

# 2022 Environmental, Social and Governance Report

Leading Boldly



**Albireo Energy®**



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## About This Report

Albireo Energy's 2022 Environmental, Social, and Governance (ESG) report outlines the company's ESG priorities, strategies, and activities for the calendar year 2022, unless otherwise noted. We are committed to regular and transparent communication of our ESG efforts. To provide feedback or ask questions about this report, please email our head of ESG at [prichman@Albieroenergy.com](mailto:prichman@Albieroenergy.com)



## Message From Our CEO

*Dear Stakeholders,*

At Albireo Energy, we see buildings in a different way. As a leading independent building controls and energy services provider, we are technology agnostic. Our independence makes us an objective partner to building owners and their teams as they achieve their operating performance, decarbonization and sustainability goals. This is our purpose, and it anchors every decision we make.

Although our customers and suppliers have faced no shortage of challenges in recent years, our ability to navigate and respond to these difficulties with speed, agility and ingenuity has demonstrated the power of our purpose and has made our Company stronger and more resilient. We're excited and energized about the road ahead as we continue to enable a safe, sustainable, and productive future for the people who own, manage, live and work in the buildings we control, monitor and service.

An ongoing strength of our company has been our commitment to operating responsibly and creating value for all of our stakeholders. In 2022, we formalized our ESG approach, ensuring that the steps we take propel our business strategy and make our company more resilient.



**66% of our gross revenue can be directly attributed to helping customers address their sustainability goals.**

This strategy, approved by our Board of Directors in 2023, has shaped our focus around four key focus areas:

- Expanding access to sustainable solutions that reduce environmental impact and that improve building performance.
- Reducing the environmental impact of our operating footprint including buildings and fleet.
- Developing and engaging a diverse and inclusive workforce of building controls experts.
- Operating with strong governance to ensure the highest standards of ethics and values.

We are pleased to share our continued progress in this report, along with these important highlights.

We established and quantified the Albireo Energy Sustainability Solutions portfolio, recognizing that 66% of our gross revenue can be directly attributed to helping customers address their sustainability goals.

Our local teams reduced our operating footprint, consolidating numerous office locations serving the same geographic markets while continuing to grow the size of our workforce. We moved to newer and more efficient office locations in critical markets like Alabama, California, Delaware and Washington, DC.

At the same time, we grew our remote services footprint, offering customers in two of our largest markets, New York and Delaware, the option to troubleshoot system issues without technicians driving to their locations. This offers a double benefit – fuel efficiency and customer efficiency.



## 4 Key Focus Areas



**01 Expanding access to sustainability technology and service solutions.**



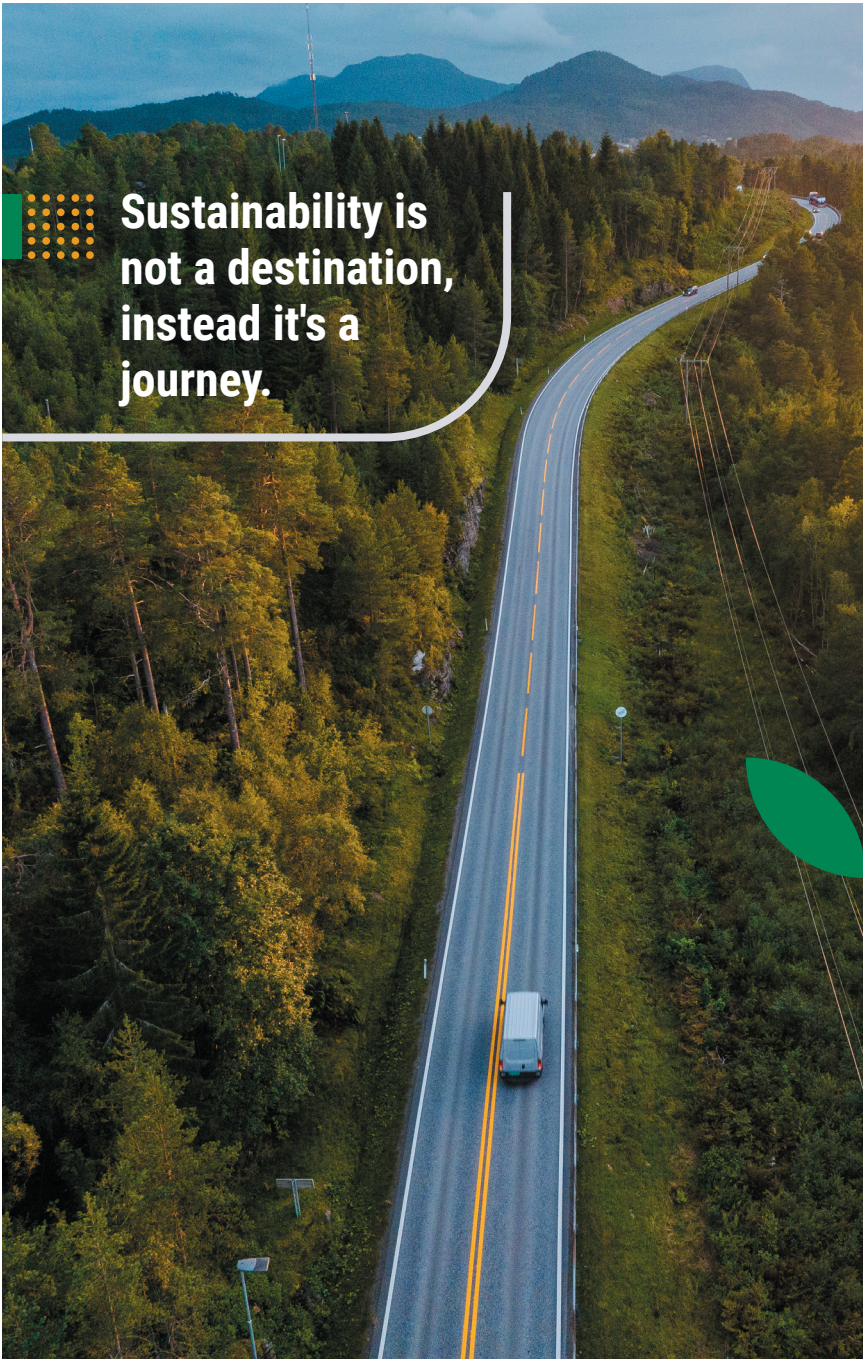
**02 Reducing environmental impact of our operating footprint.**



**03 Developing and engaging a diverse and inclusive workforce.**



**04 Operating with strong governance and highest standards of ethics and values.**



**Sustainability is  
not a destination,  
instead it's a  
journey.**

We also centralized management of our nearly 500 service vehicle fleet to a single supplier resulting in greater transparency and management of vehicle age, mileage and fuel usage. This is the first step in establishing our environmental baseline in 2023.

Being an exceptional employer and partner are central to our mission. We're proud to be a Certified™ by Great Place to Work® for the fifth year in a row. Plus, as part of our winning culture, 120 employees awarded their peers with Shining Star recognitions for their exceptional customer contributions. We also received six master and platinum awards from our suppliers in recognition of our expertise in building automation and power management. As part of our commitment to operating with strong governance and the highest standards of ethics and values, we established a management plan to reduce our supply chain risk while also bolstering our cybersecurity policies and training.



