era, global surface temperatures increased approximately 7°C ± 1°C and the sea level increased 120 meters (approximately 400 feet). This temperature increase was caused, directly and indirectly, by a 1.5x increase in atmospheric CO₂, from 180-190 parts per million (ppm) to approximately 280 ppm over thousands of years.

- By comparison, between 1850 and today (i.e., 173 years) CO₂ has increased 1.5x, from 280 ppm to 419 ppm (2.0x when the effects of anthropogenic methane emissions are factored in).²

There is an unknown margin of error in global warming science that leads to a left-tail risk that cannot be precisely quantified. It is our duty to insure against particularly negative scenarios whose likelihood may be higher than we presently appreciate to protect value for our investors. Climate change also presents an abundance of investment opportunities across the infrastructure landscape it is front and center to our Global Renewables Strategy.

Antarctic Temperature (vs. 10 kyBP Avg.) and CO₂ for Past 800K Years



Energy security, affordability, and a responsible transition remain top of mind

Affordable and readily available energy is needed by consumers and critical to economic survival and national security. Real-world hydrocarbon production forecasts are far above the 1.5°C and 2.0°C warming paths,³ which stems from the fact that hydrocarbons underpin modern society to an extent that is not widely appreciated and will not be given up without a ready replacement. The building blocks of modern society (cement, steel, plastics, and fertilizer) all require fossil fuels.

Additionally, under the Intergovernmental Panel on Climate Change's scenario SSP2-4.5, a more-or-less deemed "middle of the road" scenario, which is more-or-less consistent with the trajectory one might expect given recent emission levels,⁴ it is not until 2060 that the renewable energy transition really begins to dominate overall global energy production and emissions start to decline steeply. This seems more realistic insofar as it gives reasonable time for the renewable transition to fully take hold. But it points to the need to manage carbon emitting businesses responsibly, in a manner than minimizes the carbon-footprint.

We continue to support this transition by being responsible owners and operators of traditional energy assets. Our turnaround and exit of West Texas Gas is a great example of how a strong focus on linking sustainability levers with business operations helped avoid approximately 9M MTCO₂e of emissions through our ownership period, reduced methane flaring by 58%, and improved the resilience and operating efficiency of the business, supporting material value creation.

Beyond climate, we also continue to make progress on our holistic responsible investment journey

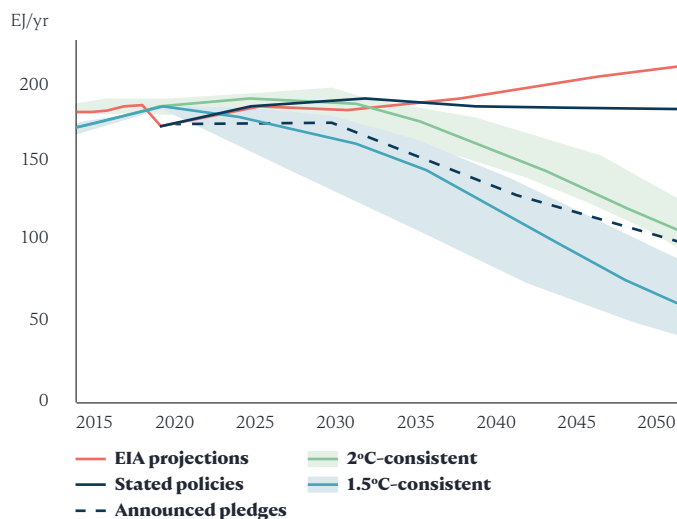
Appropriately incorporating sustainability considerations into investment and asset management activities is a critical component of building consistently profitable and growing businesses. In practice, this requires that our investment and asset management activities take all financially and operationally material aspects into account. Our 2023 report summarizes the progress we have made in embedding sustainability into how we do business and provides examples of how we have partnered with our portfolio companies to add value from economic, environmental, and social perspectives.

Michael Dorrell

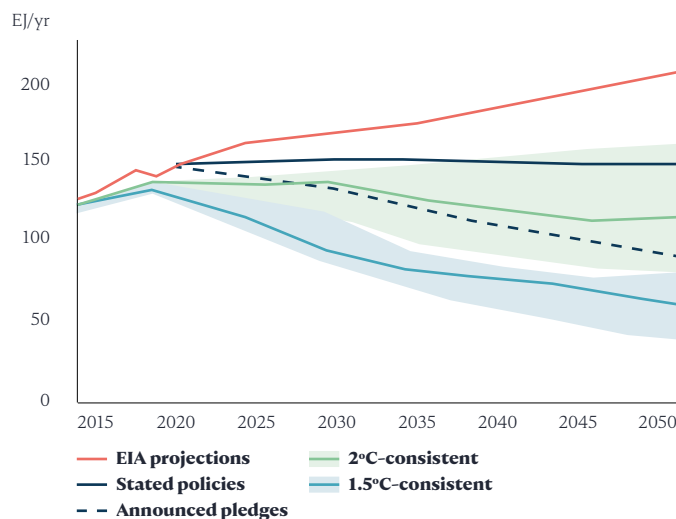
Chairman, CEO and Co-Founder



Oil Production



Gas Production



Stonepeak at a glance

As of December 31, 2023.

APAC

Full-time employees: 47

Americas

Full-time employees: 171

Europe

Full-time employees: 25

\$65.1

billion AUM⁵

243

Full-time employees

60

Investments

261

Limited Partners

2023 Highlights



67%

of portfolio companies pursuing carbon footprinting



\$6 Bn

linked to sustainability-linked financing facilities



2.9 GW

of renewable energy capacity deployed globally as of Dec. 31, 2023



4th

year of sustainability reporting



30%

of portfolio companies with carbon reduction plans⁶



9

portfolio companies pursuing external sustainability ratings



6.6 M

tons of carbon dioxide equivalent avoided⁷



12

portfolio companies with sustainability KPIs linked to senior management discretionary compensation

Industry groups we continue to participate in and learn from

 UN Principles for Responsible Investment (PRI)	
 American Society of Civil Engineers Committee on Climate Committee on Infrastructure Resilience Division	
 Coalition for Climate Resilient Investment Financial Innovation Working Group	
 Global Infrastructure Investor Association	
 Institutional Limited Partners Association (ILPA)	
 American Council on Renewable Energy	
 Sponsors for Educational Opportunity	
 Infrastructure Industry Foundation	
 America Needs You	
	Stonepeak contributed to the American Society of Civil Engineers' publication <i>Standard Practice for Sustainable Infrastructure</i> , which provides guidance for civil infrastructure owners to develop and implement sustainable solutions throughout a project's life cycle.

The sectors we invest in

Our 122-person-strong investment team is comprised of experienced sector specialists. We invest in defensive, hard asset businesses globally, which we believe are well positioned to shape and benefit from enduring global trends.

We look for businesses with favorable risk-adjusted returns and seek to use our capital and operating expertise to unlock or accelerate improvements, thereby building better and more-resilient assets and organizations.

Our portfolio companies operate across more than 61 countries and employ more than 61,000 people. They provide essential services that power economic and social advancement for a wide range of customers, including individual consumers, businesses, and public entities.

We believe businesses demonstrating sustainability leadership will generate more-favorable investment and societal outcomes, and we work with our management team partners to steward our investments accordingly.

Stonepeak fund-only sector diversification by capital commitments

The sectors we invest in and how we view sustainability as a driver of value creation are described on the following pages. Information on our individual portfolio companies can be found on pages 49 to 55.

46%

Digital infrastructure

26%

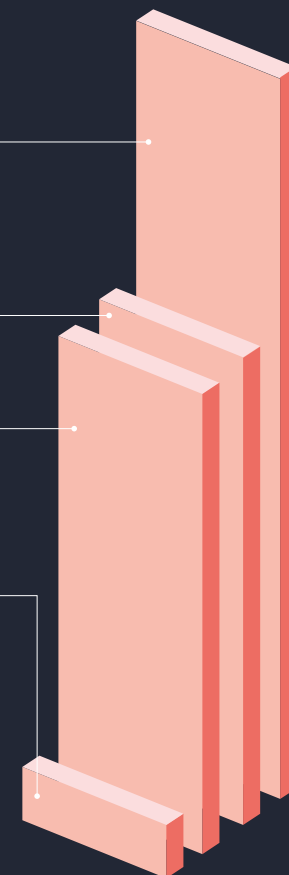
Transport & logistics

25%

Energy & energy transition

3%

Other, including real estate



Digital infrastructure

Digital infrastructure serves as the foundation from which our increasingly interconnected society operates, and supports critically important social objectives, such as equal access to education. Stonepeak's portfolio companies are focused on bridging the digital divide, powering internet accessibility, enabling the cloud, delivering applications and content to the edge, securing access to data, and driving connectivity globally.

Sustainability drivers

- **Energy Efficiency & Renewable Energy:** As the demand for data accelerates, so will the need for increased amounts of energy. Energy-efficient technologies and renewable energy sourcing can help businesses meet the dual objectives of reducing operating costs and their carbon footprint.
- **Circular Economy:** Evolving technologies and data systems (e.g., 5G rollout) can lead to electronic waste disposal liabilities. This will create the need to identify circular economy solutions in the life cycle of physical components that can reduce costs and minimize environmental impact.
- **Digital Equity & Access:** Bridging the digital divide by expanding access to broadband connectivity, particularly to underserved communities, is critical for ensuring equitable access to education, health care and economic opportunities.
- **Resilience & Climate Adaptation:** With the increased frequency of extreme weather events, it has become imperative to identify physical climate risks and plan for resiliency measures to ensure business continuity.

Energy & energy transition

The world needs more energy from cleaner sources to power equitable economic and social progress, while simultaneously decarbonizing toward a net-zero emissions future. Our global team develops tailored investment strategies that seek to capitalize on the shift toward cleaner sources of energy supply alongside stewardship and repositioning of traditional energy assets.

Sustainability drivers

- **Decarbonization of Energy Supply:** Renewable energy sources such as offshore and onshore wind, utility-scale solar, and renewable natural gas are key to reducing emission and operating costs, and replacing high-emission baseload power sources.
- **Investment in Transition Fuels:** As global demand for energy continues to rise in tandem with increasing pressure to find cleaner ways of meeting that demand, transition fuels like natural gas can allow the balancing of energy security, reliability and sustainability.
- **Energy Storage & Grid Stability:** Investing in batteries and storage solutions is critical for integrating intermittent renewable energy into the grid, thereby ensuring stability and resilience while reducing reliance on fossil fuels.
- **Responsible Ownership of Traditional Energy Assets:** Although traditional energy assets have become a smaller portion of our overall portfolio, we seek to carefully steward and manage our traditional energy assets with a strong focus on operational improvement, from reducing methane leakage to supporting safe and reliable operations.

Transport & logistics

The global transportation and logistics system is the arterial network facilitating the timely and safe movement, storage, and distribution of goods that are fundamental to our globalized and consumer-oriented society. We have invested in mission-critical businesses within subsectors including cold storage, intermodal assets, marine terminals, environmental services, last-mile distribution centers, aviation, and transportation for the global energy transition.

Sustainability drivers

- **Supply Chain Efficiency & Energy Transformation:** As businesses move toward favoring more efficient and sustainable supply chains, there will be increased deployment of technologies to address efficient routing, energy and waste management and space optimization. This will drive consumer preference, improve operating costs, and reduce carbon emissions.
- **Food Security:** Efficient and sustainable cold storage solutions minimize energy consumption and food waste, thereby ensuring a resilient and sustainable food supply chain.
- **Low-Emission Transportation Modes:** Investment in low-emission transportation options such as rail, liquefied natural gas ("LNG") shipping, and electric vehicles position companies to benefit from future carbon pricing and customer preferences for greener logistics solutions.

