



CLEAResult<sup>®</sup>

# Net Zero by 2025

2021 Sustainability Report

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We change the way people use energy.<sup>™</sup>



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# Net zero by 2025

Our mission is, and always has been, to change the way people use energy—including us. Today, we're announcing our commitment to reach net zero emissions by 2025.

We're embracing our teams' expertise as energy efficiency, energy transition and decarbonization leaders to show others that aggressive sustainability goals like ours are achievable.

Following our own best practices, energy efficiency will continue to be the foundation of our decarbonization plan. We'll remain remote-first to reduce our office footprint, refine our methods for measuring our greenhouse gas emissions and transition to carbon neutral as early as next year.

At the heart of our plan is an intentional emphasis on building people-centric solutions that represent the diversity of our communities and the passion our teams have for improving equity at every level. We know our people are up to the task, and we can't wait to watch them lead the way for us, and our clients.

**Rich McBee**  
President and CEO



# We make our world environmentally sustainable.

CLEAResult is the largest provider of energy efficiency solutions in North America. Headquartered in Austin, Texas, our 2,400+ employees work from over 60 cities across the U.S. and Canada on our mission to change the way people use energy.

We've led the industry forward since 2003 and today, our experts are addressing climate change by working with commercial and industrial businesses, governments, utilities and residential customers to accelerate the transition to a sustainable, equitable and carbon-neutral future for us all.

Equipped with the CLEAResult ATLAS™ technology platform that powers our six core practices, our hometown teams and diverse network of local partners collaborate daily to make it easy for everyone to reduce their energy use and carbon footprint at any scale.

## Our principals in practice

Expanding access to cleaner energy choices for everyone requires a comprehensive suite of decarbonization solutions that work together to reduce consumption, maintain reliability and reshape peoples' relationship with the grid.



### Energy Efficiency

Reducing energy use is always step one.



### Energy Transition

Speeding up the switch to smart, clean energy.



### Carbon Consulting

Bringing businesses clear and customized plans to decarbonize.



### Strategic Energy Management

Implementing strategies for long-term impact.



### Design Build

Solving complex energy challenges at scale.



### Testing and Certification

Creating standards that give people confidence.

## Milestones we'll meet

We're setting goals that are aggressive and achievable to show the world what's possible when passionate people get to work.

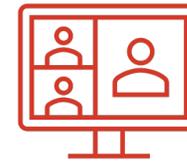
### Net zero by 2025



**Carbon neutral by 2023**  
(Scope 1 & 2 emissions)



**Improve data collection**  
for scope 3 emissions

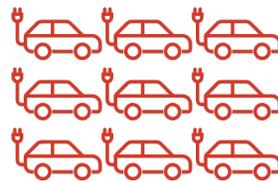


**Reduce office footprint**  
by embracing remote-first

### Transition fleet to zero emission vehicles (ZEVs)



**100% light-duty ZEVs**  
purchases by 2025\*



**Rapidly increase total**  
ZEV percentage in fleet



**Offer qualifying**  
employees stipends for  
charging infrastructure

*\*Where charging infrastructure access allows*

## Invest in people power

We're building a culture of connection through our core values of respect, transparency and accountability.



### Increase investments in employee development and training

- ✓ Educate all employees on how to improve inclusion and belonging
- ✓ Launch People Manager Academy
- ✓ Launch Program Manager Excellence Program
- ✓ 100% completion of annual objective setting
- ✓ 100% trained on code of conduct
- ✓ 100% completion of safety training
- ✓ Launch specialized safety training library
- ✓ 100% trained on information privacy and cyber security threats
- ✓ Continue to build pay transparency and internal talent mobility

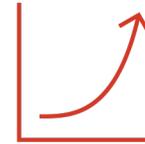


### Zero accident workplace



### Increase community engagement

- ✓ Expand annual internship programs
- ✓ Increase use of paid employee volunteer time
- ✓ Create new paths to connect with passionate climate innovators



### Increase participation in our Diverse Partners Program



### Grow our employee population to reflect community diversity

- ✓ Track progress with 2022 as our baseline
- ✓ Expand recruiting networks
- ✓ Support further growth and development of our Diversity in Action affinity groups
- ✓ Create more resources for culture building through learning events on belonging, diversity, bias and inclusion

# Our impact is our motivation.

Making our world environmentally sustainable is always on our minds, and it shows. From lowering energy costs for vulnerable communities to increasing our focus on carbon emissions, 2021 has motivated us to dream bigger than ever before.

