





Contents



 About Smart Energy Decisions' Second Sustainability Report 	3
Letter from Wes Doane, Diversified Communications	4
Smart Energy Decisions Acquisition Announcement	5
Navigating the Energy Transition: SED's Mission and Values	6
Markets We Serve	7
Stakeholder Engagement	8
UN Sustainable Development Goals	
SED's ESG Commitments	11
Environment	
• Emissions	12-13
Waste Management	13
Carbon Offset Certificates	14
Environmental Opportunities	15
Social	
Women in Smart Energy (WISE)	16
Inspiring Diversity in Energy	17
Community Involvement	17
Social Opportunities	
Governance	
Vendor and Site Selection	19
Customer Privacy	19
Advisory Board	
Workplace Equality	20
Governance Opportunities	21

About SED's Second Sustainability Report



Smart Energy Decisions (SED) is excited to release its second annual sustainability report. It demonstrates our continued commitment to progress our initiatives across three key sustainability sectors: environmental, social, and governance.

As a business that helps other businesses achieve their sustainability goals, we believe it is important to lead by example and demonstrate our own sustainability efforts.

Smart Energy Decisions 2

SED's Sustainability Report focuses on the areas of our business we believe offer the most significant opportunities for making a positive impact. We selected these areas of focus after thoughtful consideration of our stakeholder priorities and their alignment with the UN Sustainable Development Goals.

This report uses day-to-day business operations in 2022 and our four in-person events around the country to analyze our emissions and determine where we can advance in future years.

At SED, we are always looking for ways to improve. We encourage you to contact Alexandra Failla at afailla@divcom.com with your feedback and comments.



A Letter from the Clean Energy Group





Dear SED Community,

It is my pleasure to present the 2022 Smart Energy Decisions Sustainability Report to our community. As we are now in the second year of our sustainability journey, weaving these initiatives into all aspects of our business has quickly become a central focus for our team.

We are inspired by our community's efforts to make a positive impact on the world, and we believe it is crucial we continue to be a part of the decarbonization movement. Our ultimate objective is for all major energy consumers to implement energy efficiency and renewable energy solutions.

It is an exciting time to be a part of the energy transition, and our commitment to providing you with the knowledge and connections you need to succeed is stronger than ever. In many ways, it is just the beginning.

Wes Doane Group Vice President, Clean Energy Group Diversified Communications

Smart Energy Decisions Joins Diversified Communications



The year 2022 was one of exciting change at Smart Energy Decisions.

In September 2022, SED was acquired by Diversified Communications, a multimedia company headquartered in Portland, Maine. SED will complement Diversified's existing Clean Energy portfolio serving the solar, energy storage, and EV charging infrastructure markets.

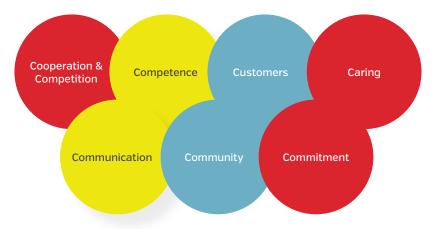
Diversified's infrastructure, culture, and reputation within the clean energy communities it serves make it the best new home for our team with an environment that will help SED achieve its potential. As the owner of Pegasus Solar, a 1.5-megawatt solar farm in Maine, and owner-producer of Intersolar North America and Energy Storage North America, Diversified is committed to advancing how SED, a clean energy media company, meets the evolving needs of businesses working toward Net Zero.

Being a part of Diversified Communications will open many doors for Smart Energy Decisions, allowing us to expand our sustainability contributions. We are excited about the potential to create new, innovative solutions that will benefit our company, our customers, and the environment.

As Smart Energy Decisions continues to integrate into Diversified Communications, we are committed to a smooth integration process to ensure our customers continue to receive the same white-glove services they have come to expect from SED.



What Diversified values...



Smart Energy Decisions aligns our core values with Diversified's 7Cs

Navigating the Energy Transition: SED's Mission and Values



Rising sea levels, increasing global temperatures, and the frequency of natural disasters have made it apparent that climate change is a global threat. To mitigate climate change, businesses must prioritize sustainability and reduce greenhouse gas emissions. Many organizations understand this problem and are looking for solutions.

Smart Energy Decisions: How We Contribute

Smart Energy Decisions is the first web-based information resource dedicated exclusively to addressing the energy information needs of large power users. We produce news, analysis, research, webinars, podcasts, and events to help our community make smarter energy decisions. Our goal is to serve as a catalyst for change in support of the dramatic energy transformation taking place that impacts the electric power market, specifically large power users, utilities, and suppliers.