Real estate

Stonepeak's real estate team takes a focused approach to investing by targeting opportunities at the intersection of infrastructure and real estate. We believe that our team's experience coupled with proprietary information from our broader global infrastructure portfolio can generate differentiated deal flow.

Sustainability drivers





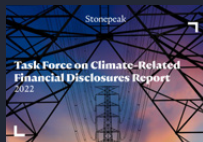

- **Environmental Impact Reduction:** Incorporating energy-efficient technologies and renewable energy sources can provide the dual benefit of reducing operating costs and the carbon footprint of a property.
- **Enhancing Long-Term Value:** Physical climate resilience measures reduce insurance costs and safeguard against operational disruption, thereby enhancing the long-term value of properties. Additionally, properties with certifications like LEED and BREEAM can offer enhanced marketability and higher resale values.
- **Meeting Tenant Expectations:** As the number of corporate occupiers, including large office, retail, or industrial tenants with validated, science-based GHG reduction targets, increases, the demand for low-carbon spaces (i.e., those that have lower emissions from property operations) is expected to outstrip new supply. Reduced demand for inefficient buildings can significantly increase the risk of stranded assets and widen the pricing gap between sustainable and non-sustainable assets.⁸

Our journey

Our responsible investing journey is anchored by the belief that sustainability considerations are fundamental to building better, more-resilient businesses that deliver long-term value for our investors.

Our sustainability program has evolved over the years but remains constant in our value creation-centric approach.

The Stonepeak team continues to make progress on integrating sustainability both within our business and across our portfolio companies.

	Prior to 2021	2021	2022	2023
Strategy	<ul style="list-style-type: none"> Integrated sustainability into our due diligence and portfolio management processes 	<ul style="list-style-type: none"> Incorporated sustainability-linked performance compensation into core infrastructure strategy 	<ul style="list-style-type: none"> Initiated quarterly portfolio reviews focused on sustainability performance 	<ul style="list-style-type: none"> Continued to strengthen sustainability integration in the investment life cycle
Standards / Commitments	<ul style="list-style-type: none"> Developed the Responsible Investment Policy (the "Policy") and the Stewardship Policy Became a Principles for Responsible Investment signatory 	<ul style="list-style-type: none"> Became a Task Force on Climate-Related Financial Disclosures (TCFD) signatory Became an ILPA Diversity in Action signatory 	<ul style="list-style-type: none"> Joined PRI's Infrastructure Advisory Committee 	<ul style="list-style-type: none"> Performed in the top 90th percentile, receiving five stars for submitted modules, in our inaugural PRI response
Resources	<ul style="list-style-type: none"> Appointed a Sustainability Officer to advance the sustainability program 	<ul style="list-style-type: none"> Hired a dedicated Head of Sustainability 		<ul style="list-style-type: none"> Expanded the Sustainability team
Disclosure	<ul style="list-style-type: none"> Released inaugural Sustainability Report 	<ul style="list-style-type: none"> Published second annual Sustainability Report, and first annual TCFD and Global Renewables Strategy Impact reports  	<ul style="list-style-type: none"> Published third annual Sustainability Report, and second annual TCFD and Global Renewables Strategy Impact reports  	<ul style="list-style-type: none"> Published third annual Global Renewables Strategy Impact Report 

Sustainability in our portfolio

Sustainability considerations are an important factor that inform how we source, invest in, and steward businesses in our target sectors.

The following principles govern our approach to sustainability:



Investing in transformation where sustainability considerations serve as tailwinds.



Recognizing that ownership of mission-critical infrastructure demands engaged and accountable stewardship.



Protecting and enhancing the social license of the Firm and, by extension, our partners through our investment activities.



Keeping both financial and sustainability outcomes in mind.

Governed by our Responsible Investment Policy, we embed these principles into our investment approach using two lenses

Embedding sustainability in our investment life cycle

We take a highly practical approach to embedding material sustainability risks and value creation opportunities into each phase of our investment process.

See pages 12 to 19

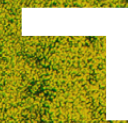
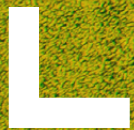
Investing in energy transformation

We develop tailored investment strategies that seek to capitalize on the shift toward cleaner sources of energy supply alongside stewardship and repositioning of energy assets.

See pages 20 to 23

An aerial photograph of a two-lane road stretching into the distance. The road is flanked by vibrant yellow fields, likely rapeseed, and green grassy areas. A white car is visible on the road, moving away from the viewer. The overall scene is bright and clear, suggesting a sunny day.

Embedding sustainability in our investment life cycle



Identifying material issues for each sector

Our approach to responsible investing is both substantive and realistic. We look to focus our time and resources where we can have the biggest impact and where we see the greatest risks.

Each of our sectors has unique risks and opportunities. We therefore avoid a formulaic approach and analyze sustainability issues by sector and by asset, to determine which can have material financial, operational or reputational implications to business operations.

We also ensure that we stay informed regarding developments that could become material to our operations. Our legal and compliance team, sustainability team, and third-party advisors keep us abreast of how new legislation and regulations might affect our portfolio companies.

Our approach to identifying material sustainability factors



Deal teams

Combined experience of senior deal leads and nominated portfolio company directors.



Management teams

Deep industry operating expertise of management teams.



External stakeholders

Feedback from other stakeholders, including investor partners, key community groups, and government agencies.



Industry insights

Important topics identified in industry-specific standards and reporting by key competitors.



Standards

Public sustainability reporting standards, such as International Financial Reporting Standards and the Task Force on Climate-Related Financial Disclosures.



Illustrative example: Material sustainability factors for digital infrastructure

In stewarding digital infrastructure assets we typically consider some or all of the following sustainability factors:

- **Physical asset performance and resilience:** ensuring business continuity by keeping physical assets well-maintained and protected against increasingly frequent and extreme weather events.
- **Energy consumption and decarbonization:** ensuring operations are powered efficiently, to minimize costs and environmental impact.
- **Water use:** ensuring water consumption for cooling data centers is minimized for cost and resource efficiency.
- **Health and safety:** ensuring high health and safety standards, to safeguard employees and contractors, both in direct operations and the supply chain.
- **Employment standards:** ensuring all personnel both in direct operations and the supply chain are subject to proper employment and human rights standards.
- **Customer satisfaction:** ensuring that customer demands are being met and reflected in Net Promoter Scores or equivalent metrics.
- **Data privacy and cybersecurity:** ensuring data integrity, security, and privacy, to meet regulations and expected service standards.

Integrating sustainability into our investment life cycle

We believe that by successfully managing sustainability issues, driven by what is financially or operationally material for each investment, we can mitigate the associated risks and improve financial returns for our investors.

As detailed in our 2021/22 Sustainability Report, our approach to embedding material sustainability considerations into our investment life cycle starts with deal assessment at sourcing and continues through our ownership of the asset. We continue to strengthen the implementation of this approach and evolve our program by taking new industry developments into account.

The following pages describe our sustainability integration approach in practice.

- 1 **Sourcing**
- 2 **Due diligence**
- 3 **Asset management**
- 4 **Exit**

Overarching framework

Our Responsible Investment Policy applies to investments considered by the relevant Investment Committee or made by Stonepeak and its managed funds. The Policy gives us a framework for systematically integrating sustainability considerations into our investment process. It reflects our belief that sustainability is inextricably linked to good business practices and the exercising of fiduciary duties, as the application of responsible investment principles strengthens both the understanding and mitigation of investment risks, and identifies value creation opportunities. We are signatories to the Principles for Responsible Investment and our Policy reflects these principles, as well as relevant aspects of the UN Global Compact.



Read our Responsible Investment Policy





Sourcing

Guided by our Responsible Investment Policy, we work bottom-up, with our deal teams acting as our first and best filter on sustainability.

When we gain conviction around a transaction, deal teams, in partnership with the sustainability team, assess the following:

- Whether the target investment conforms or can conform with Stonepeak's Responsible Investment Policy
- Whether any material incidents have occurred in the past (e.g., spills and other environmental incidents, regulatory issues, employment standards or safety incidents, community backlash)
- Stonepeak's ability to monitor and manage relevant sustainability risks based on the envisioned governance rights
- Exposure to physical (natural perils) or transition climate risk (regulatory developments, potential carbon tax, etc.) that may affect the business strategy or operations in the future

Based on these factors, we develop a due diligence plan to assess key risks and opportunities that may affect the financial or operating performance of a company.



Due diligence

Prior to investing in any business, our diligence work assesses the material sustainability risks facing the target business.

Diligence is led by the respective deal teams and assisted by internal and external sustainability expertise. Based on the initial assessment at the sourcing stage, a due diligence plan is developed to ensure that the key risks material to the business are identified and evaluated.

Examples of key factors include an assessment of policies, practices, oversight and performance metrics relating to environmental compliance, physical and transition climate risk management, the business's carbon profile, biodiversity management, and other material areas. We also assess past incidents to determine liabilities and identify systemic risks. The findings are summarized, presented, and transparently debated by the Investment Committee of the relevant Fund.

Our diligence then informs our onboarding and business planning, for which we prioritize critical issues and phase in longer-term sustainability initiatives.

In certain cases where sustainability factors are integral to the investment thesis, we may build provisions into our ownership documentation to drive progress. An example of this is presented on the following page.

Case study – Stonepeak Island Transition Platform

Governance as an enabler of sustainability

Stonepeak created the Island Transition platform ("Island") to enhance access to sustainable, reliable, and affordable electricity generation across the Caribbean and Central America through investment in renewable energy solutions.

Key sustainability considerations

- The platform includes an investment in a Caribbean- and Latin America-focused independent power producer InterEnergy – looking to transition an existing legacy portfolio of thermal generation assets to renewable energy assets as part of its aggressive energy transformation strategy – and a 27MWdc operating solar farm located in Puerto Rico.
- Stonepeak believes the demonstrably higher and more volatile cost of power, paired with growing local support for energy transition and renewables, positions the region as a favorable backdrop for investing in energy transformation.

Key initiatives

- As energy transition is the key thesis of Stonepeak's investment in the platform, sustainability provisions were embedded into the transaction documentation. These provisions include the creation of a third-party-vetted Paris-aligned emissions intensity reduction pathway with clear reduction targets.
- To create accountability, InterEnergy has established a Sustainability Committee to oversee the implementation of the plan. Additionally, annual, and third-party-verified, reporting on Scope 1, 2 and material Scope 3 emissions ensures transparency and continued progress.

Geography:	Latin America
Ownership / Structure:	Preferred Equity
Investment date:	June 2022
Equity committed:¹⁰	\$450 million

Impact

By embedding these commitments into the transaction documentation, Stonepeak ensured that sustainability remains at the core of Island's operations and business strategy.

One of the key initiatives of InterEnergy's 2030 energy transition plan is **CEPM Zero**,⁹ the Company's plan to transform its 300 MW integrated utility in the Dominican Republic into a 100% renewable energy electricity company with zero emissions. CEPM Zero would support the installation of 700 MW of wind, solar and pumped hydro as well as green hydrogen production.

Over the next 12 months, InterEnergy also plans to invest in **several new assets in solar and wind power generation** in the Dominican Republic, Panama, Puerto Rico, Uruguay and other countries in the region.

Value Creation Tool Kit



Asset management

We believe that sustainability factors should be customized to the business model and integrated with business strategy.

Sustainability is part of our portfolio value creation tool kit, wherein we look at both risk management and value creation (impact on revenue, margins, productivity and cost of capital) levers.