**Centralized management of our nearly 500 service vehicle fleet to a single supplier**



**Certified™ by Great Place to Work®  
for the fifth year in a row**



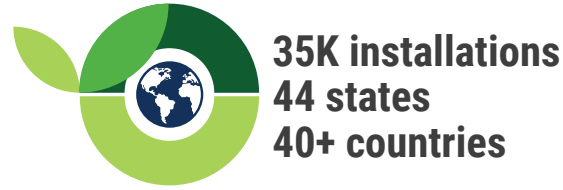
**Received 6 master  
and platinum awards  
from suppliers**

Lastly but certainly not least, I want to thank all Albireo Energy colleagues for their unwavering dedication and passion for serving customers and making our company a great place to work. And on behalf of Team Albireo, I want to express my sincerest appreciation and gratitude for your interest, support and partnership in our company. We recognize that ESG is not a destination, but instead a journey. While we are pleased with our progress, we know we have more work to do. We look forward to embracing opportunities that enable us to gain momentum, deliver on our commitments and make even greater strides in years to come.

Very Best,



## By the Numbers



## Who We Are

**Albireo Energy is a leading independent building controls and energy services provider recognized by customers for creating intelligent, high-performance buildings.**

We help building owners and their teams make decisions about building automation that achieves operating performance, decarbonization and sustainability goals.

Because we're technology agnostic, we see buildings in a different way. By understanding the mission of a building portfolio, our team of building performance experts designs and delivers technology and service solutions that provide maximum control of data centers, offices, hospitals, universities, manufacturing and multi-use sites.

Our work begins with engineering, project planning and exceptional execution, and extends through maintenance, monitoring, analytics, and energy procurement services. At Albireo Energy, our promise is to stay connected.



## Our Values

Our values are at the heart of our name and serve as the foundation of our Company's overall operating platform. Albireo is a brilliant double star in the Cygnus constellation—one blue and one gold—that complement one another. The double star is referred to as the "Partner Star." The Albireo Star symbolizes our promise to stay connected and partner with our customers, employees, suppliers, and investors to cultivate mutually rewarding relationships. These values include:



**Safe**



**Accountable**



**Customer-focused**



**Highest Integrity**



**Engaged**



## Geographic Footprint

Our customers rely upon Albireo Energy's global footprint of 39 offices worldwide: 32 in the US, 2 in Asia, 5 in Europe.



## Global Installations & Experience







## ESG Approach

We help customers create intelligent, high-performance buildings that are responsible to the environment and good for business. Our greatest contributions are through the services we offer, the projects we deliver and the commitment to developing a technical and engineering workforce with the expertise required to create buildings for the future.

We continue to challenge ourselves to think differently and continuously incorporate sustainability principles into the way we operate, serve and engage. We do this so that we can manage risk and create value for our stakeholders and ensure a long-term resilient and responsible business. This includes:

- Preparing our employees and customers for the future by understanding trends related to climate change, energy consumption, technology and resources and reflecting them in our projects and services.
- Providing expert services in sustainability, energy, climate change and environment to help customers improve sustainability performance, reduce costs, and manage risk within their buildings and building portfolios.
- Actively managing and improving our own sustainability performance and disclosing our performance in line with the issues that are most important to our stakeholders and where possible, applying recognized frameworks.
- Creating an inclusive business culture to attract, recruit, develop and retain diverse talent that is well positioned to deliver to their full potential.
- Ensuring strong governance practices in all areas of our business with the right controls, policies, and risk management as part of a culture of compliance.

- Conducting our business in an ethical manner apply and taking a proactive role in delivering the best solutions for all our stakeholders.

### Our ESG Priority Topics

To identify our ESG priority topics, we reviewed reporting standards such as the Value Reporting Foundation's Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI). We also support and align our reporting to the United Nations Sustainable Development Goals (UN SDGs).

We assessed our commercial landscape and engaged our leadership team, Board of Directors and ESG Working Committee to prioritize issues based upon pertinence to our industry, business and stakeholders. Our list of priority topics reflects these inputs and align with our four key ESG focus areas. This priority-based approach to ESG ensures that we can continue to build a meaningful ESG strategy that responds to external events, business priorities, stakeholder expectations and our own performance results. Our priority issues are:

- Opportunities in green buildings and clean technologies
- Carbon footprint and energy use in our operations
- Employee safety
- Employee recruitment and retention
- Diversity, equity and inclusion
- Supply chain risk management
- Ethics and compliance
- Cybersecurity

### Alignment with the United Nations Sustainable Development Goals (UN SDGs)

The UN SDGs represent complex global challenges, including several that intersect with our ESG priorities. We focus on addressing the SDGs where we can help make the greatest difference based upon our expertise, business strategies and social impact efforts.

3 GOOD HEALTH AND WELL-BEING



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION







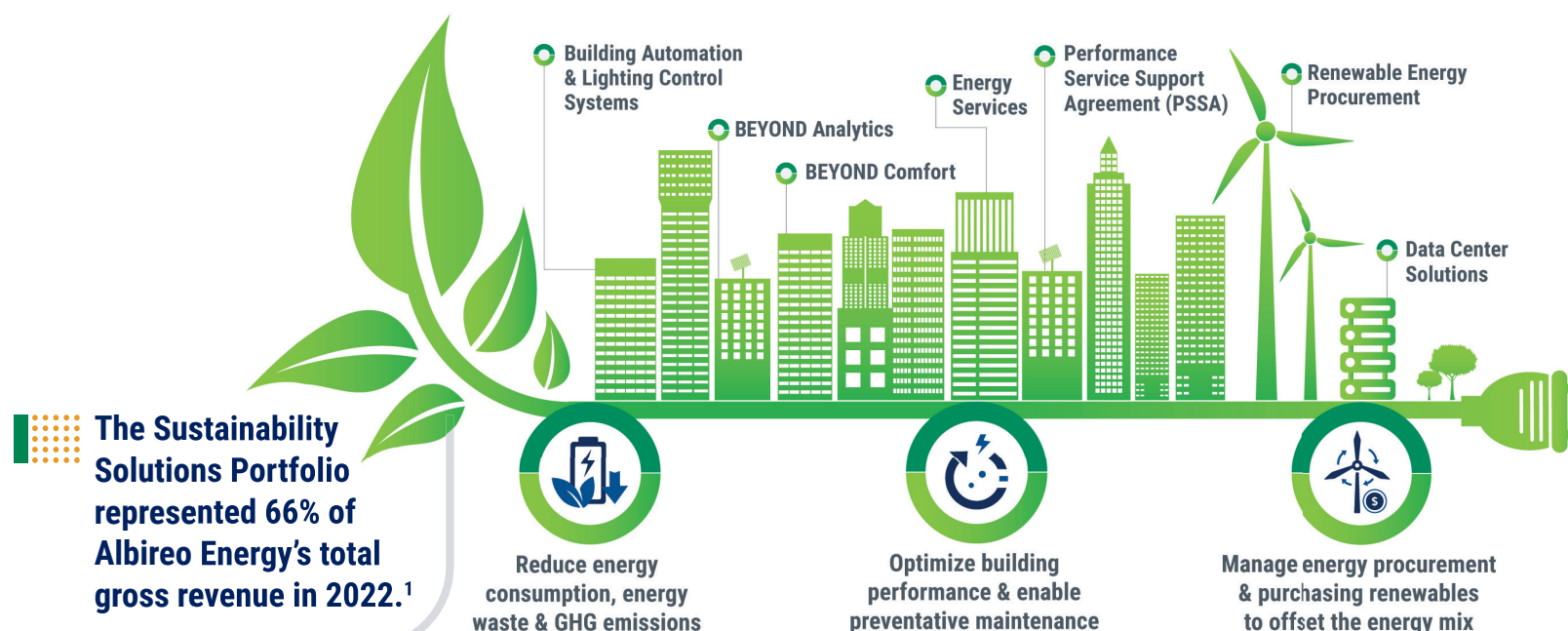
**01**



# **Albireo Energy Sustainability Solutions Portfolio**

## Albireo Energy Sustainability Solutions Portfolio

The Albireo Energy Sustainability Solutions Portfolio includes products and services that directly reduce energy consumption by improving building efficiencies and energy monitoring as well as renewable energy. Those solutions include:<sup>1</sup>



Decarbonizing buildings has become a central component of how companies reach net zero by 2050.<sup>2</sup> The urgency to decarbonize has led to a groundswell of energy- and emissions-related government regulations for commercial buildings along with incentives and rebates that make clean energy and energy efficiency more affordable. Employees, investors, supply chain partners and other stakeholders are increasing pressure on all companies to accelerate the transition to a low carbon economy.