While some organizations are farther along in their journeys to setting targets and reducing their carbon footprints, others are looking for ways to begin. At Smart Energy Decisions, we remain committed to assisting organizations at all stages of the journey, ensuring they receive the support and guidance needed to set targets and reduce their carbon footprints.

Decarbonization has emerged as a key focus in many organizations' sustainability strategies. SED assists stakeholders in answering four main questions as they navigate the energy transition:

- What strategies should we employ?
- Which suppliers should we work with?
- What technology should we implement?
- What's the best way to finance our programs?



Markets We Serve



SED provides a digital media platform and hosts in-person events that enable energy, sustainability, and facility management executives to stay informed and connected with their peers and suppliers. Our primary goal is to foster mutual success among these professionals.

We serve decision-makers in four primary sectors:

- Industrial (majority of load from manufacturing)
- Institutional (education and healthcare)
- Commercial (majority of load from operating facilities)
- Government (cities and municipalities)

We serve executives who specialize in:

- Energy management
- Sustainability management
- Facility and plant management

The <u>Advisory Board</u> at Smart Energy Decisions brings together executives from organizations across all four sectors. They play an important role on our team, providing continuous input and direction for our programs, content, and research.

Our digital media platform and events cover the following topics:

- Energy efficiency strategies and tactics
- Demand response
- Distributed energy resources
- Resiliency
- Electrification of transportation
- Microgrids
- Renewable energy strategies and procurement
- IoT and energy management for connected buildings
- Procurement strategies and trends
- Setting science-based targets and achieving net zero
- Building relationships with customers and utilities



Stakeholder Engagement



At Smart Energy Decisions, our stakeholders are the focal point of our operations, and we consider their feedback and input to be crucial to our success. We listen to, collaborate with, and inform existing stakeholders through numerous engagement methods. This helps SED proactively consider our community's needs and desires, which fosters trust, confidence, and buy-in for our initiatives.

As a data-driven organization, we closely monitor community engagement data from our various platforms, including e-newsletters, webinars, website, events, research, and social media channels, to make informed decisions.



Stakeholder Engagement



Energy Suppliers	At SED, we consider suppliers to be a vital part of our community and are dedicated to exceeding their expectations to aid them in their success. Our media and event services connect our suppliers with energy and sustainability managers at current and potential customers to advance their business initiatives. We engage with suppliers through pulse surveys and post-event supplier reviews that provide highly valuable feedback on how we can best serve our community.
Energy, Sustainability, Facility Managers	SED is proud to be the leading information and event platform in the nation. We seek to maintain this leading position by ensuring satisfaction among our buyer community. We do so by providing information, insights, and connections throughout the year and responding to their needs.
Advisory Board	The SED Advisory Board provides insight into industry trends and has been especially valuable as SED navigates the safe return to in-person events following COVID. At our monthly meetings with the Advisory Board, SED seeks feedback on a variety of matters, including business strategy, industry trends, emerging challenges, and ideas on how we can best serve our community.
Employees	Our smart, committed, and hardworking team members are at the heart of SED's success. Employee involvement in product development and decision-making happens daily. Since the acquisition in September 2022, our team has grown, with some team members working remotely and others reporting to the headquarters in Portland, Maine. SED uses Microsoft Teams and other services to ensure seamless and effective communication throughout the day. At the quarterly Town Hall meetings hosted at Diversified Headquarters, SED team members come together with the larger organization.
Contractors & Vendors	Historically, the SED team has relied significantly on contractors and vendors to achieve our mission. Now that we are a part of a larger organization, we look forward to having more internal resources to scale our growth and help our customers. With marketing, technology, and operations in-house, we will have new opportunities to make continuous progress and grow.
Content Partners & Industry Relationships	SED collaborates with NGOs and government agencies whose missions align with ours. This collaboration enables us to provide the most comprehensive information resources available to assist large power users in achieving their energy efficiency and renewable energy goals.
Readership Community	We deliver news, analysis, research, and opinions to assist our readership community in making informed decisions for their companies. Our goal is to provide the information, contacts, and inspiration our community needs to thrive.

UN Sustainable Development Goals





















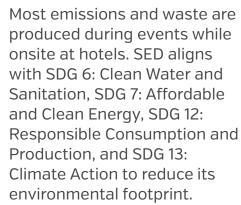


Smart Energy Decisions supports all 17 UN Sustainable Development Goals (SDGs), with the following SDGs reflecting our most pressing business priorities. By aligning our sustainability reporting with these SDGs, we demonstrate our commitment to sustainable development and highlight our contributions to the global sustainability agenda.



