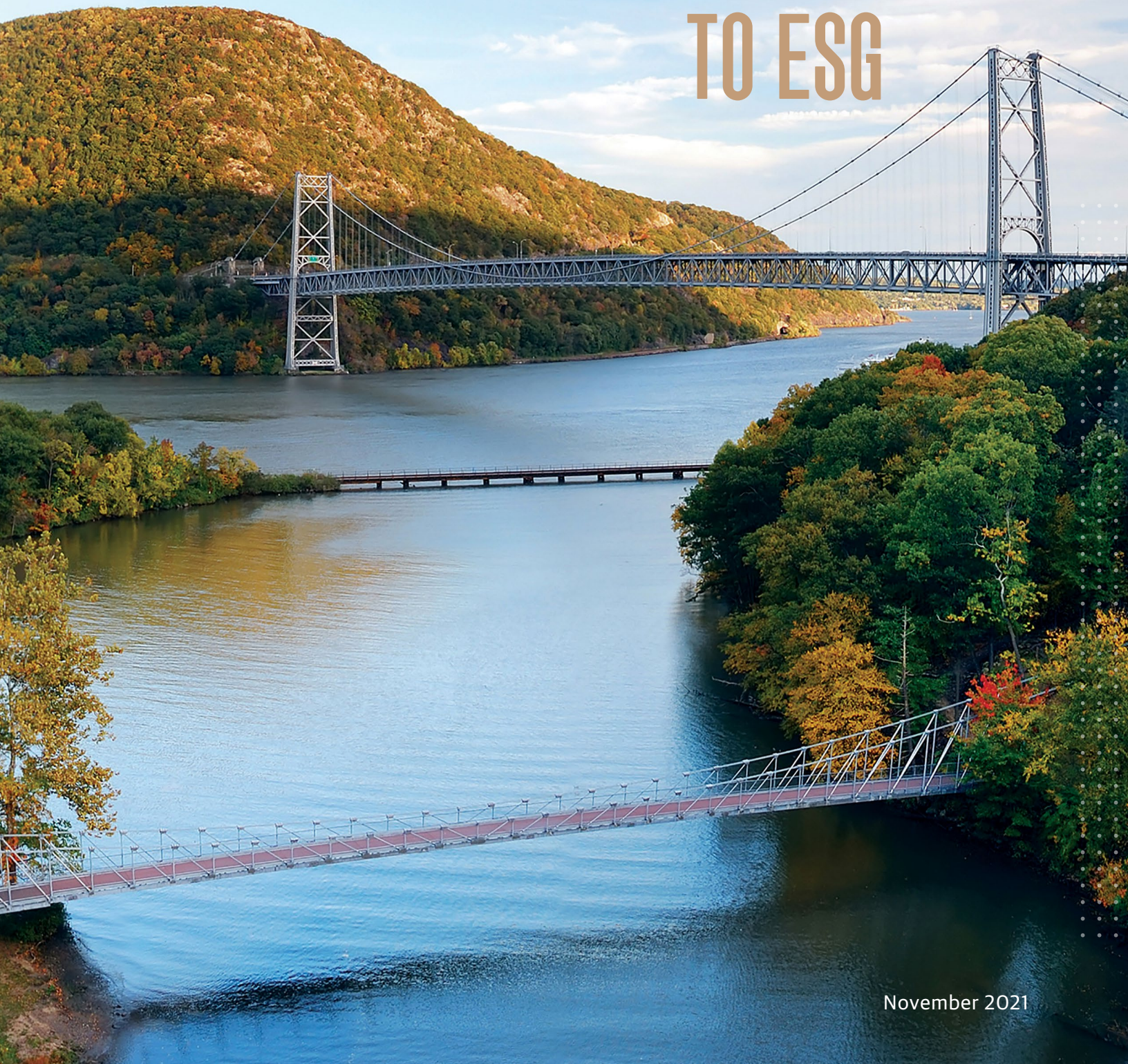


Blackstone

# AN INTEGRATED APPROACH TO ESG



November 2021

# TABLE OF CONTENTS

04

## Introduction

- An Integrated Approach to ESG
- Blackstone's Approach to ESG

08

## COVID-19

- Supporting Our People
- Mobilizing Blackstone Portfolio Companies
- Supporting Our Tenants and Residents
- Relief Efforts Across the Globe

10

## Governance

- Industry Partnerships
- Our Integrated ESG Team
- Board of Directors
- Comprehensive Compliance
- BAAM ESG Initiatives
- Privacy and Cybersecurity

20

## Environmental

- Leveraging Scale to Advance Sustainability Portfolio-Wide
- Active Decarbonization Efforts
- Reducing Real Estate Emissions
- Energy Efficiency in Blackstone Corporate Offices
- Thematic Investing in ESG
- Investing in Clean Energy Solutions

32

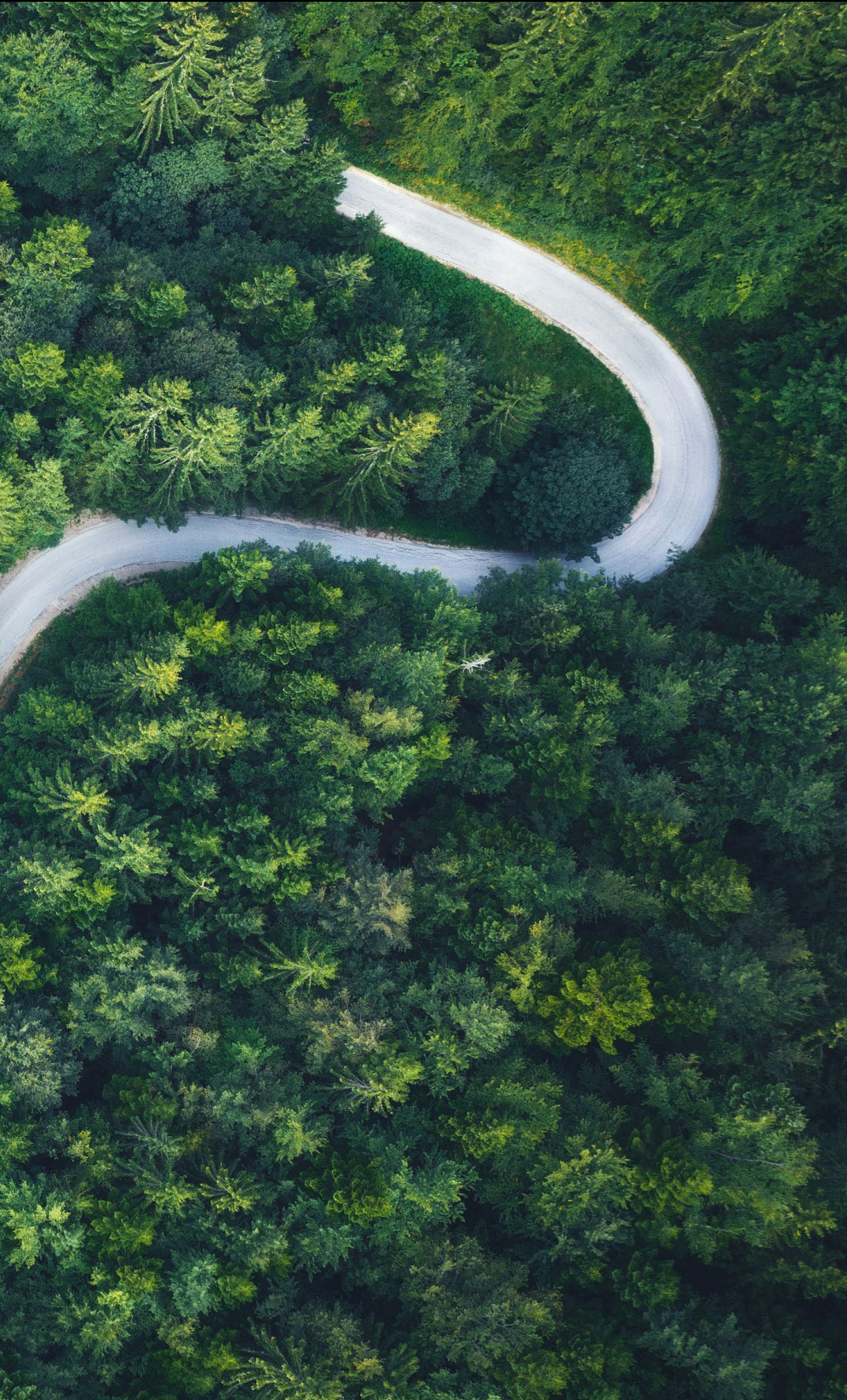
## Social

- Career Pathways Program
- Veterans Hiring Initiative
- Blackstone Charitable Foundation
- Human Capital Management Policies
- Diversity, Equity and Inclusion
- Training, Development and Benefits

42

## Appendix

- Disclosures
- Endnotes



We view ESG as central to our mission of delivering strong returns for clients. Blackstone is using its scale and expertise to help strengthen our companies, assets and the communities in which they operate.

**Jon Gray**

*President and Chief Operating Officer*

## An Integrated Approach to ESG

Blackstone believes that Environmental, Social and Governance (ESG) principles are crucial to developing strong, resilient companies and assets that deliver long-term value for our investors. We are committed to integrating ESG within our investment process and operating philosophy. Our investors — including over 100 million pensioners — and our shareholders alike benefit from this commitment.<sup>1</sup>

While ESG is a vast and growing field, we have chosen to prioritize decarbonization, diversity and good governance to create stronger companies and long-term value for our investors. We aim to lead by example and apply our insights to drive change across our portfolio. The power of our model is supported by strong operational interventions, led by our Portfolio Operations and Asset Management teams.

While the last two years presented unprecedented challenges for so many, we are grateful that Blackstone's people remained focused on delivering for our investors, including by advancing our ESG priorities. We are proud of the extensive safety measures we put in place during this time that enabled us to return to the office and be together.

We have consciously accelerated our ESG initiatives, both within our firm and across our portfolio. At Blackstone, we have added considerable domain expertise, become a member of leading organizations such as Principles for Responsible Investment (PRI) to advance several priority ESG initiatives across our industry and started reporting on ESG progress to our board quarterly. We achieved 41 percent female representation globally and 49 percent racially diverse representation

in the US among our incoming analyst class. We refined the giving strategy of the Blackstone Charitable Foundation to expand our focus on economic opportunity and career mobility. We aim to provide a broader range of individuals with skill-building opportunities while also mobilizing our resources to support COVID-19 relief. These accomplishments represent our ongoing commitment to fostering diversity and economic opportunity, not only within our portfolio companies but also at home.

We have also partnered with portfolio companies to advance several important initiatives. Our dedicated sustainability team is hard at work operationalizing our 15 percent emissions-reduction target, an aggregate, three-year goal that applies to investments where we control the energy usage.<sup>2</sup> Leveraging Blackstone's scale to spur these near-term results, we designed the program to help businesses attain measurable, cost-effective decarbonization and position themselves for the transition.

We've similarly made meaningful commitments on the social and governance fronts. We announced a target of at least one-third diverse representation on controlled portfolio company boards in the US and Europe, as we believe diversity of thought and experience builds better businesses.<sup>3,4</sup> We launched our Career Pathways pilot program, creating economic opportunity across our portfolio through career mobility and ensuring select portfolio companies have access to the largest pool of talent. We are tremendously proud to have achieved our goal of hiring over 100,000 veterans, veteran spouses and caregivers at our portfolio companies since 2013. Finally, we encouraged portfolio companies to report to their respective boards on ESG on a regular basis.

**\$120M+**

**distributed globally by the Blackstone Charitable Foundation since 2007<sup>5</sup>**

**1/3**

**target for diverse representation on controlled portfolio company boards in the US and Europe**

**41%**

**of our 2021 global analyst class is composed of women; 49% of our 2021 US analyst class is racially diverse**

**100,000+**

**veterans, veteran spouses and caregivers hired across our portfolio since 2013<sup>6</sup>**

**~1/3**

**of our firm's leadership team is diverse and 50% of our primary businesses have a diverse professional as one of their top two leaders**

# 15%

target for carbon emissions reduction in aggregate across investments globally where we control energy usage

# 125 MW

of on-site solar power across our real estate portfolio, with a pipeline of 300 MW by 2025

# ~44%

Champlain Hudson Power Express is expected to decrease New York CO<sub>2</sub> emissions by an estimated average of 3.9M metric tons per year – equivalent to removing ~44% of passenger vehicles from New York City

# Nearly \$10B

committed in investments since 2019 that we believe are consistent with the broader energy transition



In line with our thematic approach to investing, we are investing heavily in businesses that are focused on supporting the energy transition. Since 2019, Blackstone has committed nearly \$10 billion in investments that we believe are consistent with the broader energy transition. Portfolio company Transmission Developers Inc., for example, is building a 339-mile transmission line that is expected to deliver 1,250 MW of renewable power to New York City. It is expected to decrease New York CO<sub>2</sub> emissions by an estimated average of 3.9 million metric tons per year – equivalent to removing approximately 44 percent of passenger vehicles from New York City.

