

Annual Sustainability Report

2019

OUR COMMITMENT

At Cascade Energy, we are firmly committed to conducting our business in a sustainable and responsible manner, ensuring both the health and safety of our employees and the protection of the environment. We are dedicated to bringing transformative change to our business and our industry through continuous improvement of our services and operations.

In 2016, Cascade established an internal Green Team to lead its sustainability efforts. This report describes Green Team results for 2019 as well as 2020 goals and objectives. Please see our full Sustainability and Environmental Statement at <u>cascadeenergy.com/sustainability</u>.

DRIVING ENERGY SAVINGS

Cascade's number one sustainability priority is to assist and motivate our customers to achieve their energy efficiency goals. In 2016, Cascade established a goal to deliver **900 aMW** (7.9 billion kWh) of energy savings by 2028. We will do this by providing best in class energy engineering and energy management services to our customers.

Energy Savings 2016-2028

	CUMULATIVE SAVINGS (aMW)		ANNUAL SAVINGS (aMW)	
	Goal	Achieved	Goal	Achieved
2016	45	40.3	45	40.3
2017	97	84.0	52	43.7
2018	143	132.5	46	48.5
2019	197	194.7	54	62.2
2028	900			

OUR GOAL



2019 ACHIEVEMENTS

Promote Alternative Transportation

Baseline and Year 1 Carbon Footprint for Cascade

Share Expertise in the Community

Expand Engagement at all Cascade Offices

GOAL 1

Promote Alternative Transportation

As Cascade continues to grow, we will drive awareness and adoption of transportation alternatives. We will incentivize use of alternatives and proactively manage limited parking resources.

Objectives

 Reduce the overall emissions associated with employee commuting by promoting alternative transportation, as well as company participation in events such as the Bike More Challenge.

Results – COMPLETE

Daily Commuting: Cascade organized a Parking Working Group to implement strategies around parking and alternative transportation. This group initiated a pay-forparking system for the Portland office that financed a weekly and quarterly raffle, where Cascadians who used alternative transportation or utilized street parking were eligible to win.

Also, at the Portland office, a "How I got to work" board was posted near the office entry. This board allows Cascadians to share how they commuted to work: Drive, Bike, Transit, or Carpool.

Bike More Challenge: 30 Cascadians participated (down from 37 in 2018), logging 3,900 miles (up from 3,554) during this challenge, with over 500 individual trips (up from 400). If this bike commuting replaced vehicle miles, we avoided an estimated 3,460 lbs of CO2e emissions. This is equivalent to the carbon sequestered over 10 years by 26 new trees.

Next Steps

Currently, the pay-for-parking program is suspended related to almost 100% remote work during the COVID-19 pandemic. Cascade plans to continue the pay-for-parking system when the majority of employees begin returning to the Portland office. Cascade also plans to continue company-wide participation in the Bike More Challenge in 2020.

GOAL 2

Baseline and Year 1 Carbon Footprint for Cascade

Establish scope and procedures to calculate and track Cascade's carbon footprint as a comprehensive indicator of Cascade's environmental impact.

Objectives

- Clearly define a strategy to calculate an annual carbon footprint for Cascade, including defining the scope, boundaries, and exclusions.
- Calculate a baseline carbon footprint based on 2018 activity data, followed by a 2019 inventory to begin year-over-year analysis.
- Report findings in the 2019 Sustainability Report.

Results – COMPLETE

A robust GHG inventory was completed, incorporating Scope 1, Scope 2, and Scope 3 (Business Travel) emissions that are the result of Cascade's operations during 2018 and 2019. Overall, Cascade's emissions decreased 0.1% between 2018 and 2019. The largest contributor to our emissions was Business Travel, accounting for 72.7% of total emissions in 2019. Business travel emissions increased 0.1% between 2018 and 2019, while our electricity use decreased by 2.6%. See <u>Attachment 1</u> for more detail on the final calculations, methodologies, boundaries, exclusions, and summary.