Albireo Energy is focused on expanding access to sustainable building solutions that reduce environmental

impact and improve building performance. We advise customers on multiple facets of building and energy management by designing, developing and implementing technology and service strategies carefully tailored to industry, location and business mission.

As part of our customer commitment, we defined our Sustainability Solutions Portfolio using definitions within external reporting frameworks. We also engaged a third party to validate the scope of our portfolio as well as the business and environmental impacts of our work in 2022.

**In 2022, Albireo Energy delivered ~2,000 projects with one or more of these services.<sup>1</sup>**

<sup>1</sup> To identify these sustainable services, Albireo Energy leveraged the definitions and language provided by the EU Taxonomy for Sustainable Economic Activities, CDP (formerly the Carbon Disclosure Project), GRESB, ASHRAE, and the USGBC.

<sup>2</sup> IEA, "Net Zero by 2050 A Roadmap for the Global Energy Sector" <https://www.iea.org/reports/net-zero-by-2050>



## Building Automation & Lighting Control Systems

Our building automation systems (BAS) solution provides our customers with centralized control of all building systems, and easy-to-understand, actionable information at their fingertips. Albireo Energy designs, engineers, installs, commissions, and integrates HVAC, lighting controls, building access controls, security, and fire and life safety so that disparate systems operate uniformly and in unison. In addition to offering peak operational efficiency, our systems enhance the productivity, health and safety of building occupants.

There are five foundational elements of our BAS: 1) data analytics, 2) cybersecurity, 3) operational technology network infrastructure, 4) system integration infrastructure, and 5) a unified user interface. Combined, these tools provide visualization and reporting, fault detection and diagnostics, predictive maintenance and continuous improvement, and optimization, addressing different aspects of operational inefficiencies holistically to maximize energy savings.

As part of a BAS solution or as a standalone project, Albireo Energy offers highly scalable wireless lighting controls for new and existing buildings. These can be implemented on a single floor of a building or the entire structure, offering a range of energy-saving control strategies including scheduling, occupant sensing, daylight harvesting and high-end trim and tuning.

### Albireo Energy At Work



#### Library of Congress

The world's largest library, housing a vast collection of books and cultural treasures, spans five buildings and 6 million square feet in Washington, DC.

The Architect of the Capitol asked for energy management strategies that wouldn't compromise the preservation of artifacts and historic buildings. Maximizing the power of a single BAS across the library campus, they:

- Applied adaptive learning algorithms to calculate time required for air handlers to warm up and cool down. Air handlers were programmed to turn on and off at precise times.

### Albireo Energy Sustainability Solutions Portfolio



We delivered \$12,600,000 in energy cost-savings for customers in 2022 based on the average regional electricity and natural gas costs in 2022.<sup>1</sup>



Cost-savings translate to reduction of 58,000 MWh of electricity usage and 780,000 therms of natural gas consumption.<sup>1</sup>



Energy reduction and renewable energy procurement results in an estimated 68,000 MTCO<sub>2</sub>e of avoided emissions for Albireo Energy's clients.<sup>1</sup>

<sup>1</sup> To identify these sustainable services, Albireo Energy leveraged the definitions and language provided by the EU Taxonomy for Sustainable Economic Activities, CDP (formerly the Carbon Disclosure Project), GRESB, ASHRAE, and the USGBC.

- Scheduled HVAC systems for peak comfort when visitors and workers were in the buildings and set back temperatures and airflow during the night.
- Installed CO<sub>2</sub> demand sensors for ventilation control and minimized energy waste.
- Upgraded valves, dampers and other components for building control precision.

This two year project persisted during the COVID-19 pandemic and the January 6, 2022, Capitol events. It achieved its energy reduction and long-term management goals and was awarded the Automated Logic Northeast 2022 Project of the Year.

## BEYOND Analytics

Data analytics software providing fault detection and diagnostics (FDD) identifies and diagnoses anomalies, a hidden source of building inefficiencies, and is central to reaping the benefits of the immense amount of data produced by building systems. Albireo Energy developed an artificial intelligence-powered software platform, BEYOND Analytics, to address limitations of traditional rule-based FDD. It offers intelligent programming and employs machine learning algorithms to continually “learn” a building’s operational and usage patterns.

By using historic and real time data, predictive analytics help find energy inefficiencies and waste in the way a building is operating that is reliable and accurate. It creates an early warning system that enables facility engineers to be proactive in preventative maintenance, staying ahead of equipment malfunctions, eliminating uneven heating and cooling patterns, and controlling energy otherwise lost through exhaust.

If a machine is running just two degrees warmer than necessary, for example, BEYOND Analytics will provide alerts for intervention. Continuous “learning” means that over time, the BAS will better understand and can respond to how and when different systems are used, automatically optimizing operations.

### Albireo Energy At Work



### A Global Consumer Products Company

A Global Consumer Products company used BEYOND Analytics for system-level insights and identifying environmental and operating improvement opportunities in a multi-building campus including:

- Solar plant performance – electricity generation and usage.
- Monitoring and reducing water consumption.
- Off-hour building system monitoring.
- Electrical vehicle charging hours, kilowatt consumption and availability.

BEYOND Analytics dashboards are displayed throughout the campus, sharing real time performance data with employees.



## BEYOND Comfort

BEYOND Comfort is Albireo Energy’s solution for uneven air distribution using a patent-pending design for VAV systems. It replaces the manual balancing damper with an automated space control damper, and multiple reheat coils. By using this design, a hybrid VAV box provides individual room control without the expense of adding more VAV boxes. When adding more than one reheat coil to a VAV box, each area has autonomous control from another served from the same VAV box, typically reducing the overall VAV count by two-thirds. Using fewer, but larger VAV boxes with multiple re-heat coils supplied by a single set of balancing and isolation valves also reduces the cost of a building’s mechanical infrastructure.

With BEYOND Comfort, each room uses an individual physical or virtual thermostat (via a smartphone) which provides additional features conventional thermostats do not offer. Combined with lighting control, BEYOND Comfort provides increased savings by monitoring occupancy and isolating air flow and energy for unoccupied areas.



## Data Center Solutions

Albireo Energy Data Center Solutions provide building and electrical controls and energy services to hyperscale, colocation and enterprise data center customers requiring building performance, energy management, decarbonization and sustainability strategies.

As an independent controls provider, we are trusted distributors for every major data center OEM and work across Building Automation Systems, Electric Power Monitoring Systems and Programmable Logic Controls platforms. Often, building owners standardize on controls technologies across data center locations.

Albireo Energy building controls experts design, engineer and install these critical systems. We also offer continuous commissioning, monitoring and analytics for maximum data availability as well as alarm management to keep data centers performing as promised.