## Expanding our impact on energy equity

To improve environmental sustainability for our planet, we must also address the systemic inequities people face on a day-to-day basis. We'll create healthier communities, cleaner transportation and greater access to incentives that reduce energy costs across the board. Examples include:

### Healthier Homes Pilot Programs

Our innovative Healthier Home program pairs energy efficiency with home health improvements that aim to reduce environmental triggers and maintain better air quality indoors.

**180**

homes served in 2021

**\$1,000**

average program spend per home

**6**

programs in place with utility clients

### Meals on Wheels San Francisco

We teamed up with Meals on Wheels SF to kick start their electrification goals with a fully developed roadmap that aims to transition two thirds of their fleet. The plan would lead to:

**9.4 tons of CO<sub>2</sub>**

avoided per vehicle

**\$3,580**

saved per vehicle

**27% IRR**

on net investment

**LIFETIME IMPACT**

**22,800,000**

Metric tons of CO<sub>2</sub> emissions averted

2021

Total lifetime impacts of all energy efficiency measures from program work completed in 2021

**28,000,000+**

Acres of forest sequestering carbon

EQUIVALENCE

**\$9B+**

Total savings to all customers on energy bills

**5,000,000+**

Passenger vehicles removed from the road for 1 year

EQUIVALENCE

# Neighborly savings for folks who need it most

Protecting our planet often means placing a greater focus on the people in our communities whose homes are most likely to be less energy efficient. The income-eligible programs we run and promote on behalf of our utility clients are essential to reducing energy burdens for residential customers.

We will continue to grow our portfolio of income-eligible programs, as well as improve our marketing and messaging strategies to reach these communities more effectively.

## Impact of our income-eligible and direct install programs:

<b>25,577</b>	<b>54,857</b>	<b>11</b>
homes served in 2021	metric tons of CO <sub>2</sub> e avoided	states with active client programs

\*As reported in U.S. Dept of Energy Better Buildings initiative for FY 2021 (Oct 1, 2020 – Sep 30, 2021)

The Better Buildings Residential Network defines a home energy upgrade as: Any transaction intended to improve a residential building’s (e.g., single-family home, multifamily unit, multifamily building) enclosure or mechanical system (e.g., insulation, air sealing, windows, HVAC, ducts, hot water).

LIFETIME IMPACT

\$301M

Savings dedicated solely to income-eligible households

2021

Total lifetime impacts of all energy efficiency measures from income-eligible program work completed in 2021

9.0%

Programs in our portfolio dedicated solely to income-eligible households

393,004

Home energy upgrades completed\*

Single-family

Multi-family

Income-eligible

\$24.5M

Savings dedicated solely to income-eligible households in 2021

# Measuring our data to deliver on decarbonization

While we began measuring our company footprint in 2019, the pandemic changed how we conducted our business. We continued to track our data and saw many operating efficiencies improve and significant decreases in our carbon emissions through 2021. As we aim for net zero emissions by 2025, we will make many of these practices permanent.