-**Ø**

Environmental









Social

SED engages with its community through civic engagement programs and activities that educate and provide financial assistance toward social causes aligned with SDG 4: Quality Education, SDG 7: Affordable and Clean Energy, and SDG 10: Reduced Inequalities.





Governance

We believe our governance initiatives align with SDG 12: Responsible Consumption and Production and SDG 17: Partnership for the Goals, as we are taking urgent action to combat climate change and its effects and providing the education and resources our partners need to reduce their footprints.



SED's ESG Commitments





Environmental Initiatives











Emissions

SED was thrilled to continue all in-person events in 2022, as the community values in-person interaction to do business.

As a team that cares deeply about using renewable energy to mitigate the effects of climate change, we believe it is important to practice what we preach and demonstrate Smart Energy Decisions' commitment to sustainable development by keeping track of our own greenhouse gas (GHG) emissions and our impact on the planet.

Historically, SED's Scope 1 and Scope 2 emissions were limited to purchased office electricity because we did not own or operate office space and machinery. Nearly all of our emissions are Scope 3 emissions, which consist of business travel, purchased goods and services, professional services, and waste generated at events. Since much of our emissions are Scope 3 and beyond our control, we plan to encourage and strategically partner with hotels and suppliers that align with our sustainability goals.

As our company continues to grow as a part of Diversified Communications, it is apparent that our operations will also increase their Scope 1 and Scope 2 emissions. While we are proud of our future growth, we recognize our responsibility to address our expanding operations' impact on the environment. We are committed to continuing to implement sustainability initiatives that reduce our emissions and work toward a more sustainable future.



NOTE: Since 2022 was the first year post-COVID when we held four events, we plan to use 2022 as our baseline to measure future reductions. All calculations were completed using a carbon calculation and sustainability management software offered by our partner, <u>CarbonFund</u>.



Environmental Initiatives











Emissions Inventory

We identified energy consumption, particularly emissions from business travel to our events, as the most significant metrics to measure. While we have not historically tracked energy use in a systematic way, we have now implemented a process in which we work closely with hotels to provide this information after each event. We plan to track our energy metrics and offset emissions that each event generates.

Innovation Summit: 54.9 MT CO2e

Renewable Energy Forum (June): 60 MT CO2e

Net Zero Forum: 124.4 MT CO2e

Renewable Energy Forum (December): 59.5 MT CO2e









Waste Management

Most of the waste our operations produce is from events while onsite at our partnering hotels. We recognize that using single-use plastic products and not easily recyclable signage brings unnecessary waste to landfills. Upon evaluating our waste and recycling practices, we look forward to purchasing offsets to combat our emissions. For future events, we also plan to implement changes to our waste management program to reduce the amount of waste that we generate while onsite.

27% Base Emissions (hotel, meals, shipping)

298.8
Total
Event
Emissions

73%
Travel
Emissions

Carbon Offset Certificates



Smart Energy Decisions purchased a total of 252 MT CO2e in 2022.



Offsets purchased towards event-related emissions



Offsets purchased for day-to-day office operations

Environmental Opportunities











What Did We Accomplish in 2022?

- Prior to events, we worked closely with hotel management to ensure effective sustainability measures were in place prior to our team arriving onsite.
- We worked with hotel facility managers to identify accurate energy metrics we will use to measure progress in the future.
- We avoided using single-use plastic in communal areas at events by offering water reservoirs and glassware to attendees.
- We avoided having water cups automatically filled in the main ballroom at events.
- We implemented a linen re-use program to limit water waste at partner hotels.

On the Horizon for 2023: Emissions

- Research more options to offset carbon emissions from our events.
- Explore ways for event attendees to offset their carbon emissions from travel.

Waste Management

- Continue to find ways to reduce waste onsite by avoiding single-use plastic onstage and during meals.
- Continue using clearly labeled recycling bins where appropriate at our event hotels.
- Implement alternative materials for event signage.
- Continue with the linen re-use program, which we will offer to all SED guests at partner hotels.
- Request accurate waste metrics from hotels to measure progress.













Social Initiatives









Women in Smart Energy

SED believes in workplace equality: We recognize that women play an integral role in energy and sustainability programs at their organizations, even as they are underrepresented and sometimes underrecognized. To honor the successes of notable women in the energy industry, SED is implementing the Women in Smart Energy Awards, which launched in March 2022 at the Innovation Summit in Houston.