**Albireo Energy has worked with some of the largest Tier 3 and Tier 4 data centers in the world, providing a full range of technologies and services. To date, we have completed 200+ data center projects including 8.3 GW and 24M+ square feet of white space.**



## Albireo Energy At Work



### Large U.S. Data Center

A data center with five campuses and multiple buildings required better control and data management from its building systems. After successfully completing BAS and Energy Power Management System (EPMS) projects, the data center needed greater control over its building data management and reporting. The customer:

- Used BEYOND Analytics and a private cloud and network to collect, store and display data that had been manually collected from BAS, EPMS and other systems.
- Standardized and normalized data across buildings so that KPIs can be easily compared.
- Signed a service contract for automated reports that provide generator runtime and availability, UPS system status, busway trends for power, and utility management – which are key for internal audits for ESG compliance.
- Initiated work on analytic rules to assist with preventative maintenance and ensure uptime and reliability of systems.

Greater transparency into building systems coupled with strong energy and power management are ensuring uptime and reliability while increasing worker productivity and satisfaction.



## Energy Services

Benchmarking is the foundation for energy management and a key part of a building's efficiency plan. Albireo Energy analyzes building energy usage over time and compares it to past performance and to similar buildings in the same geographic area.

Benchmarking is useful to building managers to evaluate usage and savings opportunities and to analyze the cost effectiveness of conservation measures implemented. Research shows that the practice of benchmarking buildings increases awareness and focus on energy efficiency and building owners who monitor benchmarking data have consistently reduced the building energy usage by an average of 2.4% per year.<sup>3</sup>

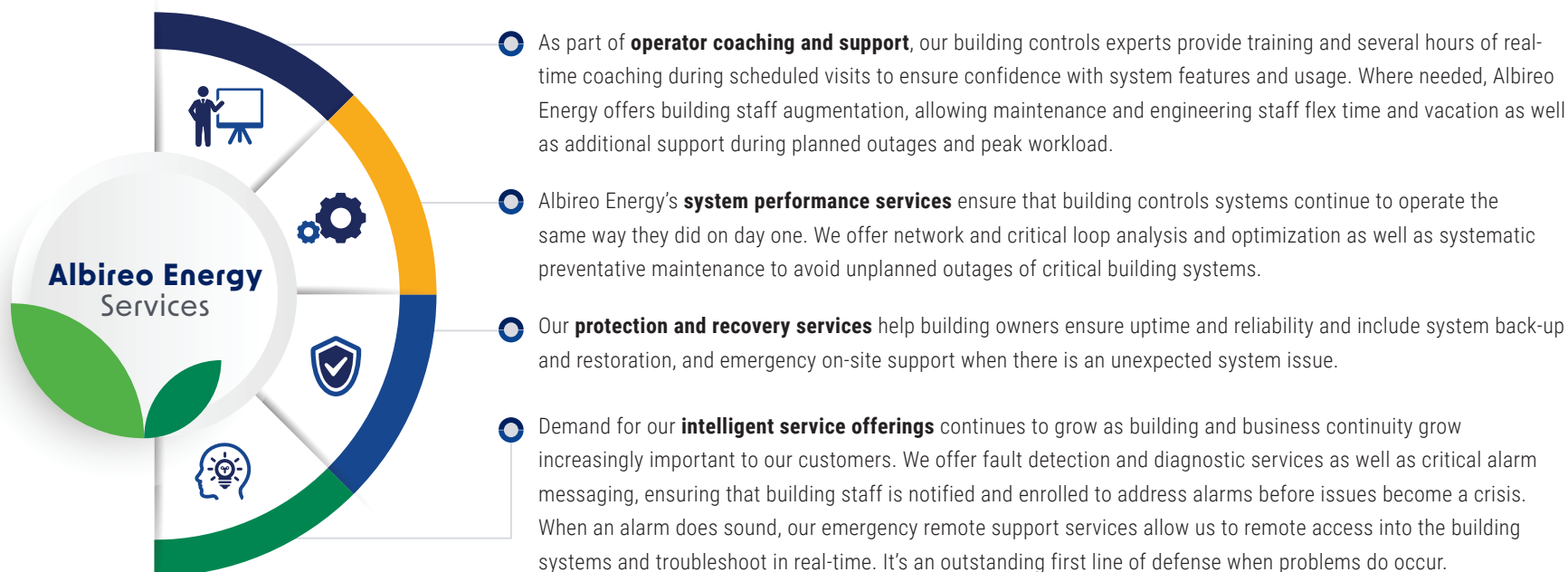
After benchmarking, we conduct an energy audit, gathering data on mechanical, electrical, and automation systems. The data is used to identify gaps in best practices and areas of inefficiency. We help prioritize potential actions to improve energy management, taking into consideration economic, legislative and operational information that impact returns on investment.

<sup>3</sup>"Benchmarking and Energy Savings," Data Trends, ENERGY STAR Portfolio Manager, U.S. EPA, October 2012, [https://www.energystar.gov/sites/default/files/buildings/tools/DataTrends\\_Savings\\_20121002.pdf](https://www.energystar.gov/sites/default/files/buildings/tools/DataTrends_Savings_20121002.pdf)



## Performance Service Support Agreements (PSSA)

We stay connected with customers throughout the life of their buildings, customizing service support based upon the needs and priorities of their businesses. Our comprehensive suite of services includes operator coaching and support, system performance, protection and recovery, and intelligent services.



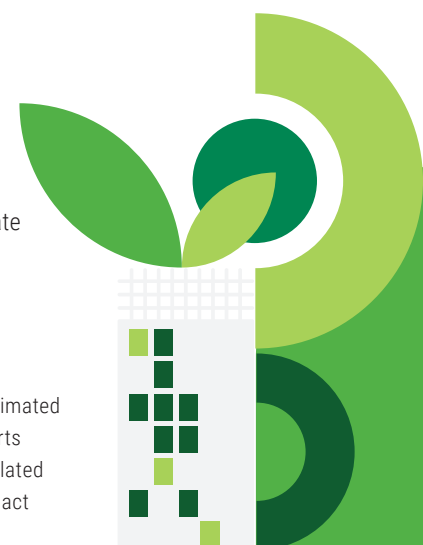
## Renewable Energy Procurement

Albireo Energy's procurement experts help universities, data centers, manufacturers, commercial real estate portfolio managers and others make renewable energy decisions. We work across multiple technologies, financing arrangements and contract structures.

Our team assists with low carbon solutions by adding on-site renewable generation, enrolling in community solar projects, and acquiring power purchase agreements (PPAs), virtual power purchase agreement (VPPAs) and renewable energy certificates (RECs). We provide customers with long-term and immediate expense savings and help meet their sustainability goals, decrease their reliance on fossil fuels and produce carbon-free and carbon-neutral solutions.

### About Albireo Energy's calculations

In 2022, Albireo delivered nearly 2,000 projects with one or more of these sustainable services. For services that improve energy efficiency, Albireo Energy calculated the estimated energy cost-savings for each project. The cost-savings were calculated based on industry studies on return-on-investment for building efficiency upgrades, studies and reports on implemented technologies, and Albireo Energy's experience as an energy services provider. Each service was estimated to provide varying cost-savings, which were calculated as a percentage of the gross revenue assumed to deliver direct impact. This methodology and actual calculations were reviewed by a third-party expert in environmental impact calculations. Our environmental impact calculations included in this report are preliminary, unaudited, and subject to revision.





**02**



## **Environmentally Responsible Operations**

## Environmentally Responsible Operations

While our own environmental footprint is relatively small, we are committed to reducing the impact from our operating footprint. Our customer base requires solutions for building and maintaining high performance buildings, and we are continuing to do our part to reduce climate and other environmental impacts.

### Operating Footprint

In 2022, we evaluated our office footprint and consolidated numerous offices serving the same geographic markets. We evaluated our current operations and future plans for growth and workforce expansion, and selected locations with the right proximity to our customer locations and employees' homes. We moved to newer and more efficient office locations in critical markets like Alabama, California, Delaware and Washington, DC. Our operations team regularly evaluates our office footprint in line with customer and workforce needs, and applies standard guidelines when evaluating leasing opportunities. We look for buildings with high occupancy rates, excellent energy efficiency ratings, use of sustainable materials, and prime locations.