Across our recent private equity investments, we are also supporting diverse leaders and have invested over \$10 billion in companies led by women CEOs since 2019, partnering with entrepreneurs like Whitney Wolfe Herd of Bumble, Sara Blakely of Spanx and Reese Witherspoon of Hello Sunshine.<sup>7</sup> We also invested \$16 billion in life sciences in 2020. We believe that by investing in these macro-trends today, we can build businesses with long-term resilience.

Blackstone's global reach creates both a unique opportunity and responsibility. We are an owner of more than 10,000 real estate assets and we employ more than half a million people across our 250+ portfolio companies.<sup>5</sup> Additionally, we are the largest owner of commercial real estate globally.<sup>8</sup> The sheer breadth of our influence not only enables but compels us to steward our resources with great care in order to create value for our investors, with intense consideration for the impact of our portfolio companies on the communities in which they operate and the environment.

We take that responsibility seriously, and we're delighted at this opportunity to share our vision for how we can deliver for our investors by advancing ESG priorities. Thank you for taking the time to learn about our approach.

**Stephen A. Schwarzman**  
Chairman, CEO and Co-Founder

**Jon Gray**  
President and Chief Operating Officer



In 2019, StuyTown completed the largest private multifamily rooftop solar project in the US, installing nearly 10,000 solar panels, which approximately doubled Manhattan's solar capacity at the time of installation.

# Blackstone's Approach to ESG

We believe ESG is a key component of how we create long-term value for our investors. It informs the way we run our firm, approach investing and partner with the assets in our portfolio. We take a highly coordinated approach, knitting these efforts together through a dedicated corporate ESG team that looks to apply our ESG policies, champion firm-wide initiatives and regularly report progress to stakeholders.

This update will detail some of the important advancements we've made in scaling our ESG program and outline other efforts where we have more work to do. It is intended to lay out our vision, priorities and path of travel.

Our approach is grounded in a responsibility to our investors to be careful stewards of capital. We have long been implementing

a number of initiatives designed to make our companies stronger and more resilient. Many of these, like promoting sustainability and diversity, are today considered core components of ESG. We are confident that the more we weave ESG factors into our corporate purpose and performance, the more value we will be able to deliver — for our investors, our portfolio companies and the communities we serve.

We aim to practice what we preach, applying ESG principles at the corporate level before leveraging our scale to implement portfolio-wide change. We believe our accomplishments in 2021, outlined below, were significant and reflect a greater emphasis on processes, policies, integration and engagement than ever before.

### At the corporate level:

- **An integrated ESG team:** ESG is integrated across the firm. Our Private Equity, Real Estate, BAAM and Credit businesses each have a designated ESG head to enable coordination across corporate ESG, investment teams, corporate groups, Asset Management teams and Portfolio Operations. The number of ESG-related professionals at Blackstone has grown fivefold since 2019, with 14 professionals added in 2021 alone, and we will continue to expand our team with domain experts.
- **Maintaining clear ESG governance:** Our senior leadership and board of directors are highly supportive and engaged on ESG. We report to our board quarterly and are supported by dedicated steering committees. We have a firmwide ESG policy that works in concert with our various business units' ESG policies.
- **Using data to measure progress:** We gather and monitor key metrics to hold ourselves accountable. We are focused on providing greater transparency to stakeholders over time.

### Our investment process:

- **Conducting comprehensive due diligence:** By considering applicable ESG factors in the investment process, we aim to identify and address material investment risks to drive value.
- **Tying diligence to action:** We are evaluating processes to more systematically identify ESG factors during diligence and tie those factors to intervention plans and measurement throughout the lifecycle of an investment.

### Across Asset Management and Portfolio Operations:

- **Priority ESG initiatives:** We seek to set clear expectations for our investments where applicable and strongly encourage them to consider a select number of priority ESG initiatives focused on diversity, decarbonization and good governance.
- **Integrating ESG standards and priorities:** We endeavor to share our learnings and help our portfolio companies implement ESG policies, processes and reporting. We encourage our portfolio companies to consider ESG factors that are material for their business and sector.
- **Ongoing monitoring:** For majority-owned portfolio companies in our funds, we conduct an annual ESG survey and quarterly data collection. Those that entered our portfolio in 2021 or later and are within the scope of our Emissions Reduction Program are asked to track utility spend.<sup>9</sup> We have started work on generating a measured carbon footprint for investments where we have majority ownership and board control on an annual basis, allowing us to evaluate progress and focus our efforts on the largest opportunities for impact. We are also proud to have signed onto the ESG Data Convergence Project championed by our limited partners.

We are proud of what we have achieved so far and excited to continue building on these achievements. In this update — a precursor to our 2021 ESG report — we provide an overview of our vision and our plan to realize that vision in each priority area.

Full ESG integration requires real commitment and considerable investment. On behalf of all of us at Blackstone, thank you for taking the time to read our update. We look forward to your feedback and support as we continue to advance our ESG priorities.



A handwritten signature in black ink, appearing to read 'C Anderson', with a long horizontal line extending to the right.

**Christine Anderson**  
Global Head of External Relations and  
Acting Global Head of ESG

# COVID-19 RELIEF:

## MOBILIZING RESOURCES, STAYING CONNECTED

When COVID-19 hit, we had three main goals: support our employees, help our portfolio companies and assets weather the pandemic and aid the communities most in need.

### Supporting Our People

Our most valuable asset is our people. Thanks to excellent planning, technology and focus, we seamlessly transitioned to remote work and made our primary focus keeping our people safe and connected. Blackstone's COVID-19 Response Team, overseen by Chief Administrative Officer Vik Sawhney and Deputy General Counsel Tabea Hsi, served a critical role in shaping the firm's approach and pulling together relevant leaders across the firm.

Our people juggled personal and professional challenges while coming together to serve our clients. Our Human Resources team provided resources for mental health support. Our Technology & Innovations team (BXTI) ensured smooth access to means of remote communication. In the earliest days of the pandemic, we created a live weekly

Monday morning Zoom call, "BXTV," to help our people stay connected as a community.

From the beginning, we've known that we are "better together." We believe there is no substitute for in-person collaboration and training. It was important to our firm culture to get our people back in the office, working together. Our Human Resources and Global Corporate Services teams worked hard to create the conditions that allowed our people to return to the office as safely as possible.

We began a careful and voluntary reopening of our New York headquarters in the Summer of 2020 and meaningfully expanded that effort in June 2021. We strongly encouraged all employees who were able to get vaccinated — and 96 percent of our US employees did.<sup>710</sup> We've invested approximately \$14 million, as of June 2021, in extensive measures to ensure employee safety, including mandatory twice-weekly COVID-19 testing with an option for thrice-weekly tests, vaccination requirements for in-person work and specialized contact-tracing technology on our devices.<sup>10</sup> We have also implemented stringent sanitization methods and provided personal protective equipment (PPE) and transportation subsidies to support employee commuting.



Maintaining the physical and mental health of our people has been essential throughout the pandemic. That's involved listening, following the science and being adaptable.

**Bob Galvin**  
Chief Medical Officer



At StuyTown Pantry, we launched a fundraising campaign to help feed families in New York City.



## Mobilizing Blackstone Portfolio Companies

The global pandemic created challenges for each company in our portfolio. Our teams stepped in to support management as they tackled difficult decisions. We worked with Human Resources, IT teams and others — providing learnings and expertise from across the portfolio — as they moved quickly to adapt.

Many of our portfolio companies have also been at the forefront of helping their communities.

In Europe, **NEC Group**, a leading live events business in the UK and part of Blackstone's private equity portfolio, helped transform its Birmingham exhibition venue into a dedicated field hospital for COVID-19 patients. The company made the site available rent-free to the UK's National Health Service, to help them in case they needed extra hospital capacity.

Blackstone India's real estate portfolio companies, including **Embassy REIT**, **Mindspace REIT**, **Nexus Malls**, **Nucleus Office Parks**, **Salarpuria** and **Panchshil**, provided \$3.8 million in donations to organizations across the country responding to the pandemic. In addition, the companies donated more than 3.7 million meals for underprivileged families and 109,000 masks to medical and essential professionals.

At **StuyTown Pantry**, now part of CoreGiving, we launched a fundraising campaign and raised nearly \$250,000 to help feed families in New York City.

## Supporting Our Tenants and Residents

One of the biggest socio-economic challenges of the pandemic was a rise in housing insecurity, with many encountering financial hardship from job loss, sickness or other factors that left them unable to pay rent. **From April 2020 through September 2021, Blackstone Real Estate did not conduct a single eviction for non-payment across its wholly owned US housing portfolio.**

In the UK, **The Arch Company**, manager of 5,000 small and medium businesses underneath the UK railway arches, announced a Hardship Fund of £10 million for independent small businesses severely impacted by COVID-19 to fund three months' free rent for tenants in need.

**Sponda**, a Finnish real estate portfolio company, announced two months' free rent for all restaurant and food and beverage tenants. This followed support measures including interest-free rent deferrals based on individual tenant situations and flexible shopping center opening hours.



The dedicated field hospital provided by Blackstone portfolio company NEC Group for COVID-19 patients.

## Relief Efforts Across the Globe

Blackstone mobilized quickly to provide help where it was most needed during the pandemic. Scale and speed were critical to supporting stretched healthcare services. As part of these efforts, to date we have contributed over \$20 million to benefit global COVID-19 relief.

In our home state of New York, the Blackstone Charitable Foundation provided an anchor \$10 million contribution to the New York State COVID-19 First Responders Fund and an additional \$5 million in contributions to organizations orchestrating food delivery to healthcare workers and first responders, as well as others supporting vulnerable populations in New York City. These organizations included City Harvest, World Central Kitchen, Slice Out Hunger, Coalition for the Homeless, Union Settlement, Covenant House and others.

In India, Blackstone contributed nearly \$5 million to primarily support three non-profits — CARE India, UNICEF and the American India Foundation — that worked to provide oxygen equipment, vaccine distribution and PPE for frontline healthcare workers.

In Asia, the Blackstone Charitable Foundation donated \$950,000 in February 2020 to the One Foundation, a China-based organization supporting local COVID-19 response. In June 2020, Blackstone Singapore provided nearly \$600,000 to support COVID-19 relief efforts in Singapore.

# GOVERNANCE:

## COMPREHENSIVE REGULATORY FRAMEWORKS FOR BLACKSTONE, ITS PORTFOLIO COMPANIES AND OUR INDUSTRY

**Strong governance is the foundation on which all resilient companies are built. As owners and operators, we seek to encourage and implement governing structures and processes that are designed to foster regulatory compliance and strong performance. We do this both at the corporate level and across our portfolio companies and investments.**

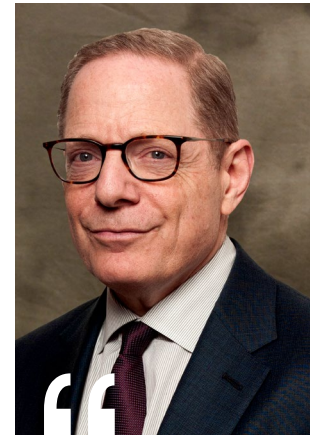
We strive to implement strong governance in each sector in which we operate. We encourage our portfolio companies and investments to identify and address material ESG factors for their business and sector.

There are strong oversight and compliance systems that govern our own operations. Within the investment process, we proactively seek to enhance our diligence and monitoring processes to better inform our investment decisions and the way we own assets. This means we seek to integrate ESG factors and risk management, tailored to particular investments, into our investment process.



Chief Legal Officer John Finley meets with Global Head of Compliance Marshall Sprung and Private Equity General Counsel Natasha Gopaul.

We pride ourselves on being responsive to our investors' need for reporting and transparency and continually work with them in this regard. We share portfolio ESG information with our investors through written reports, meetings and calls, as appropriate and where available. We also seek out opportunities to engage with our stakeholders to advance the dialogue regarding responsible investing, where Blackstone strives to be an industry leader.