It is also important to account for the impact Cascade has on GHG emissions as a result of the energy efficiency services Cascade provides. During calendar year 2019, our programs helped clients to save 62.2 aMW, or 544,872 MWh. When converted to emissions, this demonstrates that Cascade Energy had a net impact of avoiding 235,000 metric tons of CO2e in 2019. According to the EPA, this amount of CO2e avoidance is equivalent to removing 50,000 passenger cars from the road for a year, or if the United States had another 300,000 acres of forests to sequester carbon during 2019.

We also want to define our "emissions efficiency" in an easily understood number. We have chosen metric tons of emissions created for every 1000 metric tons of emissions avoided.

GOAL 2 continued

Baseline and Year 1 Carbon Footprint for Cascade

The metric improved from 1.6 in 2018 to 1.24 in 2019. We will continue to strive to lower this number year over year, and will consider setting a target based on this metric in the future.

Next Steps

Identify GHG reduction goals and opportunities to reduce or offset our GHG emissions and set strategy to achieve reductions. Consider setting an emissions efficiency target.

GOAL 3 Share Expertise in the Community

Cascade has a unique opportunity to provide energy-efficiency expertise in our local communities. Helping non-profit organizations decrease their energy use allows funds that would have been spent on their energy bills to be reallocated to providing valuable services to the community.

Objectives

• Perform a tune-up and volunteer at a local non-profit.

Results – COMPLETE

Two Cascadians performed a tune-up at Urban Gleaners. This non-profit located in Portland, OR rescues excess food from bakeries, restaurants, grocery stores, and catered events all over the Portland Metro Area. Not many no-and low-cost energy savings were identified, but our engineers were able to refer them to Energy Trust of Oregon for a potential control upgrade on a new walk-in freezer.

We also had six additional Cascadians volunteer their time to re-package some truly delicious food to help feed communities in need.

Next Steps

Continue to identify opportunities to provide expertise at no cost to non-profit organizations whose energy efficiency potential aligns most with our experience and expertise, currently focused in the food storage and distribution sector.

GOAL 4 Expand Engagement at all Cascade Offices

While most Green initiatives with the largest in-office impact may relate to the Portland office, we recognize that opportunities for energy efficiency and sustainability improvements exist at all our offices, and collectively, can have a substantial impact on Cascade's environmental footprint.

Objectives

• Identify volunteers to act as Green Team Representatives at each office around the country.

Results – COMPLETE

Representatives were identified at each of Cascade's eight remote offices during 2019.

Next Steps

Continue to work to better engage remote and home offices through more frequent communication around Green practices, and more representation at quarterly meetings from remote office Green Team Representatives.

AAB 1 Paper Use Reduction

Cascade continues to track and drive down paper, toner, and printing costs. In 2019, in-house paper use dropped by 24%, with Cascadians using 14,000 sheets of paper less than in 2018. However, a large part of this reduction is related to Cascade taking more jobs to 3rd party printing providers, rather than printing in-house. We do not have the data to know how much paper was printed at 3rd party vendors. While Cascade Energy uses 100% recycled paper in-house, we do not have a policy for using recycled paper while printing with vendors. This will be discussed as a future goal.

AAB 2 Improve Internal Awareness of Green Team Efforts

The Green Team has long operated in the shadows, with little communication or engagement outside of the core members. To build more awareness and encourage all employees to engage, efforts were made to boost the awareness of the Green Team, including:

- Include quarterly updates in company-wide Weekly Update articles.
- Share the direct link to the Green Team SharePoint site throughout the organization.
- Plan to improve the location and user experience for Cascade employees who wish to share Green Ideas or initiatives for the Green Team to consider.

AAB 3

Boost Remote/Home Office Engagement

We identified a stretch goal of achieving one Green Initiative at 80% of remote offices and 50% of home offices. While we were not able to meet this goal, we did have great examples of sustainable practices being implemented at Cascade's remote offices:

- The Walla Walla office installed LED lighting, removed extra lamps, and replaced malfunctioning photocells that caused exterior lights to be on 24/7.
- The Boise office began a recycling program last year the first in the office building—and plans to allow other tenants to use the recycling bin, too.