Where applicable and feasible, Stonepeak's deal and sustainability teams partner with portfolio company management teams to create a road map to remediate any gaps identified during diligence, meet Stonepeak's baseline sustainability standards for effective risk management, establish KPIs to monitor performance, and put accountability structures in place to ensure appropriate resource allocation. We then introduce sustainability-related value creation opportunities into the medium and long-term planning of the company.

For relevant assets in our portfolio, deal teams perform a sustainability review with the Stonepeak senior leadership and sustainability team at a dedicated forum. This forum consists of a quarterly review of portfolio sustainability performance, and establishes continuity between diligence, onboarding, value creation and exit.



Exit

We believe that the sustainability credentials of our investments reflect how we approach value protection and value creation during our ownership, thereby helping maximize value at exit.

Through our responsible ownership principles, we help our portfolio with managing sustainability risks seeking to improve resiliency of the businesses, enhancing reporting to stay abreast of regulatory requirements and industry developments, and driving initiatives to help capture incremental value.

We also believe that integrating sustainability into the business strategy of a portfolio company appeals to buyers who are looking for quality investments with high potential returns on investment. This is because we believe, that integrating sustainability adds value from economic, social and environmental perspectives.

Evidence of our approach to creating value through sustainability, and realizing the associated potential benefits of the same at exit, is reflected in our recent exit of West Texas Gas.

Case study - Rinchem

Linking diligence and stewardship to engage Rinchem's sustainability program

Rinchem is a specialty warehousing and logistics company with a global network of chemical and gas logistics capabilities.

Key sustainability considerations

- Through the due diligence process, Stonepeak identified several enhancement opportunities specific to the areas of environmental management and workforce health and safety, including the handling of hazardous materials. These findings highlighted the opportunity to strengthen Rinchem's operational practices to safeguard the business against key risks and align its practices to growing customer expectations relating to sustainability.
- To action these findings, Stonepeak partnered with Rinchem's management team to develop a strategic sustainability program. This included both hiring a dedicated Environmental Health, Safety, and Sustainability lead to execute and monitor initiatives and implementing a formal quarterly reporting structure centered around material KPIs.

Key initiatives

- Sustainability is now integrated into Rinchem's governance structure, wherein performance on the identified initiatives is reviewed at every Board meeting. This has laid the foundation of continuous improvement in sustainability performance at the company.
- Starting with measuring its carbon footprint in 2022 and 2023, Rinchem recently submitted to the Science Based Targets initiative (SBTi) and achieved the approval of its planned decarbonization targets. The potential initiatives to achieve the targets will involve optimization of fleet fuel usage, use of renewable energy, and other actions to reduce resource use, all of which may enhance operational savings.
- Rinchem embedded safety in its core organizational values, introduced stringent safety protocols, and has invested in safety technologies (e.g., Samsara AI Dash Cams for Mobile Fleet to enable real-time incident detection, and OneTrack.AI, which uses augmented intelligence and machine learning, for its forklifts, to prevent risky behavior and accidents).

Geography:	North America
Ownership / Structure:	96.4% (SIF IV)
Investment date:	March 2022
Equity committed:¹⁰	\$660 million

Impact

- **54.6%**
SBTi-validated reduction target of Scopes 1 and 2 emissions by 2033 from a 2022 base year.
- **32.5%**
SBTi-validated reduction target of Scope 3 emissions by 2033 from a 2022 base year.
- **Above average**
total case incident rate compared to industry average with a constantly improving trend.
- **ISO 14001 and ISO 9001**
certification achieved to elevate EHS management standards.
- **Enhanced competitive positioning**
through sustainability progress.
- **Bronze**
EcoVadis rating achieved in the first year of reporting.

Case study – Delta Fiber

Creating a sustainability strategy at Delta Fiber

Geography:	Europe
Ownership / Structure:	49.2% (SIF IV and Co-Invest)
Investment date:	April 2022
Equity committed:¹⁰	\$744 million

Delta Fiber is an owner and operator of fixed telecom infrastructure in the Netherlands.

Under Stonepeak's ownership, Delta Fiber strengthened its long-term value creation potential through a sustainability strategy that structures its material issues into three pillars: enabling a better digital life, taking responsibility toward society respecting the planet.

Key sustainability considerations

- Optimizing carbon footprint in direct operations and supply chains as the business continues to expand. In addition, given the disaggregated nature of the infrastructure, exploring the potential impact of physical climate risks on business operations.
- A focus on talent attraction and retention to support the company's growth.
- Increased importance of cybersecurity and customer privacy due to risks associated with collection and storage of user information.

Key initiatives delivered

- Conducted double materiality assessment to shape and strengthen sustainability strategy and road map.
- Established \$1,850M sustainability-linked loan facility tied to the achievement of sustainability goals: achieving above industry employee engagement scores, improving gender diversity, and achieving net-zero emissions across Scopes 1 and 2 GHG emissions.
- Linked key sustainability priorities and resulting KPIs and targets to stakeholder value creation.
- Engaged a third-party science-based expert to undertake physical risk assessments of Delta Fiber's assets in 2022.
- Provided employees with ongoing cybersecurity training, implemented ISO 27001 certification and continues to enhance security improvements to keep client information safe.

Impact

Net zero by 2040

set the ambition and validated its near-term GHG emission targets through the Science Based Targets initiative.

100%

of CO₂e emissions in own operations are compensated.

~7%

increase of women in management positions (from 2021).

Annual gender pay gap assessments

established in 2022.

100%

renewable energy use for the past three years (2023, 2022, 2021).

+32 in 2023

employee NPS, improved further from +29 in 2022.



Investing in energy transformation



Few sectors are evolving as rapidly as the global energy sector. Global demand for energy continues to rise in tandem with increasing pressure on both the public and private sectors to find cleaner ways of meeting that demand. Investing in this rapidly shifting environment requires us to balance the world's desire for a sustainable future with energy security and reliability.

Stonepeak has an important role to play, and our strategy for energy comprises of:

1. Responsible ownership and operations of traditional energy assets

While the global transition toward renewable energy is accelerating, most of the world's energy needs will continue to be met through traditional sources for years to come. We believe a successful energy transition requires investing into new low-carbon energy assets as well as ongoing responsible stewardship of traditional energy assets, with a strong focus on operational improvement from a sustainability perspective.

2. Continued expansion of renewable energy generation and storage infrastructure

Growth in renewables is still in the early stages and is predicted to soar. In 2023, over 500 GW of renewable energy generation was added globally, almost a 50% step up from the prior year.^{11,12}

This, coupled with a growing realization that energy targets were based on a decade of flat to modest electricity load growth and need reassessment, reaffirms our belief that renewable energy generation has significant headroom for growth and remains front and center of the opportunity set.

We are also conscious that despite the projections and commitments, bottlenecks for the transition are as stark as ever, and that increased focus, effort, and capital investment are needed to address the key bottlenecks holding up the transition: grid, intermittency, permitting, and supply chain.

3. Transition of existing infrastructure to support cleaner fuel sources and technologies

From a thematic perspective, the energy transition is the single largest sustainability opportunity driving the transformation of economies and societies globally. In 2023 we witnessed a record level of global investment in the low-carbon energy transition which surged by 17% from 2022 levels, reaching \$1.77 trillion.¹³ This demonstrates the resilience of clean energy transition in a year of geopolitical turbulence, high interest rates, and cost inflation. The transition is also taking place against a backdrop of constructive long-term electricity demand dynamics, driven by electrification, energy intensity in emerging economies, and new end user applications such as artificial intelligence.

With more than 140 countries committed to net-zero emissions targets,¹⁴ it is clear to us that constructive policy tailwinds are as strong as ever. Tax incentives, subsidies, and government-backed offtakes have catalyzed a significant build-out of renewables.

This strategy is both consistent with reducing transitional risks to portfolio companies over time and meaningfully contributing to a net-zero future.



Case study – West Texas Gas

Responsible ownership of a traditional energy asset helped create value at exit and increased saleability to top-tier midstream operators

West Texas Gas (WTG) has core businesses in natural gas distribution, transmission, gathering and processing, natural gas liquids transmission, and liquid fuels services. WTG owns and operates approximately 7,200 miles of active gathering pipelines, 9 processing plants, and approximately 5,900 miles of distribution mainlines serving over 31,000 customers across Oklahoma and Texas.

Entry – October 2021

Stonepeak's entry into WTG capitalized on a discounted valuation compared to industry averages driven by off-the-run sourcing as well as legacy operational and safety issues. These included methane leaks and underperforming pipeline systems, as well as inadequate Health, Safety, and Environment (HSE) practices.

Responsible asset management

Stonepeak implemented a series of strategic commercial and operational value-add initiatives in the business, while instilling a strong focus on sustainability.

Safety performance

- Comprehensive overhaul of prior HSE practices.
- Grew HSE, process safety management, and related compliance teams from 3 (at entry) to 23 dedicated individuals (at exit).
- Embedded accountability through alignment of employee compensation to HSE outcomes.

Environmental protection

- Modernized processing / pipeline systems and actively fixed legacy methane emissions.
- Used aerial surveillance to monitor leaks, completing flyovers of more than 5,000 miles of pipes and fixing significant methane leaks.
- Methane tracking system developed with staff bonuses tied to emissions reductions.
- Successfully completed Texas Commission on Environmental Quality (TCEQ) "Find It and Fix it" emission resolution of 197 historical open emissions events.

Geography:	North America
Ownership / Structure:	51.5% (SIF IV - Realized in 2024)
Investment date:	September 2021
Equity committed:¹⁰	\$314 million

Exit

In 2024, WTG was sold through a competitive process, with bidders attributing significant value to Stonepeak's operational and sustainability-focused improvement.

Impact delivered under Stonepeak's ownership (2020-2023):

100%
reduction in the lost time injury rate.

74%
reduction in the total recordable incident rate.

58%
reduction in system flared volume.

61%
reduction in TCEQ Reportable Emission Events.

~9M MTCO₂e emissions avoided
through methane leak detection.

GPA Midstream Chairman's Award for Safety Improvement and Perfect Record

received in March 2024 for exemplary 2023 HSE performance.

Case study – Stonepeak's Renewables Strategy

Over the course of 2023, the Renewables Portfolio increased its generation by 260% relative to 2022 levels, driven by continued commissioning of new projects.

In 2023, we expanded investments in significant projects, helping advance energy transformation globally.

In North America, our Coastal Virginia Offshore Wind project is expected to generate 9.5 million MWh annually,¹⁵ powering ~11% of Virginia's electricity needs.¹⁶ In the Asia-Pacific region, we added 242 MW of battery capacity to address intermittency, and our platform anticipates investing in a 1 GW pipeline of new projects going forward. Additionally, the focus on low-carbon fuels deepened with eight new renewable natural gas (RNG) projects via Maas Energy Works, bringing its total operational digesters to 47 by year-end.

Key responsible ownership priorities

Ensuring Supply Chain Integrity

Projects spanning six technologies over three regions, with five types of critical minerals used¹⁷ and 1,278 employees.

Given the vast global value chains of the Portfolio and their varied stages of maturity in managing sustainability, robust risk management is crucial to mitigate exposure to supply chain risks.

GHG Assessments

Portfolio of 1,899 MW of renewable energy capacity and 3.6 bcf of methane captured across multiple states in the U.S.,¹⁸ all leading to approximately ~6.5 million tons of GHG emissions avoided in 2023.¹⁹

By understanding the Strategy's climate impact, we seek to couple financial outperformance with increased potential to unlock sustainable solutions for power generation.