Our tone at the top and our culture is the foundation for ensuring that Blackstone and its portfolio companies can carry out their business with the confidence that integrity, trust and transparency are at the forefront of our values.

**John Finley**  
Chief Legal Officer

# Partnering with Industry Experts

We aim to drive ESG progress across our industry and are pleased to partner with the following organizations:



## Principles for Responsible Investment (PRI)

Blackstone became a PRI signatory in August 2021. We look forward to reporting to PRI and engaging with other signatories on ESG integration.



## Task Force on Climate-Related Financial Disclosures (TCFD)

Blackstone joined TCFD to help build a more resilient financial system through better climate risk disclosures. Blackstone intends to report aligned with TCFD recommendations in 2022.



## Ceres Investor Network

Blackstone joined Ceres to engage with sustainability experts and other leading asset owners and investment managers to further sustainable investing and to help develop climate frameworks for private equity, including net-zero frameworks.



## Sustainable Markets Initiative (SMI)

Blackstone joined the Private Equity SMI Taskforce to play a role in driving the transition to a sustainable future.



## Rocky Mountain Institute (RMI)

Blackstone is partnering with RMI to develop our proprietary asset class-level climate frameworks.



## Taskforce on Nature-Related Financial Disclosures (TNFD)

Blackstone joined the TNFD Forum to advise on standardizing nature-related disclosures, encouraging reporting and acting on nature-related risks.



## American Council on Renewable Energy (ACORE)

Blackstone joined ACORE to support the deployment of renewable energy and inform our renewable energy investing activities.

## WELCOME



The drumbeat of warnings about the need for accelerated action to reduce carbon emissions has never been louder, and investors have a tremendous responsibility – and opportunity. At Blackstone, we are proud to be partnering with our portfolio companies, seeking to help them decarbonize to make them stronger. By supporting a lower-carbon future, we are creating value in our investments – and we hope to inspire other investors to see what is possible.

### Elizabeth Lewis

Deputy Head of ESG

Ms. Lewis supports Blackstone's corporate ESG efforts. Before joining Blackstone, Ms. Lewis led public engagement on climate change for the International Finance Corporation (IFC), the private sector part of the World Bank Group. Earlier in her career, she established World Resources Institute's Sustainable Investing Program and was a Principal at Global Environment Fund, a private equity fund focused on clean energy and sustainable forestry. She serves as a Trustee of the Maryland/DC Chapter of The Nature Conservancy.

# Our Integrated ESG Team

ESG is overseen by senior management, who report to the Blackstone board of directors quarterly on ESG. These teams are supported by dedicated steering committees and working groups, including the Global ESG Steering Committee, as well as regional coverage through the Asia ESG Steering Committee and Europe ESG Steering Committee. They also include the Climate Working Group, the Data Working Group and the Legal & Compliance Working Group.

The heads of ESG for our Private Equity, Real Estate, BAAM and Credit businesses are able to coordinate across our Investment, Asset Management and Portfolio Operations teams. These business unit heads of ESG draw on the deep domain expertise of the corporate ESG team and the firm's Portfolio Operations teams. The Portfolio Operations and Asset Management teams are then responsible for implementation of ESG initiatives.

We provide tailored training on relevant aspects of ESG across the organization. Over the past year, this has included:

- ESG board reporting training for portfolio company CEOs
- Strategy-specific ESG training for the BAAM Investment teams
- Climate change Investment Analysis training for BAAM Investment professionals



## Advancing Progress Through Regular Board Reporting

Blackstone announced a new initiative asking portfolio company leaders to regularly report to their boards on ESG if they do not already. This initiative encourages portfolio companies to examine their own ESG practices and identify and track KPIs that are relevant to their business, as well as focus on priority ESG initiatives identified by Blackstone. We built this initiative based on the practice established by Blackstone's Real Estate business — an example of how we can develop effective practices in one part of our business and scale them across our portfolio.

# ESG Resources Across Blackstone

We're proud to have added considerable ESG domain expertise in recent years.

Hired or joined  
ESG team in  
2021

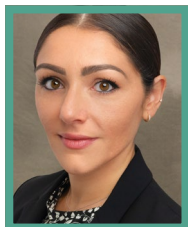
## CORPORATE ESG



**Christine Anderson**  
Global Head of External Relations, Acting Head of ESG



**Elizabeth Lewis**  
Deputy Head of ESG



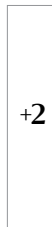
**Elena Iannaccone**  
Vice President, ESG



**Megan Nixon**  
Director, ESG



**Lindsay Gibson**  
Associate, ESG



**Amy Stursberg**  
Executive Director of the Blackstone Charitable Foundation

## CHARITABLE FOUNDATION

## PRIVATE EQUITY & PORTFOLIO OPERATIONS



**Courtney della Cava**  
Global Head of Portfolio Talent & Leadership



**Amisha Parekh**  
Head of ESG for Private Equity



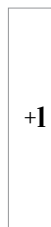
**James Mandel**  
Chief Sustainability Officer



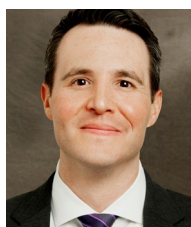
**Elena Mariotti**  
Managing Director, Portfolio Operations



**Marcus Felder**  
Head of Career Pathways



## REAL ESTATE



**Eric Duchon**  
Head of ESG for Real Estate



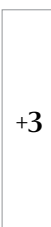
**Caroline Hill**  
Head of ESG for Real Estate Europe



**Nina James**  
Head of ESG for Real Estate Asia



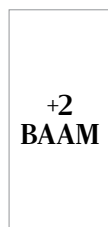
**Carolyn Torsiello**  
Vice President, ESG for Real Estate



**Rita Mangalick**  
Head of ESG for BAAM and Credit



**Jamie Chesner**  
Principal, BAAM

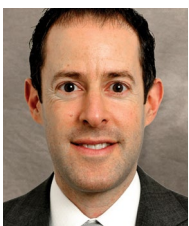


## BAAM / BXC

## LEGAL & COMPLIANCE



**John Finley**  
Chief Legal Officer



**Marshall Sprung**  
Global Head of Compliance



**Tabea Hsi**  
Deputy General Counsel

## GLOBAL CORPORATE SERVICES



**Grace Nicosia**  
Global Head of Corporate Services

## HUMAN RESOURCES



**Paige Ross**  
Global Head of Human Resources



**Devin Glenn**  
Global Head of Diversity, Equity & Inclusion

## Board of Directors

We seek to ensure that the Blackstone board of directors is composed of members whose collective experience, qualifications and skills will allow the board to effectively satisfy its oversight responsibilities. The board conducts an annual evaluation to determine whether it and each of its committees are functioning effectively and to identify opportunities for their improvement.

We recognize that diversity is an important component of effective governance. Over 30 percent of the Blackstone board of directors is diverse.

## Enhancements to Blackstone's Board

Blackstone was pleased to welcome two exceptional new board members in 2020: Ruth Porat, Chief Financial Officer of Alphabet, Inc. and its subsidiary Google, Inc., and Reginald 'Reg' Brown, partner at the law firm Kirkland & Ellis LLP.



### Ruth Porat

*Chief Financial Officer of Alphabet, Inc. and Google, Inc.*

Ruth Porat joined Google as Senior Vice President and Chief Financial Officer in May 2015 and has also held the same title at Alphabet since it was created in October 2015. She is responsible for Finance, Business Operations and Real Estate & Workplace Services. Prior to joining Google, Ruth was Executive Vice President and Chief Financial Officer of Morgan Stanley and held roles there that included Vice Chairman of Investment Banking, Co-Head of Technology Investment Banking and Global Head of the Financial Institutions Group.



### Reg Brown

*Partner, Kirkland & Ellis LLP*

Reg J. Brown is a partner in the Washington, D.C., office of Kirkland & Ellis LLP. He regularly advises financial institutions and other companies facing complex and significant regulatory, enforcement and reputational matters. Prior to joining Kirkland, Brown was a partner at WilmerHale, where he served as Chairman of the firm's Financial Institutions Group and led the firm's congressional investigations practice as Vice Chair of the Crisis Management and Strategic Response Group. From 2003 to 2005, Brown served as Associate White House Counsel and Special Assistant to the President and also worked as Assistant to the CEO and Vice President for Corporate Strategy at Nationwide Mutual Insurance Company.

## FEATURE ON FIRM AWARDS



Recent awards and recognitions include:

- Earned a 100% rating on the **Human Rights Campaign's Corporate Equality Index in 2021**
- Certified as a **"Great Place to Work"** for the fifth year in a row — included on **"Best Workplaces in New York," "Best Workplaces in Financial Services & Insurance"** and **"Best Workplaces for Millennials"** lists in 2021
- Included on the **"UK's 100 Best Companies to Work For"** list with an additional honor of being named one of **"London's 75 Best Companies to Work For"** in 2021

# Bumble

## Empowering Women and Helping Companies Grow

As the founder of one of the highest-profile start-ups of the past decade, Bumble CEO Whitney Wolfe Herd had no shortage of firms interested in investing in her company. Bumble's February 2021 IPO made Whitney the youngest woman entrepreneur to ever take a company public in the US – symbolic of her mission to empower women, who make up 70 percent of the company's board.



youngest woman to lead an IPO in US history

When Blackstone acquired Bumble, we partnered with Whitney to help her realize her vision for the company. We helped build a senior leadership team that reflected Whitney's goal of creating a platform by women, for women. We recruited several C-Suite level women officers and identified leading tech and media executives to join the company's majority-women board. We supported the company's rebrand from MagicLab to Bumble, which unified their various platforms under one recognizable brand name that's become synonymous with women's empowerment in the digital connections space.

# 70%

of Bumble's board is composed of women





Our compliance framework is comprehensive and designed to address the complexity of the business and regulatory landscape in which we operate globally. Blackstone is committed to conducting its business in keeping with the highest legal and ethical standards and expects all employees to uphold this commitment.

**Marshall Sprung**  
Global Head of Compliance

## Comprehensive Compliance Program Bolstered by Review and Training

The board of directors is responsible for reviewing Blackstone's policies and compliance systems and confirming that they are consistent with the objective that Blackstone and our officers and directors act legally, ethically and responsibly. Blackstone's compliance framework and expectations are set out in Blackstone's Compliance Policies and Procedures, including our Code of Business Conduct and Ethics.

Additionally, employees are trained or enrolled in compliance training when they start at the firm and we retrain employees globally at least once annually. Blackstone reviews its internal ethical standards annually with the assistance of a third-party firm.<sup>11</sup>

POLICIES AND TRAININGS	
Code of Ethics & Training	<input type="checkbox"/>
Bribery & Anti-Corruption Policy & Training	<input type="checkbox"/>
Anti-Money Laundering Policy & Training	<input type="checkbox"/>
Whistleblower Protection & Training*	<input type="checkbox"/>
Anti-Harassment Policy & Training	<input type="checkbox"/>
Non-Retaliation Policy & Training	<input type="checkbox"/>

\* Blackstone provides multiple avenues for whistleblower reporting, including a toll free, live-staffed, around the clock hotline, as well as a website, hosted by Navex Global's EthicsPoint

Ms. Mangalick is Head of ESG for BAAM and Blackstone Credit, where she partners with both groups to lead various initiatives around ESG diligence, reporting and engagement. Prior to this role, Ms. Mangalick was instrumental in developing BAAM's ESG program, along with a focus on BAAM's Advisory Business. She was previously a member of the Business & Financial Evaluation team, performing operational due diligence of BAAM's hedge fund managers.



**Rita Mangalick**  
Head of ESG for BAAM and Credit

## How BAAM Incorporates ESG

### BAAM ESG Policy Engagement Initiative

BAAM invests with a large number of investment managers, which provides BAAM with the opportunity to have an impact on ESG integration — not only at Blackstone, but also across our industry. BAAM's dedicated ESG team engages with managers by sharing best practices, providing resources, hosting trainings and encouraging managers to adopt ESG policies as appropriate for their investment strategies. BAAM has seen a more than 100 percent increase in ESG policy adoption among the active managers in its portfolio since December 2019.

### BAAM ESG Monitoring and Reporting Initiative

BAAM performs manager due diligence, which includes ESG considerations, on a pre-investment and ongoing basis. BAAM sends managers an annual ESG questionnaire on how they integrate ESG into their investment processes and business practices, then aggregates the data and shares that reporting with our investors, upon request, to provide them a high-level view of the ESG-related progress of the managers in their portfolio.