## Scope 1 | Fleet and personal vehicles

**Fleet vehicle emissions** 27% lower than 2019.

**Personal vehicle emissions** 56% lower than 2019.

**Rental car emissions** 53% lower than 2019.

## Scope 1 & 2 | Energy Usage

**Natural gas usage** down 10% lower than 2019.

**Electricity usage** 6% lower than 2019.

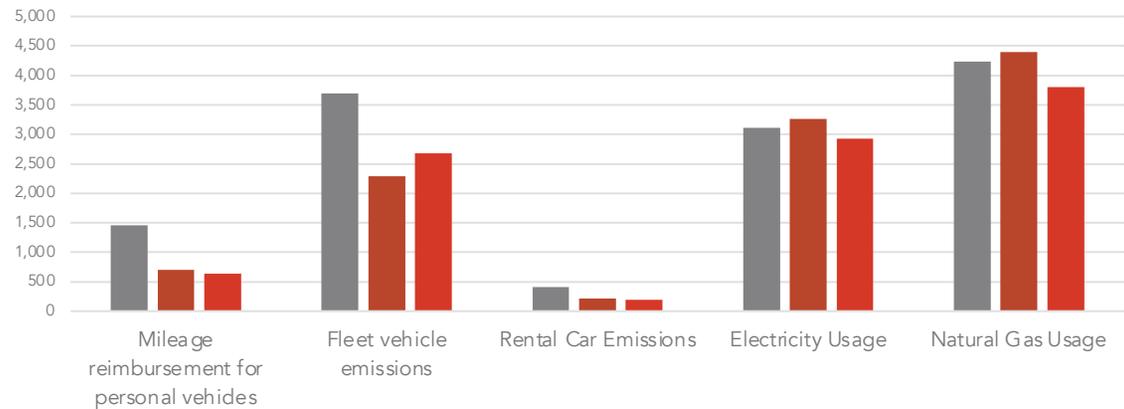
## Scope 3 | Indirect Emissions

**Purchased goods & services** 35% lower than 2019.

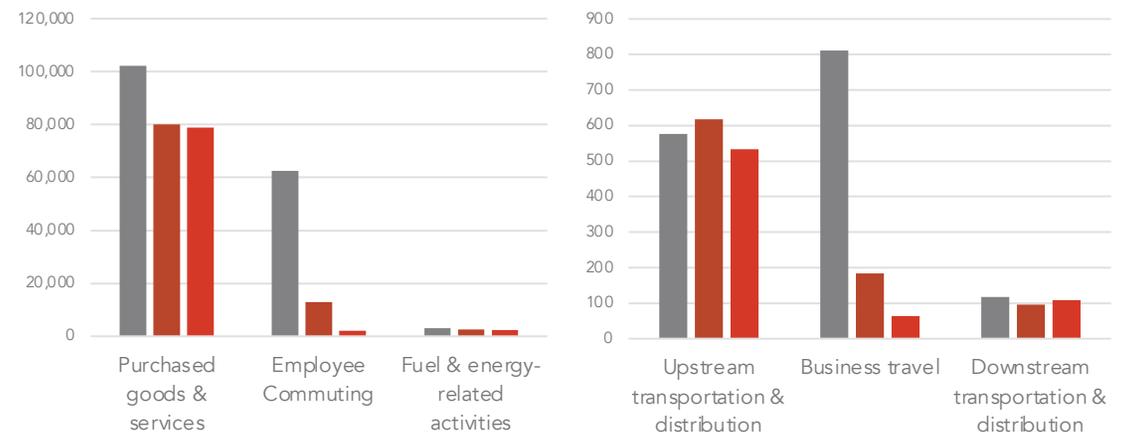
**Employee commuting** measured using baseline 2018 commuter survey and estimates from facility access control systems in 2020–2021.