Reporting Standardization

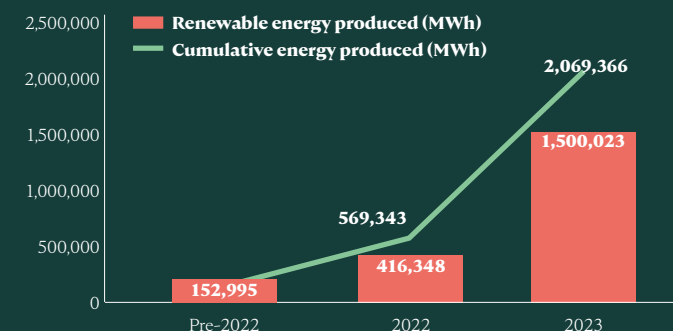
Stonepeak's quarterly portfolio monitoring covers 10 material sustainability categories,²⁰ in accordance with a variety of global and local disclosure regulations.

Consistent and comparable performance data is crucial for measuring impact. We work with the Portfolio to standardize reporting, leverage insights, and implement best practices, seeking to unlock long-term impact and value creation.

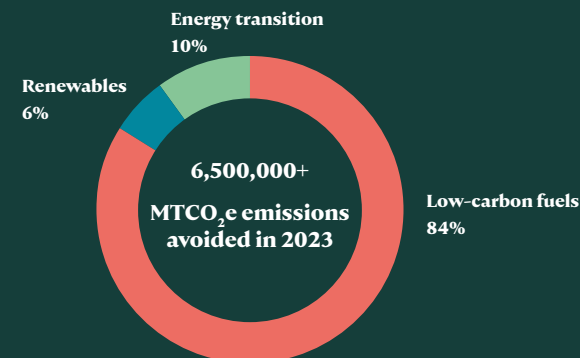
[Read our 2023 Impact Report](#) →

Our impact

Renewable energy produced (MWh) since Strategy inception²¹



Emissions avoided (MTCO₂e)²²



Responsible investing priorities



Climate



Stewardship



People



Climate

Climate strategy

We look to address our own emissions intensity and support a shift to a lower-carbon economy through our investments. Our strategic approach to managing climate risks and opportunities – which applies across investment strategies and subsectors – is summarized on page 21.

In addition, we engage with our portfolio companies on climate matters using a consistent and measurable approach. This includes educating them on climate change if needed, completing GHG inventories, planning and target setting, implementing projects to reduce emissions intensity, and monitoring progress toward targets. As part of this, we look to put in place emissions reductions plans that are aligned to international frameworks such as Science-Based Targets, where possible.

Climate risks and opportunities

Climate risks and opportunities are complex and vary across locations. We therefore use credible scientific models to establish climate change predictions at an asset-by-asset level, where relevant and material, as we seek to:

- Identify and quantify the impacts of unaddressed risk from climate hazards across portfolios, multiple emissions scenarios, and various time horizons
- Inform risk forecasts based on the financial impacts of the failure (temporary or long-term) of these assets
- Create strategies for both resilience engineering and capital investment to effectively strengthen and retrofit existing assets
- Optimize site planning and design decisions for new assets

Following this method, it is possible to increase reliability and reduce downtime caused by both chronic and acute events.

The primary peril metrics included in our analyses are set out below. Each of these can be modeled using multiple temperature rise scenarios and time horizons.

Wind

- Wind speed at six key return periods (10, 20, 50, 100, 200, and 500-year)
- Annual average and maximum wind speed

Flood

- Water depth and nearby flooding at six key return periods
- Annual tidal inundation depth

Precipitation

- Daily rainfall at six key return periods
- Annual and monthly precipitation

Convective Storm

- Days/year with significant hail possible
- Days/year with high thunderstorm probability

Wildfire

- Annual fire count within 1 sq km

Drought

- Local, total water stress
- Months/year of extreme Standardized Precipitation Evapotranspiration Index

Heat

- Days/year >35°C, 38°C
- Days/year >hist 99th percentile
- Annual cooling degree days
- Absolute and relative heat waves
- Annual average maximum and monthly average

Cold

- Days/year < 0°C, -10°C
- Annual heating degree days
- Absolute and relative cold waves

Scenario approach

The temperature rise scenarios we analyze include:

- Best-case scenario (climate pathway RCP2.6),²³ where the global average temperature increases by less than 2°C from preindustrial levels, and;
- Intermediate scenario (climate pathway RCP6.0),²³ where temperatures increase between 2°C and 3.7°C by the end of the century from preindustrial levels.

Multisource, data-driven analysis

We draw on various data and insights for our risk and opportunity analysis, depending on the materiality to the sector, and specifics of the transaction. These may include:

Physical

Third-party consultant reports, external geospatial physical risk assessments, reviews of company insurance policies with respect to key hazards, reviews of analyses (such as environmental assessments and engineering studies) undertaken during governmental development approval processes, reviews of company physical asset registers (including maintenance and physical condition reports and historical weather-related incidents), on-site inspections, and management interviews.

Transitional

Potential demand curves under various policy scenarios (particularly for traditional energy), understanding technological changes, resource availability, and asset exposure within an industry's cost curve (particularly for energy-related assets), the underlying contractual structure of investment (e.g., offtake agreements and creditworthiness of contracted counterparties), opportunities for feedstock transition, and reviews of regulatory and policy developments.



Sectors - Risks and opportunities

Physical and transitional risks per sector



In the next few pages we detail how Stonepeak views and manages the climate-related risks affecting our portfolio, as well as the opportunities that we are leveraging to maximize long-term value creation.



Digital Infrastructure

The digital infrastructure sector plays a pivotal role in supporting our increasingly interconnected world. From managing energy availability and consumption to minimizing environmental impact to enhancing resilience against climate risks to ensure business continuity, our investments in this sector must navigate a rapidly evolving landscape.

Risks

Physical

Exposure to natural perils in the absence of resilience planning can cause service interruptions. This can be mitigated by geographical diversification, planning for and deploying resiliency measures like hurricane-proof windows and battery backup. In addition, the high power and water usage of data centers makes them susceptible to extreme weather changes, which can be mitigated by conducting scenario analysis and planning for resource availability and efficient use accordingly.

Transitional

In the context of governmental and corporate emissions reductions targets, given the high energy use of data centers, energy-efficiency interventions and the increase of renewable energy in the energy supply mix will become increasingly important and need to be included in the strategic planning process. However, the deployment of these interventions should be balanced with the capital expenditure required, availability of substitutes, and the cost vs. benefits of replacing equipment or fleet up-front vs. waiting for their end of useful life.

Opportunities

Data centers can improve operating costs by deploying energy efficiency, adopting renewable energy, and implementing advanced cooling and water management systems.

Additionally, the sustainability credentials of a data center asset like carbon neutrality or LEED can help gain a competitive advantage with like-minded customers who are looking to reduce their Scope 3 emissions.

Conducting a physical climate risk assessment of new and existing sites can help proactively plan for resilience measures, thereby strengthening the consistent delivery of operations, which is a key customer expectation and a requirement for business growth.

Geography:	North America
Ownership / Structure:	99% (Continuation Vehicle and Co-Invest)
Investment date:	March 2017 ²⁴
Equity committed: ¹⁰	\$3,030 million

Enhancing physical climate resilience at Cologix

Cologix provides carrier and cloud-neutral hyperscale edge data centers and services across North America. It is the interconnection hub for cloud service providers, carriers and a rich ecosystem of partners who want to deploy cutting-edge applications across Canada and the U.S.

11
North American markets

20,000+
interconnections

2,000
customers

700+
networks

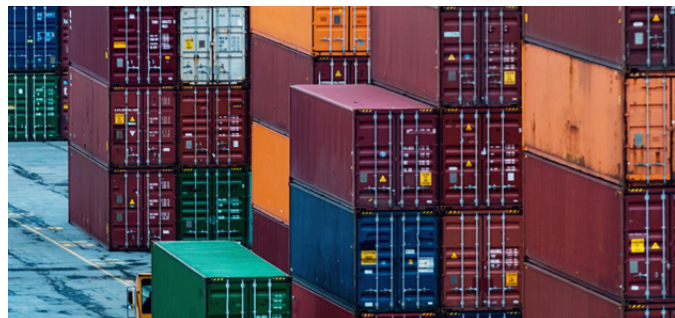
40+
data centers in North America

30+
direct cloud on-ramps

In 2023, Cologix partnered with Jupiter Intelligence to conduct comprehensive climate risk assessments across its data centers. Leveraging Jupiter's ClimateScore Planning tool, the company gained insights into weather impact events, supporting its decision-making related to the risk and resilience of its data centers.

Jupiter's advanced analytics developed a detailed risk analysis, empowering Cologix to ensure long-term resilience against climate-related threats. Through innovative models and algorithms, the business identified and addressed current and potential future climate-related impacts.

With these insights, Cologix's leadership team seeks to ensure that the company remains at the forefront of innovation and preparedness and can safeguard its operations against the evolving challenges posed by climate change.



Transport and logistics

The transportation and logistics sector is crucial for the global movement of goods, energy, and people, but it can be subject to both sustainability-related headwinds and tailwinds. Given the primary reliance on traditional fuels to operate, our businesses in this sector continually look to increase fuel efficiency and reduce emissions to adapt to the evolving regulations and consumer expectations.

Risks

Physical

The assets in this sector are particularly vulnerable to extreme temperatures, storms and flooding, which can disrupt operations, leading to service delays, higher maintenance costs, and accelerated asset depreciation.

Additionally, transportation assets typically use energy-intensive inputs and are therefore sensitive to fluctuations in fuel prices, which may increase as global events and climate policies drive energy costs higher.

Transitional

As the global economy transitions to low-carbon energy sources, businesses in this sector, especially those reliant on hydrocarbons, face medium- to long-term challenges. Stricter regulations, consumer demand for sustainable supply chains, and technological advancements are likely to affect the viability of traditional fuel sources. The move toward low-emission modes of transportation like rail and shipping, as well as electric vehicles, biofuels, and other sustainable technologies, may require significant capital investment in infrastructure upgrades and adaptation. Companies that lag in adopting sustainable practices may face reputational risks, regulatory penalties, and higher operational costs as customer demand patterns change.

Opportunities

The global energy transition has created new opportunities for diversification within the transportation and logistics industry. For instance, the industry is increasingly adopting LNG and clean-fuel-based transportation to meet the growing global demand for these energy sources.

Additionally, advancements in logistics technology (such as route optimization and improved energy efficiency) enable companies to reduce their carbon footprints and increase operational efficiency, aligning with evolving consumer and regulatory expectations for sustainable practices.



Energy - Traditional

The energy sector is undergoing a transformation as the world shifts toward cleaner, more sustainable energy sources. Balancing the ongoing need for reliable energy with the imperative to reduce carbon emissions presents both challenges and opportunities.

Risks

Physical

The key direct physical risks to above-ground pipeline systems include floods, wildfires, hurricanes, and extreme cold events, which in severe cases may lead to pipeline freeze-offs, gas compressor station malfunctions, and temporary power interruptions.

Transitional

Traditional energy projects including upstream and midstream assets may face regulatory and public opposition, and can be exposed to medium- to long-term technological or obsolescence risks. For some energy businesses, high levels of emissions from flaring, leaks, and venting of natural gas or methane pose significant reputational and financial risks that can result in fines, expanded regulatory oversight, and temporary halts to business operation.

We regularly engage with and provide resources to our traditional energy businesses to plan for mitigating these challenges – both at diligence and during our ownership.

Opportunities

While the global transition toward renewable energy is accelerating, most of the world's energy needs will continue to be met through traditional sources for years to come. A successful energy transition will require both investing in new low-carbon energy assets and ongoing responsible investment in and stewardship of traditional energy assets.