## **Corporate Privacy and Data Protection**

Blackstone is committed to privacy and data protection. These topics are included in routine training received at least once annually by employees. Data privacy is typically addressed in the Global CCO's annual update to the board. Blackstone's approach to data protection is set out in its Online Privacy Notice and its Investor Data Privacy Notice.

The privacy function also supports the Data Protection Operating Committee (DPOC), Blackstone's global privacy compliance steering committee.

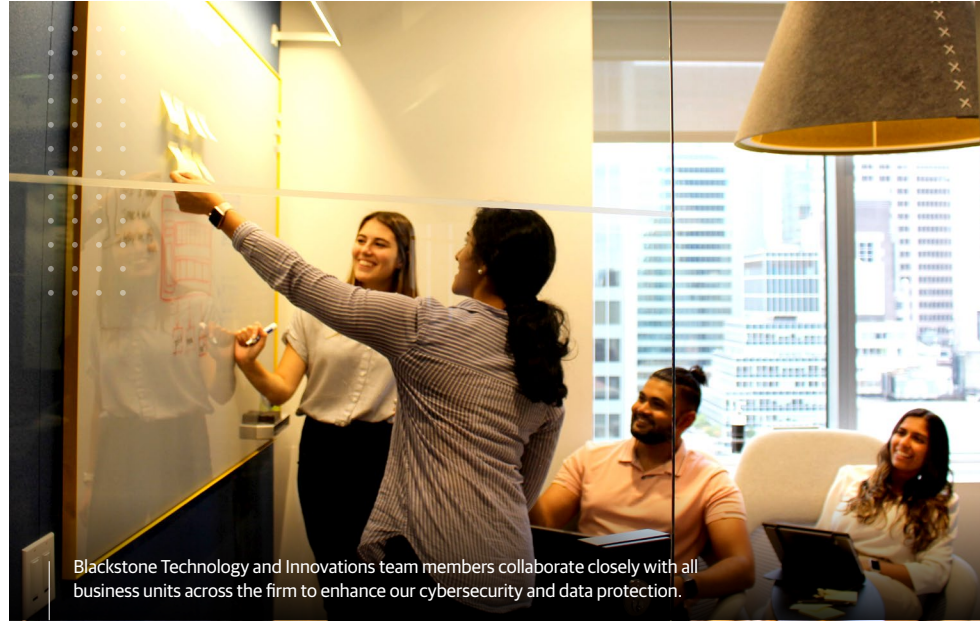
## **Maintaining Corporate Cybersecurity**

Blackstone has built a dedicated cybersecurity team and maintains a comprehensive cybersecurity program to protect our systems, our operations and the data entrusted to us by our investors, employees, portfolio companies and business partners. Blackstone's cybersecurity program is led by our Chief Information Security Officer, Adam Fletcher, who works closely with our executive officers and board of directors to develop and advance the firm's cybersecurity strategy.

We believe that cybersecurity is a team effort – every employee has a responsibility to help protect the firm and secure its data. We conduct regular testing at least once a year to identify vulnerabilities before they can be exploited by attackers, using automated tools and "white hat" hackers. We examine and validate our program every two to three years with third parties, measuring it against industry standards and established frameworks, such as the National Institute of Standards and Technology (NIST) and Center for Internet Security (CIS).

We have a comprehensive Security Incident Response Plan that is aligned with the firm's Business Continuity Plan in order to ensure that any non-routine events are properly escalated to the firm's leadership, as well as third-party experts such as retained counsel and incident response partners, when and where appropriate. These plans are validated at least annually through a cyber incident tabletop exercise to consider the types of decisions that would need to be made in the event of a cyber incident. We have engaged in scenario planning exercises around cyber incidents.

The entire firm is engaged in a thorough security awareness program. Employees across Blackstone are trained or enrolled in training when they start at the firm, and we offer re-training to employees globally at least once annually.



Blackstone Technology and Innovations team members collaborate closely with all business units across the firm to enhance our cybersecurity and data protection.

### **Dera Nevin**

Dera Nevin, our Data Policy and Strategy Officer, oversees privacy, data protection and information risk management efforts at Blackstone. She leads the privacy and data protection function, which conducts privacy impact assessments, implements privacy-by-design initiatives and reconciles global privacy programs with local privacy law requirements, including the administration of notices, consents, opt-ins and opt-outs and data subject access rights.



### **Adam Fletcher**

Adam Fletcher is responsible for overseeing all aspects of cybersecurity across Blackstone, as well as helping to oversee a small portfolio of investments in leading early-stage cybersecurity companies.



# Assessing and Advising on Cybersecurity Across Our Portfolio

We have introduced a Portfolio Cybersecurity program that serves our investment professionals and portfolio company management teams.

The goals of our Portfolio Cybersecurity program are to (1) reduce the frequency and impact of cyber incidents across the portfolio and (2) enable investment professionals to weigh cyber risk throughout the investment process. The program includes companies in which Blackstone owns a controlling interest, as well as other companies in which Blackstone has a minority equity or debt investment, or as directed on a case-by-case basis.

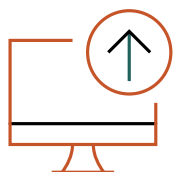
We have a Portfolio Security Community with over 75 CISOs, who meet monthly to review current threats and annually at a private conference hosted by Blackstone.

The program has three service lines:



## ASSESS AND IMPROVE

A repeatable process to improve our companies' security posture against the most common attacks that result in financial losses. Blackstone's Portfolio Cyber program conducts an annual assessment and tracks findings to closure with management teams monthly



## DUE DILIGENCE

A set of services to discover cyber risks within potential investments and generate 100-day plans



## ADVISORY

Hiring CISOs at our companies, strategy and budget review, cyber incident advisory and vendor partnership recommendations and discounts



### **Adam Mattina**

Adam Mattina, Deputy Chief Information Security Officer at Blackstone, collaborates with companies across our portfolio on their cybersecurity programs.





Employees are looking to work for purpose-driven companies that are socially and environmentally responsible, and board members and CEOs are recognizing the importance of social issues and the need to focus on ESG within their core businesses.

**Bruce Simpson**

*Senior Advisor, Former Senior Partner at McKinsey and Company<sup>12</sup>*



Blackstone team members in the office at 601 Lexington Avenue.

# ENVIRONMENTAL:

## LONG-TERM RESILIENCE FOR A LOWER-CARBON FUTURE

**The physical risks of climate change, combined with growing investor demand for action and regulatory shifts, are all driving the need to decarbonize.**

The global transition to a lower-carbon world requires not only commitment, but also the investment of trillions of dollars. As we seek to create value for our investors, Blackstone has increasingly focused on investing in companies that are supporting the energy transition.

We support the goals of the Paris Agreement and we have taken several actions in support of further climate-related disclosures. We are a signatory to PRI and a listed supporter of TCFD. We have committed to measuring and targeting a reduction of emissions

across our portfolio companies within the scope of our Emissions Reduction Program and plan to report aligned with the TCFD recommendations in 2022.

We believe climate change is a significant issue impacting the long-term resilience and growth of companies and assets. For that reason, we intend to embed an assessment of physical climate risk within certain due diligence and asset management activities. We are also actively partnering with our companies to help put them on a lower-carbon trajectory.

We've spent approximately 10 years, under the guidance of a Chief Sustainability Officer, working closely with select companies and assets in our portfolio to help them decarbonize and invest in lower-emissions technologies. Along the way, we have learned about what works — and sometimes, what doesn't — in reducing emissions across a wide variety of assets in vastly different sectors of the global economy, from manufacturing to hotels to last-mile logistics.

We started our efforts based on the simple premise that emissions reductions result in cost savings and boost efficiencies — allowing companies to capture savings that they could redirect to other growth priorities. As public and policy-maker concerns about climate change have grown, we believe that this work has made our companies and assets stronger than they would have been otherwise.

In January 2021, we announced our Emissions Reduction Program and started implementing a new goal of reducing Scope 1 and Scope 2 carbon emissions for new assets where we control the energy usage by 15 percent in aggregate over the first three years of ownership. To accomplish this goal, we have developed what we believe is a robust decarbonization program designed to reduce energy use and carbon emissions at scale in a way that is measurable and tangible.



Acquired by Blackstone in March 2021, DESOTEC's fleet of approximately 2,700 mobile filters is one of the largest of its kind in Europe.

We are developing a carbon accounting system and a capability to track and report on Scope 1 and Scope 2 emissions reductions. This will allow us to measure our impact and provide our investors with critical data to enable them to meet their own climate targets and financial goals.

Our portfolio companies and assets have a critical role to play in creating a climate-resilient and lower-carbon future, and we believe that actions taken during our ownership will create value and lasting impact, even after Blackstone exits. We believe portfolio companies will continue decarbonization programs after our exit for the simple reason that they improve value.

## WELCOME

### James Mandel

*Chief Sustainability Officer*



Mr. Mandel leads sustainability and climate initiatives that seek to drive long-term value across our portfolio companies.

Before joining Blackstone in 2021, Mr. Mandel was Managing Director of the Carbon-Free Buildings program at Rocky Mountain Institute, where he led research, consulting and policy work focused on emissions reduction in buildings, with a focus on the US, China and India. Prior to Rocky Mountain Institute, he worked at McKinsey and Company with a focus on sustainability and operational efficiency in energy and industrial companies.

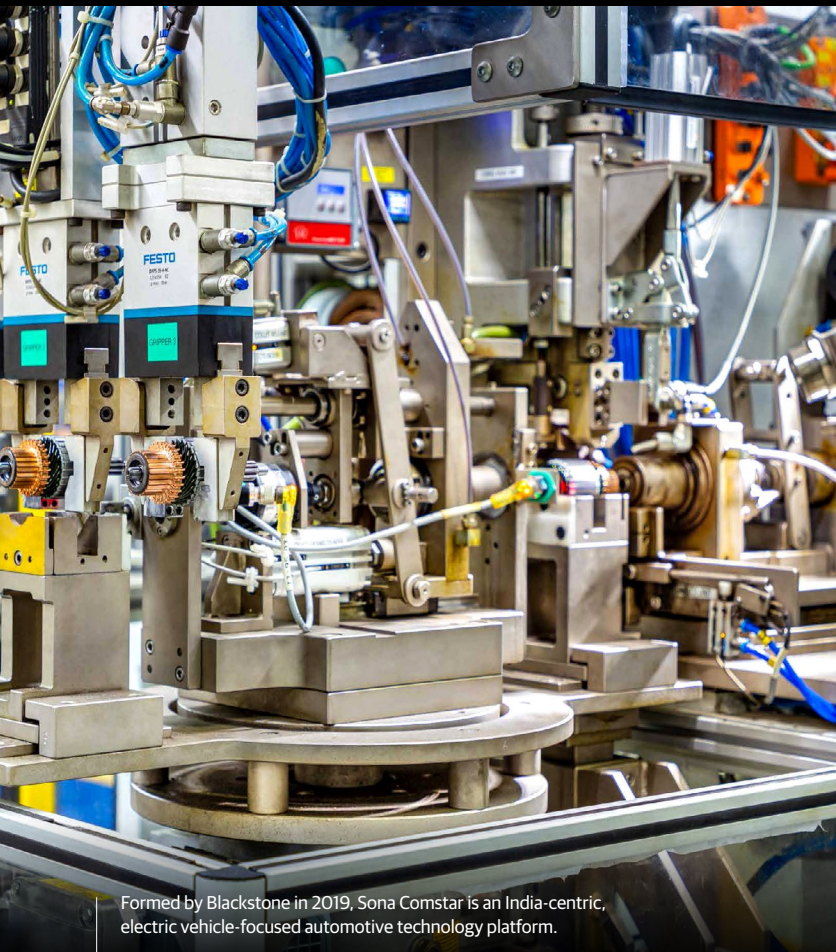
## A LEGACY OF SUSTAINABLE INITIATIVES

### Don Anderson

*Former Chief Sustainability Officer*



This year marked the retirement of Don Anderson, following a decade of service as our Chief Sustainability Officer. He remains a Senior Advisor to Blackstone and we thank him for his work in evolving sustainability initiatives across our portfolio.<sup>12</sup>



Formed by Blackstone in 2019, Sona Comstar is an India-centric, electric vehicle-focused automotive technology platform.