### Remote Services

Innovation is key to reducing our own environmental footprint and adding value to our customers. We continue to grow our remote services, offering customers in two of our largest markets, New York and Delaware, the option to troubleshoot system issues without technicians driving to their locations. This offers a double benefit – fuel efficiency and customer efficiency.

### Service Fleet

As a building controls and energy services provider, our engineers and technicians travel to customer locations, installing, engineering, commissioning and servicing systems. Our service fleet is nearly 500 vehicles and growing.

In 2022, we centralized management of our fleet to increase transparency and management of vehicle age, mileage and fuel usage. We're continuously monitoring our fleet performance through proactive analytics software and technology which ensures predictive maintenance and effective fuel management. This is the first step in establishing our fleet contribution to our environmental baseline in 2023.

### Operating Baseline

Albireo Energy is currently conducting a comprehensive review of our sources of Scope 1 and 2 greenhouse gas (GHG) emissions and the availability of relevant data needed for those calculations.

We will use the results of this review to set up data collection processes and protocols to ensure efficient and repeatable process for calculating GHG emissions. Albireo Energy will calculate our Scope 1 and 2 GHG inventory for our 2023 operational activity in alignment with the World Resource Institute (WRI)/ World Business Council for Sustainable Development (WBSD) GHG Protocol's Corporate Accounting and Reporting Standard (GHG Protocol). The results of this inaugural analysis will be reported in our 2023 ESG report, published in 2024.

#### Albireo Energy At-Work



#### Senior Living Services

A leading provider of senior living services selected remote services for maintaining and diagnosing building systems in the U.S. across 21 sites.

In 2022 alone, 278 work tickets were performed remotely saving 1,360+ gallons of gas and avoiding 12,100 grams of CO<sub>2</sub> emissions.







**03**



## **Developing & Engaging Our Employees**

## Developing and Engaging Our Employees

### Our Culture

Our work requires building performance expertise. It also requires an environment where people care – about work, about each other and about the people who count on us most. At Albireo Energy, we believe in the work we do and in the safety, engagement and development of others. We approach employee recruitment, development and engagement with this in mind. We listen to feedback, analyze the results and use data to inform our improvements. This has led to three guiding pillars:

01

#### Safety First

We emphasize safety with our employees whether on a job-site, on the way to a customer or in the office. Building a safety culture begins with leadership and accountability and ensuring that everyone goes home safely at the end of the day.

02

#### Deliberate Development

We equip our leaders with the tools and resources they need to develop our employees and engage in meaningful career development discussions. Doing so creates a climate of inclusion and better understanding of our employees' needs.

03

#### Ingenuity Rewarded

We know that high performance teams are innovative problem-solvers – and some of our most successful services and solutions were borne from this mindset. The more creativity and candor, the better the results.

### Employee Safety

Our top priority is returning our employees home safely everyday. That is why safety is a core value at Albireo Energy, and we expect each of our employees to embrace a zero-accident mindset as the basis for our safety culture. No operation is considered so important or a scheduling deadline so critical that safety is compromised. We are dedicated to providing an integrated, adaptable and consistent company-wide safety program.

#### Responsibilities and Oversight

Protecting the safety of employees, customers, and building occupants requires the right oversight and a dedicated team charged with curating a responsible, effective, and solutions-based health and safety program. Albireo Energy's Safety Committee, governed by Divisional Safety Managers, and led by an Executive Sponsor, meets quarterly to discuss system, program and process improvements that reduce incidents.

Albireo Energy's executive team reviews every recordable incident and root cause analysis to ensure that proper countermeasures are in place to avoid another incident. Overall safety governance is led by the CEO who reviews safety as part of monthly and quarterly operating reviews. In 2023, a division-level safety scorecard is being instituted to further drive local accountability and culture.



## Safety Awareness, Education and Training

Our team members working at client sites face the highest health and safety risks, which include frequent driving, working from ladders and at heights, and working on energized systems and mechanical equipment during installation of building automation controllers.

Onboarding for those who work in the field begins with initiation into our safety culture prior to beginning on any projects. Newly hired employees undergo a week-long safety orientation that includes provision of OSHA 10 or OSHA 30 certification in general safety, personal protective equipment (PPE) relevant to their job function and in accordance with Occupational Safety and Health Administration (OSHA) regulations, and our safety manual with procedures for safely performing their work. Once initial requirements are met, more experienced technicians are paired with new hires for hands-on training while at the jobsite.

Refresher training and other professional development resources are provided throughout the year for all field-based employees. Albireo Energy offers web-based safety training platform, UL's PureSafety, providing employees with flexible options for completing safety training and OSHA certifications.

To complement training and keep safety front-of-mind, the Safety Manager introduces Toolbox topics each week to all safety-sensitive employees that emphasize the importance of:

- Staying focused on safe work practices
- Performing all tasks in accordance with safety policies and procedures
- Avoiding shortcuts
- Being aware of hazards in our routine work
- Looking out for the safety of others

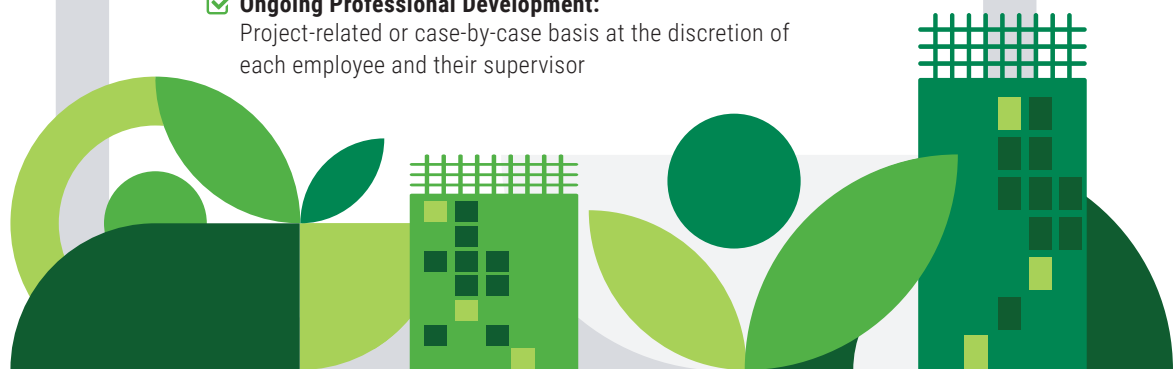
Managers may discuss Toolbox training topics in a team setting, and employees must also read and sign off after completing the training topic each week.

### Mandatory Training

- ✓ **New Hire Orientation Week:**  
Safety Program overview, PPE provisioning, safety manual review and acknowledgement
- ✓ **Safety Certifications:**  
OSHA, first aid, and CPR/AED certifications
- ✓ **Site-Specific Safety Orientation:**  
Albireo Energy-led job site safety orientation prior to commencing work for all workers, including subcontractors
- ✓ **Competent Persons Training:**  
Hazard identification and mitigation for those designated as a Competent Person, required at each job site
- ✓ **Refresher Training:**  
Quarterly and annual safety refreshment

### Employee- and Job-specific Training

- ✓ **Retraining:**  
Following injuries, incidents, or near misses, or when a Manager observes employee using unsafe practices
- ✓ **Ongoing Professional Development:**  
Project-related or case-by-case basis at the discretion of each employee and their supervisor





### Project Pre-Planning and Safe Work Practices

Prior to the start of a given project, the scope of work is reviewed for associated risks and a site-specific injury and illness prevention plan is developed.