Natural gas also plays an important role in transitioning away from higher-emission baseload power sources such as coal and oil.

In the near-to-medium term, due to energy security and reliability considerations, the world's economic activities will remain dependent on traditional sources of energy. We believe that responsibly operating traditional energy assets can meaningfully contribute to a sustainable future, as emission savings from those assets – which are inherently carbon intensive – can be achieved relatively quickly and are significant in quantum.



Energy - Transition

Renewable energy is at the forefront of the global effort to decarbonize and combat climate change. As the demand for cleaner energy solutions grows, companies must navigate physical risks from extreme weather and technological advancements that shape the future of power generation.

Risks

Physical

Extreme weather events may effect renewable energy installations. Utility-scale renewable energy facilities, such as solar farms and wind installations, are particularly susceptible to localized risks like flooding, high winds, and storms. Site design and construction often incorporate resilience measures to mitigate these risks, yet extreme weather events can still disrupt operations and extend downtime.

Another notable risk is the variation between the projected energy generation from technologies like solar and wind and the realized performance, due to changes in weather patterns. Estimates of wind or solar energy availability are typically performed by third-party experts during a project's development, with reference to historical averages.

Transitional

The renewable energy sector is affected by rapid technological advancements, which may render existing infrastructure obsolete or less competitive. New technologies, such as more-efficient solar panels or advanced wind turbine designs, can drive up expectations for performance and cost efficiency, potentially sidelining older assets. Companies must navigate these transitions carefully, balancing investment in new technology with the risk of existing assets depreciating in value. Furthermore, policy changes favoring newer technologies may affect access to subsidies, grants, and financing.

Opportunities

The shift to a low-carbon economy presents growth opportunities for the renewable sector. Key drivers include:

- Technological developments that have improved the cost competitiveness of renewable energy relative to conventional energy.
- Favorable regulatory and policy developments seeking to support and accelerate the development of renewable energy resources.
- A broad-based increase in market demand for low-carbon energy, seeking to mitigate climate change.

Climate metrics and targets

The carbon footprint of Stonepeak’s portfolio

Stonepeak leverages a data-driven approach to advance its sustainability strategy and portfolio energy transformation initiatives. We believe that by understanding the carbon footprint of our investments, we will be able to mitigate climate-related risks and create long-term value across the portfolio.

Through a partnership-based approach, we aim to:

- (A) Improve the proportion of the portfolio that measures and reports its carbon footprint
- (B) Optimize the carbon footprint of the portfolio

The following chart provides a detailed view of the emissions profile for the sectors we invest in, illustrating both direct and indirect emissions intensity (Scopes 1, 2, and 3) where applicable. We focus on Scope 3 emissions for those portfolio companies where they are most material so that we can understand the complete environmental impact of the portfolio.

	Emissions Intensity ^{1,2} (Scopes 1, 2, & 3 MTCO ₂ e/\$ million in revenue)
Digital Infrastructure	201
Energy & Energy Transition	3,366
Transport & Logistics	611
Grand Total	1,973

1 22 portfolio companies reporting on Scope 1 and 2 emissions and 12 companies reporting on Scope 3 emissions.

2 2023 Emissions Intensity figures including Scopes 1 and 2 emissions figures for MPLX. In 2024, Stonepeak realized its interest in both MPLX and WTG, which comprised a large section of the portfolio carbon footprint.



Portfolio decarbonization progress

As part of our ongoing commitment to driving sustainable growth and aligning with global climate targets, certain portfolio companies have developed comprehensive decarbonization plans tailored to their specific businesses and operations.

These plans outline pathways to reduce GHG emissions, integrate renewable energy sources, improve energy efficiency, and adopt innovative technologies that support a well-managed commercial transition to a low-carbon economy. The following provides a detailed breakdown of these initiatives, target timelines, and expected outcomes for each company.



Target year 2030

- Reduce absolute Scopes 1 and 2 GHG emissions and Scope 3 GHG emissions from fuel- and energy-related activities by 70% by 2030 (from a 2020 base year)
- Increase annual sourcing of renewable electricity from 0% in 2020 to 100% by 2025
- Reduce absolute Scope 3 emissions from purchased goods and services and capital goods by 21% by 2025 (from a 2020 base year)



Target year 2030

- Reduce absolute Scopes 1 and 2 GHG emissions by 50% by 2030 (from a 2022 base year)
- Continue sourcing 100% renewable electricity annually through 2030
- Reduce Scope 3 GHG emissions by 55% per home activated by 2030



Target year 2030

- Achieve carbon neutrality in Scopes 1 and 2 emissions by 2030
- Convert all Cologix facilities to 100% renewable energy by 2030



Target year 2040

- Achieve net-zero carbon emissions by 2040



Target year 2050

- Reach net-zero GHG emissions across the value chain by 2050
- Reduce absolute Scopes 1 and 2 GHG emissions by 54.6% by 2033 (from a 2022 base year)
- Reduce absolute Scope 3 GHG emissions from upstream transportation and distribution by 32.5% by 2033
- Reduce absolute Scopes 1, 2, and 3 GHG emissions by 90% by 2050 (from a 2022 base year)



Target year 2030

- Reduce Scopes 1 and 2 GHG emissions by 42% by 2030 (from a 2020 base year)
- Measure and reduce Scope 3 emissions



Target year 2030

- Reduce Scopes 1 and 2 GHG emissions by 46% by 2030 (from a 2019 base year)
- Measure and reduce Scope 3 emissions



Target year 2030

- Transition energy generation to 100% clean sources by 2030



Target year 2050

- Reduce total annual GHG emissions from international shipping by at least 20% by 2030 (compared to 2008)
- Reduce total annual GHG emissions from international shipping by at least 70% by 2040 (compared to 2008)
- Achieve net-zero GHG emissions by or around 2050 (compared to 2008)



Target year 2040

- Achieve a 50% reduction in Scopes 1, 2, and 3 emissions by 2030 and net zero by 2040 (corporate level)
- Ensure all development projects are carbon neutral in embodied carbon emissions over the project life cycle



Target year 2030

- Reduce absolute Scopes 1 and 2 GHG emissions by 50% by 2030 (from a 2018 base year)
- Measure and reduce Scope 3 emissions



Stewardship

We believe that our interactions with our portfolio companies help them improve their performance, thereby generating enhanced investment returns while creating societal value.

Our approach to stewardship includes:

1. Fostering collaboration across our portfolio:

By facilitating knowledge exchange on topics such as sustainability management, technology innovation and operational efficiency through forums such as our Executive Leadership Summit, our portfolio companies can share learnings and best practices, which leads to better-informed decision-making.

2. Responsible ownership that improves sustainability outcomes: By supporting the adoption of sustainable practices, we focus on improving the efficiency, resilience, and long-term impact of businesses. An example of this is reflected in WTG's improved environmental performance following our engagement on HSE initiatives.

3. Building resilient infrastructure platforms from the ground up: Be it the creation of new platforms or investing in established businesses, we partner with sector-leading management teams to support and strengthen their businesses for long-term success.

To enhance the ability of our portfolio companies to holistically manage sustainability within their businesses, we work with management teams to develop integrated sustainability management systems and appropriate governance structures.

Monitoring and reporting

Transparent reporting demonstrates the commitment of our portfolio companies to sustainability and enables their stakeholders to assess their progress.

As part of establishing their sustainability management systems, we work with portfolio companies to:

- Establish which metrics to track, taking into account management views, industry materiality, reporting standards and peer benchmarks
- Set clear targets and required reporting against those metrics

To monitor and benchmark portfolio company performance, we collect quarterly sustainability performance data that is discussed during our quarterly portfolio reviews. Investment teams typically include sustainability-related KPIs in management reporting packs and/or collect this data from Board packs or on an ad hoc basis depending on the maturity of the portfolio company's reporting systems.

Please see the Portfolio Company Performance section on page 49 for examples of our portfolio company sustainability reports.

Governance

Strong governance encompasses policies, procedures, and oversight, to ensure accountability, effective risk management, and responsible decision-making. We therefore work with portfolio companies, where possible, to develop written policies including, among others:

- Employee behavior and ethics
- Sexual harassment
- Worker health and safety
- Whistleblowing and anti-bribery
- Procurement management, which regulates supplier selection, defines procurement governance, and establishes procedures for material procurement decisions

Within our portfolio companies, sustainability- and climate-related risks and opportunities are overseen and managed by each company's Board of Directors (or equivalent body) and its senior management team. Some portfolio companies have also established sustainability committees or working groups. Stonepeak generally seeks to use its board position to observe, monitor, and assist with the development and implementation of portfolio companies' sustainability-related policies and procedures.



People

At Stonepeak, we believe that the success of our portfolio companies is built on a foundation of strong, engaged, and motivated teams.

Stonepeak recognizes that the quality of a company's workforce directly affects its long-term growth and sustainability.

An approach that puts people at the forefront is fundamental to creating sustainable value. We believe that investing in the quality of a company's workforce is one of the most effective ways to drive operational success, reduce risks, and ultimately achieve long-term returns for our stakeholders.

Partnering with Management

A key priority for the Firm is fostering a culture of operational excellence through continuous engagement with leadership.

Specifically on sustainability, and depending on our governance rights and where material, Stonepeak seeks to establish Board-level oversight of key sustainability considerations at the outset of an investment with a commitment to drive the sustainability approach and performance, recognizing that aligned and empowered management teams deliver the best results. Boards may, in turn, form designated subcommittees or working groups empowered to drive the company's sustainability strategy.

In addition to Board-level oversight, Stonepeak's investment teams and sustainability team partner with management teams to drive priority initiatives and facilitate sharing of cross-portfolio best practices.

Geography:	Latin America
Ownership / Structure:	69.9% (SIF IV and Co-Invest)
Investment date:	August 2022
Equity committed:¹⁰	\$550 million

Cirion

Cirion is a leading digital infrastructure and technology provider that owns and operates a facilities-based network and data center portfolio in Latin America. Following Cirion's spin-off from Lumen Technologies in 2022, Stonepeak played a key role in establishing the business as a stand-alone company from a sustainability perspective. As part of this process, our investment and sustainability teams worked closely with Cirion's leadership to build their operational framework, ensuring that sustainability was embedded from the start. A key achievement was helping Cirion complete its first comprehensive emissions inventory, a critical step in understanding and managing the company's environmental impact.

With our support, Cirion was able to finalize and publish its inaugural Sustainability Report, in both English and Spanish demonstrating a strong commitment to transparency and sustainability as it embarks on its new chapter. We continue to work with Cirion on driving its sustainability strategy further.

Health and Safety

Stonepeak actively supports the implementation of comprehensive health and safety programs across its portfolio to safeguard employees and minimize operational risks. We prioritize regular monitoring and reporting to ensure that these programs not only comply with industry standards, but also are continually improved to reflect best practices.

Geography:	APAC
Ownership / Structure:	70% (Core and Co-Invest)
Investment date:	April 2023
Equity committed:¹⁰	\$218 million

GeelongPort

At GeelongPort, Victoria's second-largest port, safety is embedded in every aspect of operations, with a relentless focus on protecting employees, contractors, and port users. In 2023, GeelongPort achieved a zero lost time injuries rate, underscoring its commitment to workplace safety. Additionally, the company enhanced its critical risk controls (CRCs), achieving a 97% audit score, an improvement from 2022's score of 95%.²⁵ The CRCs are specifically designed to prevent life-altering injuries and fatalities by addressing eight key risks, including mobile plant operations, energy isolation, confined spaces, and hazardous chemicals.