# Leveraging Scale to Advance Sustainability Portfolio-Wide

Over the last decade, we have drawn on our scale and portfolio company insights to build a meaningful sustainability program. The program started within our Real Estate and Private Equity businesses when we began working with our portfolio companies and hospitality assets to implement fast and low-cost approaches to improving performance — including rebuilding bathroom fixtures, transitioning to LED lighting and improving air conditioning systems.

Our scale gives us the ability to create value by reducing our portfolio’s carbon footprint. We are capable of providing hands-on support and assistance to achieve results.

## Blackstone’s Carbon Footprint Assessment

We continue to support and strengthen climate change resiliency through integration, engagement and reporting. We are designing a carbon footprinting process for investments where we have majority ownership and board control, which is expected to launch in 2022. The carbon accounting system, for Blackstone and our portfolio, is expected to provide guidance and support for companies and assets to prepare a carbon footprint and share that information with Blackstone.

We seek to have an understanding of GHG emissions attributable to Blackstone and its portfolio, tracking changes over time on an absolute and intensity basis, identifying high-priority cost-savings or value-creation opportunities for Blackstone and its investments and developing capabilities within our companies and assets to regularly measure their emissions.

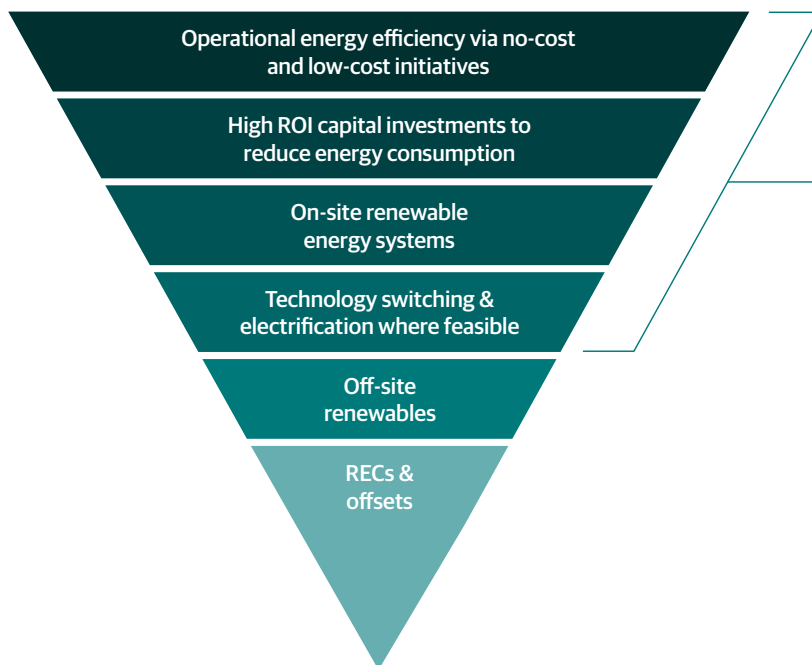
### WELCOME



**Amisha Parekh**  
*Head of ESG for Private Equity*

Ms. Parekh leads ESG diligence, policy development and strategy and reporting for Blackstone’s Private Equity reporting segment. Ms. Parekh joined Blackstone from Bloomberg LP, where she worked for four and a half years, most recently serving as product manager of Bloomberg’s Sustainable Finance Solutions, leading ESG data acquisition and curation efforts.

## Emissions Reduction Strategy



**Current focus for Blackstone Emissions Reduction Program**

# Blackstone's Active Decarbonization Efforts

We have also built a platform of companies to execute decarbonization programs for companies within the scope of the Emissions Reduction Program. This platform includes Blackstone portfolio companies RE Tech and Therma — specialty consultants and engineers to design and execute operational interventions.

We support companies within the program when they seek to reduce their carbon emissions by taking a structured approach to ensure emissions are considered throughout the investment lifecycle. This involves due diligence to understand opportunities and costs to hit our carbon emissions target. Post-acquisition, a gap analysis and roadmap are built for these companies with specific projects to hit the target.

We are tracking energy usage and spend and plan to track associated emissions data for select companies across our portfolio. Energy bills from participating portfolio companies are tracked to ensure data quality and transparency. We work with companies to establish a base year and monitor performance over time.

We are growing a team and expanding our resources to enable us to endeavor to drive value-generating sustainability practices, including reducing emissions more broadly across our existing portfolio over time.

## SUPPORTING PORTFOLIO COMPANY DECARBONIZATION:

### Shya Hsin

Blackstone's "Fast Find and Fix" program, a one-to-three-day engineering assessment helped Asia-based cosmetic packaging company ShyaHsin identify energy savings opportunities through improving compressed air and HVAC systems.

Since this assessment, Blackstone and ShyaHsin set a target to reduce emissions per unit output value by at least 25 percent in five years.

Moreover, the company reduced utility cost by approximately 8 percent in terms of utility cost per unit output value in 2021 compared to 2020.

Additionally, they have achieved savings of 26 percent energy consumption per unit of compressed air in one building.

Finally, they are planning to install over five megawatts of solar power on the company plant's rooftops.



Blackstone acquired portfolio company Shya Hsin in 2017. Since then, the cosmetics packaging company has set an emissions reduction target of more than 25 percent in five years.

# Real Estate: Reducing Emissions Through Responsible Stewardship

Blackstone Real Estate prioritizes sustainable operations as a core pillar of its ESG program. As real estate accounts for a meaningful portion of the world's GHG emissions, real estate investors and managers are a pivotal decision-making group and must reimagine building operations to reduce emissions globally. Blackstone believes that this is an opportunity for companies and properties to potentially increase profitability and long-term growth through their sustainability efforts. By managing energy, water consumption and waste more efficiently, we seek to reduce our environmental impact while achieving cost savings across our portfolio, thereby benefiting our tenants, investors and the communities in which we operate.

Our sustainable operations priorities include:

## Resource management:

- Reduce resource usage and costs across our portfolio
- Proactively implement energy, water and waste initiatives, including low- and no-cost operating improvements and capital-intensive retrofits across our portfolio

## Benchmarks and performance targets:

- Track and report progress on sustainability initiatives, identify opportunities for improvement and set achievable goals
- Leverage the scale of our portfolio to provide timely insights and use internal and external benchmarks to evaluate progress



As the largest owner of commercial real estate globally, we are committed to working with our portfolio companies and partners to drive ESG progress that creates lasting value for our investments, communities and stakeholders.<sup>8</sup>

## Giovanni Cutaia

Global Head of Real Estate Asset Management



## Eric Duchon

Head of ESG for Blackstone Real Estate

Mr. Duchon is Head of ESG for Blackstone Real Estate. As part of the Real Estate Asset Management team, he partners with the firm's central ESG team and Portfolio Operations to initiate, manage, implement and report on ESG initiatives across the global Real Estate portfolio. Prior to joining Blackstone in November 2020, Mr. Duchon was at LaSalle Investment Management, where he was a Managing Director and Global Head of Sustainability.

**Green leases:** Require green lease clauses in new commercial leases requesting tenants to provide utility data and collaborate with Blackstone on ESG initiatives, and incorporate green lease clauses in amendments, where practical; we focus on three topics in our green lease clauses: tenant sharing of energy and water data; cost-sharing responsibility of efficiency improvement projects; and metering systems as and when required by law<sup>13</sup>

**Certifications, labels and ratings:** Obtain green building certifications, labels and ratings, where practical, which have helped the industry define best practices for increasing energy, water and waste efficiency; stakeholders, including our investors, view this data to evaluate our ESG program





## Active Participation in GRESB

Blackstone Real Estate has been an active participant of GRESB – an organization that collects, validates, scores and benchmarks ESG data – for the last seven years, commencing in 2015. Exemplifying our commitment to ESG, our participating real estate funds achieved strong 2021 GRESB results, most exceeding the GRESB average with continued year-over-year performance improvements.

Blackstone Infrastructure Partners has participated in the GRESB Infrastructure assessments since inception. In addition to outperforming the GRESB fund average, each of Infrastructure’s participating portfolio companies scored above their respective peer averages in 2021.



## Link Logistics

In 2021, portfolio company Link Logistics, operator of the largest portfolio of logistics real estate assets in strategic last-mile locations in the US, committed to achieving carbon-neutral operations by 2025 as part of its aim to be the landlord of choice with a real-world record for helping tenants reduce their carbon footprint and ultimately their operating costs. Currently, four initiatives anchor Link’s strategy:

- Targeting LEED certification for 100% of new developments
- Aiming to convert 100% of lighting to LED or high-efficiency lighting by 2025
- Benchmarking 100% of the company’s building portfolio in the US Environmental Protection Agency’s ENERGY STAR Portfolio Manager tool
- Powering 100% of operations with renewable electricity by 2024



Capital investment is just one ingredient in rebuilding our economy. A lasting recovery – driven by stronger companies and communities – also requires a long-term focus on sustainability, diverse workforces and good governance.

**Kathleen McCarthy**  
Global Co-Head of Real Estate



Members of the Global Corporate Services ESG Team meet to discuss environmental performance solutions across our office locations.

# Energy Efficiency in Blackstone's Corporate Offices

We are highly focused on corporate sustainability and pursuing environmental performance improvements at our office locations, led by our Global Corporate Services (GCS) team.

We proactively renovate our spaces to provide additional employee amenities and comfort while implementing the most up-to-date efficient lighting and HVAC systems. Our replacement of existing lighting with LED lighting in our New York offices has resulted in a roughly 31 percent reduction in lighting energy usage. Recent renovations to select floors in New York included new energy-efficient, water-sourced HVAC heat pump systems to reduce reliance on carbon-based fuels for heating. Our London office at 40 Berkeley Square purchases 100 percent of its power from renewable energy suppliers.

We have glass, metal and plastic recycling procedures throughout pantries and meeting rooms. We also use a "secure print" system that requires print confirmation at all copiers, an effort to further reduce paper waste.

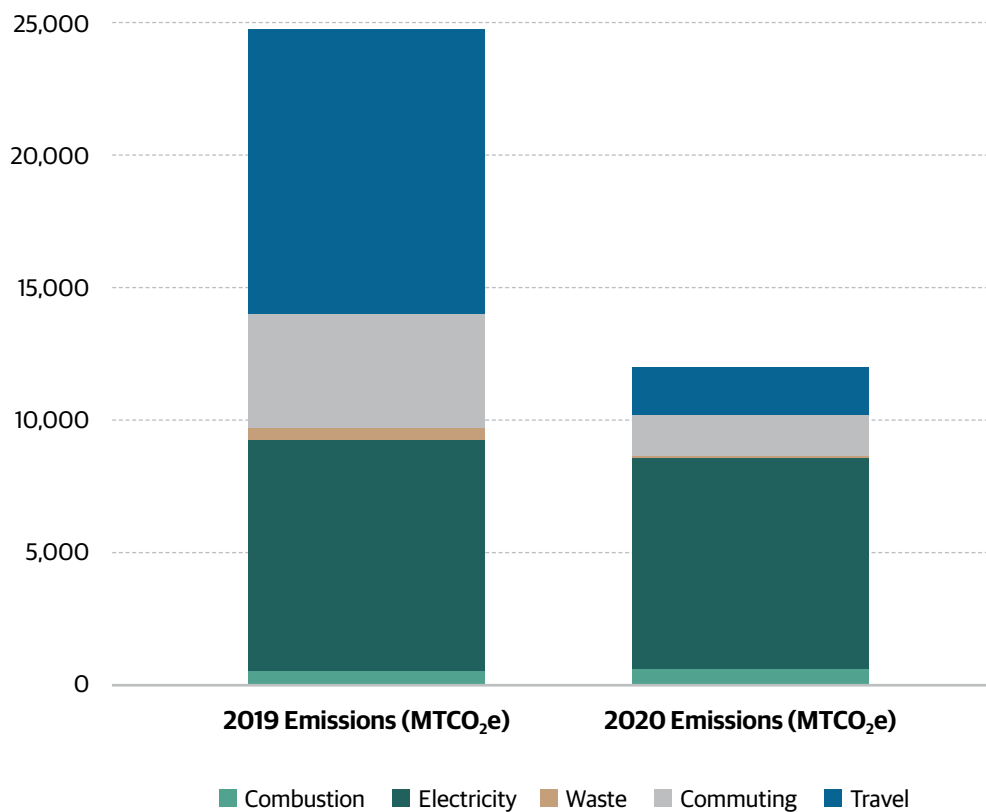
**31%**  
reduction in  
lighting energy  
usage at  
Blackstone's  
New York offices

### Corporate Carbon Footprint

EMISSIONS BY SCOPE (MTCO <sub>2</sub> e)	2019	2020
Scope 1	536	646
Scope 2	8,438	7,588
Scope 3	15,890	3,731
<b>Total Emissions</b>	<b>24,865</b>	<b>11,965</b>

GCS used the operational control method to generate a GHG Corporate Protocol-compliant emissions inventory:

- **Scope 1** includes emissions from onsite combustion at occupied offices and owned vehicles.
- **Scope 2** includes emissions caused by steam, chilled water and electricity emissions from occupied offices and data centers.
- **Scope 3** includes indirect emissions associated with common area consumption, waste, employee commuting and business travel. These emissions are location-based and do not factor in any offsets purchased through the supply chain.