Scope 1 & 2 emissions by operations



Scope 3 emissions by operations



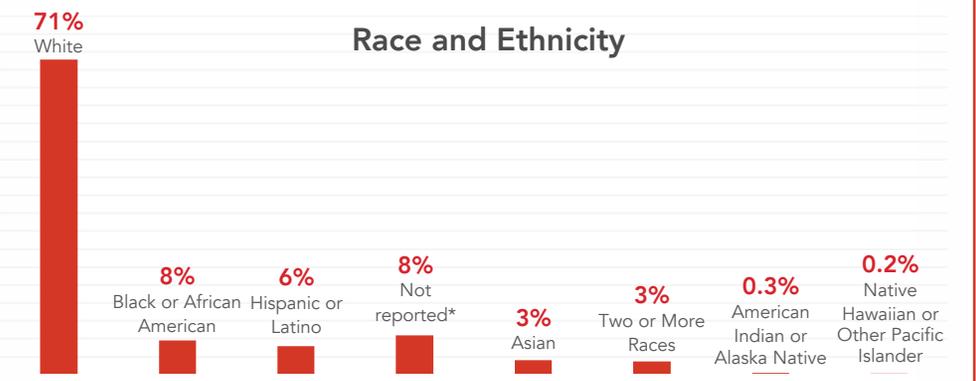
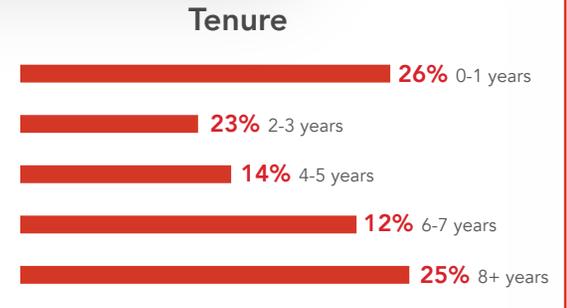
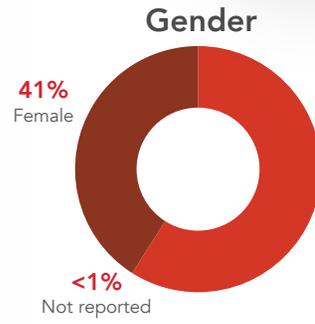
# Intentional inclusion that inspires innovation

We believe that diversity, equity and inclusion are essential to winning the fight against climate change. People power everything we do, and it's important that everyone is represented, respected and treated the way they want to be treated.

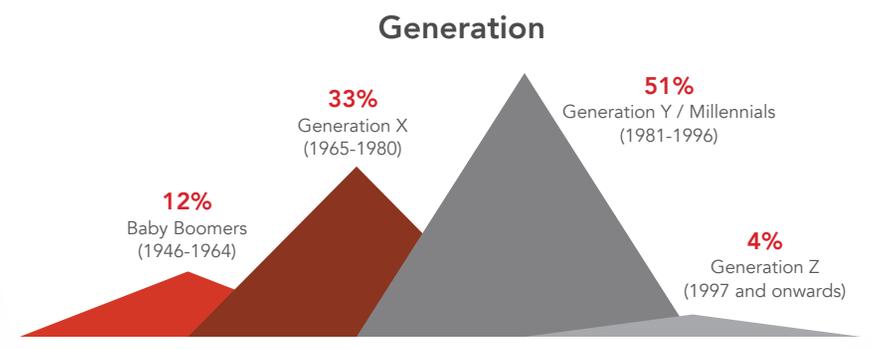
We're setting new goals to grow our teams in a way that reflects the diversity of the communities we serve, improves the health and safety of our work environments, and ensures our employees have every development opportunity they need to thrive. Ultimately, our goal is to build a culture of connection and belonging, where all employees can be themselves.

Employees **2,400+**

New Hires **500+**



\*Employee chose not to report or resides in a country where data has not been collected.



Note: These data points reflect a snapshot of our employee population in 2021.



# Diversity in action

We're leading the transition to a sustainable, equitable and carbon-neutral future for our communities and our planet. To succeed, we're creating a connection-driven culture built on trust, accountability and transparency. An intentionally inclusive culture where every employee, regardless of position, role or identity, is treated with respect and given an equal opportunity to thrive. Our goal is to transform who are as an organization from the inside out by embracing DEI as an integral part of our success.

### DEI in our DNA

**400+**  
Employees as members

**3x**  
Growth in last year

**10+**  
Companywide events

## Careers

Activities intended to help group member's professional development and career advancement.

## Company

Activities that link the group's efforts to CLEAResult's business goals, corporate initiatives and strategies.

# 4Cs

## Culture

Activities that raise our employee's DEI competency by promoting inclusion, belonging and raising cultural awareness.

## Community

Activities that connect our DNA groups to external community outreach, volunteer efforts and internal relationship building.

**2021 was a milestone year** for our DEI programs and marked significant growth in engagement with our Diversity in Action (DNA) groups. Each group publishes goals to create value for their members in areas of career, company, culture and community. These employee-grown groups also host annual awareness months to celebrate and educate our team members companywide.

# Diverse Partners Program

We're building a network of diverse partnerships for all levels of the supply chain.