To reinforce safety standards, GeelongPort conducts regular safety audits, risk assessments, and training sessions, ensuring all employees and contractors are well versed in hazard identification and incident prevention.

GeelongPort follows the ISO 31000 risk management process and possess the ISO 45001 and ISO 9001 accreditations.²⁶

To track the effectiveness of actions taken to support health and safety, the leadership team develops goals and targets that are tracked monthly and reported to the Board quarterly. An annual management review by the leadership team measures the effectiveness of the goals and targets set and how GeelongPort has tracked toward meeting them.

In 2023, after the identification of two potential incidents related to mobile plant operations and contractor safety, GeelongPort implemented several corrective actions, including enhanced traffic management plans, additional physical barriers to separate people and equipment, and updated safe work instructions.

Through these comprehensive measures, GeelongPort has not only maintained a safe working environment but also established a safety-first culture that prioritizes the well-being of everyone involved in port operations.

Supply Chains

Strong and resilient supply chains are essential to sustaining the long-term success of our portfolio companies. We place a high value on working with suppliers who share our commitment to ethical practices, environmental stewardship, and social responsibility. By enforcing our Supplier Code of Conduct and Responsible Contractor Policy at the portfolio company level, we ensure that our supply chains operate with integrity, respect for human rights, and a focus on sustainability.

As part of our evolving approach to managing modern slavery and human rights risks, we engaged a third-party specialist to assess the management practices across our own operations and those of a selection of our portfolio that we believed could have relatively higher exposure to human rights risks in supply chains. While the assessment identified no material flags, it enabled us to gain a deeper understanding of the areas to consider as we grow our portfolio.

Geography:	APAC
Ownership / Structure:	51% (GRF and Co-Invest)
Investment date:	October 2019
Equity committed:¹⁰	\$398 million

Synera Renewable Energy

Given that the expansion of clean energy in APAC could potentially increase the demand for critical minerals (e.g., copper, cobalt, nickel, lithium, etc.), and the mining and processing of these minerals takes place in jurisdictions that are at higher risk of failing to meet labor, safety, and environmental standards, supply chain risk management is a key consideration for Synera Renewable Energy (SRE) as it scales up its operations. With Stonepeak's partnership, in 2023 SRE completed a human rights risk management review that assessed its current state of managing said risks.

The assessment found that SRE was appropriately managing the human rights risks it was exposed to, and provided short- and long-term recommendations to incorporate best practices in its approach.

Following this assessment, with Board endorsement, and in partnership with an external specialist, Synera decided to undertake enhancement actions with the aim to align with industry best practices.



Our impact²⁷

Our investment activities do not occur in isolation and as our footprint expands, so does our impact on the world. We therefore use the United Nations Sustainable Development Goals (SDGs) as a guiding principle to ensure we are managing the outcomes of our investments responsibly.

The businesses and assets that we invest in contribute to many of the targets set by the SDGs.

In the following pages, we visualize the ways in which we believe our investments support the SDGs, along with specific examples of our impact from across our portfolio companies.



Zero hunger

This goal aims to end hunger, achieve food security and improved nutrition, and promote sustainable agriculture.

Target 2.1

By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round.

Lineage Logistics and **Emergent Cold** enhance food security by leveraging advanced cold storage and distribution solutions to reduce food waste, and maintain food quality across supply chains. Additionally, they partner with food relief organizations to distribute surplus perishable goods.



Good health and well being

This goal promotes healthy lives and well being for all, at all ages.

Target 3.d

Strengthen the capacity of all countries for early warning, risk reduction and management of national and global health risks.

Intrado is a market-leading provider of critical public safety communications infrastructure. For over 40 years, it has provided the foundational backbone of 911, including during COVID-19, with a mission to save lives by improving public safety outcomes.

Target 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

Akumin is a leading national provider of radiology and oncology solutions to patients in the U.S. and a partner of choice for U.S. hospitals, health systems and physician groups. It serves approximately 1,000 hospitals and health systems in 47 states.²⁸



Quality education

This goal aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Target 4.6

By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.

Inspired offers academic excellence to 80,000 students in 111 schools across 24 countries utilizing proven best educational practices from every corner of the globe to ensure students receive a world-class learning experience.

Target 4.7

By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development.

Synera Renewable Energy (SRE) received the prestigious SDG 4 Quality Education award at the 2023 Taiwan Sustainability Action Awards for its New Energy Education Campaign, the only renewable energy company to do so two years running. SRE also launched Campaign 3.0 with Pley School, focusing on supporting Taiwanese teachers to integrate clean energy topics into classrooms to nurture future generations with a sustainability mindset.²⁹



Gender equality

This goal aims to achieve gender equality and empower all women and girls.

Target 5.5

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Astound fosters an inclusive workplace that emphasizes equal opportunities, representation, and leadership development for women. Through initiatives, networks, trainings and events, Astound is building a more inclusive culture that supports gender equality both within the organization and in the broader community.

Seapeak's Female Cadet Program exemplifies the company's commitment to advancing gender diversity and inclusion within the maritime industry, where women have historically been underrepresented. The program supports young women from diverse backgrounds who aspire to have careers in the maritime industry by seeking to reduce financial barriers to entry.



Affordable and clean energy

This goal aims to ensure access to affordable, reliable, sustainable and modern energy for all.

Target 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix.

Our Global Renewables Strategy invests in renewable energy and other sustainable energy projects and related companies that support energy transformation pathways.

In 2023, the strategy's impact included:

- 1.5 GWh of renewable energy generation.³⁰
- 3.6 billion cubic feet of methane captured through the RNG platform.³¹



Decent work and economic growth

This goal promotes sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

Target 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labor-intensive sectors.

We believe that all of our investments contribute to this goal, and in 2023, our portfolio companies employed a total of approximately 61,000 people.



Industry, innovation, and infrastructure

This goal encourages building resilient infrastructure, promotes inclusive and sustainable industrialization, and aims to foster innovation.

Target 9.a

Facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support.

Through the development of high-efficiency, interconnected data centers, **Digital Edge** strengthens digital infrastructure in emerging and developed markets. The company integrates advanced technologies to support high-density deployments, while actively optimizing its environmental impact.

Target 9.1

Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.

Emergent Cold Latin America continues to expand its regional cold storage network to establish safer, more efficient food transportation infrastructure across 11 countries in Latin America.



Responsible consumption and production

This goal aims to ensure society consumes and produces products in a sustainable pattern.

Target 12.3

Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains.

Lineage is the world's largest temperature-controlled logistics company. As part of the food supply chain, it focuses on preserving, protecting, and optimizing the distribution of food globally.

Target 12.4

Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release to air, water and soil.

Rinchem adheres to strict environmental, health, and safety standards across its global operations, ensuring transportation of hazardous materials through specialized training and compliance programs.

Target 12.6

Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

A number of Stonepeak portfolio companies disclose their ESG priorities and progress. See pages 49 to 55 for more.



Climate action

This goal is about taking urgent action to combat climate change and its impacts.

Target 13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

In 2023, **Cologix** partnered with **Jupiter Intelligence** to conduct comprehensive climate risk assessments across its data centers. The insights have empowered Cologix to address both immediate and future climate-related risks, ensuring its operations remain resilient against the evolving challenges of climate change.



Life below water

This goal aims to conserve and sustainably use the oceans, seas and marine resources for sustainable development.

Target 14.1

Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.

Seapeak contributes to protecting marine ecosystems in several ways. The company has 100% ballast water treatment system installation across its fleet, preventing the spread of invasive species. Additionally, it participates in Arctic monitoring programs, with crew members voluntarily reporting sightings to assist ongoing ecological studies. Seapeak also ensures compliance with environmental standards, preventing pollution by recording zero spills in 2023 and monitoring emissions from its operations.



Life on land

This goal aims to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Target 15.2

Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

Equalbase takes a proactive approach to deforestation by implementing sustainable land-use practices and prioritizing responsible sourcing across all operations. With a firm commitment to environmental stewardship, the company invests in a 1:1 reforestation program for every project, helping protect natural ecosystems and conserve biodiversity. Each development adheres to rigorous green building standards and undergoes comprehensive environmental impact assessments to prioritize ecosystem conservation.

Sustainability at Stonepeak



Our people

We strive to create and sustain an environment that welcomes all voices to the table, where employees feel a sense of purpose and have the space and opportunity to reach their personal and professional potential.

Authenticity, intellectual honesty, and entrepreneurialism are all core tenets of Stonepeak's business philosophy, and they are central components of how we operate – from our investment culture to our hiring and talent development. Despite continued growth, we have deliberately designed our organization to have lean, capable teams and, since inception, we have sought to create opportunities for our junior- and mid-level team to take on meaningful responsibility, while providing them with the necessary oversight, guidance, and support to be successful. We combine these opportunities with training and development programs that hone technical, diligence, management, and communication skill sets.

This has allowed us to foster a "grow from within" culture whereby we aim to develop and promote talent from within the organization based on performance and merit. For example, over the past three years, 59% of our promotions into senior-level positions were individuals who initially joined Stonepeak at the junior level.

Reinforcing diversity, equity, and inclusion (DE&I)

We recognize the benefits of a diverse and inclusive team. We are committed to attracting top talent from different backgrounds and perspectives, knowing that it helps us make better business and investment decisions. We are also committed to taking actions that foster an environment that encourages participation from all voices.

Over the past couple of years, we have reached several important milestones to promote and advance a diverse and inclusive culture at the Firm, including:

- Achieving year-over-year improvements to the diversity of the Stonepeak team;
- Maintaining an active Women's Network;
- Partnering with organizations aimed to increase and create a more diverse workforce;
- Enhancing our benefit offerings, including the introduction of a global fertility benefit; and
- Implementing new training and development programs globally.

Our efforts have directly resulted in a more diverse team, in particular at the junior and mid-levels of the Firm. While we have made progress on this front, we recognize there is still room for meaningful improvement. As we remain focused on DE&I and continue to recruit, hire, develop, and promote our talent, we expect to see an increase in diversity of background, experience, and perspective at the Firm.



Climate change considerations of our business operations

Managing the impact of physical climate

As we aligned our climate strategy with the TCFD framework, we analyzed the climate-related risks in our operations. These risks are primarily physical, such as hurricanes or floods temporarily impeding office access, harming our IT systems, or hindering necessary business travel.

We believe these risks are likely to be transitory and that our office diversification provides some mitigation, while noting the concentrated physical risk exposure of our New York City office, from which most of our staff works. Further, our ability to work remotely, as proved during the COVID-19 pandemic, demonstrates our resilience to physical risks.

Managing our carbon footprint and achieving sustainable growth

As our business continues to expand, our total absolute emissions have seen an upward trend, driven largely by business growth and increased operational activity.

This increase reflects a period of necessary expansion, during which we have focused on enhancing our capacity to help build better businesses and create value for our stakeholders.

A significant factor contributing to this rise in emissions is the expansion of our workforce and office footprint, including the addition of global offices. We remain steadfast in our commitment to manage our emissions across all Scopes, with particular focus on minimizing resource consumption. This is demonstrated through our choice of office spaces with sustainability certifications. For example, our offices in New York City and Houston hold LEED Gold certifications, while our Hong Kong office is LEED Silver certified.

Our Sydney office building has a 4.5 NABERS Energy Rating and a 4-star NABERS Water Rating. Our Singapore office is certified with BCA Green Mark Gold, and a majority of the energy across our facilities is sourced from renewable power. These certifications underscore our commitment to reducing resource use while ensuring high standards of operational efficiency.