Each project has a designated Competent Person (CP) who is trained to recognize hazards, properly use safety tools and equipment, and understand the dangers of work performed unsafely. Importantly, CPs have the authority to stop work should an unsafe situation arise. At the beginning of the day, the CP reviews the job site for any safety issues and plans how to safely accomplish the daily scope. The plan and related topics are discussed in a daily team safety meeting before work commences.



**Our top priority is returning our employees home safely everyday. That is why safety is a core value at Albireo Energy.**

### Incident Reporting and Investigation

Because the vast majority of incidents are preventable, we place heavy emphasis on hazard awareness and safe practices in our day-to-day operations. When incidents, including near misses, do occur, we require our team members to report them as soon as feasible – it is important to review the steps and contributing factors that led to the incident while memories are fresh. Once the root cause is identified, we eliminate the hazard to prevent a recurrence through improvements in engineering controls, administrative controls, training, and communication.



Metric	2022
Work-related fatalities (#)	0
Work-related injuries (#)	6
Days lost due to injury (#)	140
Total recordable incident rate (TRIR) <sup>4</sup>	0.76
Experience modification rate (EMR)	0.78

<sup>4</sup> This rate is calculated based on 200,000 hours worked.





## Performance Management

We continuously evaluate our performance review processes to equip employees with the information and expectations they need to be successful and build their own career path. Our Performance Management Process (PMP) is designed to build a high-performance culture and provide every employee an understanding of the direct impact he/she has on meeting our corporate goals. Our PMP defines performance requirements, provides regular feedback, and assists employees in career development and advancement.

The process begins with setting clearly defined targets, which is critically important to employee productivity, job satisfaction, team coordination, and morale. Employees and their managers develop targets in two categories, Financial and Management by Objectives, with the latter referring to targets that are important for personal, departmental, and organizational success.

Feedback and coaching take place throughout the year, with defined measurements to allow objective

performance tracking by both managers and employees. Annual reviews provide employees an opportunity for self-appraisal and managers an opportunity to formally evaluate their team members' performance on achievement of annual targets and leadership characteristics, such as personal attitude, work quality, dependability and initiative.

Merit increases, profit sharing and professional development opportunities are determined based on the results of annual reviews.

## Workforce of the Future

We recognize that our continuing growth demands we attract and retain exceptionally talented and service-oriented people. Approximately 75% of our employees directly engage with customers by selling, designing, installing, commissioning and servicing building controls, and delivering energy, engineering and procurement services.

The environment for skilled talent is more competitive than ever before, and our executive team and local leaders continuously evaluate our strategies for attracting and developing our workforce to meet customer demands now and in the future. In 2022, our total employee retention rate was 94%.

We continue to strengthen our hiring, retention and engagement practices with new offerings rolling out in 2023 including leadership and supervisor training, additional career paths, and enhanced employee benefits. Our teams are strategically sourcing talent through a variety of trade schools, colleges and universities in key markets.

We successfully attract the next generation of leaders through our internship program, offering opportunities to rising college sophomores and juniors in technical fields focused on mechanical or electrical engineering, programming, and skilled trades, such as HVAC systems.

## Training and Development

We are committed to helping our employees develop the skills, knowledge and expertise to succeed on the job and advance in their careers. This includes expanding our learning and development opportunities:

- Systems Specialist Bootcamp on building automation systems, customized according to each employee's knowledge and experience levels.
- Technician Bootcamp on new methods, services, and applications for field use.
- Sales Management training on proven methods for sourcing and closing project opportunities.

Our managers hold quarterly development meetings with their employees to discuss training needs and career paths, including the amount of time needed to attain desired positions. Managers are responsible for developing training plans and identifying internal and external resources, as well as providing coaching and feedback for professional growth and development. Eligible employees may receive tuition reimbursements of up to \$4,000 a year for three years for education that is job-related and advances their career.

In 2023, additional leader and manager development programs as well as project manager excellence development and training will be implemented, addressing our promise to stay connected with employees and foster an engaged culture.



Nathaniel Detwiler started with Albireo Energy as a project engineering intern in Seattle in 2017 and has quickly advanced to a leading industrial controls sales expert.

**I love working with my team. Everyone that I've worked with has a shared passion, and a common goal to develop our industry. The learning mindset is a big factor for me – we're all growing and learning about new automations and technology. That's one of the biggest reasons I've continued my career with Albireo Energy for as long as I have."**



### 2022 Training Metrics

Average hours of training per employee: **38.5 hours per year per employee**

Total training hours completed: **36,183**



**The Albireo Way is our disciplined approach to project management.** It ensures that projects are executed on-time, on-budget, in-scope and exceed customer expectations. The Albireo Way has five steps: Goal Alignment, Project Planning, Financial Management, Training / Project Transition, and Ongoing Services. Our approach is backed by a Project Management Development Program for professionals making project management a career. It includes core and advanced competency building, career paths, and ongoing training in project and financial management, communication and stakeholder engagement.





## Diversity and Inclusion

Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but also our reputation and our ability to succeed.

Albireo Energy is committed to fostering, cultivating and preserving a culture of diversity and inclusion. We kicked off Diversity and Inclusion (D&I) work in 2021 with the goal of creating a work environment that fosters collaboration, innovation, creativity and belonging, built on the premise of diversity and inclusion that encourages and enforces:

- Respectful communication and cooperation between all employees, regardless of background

- Teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- Work/life balance through work schedules that accommodate employees' varying needs.
- Employer and employee contributions to the communities we serve to promote a greater understanding and respect for diversity.

We are continuing to track the composition of our workforce with an understanding that we have opportunities to further define priorities and launch initiatives to ensure that we are embracing diversity and inclusion. In the coming year, we are committed to:

- Ensuring diverse talent slates for all leadership roles
- Continuing to recruit from diverse talent sources like the Society of Women's Engineers and the

- National Society of Black Engineers
- Evaluating diversity and inclusion at a local division-level and developing action plans

### Leadership Composition *(Top 2 levels of Leadership)*

Women	20%
Men	80%

### Total Workforce Composition

Women	15%
Black	4%
Hispanic	12%
Asian or Pacific Islanders	3%
Veterans	10%

## Employee Engagement

We are dedicated to building a customer-focused, high integrity culture where employees feel valued and respected for the work they do. As a mission-driven business, this requires us to build high performance teams with share purpose, proactively understand what's important and provide new opportunities to grow professionally.

Since 2018, Albireo Energy has participated in the Great Place to Work® (GPTW) Institute's Trust Index Survey and was Certified™ as a Great Place to Work® for the fifth year in a row in 2022. Only 10% of the companies who apply for GPTW receive it. The award is based on what current employees say about their experience working with us. In 2022, 83% of employees said it is a great place to work.

We take feedback seriously and use it to continue to improve our practices and culture. We analyze our strengths, areas for expansion and actions needed to make improvements. In response to the 2022 survey, we are strengthening our leadership communication and establishing stronger career paths for critical project execution roles.



**Arun Chandra**  
Operations Manager  
Los Angeles

**Albireo Energy is more than just a workplace - it's a community of passionate individuals committed to making a positive impact. I feel incredibly fortunate to lead a team of talented and dedicated colleagues. Together, we're helping customers save energy and reduce their carbon footprint and we're making a meaningful contribution to our community. That's why Albireo Energy is a great place to work!"**

**Great  
Place  
To  
Work®**  
**Certified**

### 2022 GPTW Survey Certified as a Great Place to Work for the 5<sup>th</sup> consecutive year



Participation Rate



Engagement Score

**95%**

feel they are treated fairly regardless of their race, gender or sexual orientation.

**92%**

said they have work-life flexibility and can take time off when needed.