Our program is centered around identifying under-represented companies and providing them with the resources they need to grow and develop their business. We work tirelessly to ensure that our partners reflect the diversity of our customers and strive to promote economic growth in the communities that we serve.

Our Diverse Partners Program offers assistance to our strategic partners with everything from finding office space and managing inventory to meeting insurance requirements and receiving favorable payment terms. These efforts are critical to creating value and driving innovation in our industry for underrepresented community members.

## **We've laid down our roots—and we're ready to grow.**

Our teams are committed to growing a valuable network that guides energy efficiency innovation, meets our clients' needs and strengthens our strategic partnerships with diverse suppliers.

**\$83M**

Subcontracted to minority-, women- & veteran-owned businesses over the past three years



**60+**

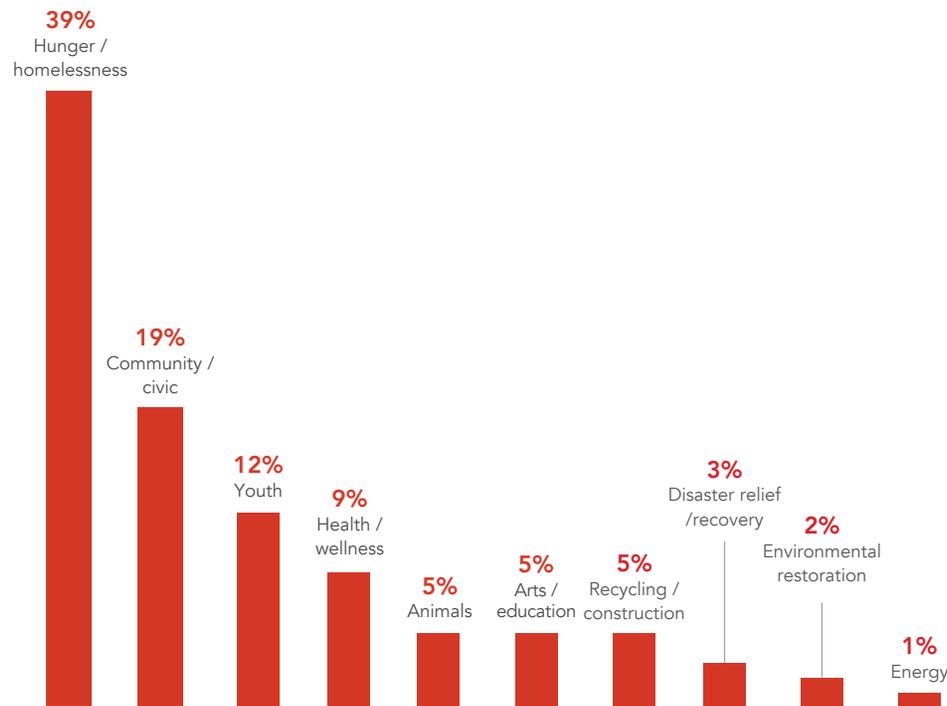
Current Diverse Business Partners



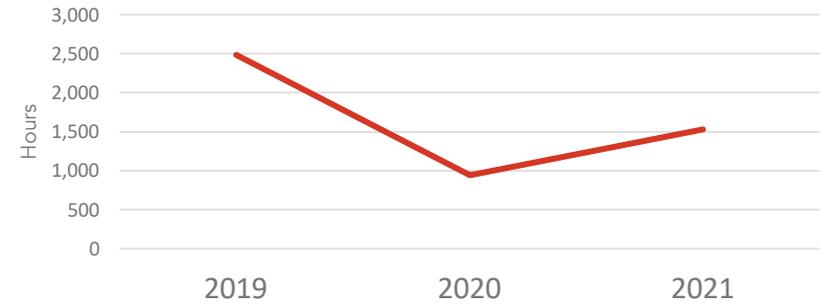
# Contributing to our communities

Whether we're reducing emissions, distributing LEDs at a food bank or promoting local sustainability efforts, our work relies on building more sustainable communities. We're committed to promoting a culture of volunteerism and offer our full- and part-time employees paid time off to volunteer with a US 501(c)(3) nonprofit or a registered Canadian charity or non-profit.