Our Scope 1 and Scope 2 emissions, while relatively stable, fluctuate in response to the energy demands required by our growing operations. While Scope 3 emissions were low in 2021 due to the impact of COVID-19, they have grown in subsequent years, primarily driven by increased business activity (Scope 3, Category 6: Business Travel). We continue to explore and implement measures to reduce these emissions, including leveraging virtual collaboration tools.

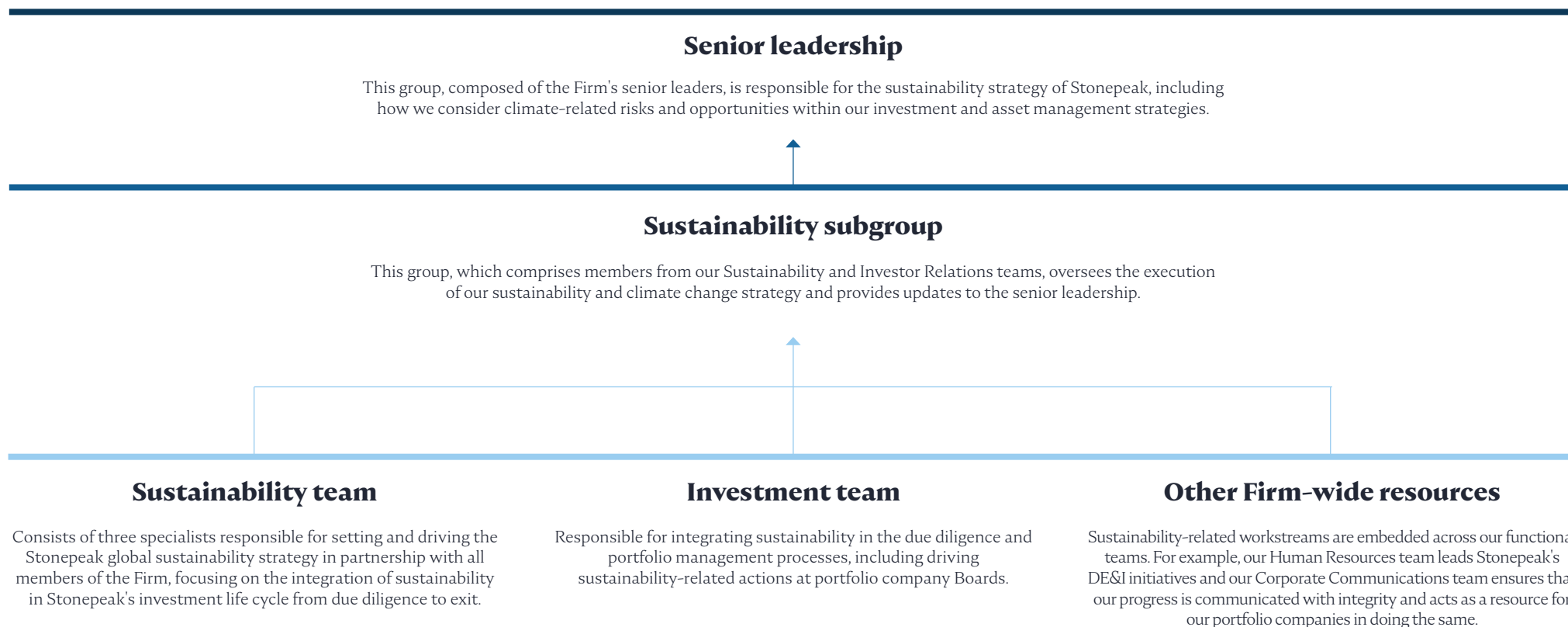
We remain dedicated to managing our emissions strategy toward our goal of reducing our environmental impact per employee, while continuing to invest in growth that positions us to deliver exceptional value to our investors.

Stonepeak emissions

	2023 MTCO ₂ e	2022 MTCO ₂ e	2021 MTCO ₂ e
Scope 1 emissions	1,857	2,119	1,422
Scope 2 emissions	190	183	166
Scope 3 emissions	3,053	1,697	779
Total emissions	5,100	3,998	2,367
Emission intensity per employee (MTCO ₂ e/employee)	21.2	18.2	14.5

Our governance

Sustainability is embedded across all levels of our business through the governance framework set out below.



Cybersecurity

High-profile businesses with a significant number of customers require acute focus on data privacy and cybersecurity.

Cybersecurity remains a high priority for Stonepeak. Cybercrime continues to grow, with global ransomware damage estimated to cost victims \$265 billion annually by 2031.³² We continue to update and expand on our approach of handling cyber diligence to reduce the risk of potential breaches.

Given the increasing complexity and potentially catastrophic risks associated with evolving cyber threats and data breaches, Stonepeak, led by the CSIRT, takes a serious approach to pre-investment diligence and post-investment monitoring of cybersecurity risks at targets and portfolio companies. There is not a one-size-fits-all approach for conducting cybersecurity diligence or monitoring, and we seek to implement processes that are risk-based, cost-effective, and tailored to the specific portfolio company.

Pre-investment

Our due diligence of portfolio companies highlights the risk landscape and opportunities for improvement. We believe that Stonepeak should have a clear line of sight into issues that can be remedied prior to close or clearly mapped for remediation in the near-term post-close. Management should also have a clear understanding of Stonepeak's expectations for cybersecurity.

Post-investment

We seek to empower portfolio companies to manage their cyber risk, but regularly engage with management to ensure there is appropriate investment in people, processes and technology to enhance and evolve their cybersecurity posture in line with Stonepeak expectations and findings from pre-investment due diligence. Stonepeak also connects portfolio companies with external specialists across the cybersecurity and information technology space (e.g., cyber insurance, penetration testing/vulnerability scanning, vCISO, policy and procedure development) to help portfolio companies develop a customized and comprehensive cyber strategy or enhance their current posture.

Initiatives

Stonepeak continuously evaluates and upgrades its own cybersecurity practices to mitigate against increasingly sophisticated cyber threats, evolving regulatory requirements, and investor expectations.

Leveraging lessons learned from pre-investment diligence processes and findings from our portfolio company assessments, Stonepeak continually enhances its framework, including pre-investment cyber due diligence assessments, in order to highlight relevant findings and risks earlier in the process in an effort to provide portfolio companies with better initial guidance and resources for mitigating cyber risks.

Cybersecurity governance

Computer Security Incident Response Team (CSIRT)

The Firm has a comprehensive "security first" approach. Through our investments in robust information technology and cybersecurity infrastructure, we have created a hardened and defensible perimeter against cyber threats and fostered an informed and well-trained employee base.

The CSIRT works closely alongside external providers to undertake annual penetration testing, ongoing vulnerability scanning and to conduct annual risk assessments in order to continually strengthen Stonepeak's cybersecurity posture.

Breaches have significant financial and reputational risks:

0

number of material cyber incidents that Stonepeak has incurred (e.g., cyber events requiring disclosure or filing a claim under our cyber insurance policy)

99%

of portfolio companies assessed in the past year through an internally led and proprietary risk assessment process

Our recent initiatives include:

1. Establishment of Stonepeak Cyber Principles for portfolio companies to adhere to or prepare a road map to implement
2. Establishment of a cyber strike team to assist with material cyber events at portfolio companies
3. Rolling out periodic cyber reporting for portfolio companies
4. Standardizing cyber diligence practices and reporting

Portfolio company performance³³



Cellnex Nordics

View 2023 Environment and Climate Change Report →

Cellnex Nordics, the Swedish and Danish operations of Cellnex Telecom, Europe's largest operator of wireless telecommunications infrastructure, is the leading independent provider of colocation services for mobile network operators in the region. The Cellnex Nordics network totals more than 4,800 sites, including rooftop sites, ground-based towers, and other telecom structures, and has commitments and options to build and operate approximately 2,300 additional sites across the region.

Cellnex continues to make sustainability progress in its operations through:



Advancing toward the fulfillment of its Science Based Targets with an 83% reduction in Scopes 1 and 2 emissions from the 2020 base year.



Achieving 78% supplier participation in environmental impact questionnaire to strengthen measurement and insight into supply chain impact.

Cirion

View 2022 Sustainability Report →

Cirion – formed via Stonepeak's 2022 acquisition of Lumen Technologies' Latin American operations – operates 18 data centers in Latin America, with total projected power capacity of 40MW, of which half is leased and in use by clients.

Cirion continues to make sustainability progress in its operations through:



Implementing ISO 45001-certified systems to ensure workplace safety through risk management, training, and monitoring to prevent incidents and protect all workers.



Implementing several environmental solutions, including green technologies to increase the sustainability of cooling systems, adopting waste management practices, and seeking energy-efficient alternatives to help reduce overall carbon footprint.

Cologix

View 2023 Sustainability Report →

Cologix has one of North America's most robust, scalable data center ecosystems. This includes 40-plus 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 more than 2,000 customers across varying industries.

Cologix continues to build upon its sustainability momentum through:



Undertaking 205 different ESG CapEx projects since 2020 and investing more than \$32 million in ESG-related CapEx projects since 2016.



Investing in renewable energy across geographic footprint to achieve a fully renewable energy portfolio by 2030.



Certifying that 80% of all supplier spend includes a sustainable component by 2025.

CoreSite*

View American Tower's 2023 Sustainability Report →

CoreSite, which reports through American Tower, provides hybrid IT solutions that empower enterprises, cloud, network, and IT service providers to monetize and future-proof their digital business. The company operates highly interconnected data center campuses that serve as a digital supply chain, enabling customers to build customized hybrid IT infrastructure.

CoreSite (through American Tower) continues to make sustainability progress in its operations through:



Supporting the reduction of emissions intensity at communication sites by over 15% and increasing on-site renewable energy generation by 40% globally.



Promoting responsible waste management by minimizing waste generation, encouraging recycling, and ensuring proper handling and disposal of hazardous materials.

*CoreSite is an American Tower's business that Stonepeak acquired a minority stake in. American Tower operates and the business rolls up to their broader operations.

Delta Fiber

[View 2023 Sustainability Report](#) →

Delta Fiber – in which Stonepeak and its investor partners acquired a 50% interest in 2022 – provides broadband at speeds of up to 1 gigabit per second, TV, and fixed and mobile telephony to both consumers and businesses in the Netherlands. The company owns and operates approximately 50,000 route kilometers of fiber-based network infrastructure.

Delta Fiber continues to make sustainability progress in its operations through:



Committing to net zero through Science Based Targets validation in December 2023.



Signing the Code of Conduct for the Safe Construction of Digital Infrastructure (GVAD) in November 2023, reaffirming commitment to reducing risks and preventing accidents during the construction of digital infrastructure.



Conducting double materiality assessments to shape and strengthen sustainability strategy and road map.

Digital Edge

[View 2023 Sustainability Report](#) →

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.

Digital Edge continues to evolve its sustainability practices by:



Achieving over 2.5 million work hours without a lost time injury across construction and operational activities through 2022.



Kicking off the process toward carbon neutrality by 2030.



Achieving ISO 27001 certification for information security management systems across all facilities in April 2023.

euNetworks

View 2023 Sustainability Report →

euNetworks is a bandwidth infrastructure provider. It owns and operates 17 fiber-based metropolitan networks across Western Europe, connected by euNetworks' long-haul network. euNetworks leads the market in data center connectivity, directly connecting more than 490 data centers in Europe. It is also a leading cloud connectivity provider.

euNetworks continues to make sustainability progress in its operations through:



Committing to net zero by 2040 through signing up to the Climate Pledge.



Achieving the goal of sourcing 98% of its energy from renewable sources.



Committing to achieving gender balance in its workforce and becoming an employer of choice for women within telecoms.