**90%**

feel they are made to feel welcome when they join the company.

**86%**

said they are proud to tell others they work at Albireo Energy.

**Carla Miller**

Vice President & Division Leader  
Alabama

“Albireo Energy’s commitment to its employees and customers is what makes it a great place to work. Our employees go above and beyond to not only deliver exceptional service, but also build genuine relationships with our clients that extend beyond the workplace. The company’s focus on promoting career development and project excellence speaks to its dedication to ensuring our employees have the tools and support they need to thrive. It’s an honor to be part of a team that takes pride in their work and values the relationships they build.”

**Chuck Quamina**

Building Automation Technician  
Washington, D.C.

“Having spent nearly two decades at Albireo Energy, I can attest that the company truly cares for its employees and customers. Our values of integrity, safety, and excellence are evident in everything we do, from the quality of service we provide to our customers to the way we treat and support each other as colleagues.”

**Edward Francois**

Building Automation Technician  
New York

“Albireo Energy offers tremendous professional and personal growth opportunities and encourages employees to reach their full potential. I joined in 2014 as a Project Manager and appreciate the company’s commitment to promoting from within. When my personal life required me to move from New England to San Diego, I was able to transfer offices which allowed me to continue growing with the company.”

**Steve Mara**

Operations Manager  
New England

“I take great pleasure in serving customers and tackling the challenges with each job or project. What truly sets us apart is the unwavering support and guidance from my colleagues. At Albireo Energy, it’s not just about individual success, but about the success of the entire team.”





## Two Way, Open Communication

Effective communication ensures employees have the information they need to perform well, builds a positive work environment, and eliminates inefficiencies. At Albireo Energy, we believe that effective communication accurately conveys information and improves relationships.

We encourage leader-employee discussions throughout the year and equip our leaders with the tools to effectively communicate direction and solicit and act upon feedback. Some of our communication channels with employees include:

- Monthly senior leadership team meetings discussing strategy, progress and results with tools for them to use engage employees.
- Quarterly State of the Business meetings to provide status updates on corporate strategy and goals, human resources, and recognize successes. A Q&A session with our executive team provides an opportunity for employees to anonymously submit questions and share feedback.
- Skip level meetings provide opportunities for employees to ask questions and share ideas for making Albireo Energy a great place to work and for customers to do business.
- Consistent travel communication amongst leaders ensure that employees can engage with executives individually and in small groups while visiting local markets.



**The CEO and executive team are accessible and a step or call away for any employee or customer. All ideas are considered, and decisions are actioned quickly. It's the Albireo Energy difference."**

**– Bob Sutter**  
Divisional VP & GM, NY



- Our weekly interactive news channel, AE News, shares business progress, customer successes, community activities, and recognition of great work.



Sales incentives are offered to all Albireo Energy salespeople. In 2022, 23 employees earned Star Club membership, reserved for those who achieve \$1M in gross profit and \$75,000 in cross sales revenue.

Star Club members receive a plaque and an executive gift, as well as becoming eligible to join the Platinum Club.

Platinum Club members are salespeople with the highest divisional gross profit in 2022.

This elite group were invited on the Platinum Star Club Trip to Amelia Island, Florida with the Albireo Energy CEO.



## Total Rewards

Taking great care of our customers starts with making sure we take great care of our employees. Our goal of attracting and retaining a high-performance workforce motivates the development of our employee-centric programs.

We provide our employees with market competitive total rewards packages that recognize achievement, and regularly conduct compensation analysis by role and geography to ensure competitiveness.

Albireo Energy has grown dramatically since our founding through the extraordinary efforts of our team. We launched in 2018 and continue to grow our performance-

based profit-sharing programs to ensure that employees share in our success.

All full-time employees with at least six months of service who are not already participating in a customer-based incentive plan are eligible for profit-sharing. Rewards are based on individual, divisional and overall company performance. Designed to distinguish individuals who made a sizeable contribution to successful business results, the program places emphasis on:

- Delivering excellent customer service
- Demonstrating technical excellence
- Focusing on smart growth

- Advocating a safety culture
- Maintaining a positive team attitude
- Promoting our core values

Albireo Energy also offers a competitive benefits package for all U.S. employees that includes medical, dental, vision, retirement, personal and dependent life insurance. We also recognize the importance of health and well-being. Our employees have full access to an Employee Assistant Program as well as financial wellness, estate planning and tuition assistance programs. We also have hybrid work arrangements for employees across the U.S. where job scope permits, allowing for the flexibility to work partially in the office and at home.

## Ingenuity Rewarded

We know that high performance teams are innovative problem solvers and believe that everyone should be able to recognize co-workers that go above and beyond. The Albireo Energy Shining Star Program is a simple way for peers to recognize others who demonstrate ingenuity, innovation and behaviors in line with our company values.

Employees submit a nomination of a peer, requiring a description of how the individual went above and beyond. Leaders present recipients a custom certificate, a \$50 Amazon gift card and a Star Man stress ball. Recipients are celebrated during our quarterly All-Hands meetings and in our internal and external company news.



**Brent Sondgerath**  
Technical Sales | Tampa

Assisting co-workers during crunch time



**James Martin**  
Senior Quality Control Engineer  
Data Center Solutions | Georgia

Strong internal & customer communication  
& efficient work efforts



**Courtney Rector**  
Project Coordinator | New England

Exceptional customer and business  
performance with strong work ethic

## Giving Back to Our Communities

Our Albireo Cares Together Community Outreach program was borne from engagement survey feedback we received in 2018. Employees wanted a way to increase corporate citizenship by supporting nonprofits in their communities. Donations and volunteer activities are determined by the interests of local teams, and include food bank and school supply drives, participation with Salvation Army Angel Tree, beach cleanups, and others.

We're celebrating the fourth year as a company-wide financial supporter of the Gary Sinise Foundation, whose mission is to serve veterans, first responders and their families. This company-wide giving initiative was started at the request of an Albireo Energy employee and veteran and has continued to grow in recognition of those that serve our country and in celebration of our growing workforce.



**4th Year Company-wide  
Financial Supporter  
of the Gary Sinise  
Foundation**





**04**




## **Operating with the Highest Standards of Ethics & Values**



## Operating with the Highest Standards of Ethics and Values

### Board of Directors

Our Board of Directors is composed of eight members with two being independent and providing outside influence and perspectives. Huron Capital has made ESG commitments to its investors and requires portfolio companies as part of its Guiding Principles to identify and support socially and environmentally responsible practices. The expectation is year over year reporting with continuous improvement, and for the Board to be responsible for ESG adherence as stewards for the company.

 The Board of Directors includes:

- |   |  |  |
|---|--|--|
|  Rick Einhorn              |  Brad Freeman |  Cale Kaczmarek |
|  Rick LeBlanc              |  Jim Mahoneye |  Brian Rassel   |
|  Phil Rogers<br>(Chairman) |  Larry Wash   |  |



### ESG Oversight

Strong governance is foundational to our ESG efforts. Albireo Energy's full Board oversees our ESG strategy and it's reviewed once a year. Throughout the year, the Board is briefed on various ESG topics during every standard Board meeting. As part of business reviews, the CEO and Executive team discuss and address specific ESG topics, making ESG part of the way that the company is led.

In 2022, an ESG leader was named, reporting directly to the CEO, and a cross-functional ESG Accountability Committee was formed with leaders representing each of the company's material topic areas. Accountability Committee meetings are held every six weeks with the CEO and Chief Financial Officer (CFO) in attendance. For every material topic area, a project team has been formed and is accountable for proactively stewarding the issue and reporting to the Accountability Committee.