GOAL 1

Host a Bulk Electronics Recycling Event

Cascade, like many organizations, goes through a significant amount of electronics. We believe we can lead by example in our community and recycle many of these hard to recycle items.

Objectives

- Organize a one-time bulk electronics recycling event for the Portland office, extending it to the whole Eastside Exchange building if possible.
- Track pounds/numbers/types of items recycled.
- Pass on advice and lessons learned to remote offices to facilitate similar events within Cascade's remote office communities.

GOAL 2 Establish a Policy of Purchasing Carbon Offsets for Business Travel

Business Travel is the largest contributor to Cascade's carbon footprint. To act as a sustainability leader, Cascade should take steps to reduce or mitigate its significant GHG sources.

Objectives

- Research reputable options for purchasing carbon offsets.
- Establish expected cost to offset 100% of business travel emissions.
- Author written policy for Cascade to begin offsetting business travel emissions in 2020.
- Explore policies to provide options to reduce emissions through alternative travel options when possible (i.e. car, bus, train instead of air travel).

GOAL 3

Improve the Sustainability of the Kitchens and Bathrooms

Large amounts of waste are generated in kitchens and bathrooms. In an effort to reduce this waste, the Green Team has established a goal to evaluate several options to improve the sustainability and reduce the waste of the kitchens and bathrooms. With the change to majority remote work during the COVID-19 pandemic, the Green Team will shift focus to educate and share best practices for working in home offices.

Objectives

- Evaluate "tree-free" paper towel and toilet paper options.
- Evaluate alternatives to paper towels in bathrooms (air dryers, hand towels, etc.).
- Research feasibility of a "Waste Audit" to provide further insight on how to reduce waste.
- Reduce electricity consumed by kitchens and bathrooms in all offices by reducing or shutting-off non-essential appliances.
- Share best practices to all employees on energy efficiency tips while working at home.

GOAL 4

Maintain Portland's Sustainability at Work Certification

This certification, originally obtained by Cascade's Portland office in 2016, expires toward the end of 2020.

Objectives

- Meet with the City of Portland to review requirements to maintain certification.
- Complete all requirements to maintain certification.

AAB 1 Bolster Sustainability Training/Onboarding

We recognize that a significant factor in whether Cascade reduces our environmental impact relies on every-day decisions of individual employees. To that end, we want to ensure we start on the right foot and give every Cascadian the resources and opportunity to make an impact and have their voice heard.

Objectives

• Review and update the Sustainability portion of new employee on-boarding process.

AAB 2

Continue to Bike More

Continue to participate in the Bike More Challenge.

Objectives

- Share information company-wide on how to participate.
- Track progress and report out on 2020 Sustainability Report.

2018

Goal	Objectives	Result
Share Expertise in the Community	 Survey staff to discover opportunities and identify staff to lead this effort. Arrange at least one site visit to a community facility to provide no-cost energy-efficiency expertise. 	DEFERRED Based on a staff survey, 9 regional facilities were identified as potential candidates. Further investigation into savings opportunity reduced the list to 1-2 top candidates. However, no site visits were conducted in 2018.
Improve Internal Awareness of Sustainability Efforts and Resources	 Work with HR to incorporate sustainability into the onboarding process. Update Green Team internal website to highlight internal sustainability resources. Highlight sustainability efforts/opportunities in a company-wide email at least quarterly. 	COMPLETE The onboarding and new office set up checklists were updated. Green Team internal webpages were updated. End-of- year brown bag was well-attended and well-received.
Deepen our Engagement with Suppliers on Sustainability Practices	 Review Procurement and Subcontractor Diversity Forms and update, as necessary. Define which department(s) is responsible for managing procurement and/or subcontracting and re-distribute form. Track and report responses. Develop strategy for further engagement of suppliers based on responses. 	COMPLETE Diversity and Sustainability Procurement Form was revised and distributed as an online survey. The Operations team is monitoring responses and a report of results is in progress.
Ban the Bottle	 Establish method(s) for tracking water bottle purchases. Ban purchase of water bottles for office use. Supply reusable cups and water bottles. Request caterers and event hosts to use alternatives to disposable water bottles when possible. If water bottles are provided at external events, engage Cascade trainers/organizers to increase recycling rate. 	COMPLETE All offices received a Green Catering toolkit. In 2018, Cascade avoided almost 800 single-use plastic bottles and reduced single use bottle water costs by over 94%.