GeelongPort

View 2023 Sustainability Report →

GeelongPort, Victoria's second-largest port, is located 75 kilometers southwest of Melbourne in Geelong, Victoria's largest regional city. Managing close to 12 million tons of cargo and 600 vessel visits per year, GeelongPort supports the agriculture, construction, energy and tourism sectors, handling more than \$7 billion of trade annually.

GeelongPort continues to make sustainability progress in its operations through:



Recording no lost time due to injuries in 2023.



Receiving recognition as Sector Leader for the 2023 GRESB Infrastructure Asset benchmark.



Committing to the SBTis with goals to reduce Scopes 1 and 2 GHG emissions by 50% by 2030 and to measure and reduce Scope 3 emissions.

Inspired

[View 2022 Annual Report](#) →

Inspired Education Group is the leading global group of premium schools, educating more than 80,000 students in more than 100 schools across more than 24 countries. All Inspired schools are individually developed and designed in response to their environment and location, delivering an excellent education to their respective communities.

Inspired continues to make sustainability progress through:



Undertaking physical and transition risk planning as part of climate-related risk and opportunities strategy.



Board committing to social responsibility, community engagement and environmental sustainability.

KAPS*

[View Keyera's 2023 Sustainability Report](#) →

KAPS is a Canadian natural gas liquids pipeline system connecting Northwest Alberta to energy hubs in Edmonton and Fort Saskatchewan. Stonepeak owns 50% of KAPS alongside Keyera Corp. which owns the remaining 50% and operates the asset. The KAPS system consists of an approximately 560-kilometer dual-pipeline system linking Montney and Duvernay production in Western Canada to fractionation and logistics assets in Fort Saskatchewan.

KAPS, under Keyera operation, continues to progress on sustainability goals by:



Ensuring the safety and well-being of employees, contractors and communities, with zero lost time injuries in 2023.



Helping reduce Scopes 1 and 2 equity-based emissions intensity by 21% since 2019, advancing toward the 2025 target of a 25% reduction from the 2019 baseline.

*KAPS is co-owned and operated by Keyera. Please refer to the KAPS stand-alone sections of the 2023 Keyera Sustainability and Climate Report for details on KAPS' sustainability performance.

Lineage Logistics

View 2023 Sustainability Report →

Lineage is one of the world's leading temperature-controlled industrial REIT and logistics solutions providers. Lineage has a global network of more than 480 strategically located facilities totaling over 2.8 billion cubic feet of capacity, which spans 20 countries across North America, Europe, and Asia-Pacific.

Lineage continues to make sustainability progress in its operations through the following:



Signing the Climate Pledge, committing to net-zero emissions across global operations by 2040.



77 solar installations generating 146MW of solar capacity across global offices as of Dec. 31, 2023.



Prioritizing the well-being of employee workforce through embedding safety into every aspect of its culture.

Seapeak

View 2023 Sustainability Report →

Seapeak – acquired by Stonepeak in 2022 – is the third-largest owner/operator of gas vessels globally, with ownership interests in 91 LNG/LPG vessels and a regasification terminal. Seapeak is a diverse, multicultural group of leaders and employs approximately 2,600 shore and sea staff from around the world.

Seapeak continues to make sustainability progress in its operations through:



Aligning with the International Maritime Organization's emissions reduction targets, committed to reducing fleetwide GHG emissions intensity by 40% per ton-mile by 2030 and achieving a 50% reduction in total GHG emissions by 2050, based on a 2008 baseline.



Completing a sustainability-linked loan as part of the refinancing of revolving credit facility.

TCFD Index

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Describe the Board's oversight of climate-related risks and opportunities.

Page 47

Describe management's role in assessing and managing climate-related risks and opportunities.

Page 47

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Pages 25 - 32

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Page 46

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Pages 25 - 26

Risk management

Disclose how the organization identifies, assesses, and manages climate-related risks.

Describe the organization's processes for identifying and assessing climate-related risks.

Pages 13, 25 - 26

Describe the organization's processes for managing climate-related risks.

Pages 13 - 15, 17, 21, 23, 34 - 35

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Pages 13 - 15, 17, 21, 23, 34 - 35

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Pages 33, 46

Disclose Scope 1, Scope 2, and – if appropriate – Scope 3 GHG emissions, and the related risks.

Pages 33, 46

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Page 33

Endnotes

Unless otherwise noted, all portfolio company information is derived from Stonepeak internal materials as of December 31, 2023.

Certain references to portfolio companies are with respect to Controlled Portfolio Companies as context requires. "Controlled Portfolio Companies" are 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.

1. The views in this report are Stonepeak's views based on past experience, reasonable assumptions, and current market trends. There can be no guarantee that any past trends will continue or that any estimates or projections will be met. Any data shown or information presented in this report is for illustrative purposes only and is not investment advice. The select investments presented are provided solely for the purpose of illustrating Stonepeak's ESG experience with respect to its current investments. Such select investments are not necessarily indicative of all or any investments that have been made or may be made by Stonepeak and were not selected on the basis of any performance-based criteria. Please see the Disclaimer at the end of this Report for additional information.
2. Global Warming in the Pipeline, Hansen et. al. (2023).
3. United Nations Production Gap Report (2023); Energy Information Administration (2023).
4. Global Warming in the Pipeline, Hansen et. al. (2023).
5. Stonepeak's AUM calculation provided herein is determined by taking into account (i) unfunded capital commitments of Stonepeak funds and any other vehicles or accounts managed by Stonepeak as of December 31, 2023, (ii) the gross asset value of such funds, vehicles and accounts, plus any feeder fund level cash with respect thereto as of December 31, 2023, and (iii) capital commitments of certain of such funds and such other vehicles or accounts managed by Stonepeak accepted between January 1, 2024 and March 31, 2024. The AUM figure (i) differs from the amount of assets under management reported for regulatory purposes and is based on gross asset values that are estimated and unaudited, and (ii) reflects the applicable FX rate as of December 31, 2023 for any funds, vehicles, and accounts for which the underlying currency denomination is not USD.
6. As of December 31, 2023. Rinchem, a transportation portfolio company, submitted its decarbonization targets to the Science Based Targets Initiative for approval in 2024.
7. US Environmental Protection Agency, "GHG Equivalencies Calculator": <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
8. Deloitte Center for Financial Services, "Building an integrated approach to real estate sustainability" (July 2024).
9. CEPM, "CEPM Zero: On the Path to Decarbonization".
10. Equity Commitment reflects the total amount of equity capital committed to date to the particular portfolio company (exclusive of co-investment), based on underwriting at the time such investment was made (as updated from time to time), to be invested as required and/or when certain conditions precedent are met.
11. World Economic Forum, "The world added 50% more renewable capacity last year than in 2022" (February 2024).
12. Statista, "Global cumulative installed solar PV capacity 2000-2023" (August 2024).
13. BloombergNEF, "Global Clean Energy Investment Jumps 17%, Hits \$1.8 Trillion in 2023" (January 2024).
14. United Nations, "Net Zero Coalition": <https://www.un.org/en/climatechange/net-zero-coalition>
15. Dominion Energy, "Coastal Virginia Offshore Wind overview": <https://www.dominionenergy.com/projects-and-facilities/wind-power-facilities-and-projects/coastal-virginia-offshore-wind>
16. Energy Information Administration, "US Electricity Profile" (2022).
17. Critical minerals based on the Global Critical Minerals Outlook 2024 by the International Energy Agency: Copper, Lithium, Nickel, Cobalt, Rare Earths (May 2024).
18. Maas Energy Works, "Digester Projects": <https://www.maasenergy.com/projects>
19. US Environmental Protection Agency, "GHG Equivalencies Calculator": <https://www.epa.gov/energy/greenhouse-gas-equivalenciescalculator#results>
20. Material categories include: carbon inventory, Science Based Targets or net-zero aligned plan, climate planning, sustainability-linked compensation, ESG reporting, diversity, equity and inclusion at the Board and executive team level, supply chain governance, worker health and safety, and ESG governance

Endnotes

Unless otherwise noted, all portfolio company information is derived from Stonepeak internal materials as of December 31, 2023.

21. On a gross basis as of December 31, 2023
22. Based on 100% equity..
23. Climate pathway representative concentration pathway (RCP) refers to the GHG concentration (not emissions) trajectory adopted by the IPCC to be used for climate modeling as established in the IPCC's fifth Assessment Report (AR5) in 2014.
24. On April 1, 2022, Stonepeak Infrastructure Fund II closed on a full recapitalization of Cologix.
25. GeelongPort, "GeelongPort Sustainability Report" (December 2023).
26. GeelongPort, "Environment Policy": <https://geelongport.com.au/hseq/environment/environment-policy/>
27. While the execution of Stonepeak's asset management activities does not intentionally target nonfinancial goals or objectives (i.e., explicit ESG or impact metrics), we seek to generate meaningful, tangible, and measurable positive impacts guided by the United Nations Sustainable Development Goals mentioned in this report.
28. Akumin, "About us": <https://akumin.com/about-us/>
29. Synera Renewable Energy, "Corporate sustainability": <https://www.sreglobal.com/sre-csr>
30. Stonepeak, "Global Renewables Strategy FY 2023 Impact Report" (August 2024).
31. Stonepeak, "Global Renewables Strategy FY 2023 Impact Report" (August 2024).
32. Cybercrime Magazine, "Global Ransomware Damage Costs Predicted to Exceed \$265 Billion by 2031" (July 2023).
33. For portfolio companies with publicly available sustainability reporting.

Disclaimer

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.

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.

While Sustainability is only one of the many factors the Stonepeak will consider in making an investment, there is no guarantee that Stonepeak will successfully implement and make investments in companies that create positive environmental, social or governance impact while enhancing long-term shareholder value and achieving financial returns. To the extent that Stonepeak engages with companies on Sustainability-related practices and potential enhancements thereto, such engagements may not achieve the desired financial, social and environmental results, or the market, society or investors may not view any such changes as desirable. Successful engagement efforts on the part of Stonepeak will depend on Stonepeak’s skill in properly identifying and analyzing material Sustainability and other factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering Sustainability qualities when evaluating an investment may result in the selection or exclusion of certain investments based on Stonepeak’s view of certain Sustainability-related and other factors, which view could ultimately prove to be incorrect, and creates a risk that a Fund may underperform other funds that do not take Sustainability-related factors into account (or that do take such factors into account, but not to the same extent as Stonepeak) or, conversely, could underperform specialized funds that are largely or exclusively focused on sustainable investing principles.

Consideration of Sustainability factors may affect Stonepeak’s exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact a Fund’s performance to the extent there is underperformance in the area of such exposure.

Applying Sustainability goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Stonepeak or any judgment exercised by Stonepeak will reflect the beliefs or values of any particular investor or group of investors. In evaluating a company, Stonepeak is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause Stonepeak to incorrectly assess a company’s Sustainability practices and / or related risks and opportunities. In addition, Stonepeak makes investment decisions based on circumstances as they exist at the time the investment is made, and developments that take place subsequent to the investment, where such developments are outside Stonepeak’s control, may not conform to Stonepeak’s expectations around Sustainability (for example, but not by limitation, concerning a portfolio company’s pivot in its use of technology or its changes to its business plan). Sustainability-related practices differ by region, sector and issue and are evolving accordingly, and a company’s Sustainability-related practices or Stonepeak’s assessment of such practices is likely to change over time. Moreover, the consideration of Sustainability factors in connection with a Fund’s investment activities could be expected to increase the overall amount of investment-related fees, costs and expenses that are incurred by the Fund and, indirectly, its investors.

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.

Disclaimer continued

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