At the WISE Awards Ceremony, a panel of winners including Kourtney Nelson of Microsoft, Monica Ferrer of Equity LifeStyle Properties, Jordan Calverly of McDonalds, and Creshona Armwood of the General Services Administration Region 4 participated on a panel to share their career paths in energy and sustainability, their achievements, the importance of mentorship, and the increase in women's representation in the industry.

We continued the conversation at the Net Zero Forum in September as Shonique Banks of Philadelphia Energy Authority and Liz Lucente of Target joined SED's Debra Chanil to discuss challenges and achievements for women in the energy industry.







Social Initiatives







Inspiring Diversity in Energy

Since 2019, Smart Energy Decisions has addressed how we can better Inspire Diversity in Energy. Our commitment to creating a more diverse group of voices in our digital media, at our events, and on our Advisory Board has been continuously evolving since then. To date, SED has hosted numerous conversations in the series, which have progressed from general awareness to actions that help bring more diversity to the industry.

Diversified Communications supports SED's DEI efforts and recognizes its responsibility to drive discussions and actively advance the principles of racial equality, social justice, and inclusion. As evidenced by Janice Rogers receiving the 2022 TSNN DEI Leadership Award, Diversified Communications' Diversity, Equity, and Inclusion initiatives will be instrumental in advancing SED's DEI efforts at future events.

Community Involvement

Since 2019, Smart Energy Decisions has addressed how we engage with our community through civic engagement programs that educate and provide financial assistance toward causes aligned with our values. Specifically, we partner with the American Association of Blacks in Energy [AABE].

AABE is a national association of energy professionals dedicated to ensuring that Black Americans and other minorities can contribute to energy discussions, policies, and regulations. Smart Energy Decisions supported AABE both financially and through our Inspiring Diversity in Energy series over the past two years.



Social Opportunities









What Did We Accomplish in 2022?

- We implemented the Women in Smart Energy Awards dinner at the Innovation Summit.
- We began discussions on a Diversity, Equity & Inclusion Awards Program in 2023.

On the Horizon for 2023:

Social Goals

- Continue SED's Inspiring Diversity in Energy series at 2023 events.
- Host the WISE Awards at the Net Zero Forum in 2023.
- Work closely with Diversified Communications' corporate team to build out the DEI program.



Governance Initiatives





Guiding Principle

At Smart Energy Decisions, we hold ourselves accountable and operate with integrity and fairness.

Vendor & Site Selection Process

We have diverse representation when going to the marketplace and foster inclusion across our partners. Additionally, we encourage our partners to increase diversity within their teams and corporate structures.

We strive to work with hotels and suppliers that are aligned with our sustainability goals. To accomplish this, we will source vendors with operations congruent with our sustainability practices.

Customer Privacy

At SED, we place great importance on safeguarding our readers' privacy. Even though our digital world has enabled many modern conveniences, it has also put personal information at risk. Our website outlines SED's privacy policy, and we take practical

measures in the form of administrative, technical, and physical safeguards to prevent theft, loss, and misuse of personal information.

Advisory Board

SED is honored to have the involvement and support of an Advisory Board comprising industry leaders from a wide array of commercial and industrial market sectors. Their collaboration and engagement help shape our content and programs. Our board members' influence advances industry best practices and ensures we stay true to our mission. We believe it is important to increase representation of minorities and women on the Advisory Board and will make this a priority in the future.

Governance Initiatives







Workplace Equality: Empowering Our People

Smart Energy Decisions plays an active role in ensuring we promote a diverse workforce, eliminate gender bias, and support equal opportunities in our governance body, staff, and partners. We are inclusive in the way we work and celebrate individuality in our workplace. SED's dedication to employee and stakeholder needs is at the forefront of its business model. Focusing on equality, community, continuing education, and training, our team remains strong and serves our community in the most efficient way possible.

As a leader in the global expositions and conference industry, Diversified Communications recognizes its responsibility to drive discussions and actively advance the principles of racial equality, social justice, and inclusion. We believe that our communities (i.e., in the DC organization, Maine, and the global events industry) are richer, stronger, and more dynamic when they are diverse, equitable, and welcoming. For more information, visit <u>Diversified's DEI policy</u> on its website.



Governance Opportunities







On the Horizon for 2023: Governance Goals

- Develop a screening process for future hotels that we partner with to ensure they align with our sustainability goals.
- Increase representation of minorities and women on SED's Advisory Board.
- Increase representation of minority and women speakers at events.





www.smartenergydecisions.com

Alexandra Failla
Director of ESG and Administration
afailla@divcom.com