We created a GHG inventory of our corporate emissions for 2019 and 2020. The significant decrease in emissions in 2020 is associated with COVID-19's impact on commuting and business travel. In the coming year, we intend to develop a mitigation strategy to address our operational carbon emissions, using 2019 as a baseline year. An inventory of emissions associated with select investments is anticipated in 2022.

# Thematic Investing in ESG

Companies around the world are mobilizing to advance ESG initiatives. We are focused on investing in companies that are developing the solutions, technologies and infrastructure required to help the world make critical progress on these key issues. In some cases, we have identified companies through Blackstone's own portfolio initiatives, and in other instances have utilized these investments to help our companies do better. We've highlighted some of our key investments below.

## Blackstone Energy Partners

**Therma & RE Tech:** Blackstone partnered with RE Tech and Therma for years before investing in both companies in 2020 and combining them to expand their scale and potentially help our portfolio companies further their emissions reduction cost-saving goals. Therma is a leading mechanical, electrical and controls services company focused on helping customers replace, upgrade and maintain their operations with energy-efficient equipment. RE Tech, the first add-on to the Therma platform, designs, administers and tracks award-winning energy efficiency and ESG programs for clients.

**Array Technologies:** In 2021, Blackstone committed to invest \$500 million to grow Array Technologies, one of the world's largest manufacturers of utility-scale solar tracker technology and ground-mounted systems.

**\$500M**

**committed for manufacturer of utility-scale solar technology**

With efficient installation and terrain flexibility coupled with high reliability, durability and performance, Array delivers a lower-levelized cost of energy.

## Blackstone Private Equity

**DESOTEC:** DESOTEC is a European environmental services company that creates innovative circular filtration solutions that reduce waste and enable cleaner water, air and soil.

Acquired by Blackstone in March 2021, DESOTEC's fleet of approximately 2,700 mobile filters is one of the largest of its kind in Europe.

**2,700**

**mobile filters, one of the largest fleets of its kind in Europe**

**Sona Comstar:** Sona Comstar was formed in 2019 from a partnership between Blackstone, BLW Precision Forging, a leading company in automotive drivetrain solutions, and Comstar Automotive Technologies, Blackstone's automotive portfolio company focused on global electric charging and starting solutions.

**Sphera:** Blackstone acquired Sphera, a provider of ESG software, data and consulting services. Sphera's experts work with organizations around the world to help them surface, manage and mitigate ESG risk.

## Blackstone Real Estate

**StuyTown:** Blackstone Real Estate invests in ESG solutions, such as renewable energy systems and technologies that reduce GHG emissions, for its assets. StuyTown is our largest residential property globally, with over 11,200 apartments in 56 buildings across 80 acres in Manhattan. In 2019, StuyTown completed the largest private multifamily rooftop solar project in the US, installing nearly 10,000 solar panels that approximately doubled Manhattan's solar capacity at the time of installation. StuyTown has reduced on-site GHG emissions by approximately 15 percent since 2007 and in 2018 became the first private multifamily community in New York to be LEED Platinum-certified.

**~15%**

**reduction in on-site greenhouse gas emissions in multifamily residential property**

## Blackstone Growth

**Oatly:** Oatly is a sustainable Swedish food company in the plant-based food space, with patented original oatmilk and other products. Blackstone's \$200 million in equity investment is helping to fund the company's overall growth plans.

# 600

**cross-industry sustainability professionals at first annual Sustainability Roundtable**

ISN's first annual Sustainability Roundtable in March 2021 was attended by approximately 600 cross-industry sustainability professionals.

### Headspace Health:

Headspace Health provides self-guided care and 24/7 on-demand coaching, as well as video-based therapy and psychiatry support through partnerships with employers, health plans and strategic partners. The platform has demonstrated clinically validated outcomes, with one study highlighting 70 percent of its users reporting a significant reduction in symptoms of depression.

**ISN:** ISN is a third-party contractor and provider of supplier-management software. Its platform helps customers ensure that their contractors and suppliers meet key criteria for training, health and safety, cybersecurity and ESG factors.

# 70%

**of platform users report a significant reduction in symptoms of depression**

## Blackstone Life Sciences

**Medtronic:** Medtronic is a medical technology, services and solutions company, helping alleviate pain, restore health and extend life for millions of people around the world. Blackstone Life Sciences has invested in a number of Medtronic diabetes products, specifically to accelerate its diabetes pump and CGM technology pipeline, which reduces the burden of diabetes management.

## Blackstone Credit

**Altus Power:** Altus Power is a solar power company that provides clean electricity to commercial, industrial and municipal clients across the US. Blackstone and Altus have jointly developed, acquired and financed over 350 MW of solar across 17 states since inception. Altus is helping to further Blackstone's decarbonization objectives, with over 50 MW of solar under development on rooftops or sites controlled by Blackstone portfolio companies.

# 350 MW

**of solar across 17 states since inception**

# 2.5+ GW

**of energy-storage capacity installed**

### Strata Clean Energy:

Strata is a provider of utility-scale solar and battery-energy-storage systems with 400+ employees that has

installed more than 2.5 GW of capacity. Blackstone's investment is helping Strata fund development, construction and ownership of utility-scale solar and battery-storage assets across North America.

**GoodLeap:** GoodLeap is one of the nation's leaders in residential solar financing. Through GoodLeap's platform, Blackstone Credit has acquired loans financing solar systems or energy efficiency enhancements for approximately 13,000 homeowners, dramatically decreasing the carbon footprints of their homes.

# ~13,000

**homeowners expected to receive financing for solar systems**

**ClearGen:** ClearGen provides flexible, smart capital and consultative support to assist its partners — developers, energy service companies, equipment manufacturers and utilities—in their efforts to provide clean, reliable energy to their customers. ClearGen's goal is to finance best-in-class energy solutions that deliver lower carbon footprint outcomes, working towards a greener, more profitable future. ClearGen has committed to fund more than \$650 million of projects, including \$500 million through a partnership with GreenStruxure, a joint venture of Schneider Electric and Huck Capital.

# Investing in Clean Energy Solutions

In the US, there are ambitious renewables mandates at the state level, and governments worldwide are setting aggressive carbon reduction targets. These goals are driving strong growth in demand for renewable power generation. Increasing electrification of transport, buildings and industrial sectors, coupled with an aging US transmission and distribution network, is driving heightened need for a modern, resilient grid and battery storage network. Decarbonization requires significant capital and innovation across large sectors of the global economy.

Blackstone Energy Partners (BEP) has committed \$4.4 billion in a diverse portfolio of investments that Blackstone believes are consistent with the broader energy transition.

Blackstone Credit has committed over \$8 billion in renewables and climate change solutions, over \$7 billion of which was invested in the last 24 months alone.

Less than two percent of Blackstone's portfolio across the firm on a fair market value basis is invested in upstream oil and gas. Blackstone intends to form funds in which we will not make any new investments in fossil fuel exploration and production, thermal coal mining or greenfield construction of coal-fired power plants. Energy infrastructure, including midstream, downstream and power generation are critical in many parts of the world to ensuring continued access to affordable and reliable energy. When we do invest in such assets, we will generally seek to improve their efficiency and facilitate the transition to cleaner energy.



**Blackstone Credit aims to play an essential role in funding the trillions of capital that will be required to decarbonize global society. By providing large-scale capital and access to Blackstone's ESG resources, we are helping enable the global energy transition and investing in mega-trends that we believe will generate strong, long-term returns for our investors.**

**Rob Horn**

*Co-Head of Energy Investing for Blackstone Credit*

## David Foley

*Global Head of Blackstone Energy Partners*



Mr. Foley is responsible for overseeing Blackstone's private equity investment activities in the energy transition and climate solutions sector on a global basis. Since joining Blackstone in 1995, he has been responsible for building the Blackstone energy practice and has played an integral role in every energy-sector private equity deal that the firm has made.

## Bilal Khan

*Senior Managing Director, Private Equity*



Mr. Khan is a Senior Managing Director in the Private Equity group. Since joining Blackstone in 2009, Mr. Khan has been involved in the execution of several Blackstone investments, including Transmission Developers Inc., Aypa Power, Onyx Renewables, Therma and Array Technologies.

## Rob Horn

*Co-Head of Energy Investing for Blackstone Credit*



Mr. Horn is the Co-Head of Energy Investing for Blackstone Credit, and leads the firm's investment activities in renewable energy and sustainable resources. Mr. Horn is a member of Blackstone's ESG Steering Committee and sits on the investment committees for Blackstone Credit's structured products, performing credit, distressed credit and energy funds.





Our strategy is to create value through accelerating the energy transition by funding the buildout of critical energy infrastructure and services needed to provide cleaner, more reliable and affordable energy for America.

**David Foley**

*Global Head of Blackstone Energy Partners*

## Transmission Developers Inc.: Bringing Clean Energy to NYC

Our wholly owned portfolio company **Transmission Developers Inc. (TDI)** was selected in September 2021 by the New York State Energy Research and Development Authority (NYSERDA) to deliver clean, renewable power to New York City. The project required a decade of development, working closely with communities, environmentalists and municipalities throughout New York State, reflecting our patience and commitment to the communities where we operate.

**TDI** worked alongside **Hydro-Quebec** to develop the Champlain Hudson Power Express (CHPE), an underground electric transmission line spanning about 339 miles between Canada and New York City. The project will deliver 1,250 MW of clean power to New York City, which is still reliant on fossil fuels for approximately 85 percent of electricity consumption. CHPE is expected to decrease CO<sub>2</sub> emissions attributed to the State of New York, specifically New York City, by an estimated average of 3.9 million metric tons per year. This is equivalent to removing an estimated 44 percent of the passenger vehicles from the streets of New York City.

CHPE is also expected to create approximately 1,400 jobs during construction, with a commitment to using union labor, and includes a \$40 million new Green Economy Fund that will provide job training for clean energy jobs.

# 339

**mile electric transmission line**

# 1,250 MW

**of clean power to be delivered to NYC**

# ~1,400

**jobs expected to be created**

# \$40M

**new Green Economy Fund**

Blackstone portfolio company Transmission Developers Inc. is building a 339-mile transmission line delivering 1,250 MW of renewable power to New York City.

# SOCIAL:

## DIVERSITY AND CAREER MOBILITY AT HOME AND ACROSS OUR PORTFOLIO

**We recognize the impact Blackstone’s capital can have on the economy, society and our communities. We are actively focused on providing economic opportunity and career mobility across the firm and our portfolio.**

Everything we do is guided by the principles that have been at the core of Blackstone since its inception: Accountability, Excellence, Integrity, Teamwork and Entrepreneurship. These define our character and culture. They are the shared convictions that we bring to our professional conduct and they are a fundamental strength of our business.

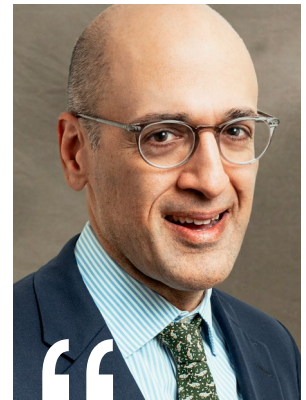
Consistent with these values, our Diversity, Equity & Inclusion (DEI) policy centers around our most important asset — our people. Our focus on diversity stems from a belief that diverse teams make stronger companies. We are committed to attracting, developing and advancing a diverse workforce that represents a spectrum of backgrounds, identities and experiences. We are focused on embedding DEI principles to maintain a culture of equity and inclusion. We believe this will leverage the diversity of our workforce and deliver results for our investors.

Our belief in the importance of diversity is reflected at all levels of our organization. Approximately one-third of our leadership team is diverse and 50 percent of our primary businesses have a diverse professional as one of their top two leaders. We achieved 41 percent female representation globally and 49 percent racially diverse representation in the US among our 2021 incoming analyst class.