## Volunteer category



## Volunteer time off



# Health and safety

## SAFETY TRAINING

We provide robust training content to all employees and curate it for their specific roles and responsibilities. Our Health & Safety team provides training on at least 14 topics each year. Four topics are mandatory for all employees, and field employees must complete all fourteen. Additional topics may be required based on role.

## ACCURATE SAFETY INCIDENT REPORTING

We use a powerful data analytics platform to provide comprehensive incident reporting and track company incidents, OSHA recordable injuries, responsible vehicle accidents, near misses and other important safety metrics.

## EMPLOYEE WELLNESS

We offer a paid Employee Assistance Program to all our employees and members of their households. The program provides free resources encouraging people to prioritize their health and well-being such as emotional support, legal and financial services, nutrition counseling, work-life assistance for finding local childcare and more. We also offer up to **12 weeks of paid paternal leave** for all employees to allow for time to care for and bond with their newborn, adopted or placed child.

## COVID-19

Our Readiness Task Force is dedicated to creating COVID-19 safety protocols that align with guidance from the U.S. Centers for Disease Control and Prevention (CDC), the Public Health Agency of Canada and all local government and client requirements. To date, our vaccination program has resulted in a **97% fully vaccinated workforce**.



**“Our goal is a zero-accident workplace.** Not only do we train everyone on how to reduce risks, but we also make sure they understand their right and responsibility to report and walk away from any unsafe environment or situation.

**Rich McBee**  
CEO

# Proudly led by passionate people

CLEAResult is a portfolio company of private equity firm TPG and a member of The Rise Fund, a global impact group that's committed to measurable, positive social and environmental outcomes alongside competitive financial returns.

## EXECUTIVE LEADERSHIP TEAM

Our executive team determines our company strategy and sets priorities. They are accountable for our financial and talent management plans as well as improving sustainability in our operations.

## BOARD OF DIRECTORS

Our [board of directors](#) is comprised of policymakers, entrepreneurs and strategic thinkers, all of whom tirelessly advocate for our company. They're instrumental in our efforts to advance technologies, stimulate conversation and positively impact the energy experience, both locally and globally.

## BUSINESS ETHICS COMMITTEE

This committee establishes standards of ethical behavior throughout CLEAResult and ensures compliance to the Code of Conduct. This committee is responsible for communicating the Code of Conduct to employees and for providing oversight of investigations and their outcomes. In the event of noncompliance, CLEAResult is committed to holding the responsible person(s) accountable, applying the appropriate disciplinary process, and reporting violations to proper authorities, as appropriate. The CLEAResult Business Ethics Committee members are the Chief Executive Officer, Chief Financial Officer, Chief People Officer and Chief Legal Officer.

## DATA PROTECTION AND PRIVACY

We are committed to ensuring the security of all our confidential business information and that of our clients and contractors. We train all employees annually on our IT Security Awareness and Privacy approach, plus host our [Privacy Policy](#) online that describes how we collect, use, and share personal information from or about the users of our websites. This is a collaborative document that is drafted and updated by our Legal, IT, and Marketing teams as needed. We also have internal IT policies dedicated to asset management, record retention, remote work and more to ensure security across the board.

## TRAINING AND COMPLIANCE

We are committed to acting with integrity and accountability in everything we do. Our conduct reflects our mission, purpose and core values. We encourage employees to report ethical concerns and provide a service by which they can anonymously report any business behavior or activity they consider questionable. All employees are required to complete an annual training and review of our Business Ethics and Anti-corruption Policies.

## WHAT WE LEARNED IN 2021

This year was an important steppingstone towards realizing our vision and identifying achievable sustainability goals. We will continue to improve our data collection and analysis process for measuring our greenhouse gas emissions and impact.

## ACCOUNTABILITY AND REFERENCES

This document represents our impact and sustainability results for the fiscal year beginning January 1, 2021, through December 31, 2021. We followed the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard to identify, gather and assess our data.



## Questions?

We'd love to hear from you! Reach out and learn how CLEAResult can help you change the way you use energy.



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