2017

Goal	Objectives	Result
Reduce Paper Use	 Set all IT-managed and -supported printer defaults to double-sided printing. Inventory current paper supply. Collect expenses/receipts for 2016 and 2017 to track paper purchasing. 	COMPLETE Printing costs decreased from \$241 to \$173 (per employee) despite increased costs for better quality toner.
Expand Engagement Efforts Beyond Portland Headquarters	 Establish Executive commitment and leadership. Establish a cross-functional team that meets quarterly and reports annually. 	COMPLETE 6 out of 7 offices implemented at least one action item (AI) for a total of 15 Als completed.
Engage Suppliers on Sustainability Practices	 Develop Diversity and Sustainability Procurement Form. Request all subcontractors, consultants, vendors, and suppliers complete and return form. Track and report results. 	COMPLETE Diversity and Sustainability Procurement Form developed and set to all subcontractors, consultants, vendors, and suppliers.
Share Expertise with the Community	 Review and identify opportunities to share our energy-efficiency expertise with the community. Define and implement a more robust program for implementation in 2018. 	DEFERRED TO 2018

2016

Goal	Objectives	Result
Develop Annual Progress Report	 Establish baseline energy usage for 2016. Determine one to two strategies for 2017 to monitor, track, and report progress. Develop and distribute annual progress report. 	COMPLETE 2016 report available here.
Resume Green Team Activity	 Establish executive commitment and leadership. Establish a cross-functional team that meets quarterly and reports annually. 	COMPLETE
Create a Cascade Energy Sustainability and Environmental Statement	• Develop a statement supported by executive leadership and shared with all staff that defines company goals, commitment, and action plan to support sustainability efforts.	COMPLETE Statement published to <u>website</u> .
Reduce Energy Use	 Install automated lighting controls throughout Portland office. Increase sustainability best practices communication with employees. 	Drove down energy use at Portland HQ 9.6% between 2014 and 2016.



Attachment 1 2019 Greenhouse Gas Inventory



For the calendar year 2019, Cascade Energy completed our first robust Greenhouse Gas (GHG) inventory, according to GHG Protocol standards.

The inventory includes

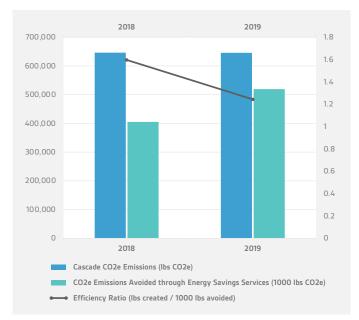
- **SCOPE 1** Direct Emissions
- **SCOPE 2** Purchased Electricity Emissions
- **SCOPE 3** Business Travel Emissions

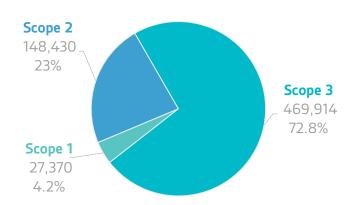
For 2019, we are reporting 645,714 lbs CO2e in GHG emissions, which is about the same as our 2018 emissions (646,392 lbs CO2e).

However, our chosen performance metric of lbs CO2e created per 1000lbs CO2e avoided through our energy efficiency work with clients decreased 22% from 1.6 to 1.24.

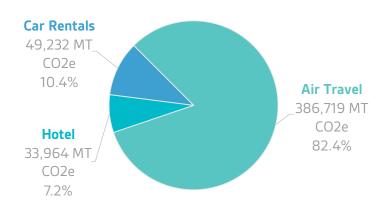
Exclusions to this inventory include direct and indirect emissions from home offices, as well as fugitive emissions from HFC use. We plan on reporting on those categories within the next two years.

2018 - 2019 Emissions





2019 Scope 3 Emissions by Activity



2019 Emissions by Scope (Ibs CO2e)