Blackstone is committed to providing equal employment opportunities to all employees and applicants for employment without regard to race, color, creed, religion, sex, pregnancy, national origin, ancestry, citizenship status, age, marital or partnership status, sexual orientation, gender identity or expression, disability, genetic predisposition, veteran or military status, status as a victim of domestic violence, a sex offense or stalking, or any other class or status in accordance with applicable federal, state and local laws.

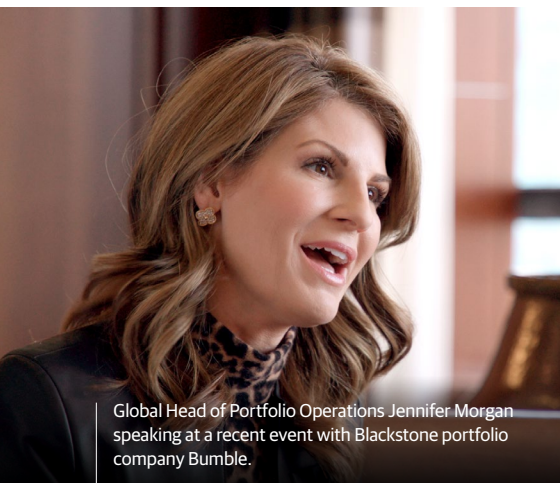
This policy applies to all terms and conditions of employment, including but not limited to hiring, placement, promotion, termination, transfer, leave of absence, compensation and training.

We care greatly about the health, safety and wellbeing of our people and those across the Blackstone portfolio. We know that serving these people — both within the Blackstone family and our portfolio companies — will make us a stronger business and lead us to be better long-term investors.



**We are committed to ensuring that people from diverse backgrounds across the country have access to the skill-building they need to participate in the 21st-century economy and that workforces across the country are more diverse and inclusive.**

**Vik Sawhney**  
Chief Administrative Officer



Global Head of Portfolio Operations Jennifer Morgan speaking at a recent event with Blackstone portfolio company Bumble.



# Making Paths, Mobilizing Talent Across Our Portfolio

We know that leaders across our portfolio are making important decisions every day, and we want to ensure they have the input of people with different life experiences and perspectives. In 2021, we set a goal of achieving one-third diverse representation on portfolio company boards for control investments in the US and Europe. We believe that diverse teams make better decisions and that implementing this mandate will make our portfolio companies stronger and more resilient.

Our Career Pathways program is designed to foster economic mobility and support ongoing diversity efforts at our portfolio companies by adopting inclusive workplace practices and expanding applicant pools through partnerships with organizations like Year Up and COOP Careers. These organizations provide training for talent from traditionally diverse and historically under-represented communities to prepare them for entry-level and middle-skill roles, including customer service, IT and operations. Through Career Pathways, we aim to create conditions within companies that support diverse hiring, retention and advancement and enable untapped talent to thrive. We plan to continue to track our progress in these areas annually.

These initiatives serve a clear objective: companies that support employees and foster DEI at every level are simply stronger.



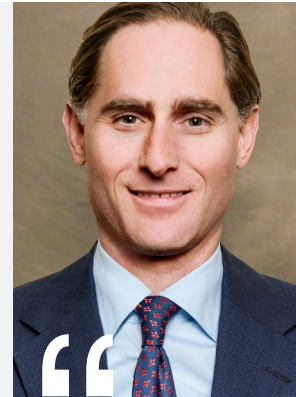
Our goal with Career Pathways is to work from the ground up to increase employment opportunities and career mobility for people from diverse and historically under-represented communities. But this isn't just about getting somebody a job; it's about supporting their development and providing opportunities for coaching and training so they can have long careers.

**Marcus Felder**  
Head of Career Pathways



Diversity at the board level adds meaningful long-term value for companies and their owners. We have set ambitious goals, and I am proud of our commitment towards ensuring that they are met.

**Courtney della Cava**  
Global Head of Portfolio Talent & Leadership



We have an obligation as a leader in the business community to ensure that diverse backgrounds and perspectives are represented at all levels of our companies, including on their boards. Not only is championing diversity the right thing to do, it will also make our companies better.

**Joe Baratta**  
Global Head of Private Equity

# Over 100,000 Veterans Hired Across Our Portfolio

In July 2021, Blackstone achieved its goal of hiring 100,000 veterans, veteran spouses and caregivers across its portfolio.

In 2013, our Chairman and CEO, Steve Schwarzman, attended an event with then-First Lady Michelle Obama at the White House. He heard the First Lady describe the serious challenges faced by American veterans as they transitioned to civilian life after serving our country. He returned to Blackstone determined to help address the problem.

Steve committed Blackstone to working across our portfolio to hire 50,000 veterans over five years. Blackstone formally signed onto "Joining Forces," the White House initiative spearheaded by First Ladies Michelle Obama and Dr. Jill Biden and partnered with the Department of Veterans Affairs and other veterans organizations to develop an action plan.

Blackstone's portfolio companies stepped up to the challenge. They went to extraordinary lengths to develop resources within their own organizations to recruit and retain former service members and their families. Blackstone supported this effort by connecting portfolio companies with veterans organizations, providing playbooks, resources and webinars and hosting an annual Veterans Hiring Summit. We also hired several veterans at Blackstone along the way.

When we launched our Veterans Hiring Initiative, we believed that veterans were a valuable and underappreciated talent pool. Our expectations were exceeded, with portfolio company CEOs and hiring managers remarking regularly on how these individuals embodied exceptional dedication, commitment and tested leadership ability.



**For nearly a decade, Blackstone's companies have led by example, giving veterans and military spouses the training and skill-sets to help them find long-term, meaningful careers. Their commitment and passion have made a meaningful difference in the lives of countless military families and we are honored to work with them.**

**Eric Eversole**  
*President of Hiring Our Heroes*



**Steve Schwarzman**  
*Chairman, CEO and Co-Founder*

**America's military veterans embody the traits that help our portfolio companies succeed and grow. These individuals are hardworking, adaptable, collaborative, reliable and possess the highest integrity. We are excited about the success of this initiative to date and look forward to expanding its impact in the future to support our country's veterans and their loved ones.**

In 2017, thanks to the tremendous efforts of our portfolio companies, we hit our target one year earlier than expected and pledged to hire another 50,000 over five years. We achieved our goal of 100,000 veterans, spouses and caregivers in record time, reaching our 10-year goal in eight years!

Today, our Veterans Hiring Initiative sits within our Career Pathways program, and we intend to continue our focus on providing economic opportunities and career mobility for veterans.

In 2021, we were also pleased to welcome General David L. Goldfein, the 21st Chief of Staff of the United States Air Force, as a Senior Advisor.<sup>12</sup>





100K

hired veterans,  
veteran spouses  
and caregivers

# Creating Economic Opportunity Through the Blackstone Charitable Foundation

Founded in 2007, the Blackstone Charitable Foundation is committed to supporting Blackstone's goal of creating economic opportunity for under-resourced communities.

The Foundation's programs aim to increase access to entrepreneurship and innovation skills. This includes, among other initiatives, its signature Blackstone LaunchPad network, which helps college and university students gain entrepreneurial experiences and competencies to build successful companies and careers.

The Foundation also supports communities through BX Connects, a program that drives community engagement, provides disaster relief and guides employees in board service placement.

## Blackstone LaunchPad

The innovation, skill-set and support of young people is something we at Blackstone see as crucial to our economy. Blackstone LaunchPad is a university-based program designed to foster entrepreneurship and entrepreneurial skills among students. The program both helps aspiring entrepreneurs learn how to launch ventures at every level of the creation process and teaches the entrepreneurial skills that are critical for any student to succeed in 21st-century jobs.

As Blackstone LaunchPad has evolved, it has aimed to reach more students — focusing on those who need access to programming the most and spreading the message that entrepreneurial skills are beneficial to everyone for career opportunity and mobility, not just those starting their own ventures. Earlier this year, the Foundation announced a \$40 million expansion of the program, anticipating to grow from 30 to around 75 campuses over the next five years, with a focus on colleges and universities that have a majority diverse population or are serving under-resourced communities. As part of this, Blackstone Launchpad is working with UNCF, the nation's largest private scholarship provider to minority group members, to help identify schools where we can maximize impact, develop plans to support students and amplify LaunchPad's mission.

In 2021, Blackstone LaunchPad rolled out expansions to the University of Texas system, three HBCUs (Historically Black Colleges & Universities) in Atlanta, nine schools across the CUNY system in New York and two Hispanic Serving Institutions in Nevada.

## BX Connects

BX Connects uses the firm's scale, talent and resources to make grants, develop nonprofit partnerships and create employee engagement opportunities. In 2020, 76 percent of our global employees participated in firm-sponsored employee engagement activities and committed over 8,900 hours in support of our communities. As part of this, the Foundation hosts the annual BX Gives Back Challenge, where hundreds of employees compete in nominating charitable organizations and voting on the "People's Choice" award.



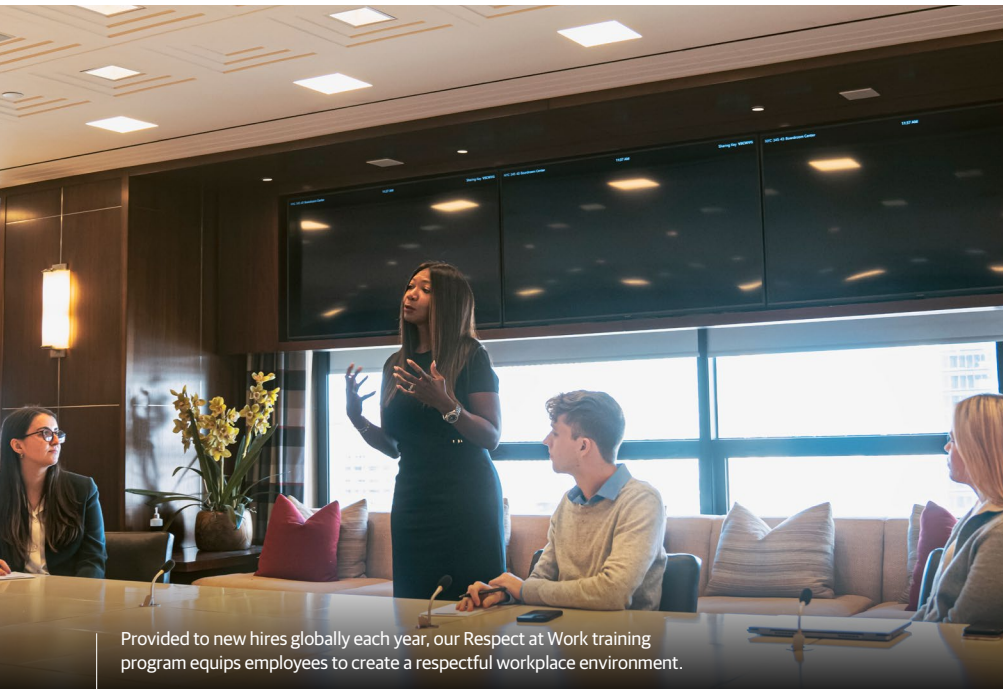
We look forward to building on the Foundation's commitment to providing access to critical entrepreneurial skills so that all students, no matter their starting point, background or future plans, can succeed in building start-ups and launching careers.

### Amy Stursberg

Executive Director of the Blackstone Charitable Foundation



Jon Gray celebrates winners of the annual Blackstone Gives Back Challenge, in which grants are awarded to charitable organizations nominated by employees across the firm.



Provided to new hires globally each year, our Respect at Work training program equips employees to create a respectful workplace environment.

## Our Human Capital Management Policies: Ensuring Safety and Equity

Our culture is supported and reaffirmed by policies that further enhance our values.

We have a comprehensive anti-harassment policy in our US employee handbook and administer a “Respect at Work” training program for new hires globally each year. This training equips employees to foster diversity, prevent and respond to sexual harassment, create a respectful workplace environment and prevent discrimination and retaliation, among other topics.

All employees may request reasonable accommodations at the office if required due to a disability, religious requirement, pregnancy, childbirth, or related medical or common condition related to pregnancy or childbirth, domestic violence, a sex offense or stalking. Any other reasonable accommodations may be available depending on the circumstances.