In addition, ESG issues are incorporated into the investment process in a rigorous and repeatable manner, aligned with Huron's investment policies. ESG due diligence findings are presented to the Investment Committee for consideration alongside business and financial-related findings.





## Ethics and Compliance

Operating with the highest level of integrity is a core value for Albireo Energy. To build a sustainable company, operating ethically and leading with integrity is essential to earning and maintaining the trust of our employees, customers, suppliers, and the communities in which we work. We ensure that our employees understand our policies, rules and regulations that apply to their job.

We maintain multiple reporting channels for employees who may have witnessed or experienced harassment, discrimination, or other misconduct. As outlined in our Non-Discrimination and Non-Harassment policy, employees have a duty to report incidents and promptly report concerns, without fear of reprisal, to their manager and Human Resources.

Confidential reporting is available 24/7, 365 days a year in multiple languages through an ethics and compliance hotline operated by a third-party, Lighthouse Services. Lighthouse provides Albireo Energy with immediate updates and monthly summaries for employee claims. Once a report is made, we immediately investigate and, where appropriate, take prompt remedial action, keeping the investigation as confidential as is practicable under the circumstances. Violations of our policies result in disciplinary action ranging from a warning to immediate termination. We similarly take remedial action against any contractor, customer, or vendor who violates our policies.

## Supply Chain Risk Management

Effective supply chain management is critical to upholding our commitment to customers and mitigating risk. As an independent building systems and service provider, we source controls products from a variety of leading suppliers depending upon market and customer requirements. Ensuring product availability based upon customer requirements is part of the Albireo Energy promise.

The Office of the Chief Financial Officer (CFO) is implementing a continuous monitoring and diligence program for our top 15 suppliers. The monitoring program includes a variety of compliance and product delivery risks and ensures appropriate market redundancy. In 2023, results of supplier monitoring will be reviewed with the executive team on a quarterly basis and with the Board of Directors annually.

## Data Privacy and Security

Our customers, vendors, and other business partners entrust us with sensitive and important information that we safeguard and protect through our data privacy and security systems and protocols.

Albireo Energy's IT organization provides central management and oversight and continues to strengthen our cybersecurity standards and security controls. Our Chief Information Officer (CIO) reports to our CEO and provides updates on security and privacy to the Board as needed.

The CIO's non-member team includes a Security Administrator responsible for data security and IT engineers who manage day-to-day security operations across the Albireo Energy network. We conduct ongoing reviews of our internal systems, resources and employees to assess whether changes need to be made. All computer systems are monitored 24/7 by a leading global provider of Security Operations Center (SOC) services.

Keeping employee and customer data secure and private is a top priority and our vendor selection and compliance requirements are reflective of our commitment. Albireo Energy's employee data is managed by a third party in a SOC2 Type II data center that is tested annually for compliance. Customer data is stored within a Microsoft application operating platform spanning two data centers that are both annually certified as SOC2 Type II compliant.

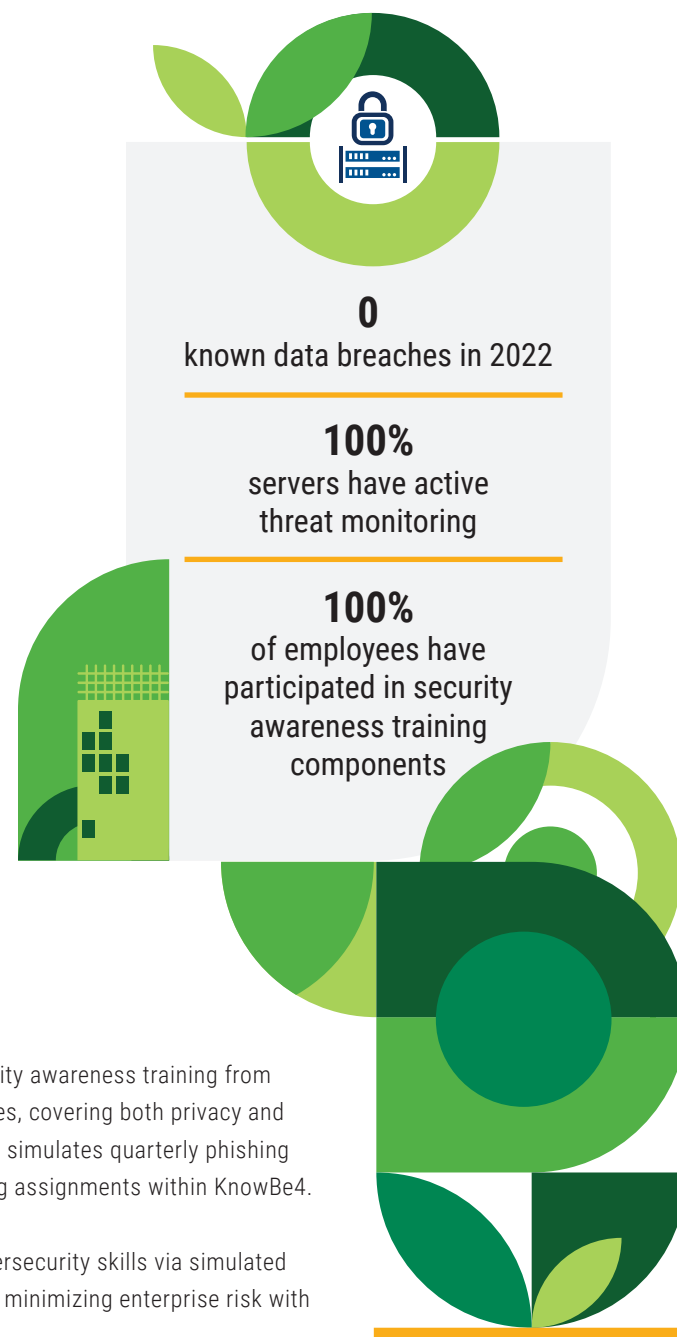
Albireo Energy often monitors customer operational data that our building performance experts collect and monitor. When operating exceptions are detected within a customer's building, we will provide the customer with configurable alerting services. We are in the process of migrating all monitoring of customer building management systems (BMS) to a single cloud-based platform. All customer data extracted outside of customers' BMS systems will be encrypted in transit and at rest, following cybersecurity industry best practices.

## Cybersecurity Awareness and Training

Training in phishing and other data security threats is part of onboarding for every Albireo Energy employee.

In 2022, Albireo Energy used the Mimecast cybersecurity training platform and will transition in 2023 to ongoing security awareness training from KnowBe4. KnowBe4 focuses on the top human error-related security risks using current trending data. Training modules, covering both privacy and security, are designed to improve security culture, change behavior and significantly lower security risk. KnowBe4 also simulates quarterly phishing attacks on all employees. Those who fail simulated phishing attacks will participate in additional cybersecurity training assignments within KnowBe4.

By assessing employee cybersecurity skill levels, delivering targeted training to increase these skill levels, testing cybersecurity skills via simulated phishing attacks, and providing additional training to employees who fail simulated phishing attacks, Albireo Energy is minimizing enterprise risk with its continuous improvement approach to employee cybersecurity awareness and training program.





Albireo Energy is a leading independent building controls and energy services provider recognized by customers for creating intelligent, high-performance buildings. We help building owners and their teams make decisions about building automation that achieves operating performance, decarbonization and sustainability goals. Because we're technology agnostic, we see buildings in a different way. By understanding the mission of a building portfolio, our team of building performance experts designs and delivers technology and service solutions that give you maximum control of your data centers, offices, hospitals, universities, manufacturing, multi-use sites. Our work begins with engineering, project planning and exceptional execution, and extends through maintenance, monitoring, analytics and energy procurement services.

**At Albireo Energy, our promise is to stay connected.**