No employee will be subject to retaliation or punishment for good-faith reporting of suspected violations of law or of our ethical standards by another employee or for coming forward to alert the firm of any questionable situation. Our non-retaliation policy, described in our US employee handbook, prohibits Blackstone and its directors, officers and employees from directly or indirectly discharging, demoting, suspending, threatening, harassing or in any other manner discriminating or retaliating against an employee because the employee, in good faith, reported information under that policy or under applicable law, assisted in investigating such a report, testified or assisted in a proceeding involving harassment or discrimination or encouraged another to report harassment or discrimination.



DEI is critically important to our culture and makes us better investors. At Blackstone, we are committed to increasing diversity, and the scale of our portfolio – over 250 companies that employ more than half a million people – allows us to have a massive impact.<sup>5</sup>

**Paige Ross**

*Global Head of Human Resources*



**Robin Wynn**

*Global Head of Employee Relations*

Ms. Wynn focuses on coaching and guiding senior business leaders on employee issues. She also oversees the “Respect at Work” program and engages in various initiatives across the firm. Before joining Blackstone in 2008, Ms. Wynn worked as an HR Business Partner at Citigroup.



I am thrilled to be helping Blackstone continue to integrate DEI principles into the workplace culture and the various talent and business functions and also ensure that we leverage its expansive platform to promote diversity, equity and inclusion in the industries and communities it serves. The firmwide commitment has impressed me, and I'm excited about what we can accomplish in the coming months and years.

#### Devin Glenn

Global Head of DEI

Ms. Glenn is responsible for continuing to implement policies and initiatives that will help Blackstone achieve a more diverse and inclusive workplace, both at the firm and its portfolio companies. Ms. Glenn joins from Skadden, Arps, Slate, Meagher & Flom LLP where she was the Assistant Director of Diversity, Equity and Inclusion.

## Fostering Diverse Talent by Creating Community

Blackstone is committed to holistically promoting diversity, equity and inclusion within the firm and across our portfolio and industry. We believe DEI leads to stronger companies that outperform over time. In 2021, we launched our inaugural DEI Report, which outlines our firmwide approach to integrating DEI.

### Recruiting and Supporting Diverse Talent

We are committed to building an early-career talent pipeline and are focused on expanding our campus recruiting to widen the funnel of applicants.

We broadened the number of schools from where we recruit to 44 in 2020, focusing these efforts to include more HBCUs, such as Howard University, Morehouse College and Spelman College.

In 2013, we launched our *Future Women Leaders* program to create a talent pipeline that could become our next generation of senior leadership. The program, hosted annually in New York and London, provides university women students with early exposure to finance through seminars, technical training, networking events and mentorship.

Building on the success of this program, we have also launched:

- The *Diverse Leaders Program*, which focuses on building our pipeline of diverse talent
- The *Future Women Innovators Program* and *Diverse Innovators Program*, which aim to build a pipeline for women and diverse talent in the technology industry

We are leveraging more technology in the recruitment process — including Pymetrics, a talent matching platform that has been shown to help reduce bias, and Handshake, a college job board — to expand our reach. We are also cultivating new and existing partnerships with organizations such as SEO, Toigo and Girls Who Invest that create opportunity for diverse talent.

The more diverse junior talent we can attract and hire early on, the more opportunities there are for these individuals to grow and become the firm's future leaders. In that vein, we are equally focused on recruiting diverse talent at senior levels and retaining them as they grow their careers at Blackstone.



## Affinity Networks for Engagement and Retention

Blackstone's employee affinity networks are dedicated to recruiting, retaining and raising awareness of diverse groups through speaker series, networking events, service opportunities and mentoring relationships. Our networks operate in an integrated way, supporting each other's goals and frequently co-hosting events, highlighting the intersectionality of DEI topics.



**Wesley LePatner**

*Global Chief Operating Officer, Core+, COO BREIT (Blackstone Real Estate Income Trust); Chair of the Blackstone Women's Initiative*



**Chris James**

*Chief Operating Officer, Tactical Opportunities; Chair of the Blackstone Diverse Professionals Network*

### **Women's Initiative**

The Blackstone Women's Initiative drives a multitude of programs across the firm focused on developing women's careers, fostering connectivity across businesses, encouraging organic mentorship relationships and helping shape our recruiting strategy. We recently expanded the program to our portfolio companies.

### **Diverse Professionals Network**

Blackstone launched its Diverse Professionals Network (DPN) to recruit and retain individuals from under-represented groups at Blackstone, as well as to create an inclusive community of diverse employees within the firm. The DPN provides a platform for these groups to connect globally and advance the dialogue regarding the importance of diversity for our business.



**Brad Boggess**

*Managing Director, Credit; Co-Chair of the Blackstone Veterans Network*



**Jason Santamaria**

*Managing Director, Portfolio Operations; Co-Chair of the Blackstone Veterans Network*



**Marshall Sprung**

*Global Head of Compliance; Co-Chair of OUT Blackstone*



**Peter Koffler**

*General Counsel for BAAM; Co-Chair of OUT Blackstone*

### **Veterans Network**

The Veterans Network aims to cultivate a community of veterans and advocates who can add value and unique perspectives and enhance Blackstone's business and culture.

### **OUT Blackstone**

OUT Blackstone provides a supportive network for LGBT+ employees and helps to recruit and retain talented LGBT+ individuals. In 2020, OUT Blackstone joined Out Leadership, the oldest and largest coalition of global companies working to improve LGBT+ equality in the world.

# Providing Training and Development to All Employees

Blackstone offers a wide range of learning and professional development opportunities, both formally and informally, to help employees advance their careers and maximize the value they can add to the global firm. This includes compliance and related trainings.

Incoming analyst classes are provided with training that spans several weeks. We have introduced Culture Onboarding programs for new hires at all levels every six months to help them thrive in our culture.

Over the course of their careers at Blackstone, employees are offered learning opportunities in a number of areas, including leadership and management development and communication skills, among others. We offer a global development curriculum that codifies key capabilities required to succeed at Blackstone, and we also partner with external organizations, such as Training the

Street, Templar Partners and Paradigm, to deliver training programs for our employees.

We also have targeted programs termed "Next Level Leadership" for cohorts of newly promoted employees at different levels in the firm. We consistently seek to create visibility and opportunities for talent with the ability to take on roles beyond their current positions, and managers connect regularly to discuss and match talent with critical roles. These efforts result in cross-pollination of talent that engages our people and generates stronger outcomes for our firm.

Employees can take advantage of speaker events offered through our DEI affinity groups, which cover topics such as racial equity, resilience, allyship and more. These development opportunities bring together employees across business units with diverse talents and backgrounds, providing

them with opportunities for networking and knowledge sharing. Employee DEI trainings include conscious inclusion topics and are featured in Culture Onboarding programming for new joiners.

A core part of the employee development process is our formal annual firmwide 360 feedback review, where all employees globally are asked to evaluate themselves and people they frequently work with on an upward, downward and colleague basis. These evaluations enable Blackstone and its employees to understand how they have performed over the past year and how they can continue to grow. Evaluations consider, among other factors, a professional's ability to execute responsibilities and meet expectations included in their job description. All reviews are anonymous and remain confidential. Once review submissions have been consolidated and evaluated, each employee meets with their manager to discuss key strengths, areas of development, achievements over the past year and goals for the year ahead.

We provide support to managers as they monitor and develop in actively managing the performance of their employees during mid-year check-ins, year-end 360 feedback meetings and at other times throughout the year. We have quarterly training workshops on topics including Delivering Feedback, Coaching High Performers and Developing Others' Careers. We also educate employees on how to actively solicit feedback and offer training on how to develop their own careers.



Members of the Diverse Professionals Network meet to discuss the upcoming calendar of DEI speakers.





## ***Recruiting and Engaging Talent***

We regularly gather feedback from our employees via annual internal and/or external surveys to assess employee engagement/satisfaction and develop targeted solutions.

We continue to be viewed as an employer of choice in our industry, receiving approximately 29,000 applicants for 103 positions in our most recent 2021 analyst class recruiting cycle.

## ***Providing Comprehensive Benefits to Our People***

Blackstone offers comprehensive and competitive benefits to its full-time employees, including primary and secondary caregiver leave, adoption leave, phased back to work, fertility coverage, back up childcare and more.<sup>14</sup>

We continually evaluate and enhance our offerings to meet the needs of our employees. We recently introduced additional family planning benefits for US employees such as enhancing infertility benefits to include cryopreservation and extending primary caregiver leave to 20 weeks (up from 16 weeks).



Members of the Women's Initiative gather at a recent Task Force meeting.

## ***Employee Health, Safety and Wellbeing***

We offer employee well-being programs, including an online therapy program and access to an education platform with coaching to support working parents and caretakers caring for children who have behavioral problems, autism or developmental disabilities.

We also provide access to programs to further assist our employees in managing their lives outside of work, such as group legal services to help with estate planning and surrogacy agreements.

## ***Building Healthier Healthcare with Blackstone's Equity Healthcare***

In 2008, Blackstone founded Equity Healthcare to leverage the size of our combined portfolio to access higher quality health coverage for our US portfolio company employees at a lower cost than they would each be able to obtain on their own. More than 200,000 individuals are covered, and they report being three times as satisfied with their healthcare experience compared to industry averages.<sup>15</sup> Approximately \$1 billion in savings has been realized across the program.<sup>16</sup>

# DISCLOSURES



## Important Information

All information is as of September 30, 2021 (the "Reporting Date"), unless otherwise indicated, and may change in the future. Certain adjustments have been made as of April 4, 2023. Capitalized terms used in this document (together with any attachments, appendices, and related materials, the "Materials") but not otherwise defined have the meanings set forth in the Offering Documents (as defined herein). References to Blackstone in the Materials refer to Blackstone Inc. together with certain of its affiliates. In certain instances in the Materials, references to Blackstone may include activities, initiatives or other information of Blackstone portfolio companies or investments. Blackstone undertakes no obligation to update or revise any information in the Materials, whether as a result of new information, future developments or otherwise.

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statements. We believe these factors include but are not limited to the impact of the novel coronavirus ("COVID-19"), as well as those described under the section entitled "Risk Factors" in Blackstone's Annual Report on Form 10-K for the year ended December 31, 2020, as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission ("SEC"), which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the Materials and in our other periodic filings. The forward-looking statements speak only as of the date of the Materials, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

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## Endnotes

<sup>1</sup> As of September 2020.

<sup>2</sup> Starting in 2021, we will seek to reduce carbon emissions by 15% in the aggregate within the first three years of ownership across all new investments globally where we control energy usage.

<sup>3</sup> Starting in 2021, we will target at least one-third diverse representation on new controlled portfolio company boards in the US and Europe.

<sup>4</sup> We define diversity based on gender, race and sexual orientation, when known.

<sup>5</sup> As of June 2021.

<sup>6</sup> As of July 2021.

<sup>7</sup> As of October 2021.

<sup>8</sup> Largest owner based on estimated market value per Real Capital analytics, excludes governmental entities and religious organizations.

<sup>9</sup> Blackstone has chosen Schneider Electric to help us track energy usage and spend data. Companies with significant energy spend are introduced to Schneider to evaluate a system-of-record offering.

<sup>10</sup> Such requirements exist only in countries where Blackstone can require vaccination status.

<sup>11</sup> The areas within the scope of the review include policies and procedures, disclosures, recordkeeping, licenses, whistleblowing, oversight, designation of chief compliance officer and conflicts of interest related to personal trade clearance, outside business activities, gifts & entertainment, political contributions and charitable donations.

<sup>12</sup> Senior advisors are not Blackstone employees. There can be no assurance that such professionals will be associated with the fund throughout the life of the fund. The level of involvement and role of the advisors with each Blackstone portfolio company may vary, including having no involvement or role at all.

<sup>13</sup> Green lease clause requirements were mandated in Q4 2020. Applicable to investments where Blackstone has majority control. Green clauses will be implemented on a rolling basis.

<sup>14</sup> Fertility coverage and back-up childcare benefits differ in APAC — primary and secondary caregiver leave, adoption leave and phased back-to-work are global policies.

<sup>15</sup> As of July 2020.

<sup>16</sup> As of 2019.



# Blackstone

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At Blackstone, ESG is aligned with our core mission of creating long-term value for our investors. We seek to embed it within our investment process and operating philosophy.

**Stephen A. Schwarzman**

*Chairman, CEO and Co-Founder*

[blackstone.com](http://blackstone.com)



Front Cover: Blackstone portfolio company Transmission Developers Inc. is building a 339 mile transmission line delivering 1250 MW of renewable power to New York City.

