Corporate sustainability is defined as meeting the needs of the present while protecting the needs of future generations.

The three pillars of corporate sustainability are social, environmental, and economic — people, planet, and profits.

Frontier Energy embraces sustainability in a way that benefits to efficiency, sustainable growth, and client value.
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Background

In 2018, Frontier Energy formed a Sustainability Committee with a representative from each of our offices with the following tenets:

Vision

Frontier Energy is committed to practicing efficiency and sustainability across all our offices and operations. We believe every employee can help protect the integrity of our planet for future generations.

Principles

• Committee: Employ exceptional people and foster collaboration to achieve goals.
• Relationships: Leverage relationships and personal connections.
• Integrity: Conduct activities with integrity, valuing data and substance of impact.

Sustainability Focus Goals

Energy & Greenhouse Gas Emissions:
Use energy in an efficient and responsible way; strive to reduce greenhouse gas emissions.

Natural Resources:
Conserve resources strategically through purchasing decisions and day-to-day activities.

Material Management:
Responsibly manage material re-use, recycling, and disposal.

Communication & Education:
Raise awareness of and commitment to sustainable practices throughout our company and share best practices.

Employee Well Being:
Encourage safe and healthy work, commute, and leisure practices.

Risk Assessment:
Identify and monitor risks to our company; seek ways to sustain and improve our performance.
Sustainability Committee Activities

At the end of 2019, the Sustainability Committee developed three goals for 2020:

1. **Green Purchasing**
2. **Environmentally Responsible Investing**
3. **Office Thermostat Audits**

Each year, Sustainability Committee (the “committee”) members vote to select annual goals. The committee considers all ideas from staff, committee members, and growth or re-visiting of previous annual goals. Ultimately, the committee selects goals that optimize 1) environmental impact, 2) practicality of implementation, 3) adherence to Frontier Energy core values, and 4) relevance to Frontier operations.

Despite the unprecedented circumstances that arose in 2020—the global pandemic and a transition to nearly all staff working from home for most of the year—committee activities continued as set forth in 2019. This included monthly meetings to carry out 2020 goals, progress and results reports to all Frontier staff during quarterly company-wide meetings, and development of guidance documents for staff to use in support of each goal. Guidance documents are available for all Frontier staff to reference at the Frontier Energy Sustainability Hub.
Goal # 1 – Green Purchasing

Also known as Environmentally Preferable Purchasing (“EPP”), the Green Purchasing goal is aimed at developing guidance to facilitate procurement of products with a lower environmental impact than standard products. The committee selected this goal based on an understanding that 1) product purchases are a powerful driver of environmental impact within the international marketplace, 2) purchases have a direct impact on Frontier Energy’s environmental footprint, and 3) implementation has relatively few barriers.

When we buy green, we send a message to suppliers, which creates a positive feedback loop so that they offer more green products, prices decrease, and accessibility improves. When we buy local, we support our neighbors.

DEVELOPMENT

To develop EPP guidance, the committee reviewed each office’s purchasing practices and researched the relative environmental responsibility of different suppliers, products, and materials.

SCOPE

Currently, the scope of EPP guidance is restricted to overhead/office supply purchases with the exception of company-issued electronics, which the committee confirmed with management to meet EPEAT Gold certification standards. Given limited time and resources, this created a foundation that can inform more comprehensive purchasing changes in the future.

APPROACH

The primary intention of the EPP Guide is to provide a tool that staff will use for guidance in their day-to-day purchases. The guide includes:

- Images that quickly direct reader attention to the product of interest
- Clear, segmented, and, thus, more “skimmable” text
- Links to sample products to remove the product research barrier
- Pre-existing guidance for different purchasing scenarios across offices

The secondary intention was to inspire cooperation. To this end, the guide incorporates:

- Brief introductory text on environmental impact, with an external link to more information
- Short, interesting, and relevant “did you know?” facts

1 https://www.epeat.net/
The committee researched and documented available certifications for the product categories, as listed in Table 1. The EPP Guide’s categories also include features to look for and links to product examples.

<table>
<thead>
<tr>
<th>Category</th>
<th>Certification</th>
<th>Other Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper Products</td>
<td>Green Seal, Forest Stewardship Council (FSC), Sustainable Forestry Initiative</td>
<td>Max. post-consumer recycled content, unbleached/chlorine free.</td>
</tr>
<tr>
<td>Electronics</td>
<td>ENERGY STAR, EPEAT Registry, RoHS compliant</td>
<td>Max. post-consumer recycled content, printers with automatic duplex printing.</td>
</tr>
<tr>
<td>Cleaners</td>
<td>Green Seal, EcoLogo, U.S. EPA Safer Choice</td>
<td>Verified or highly rated by Environmental Working Group.</td>
</tr>
<tr>
<td>Disposable Eatingware</td>
<td>BPI-certified compostable, FSC, Sustainable Forestry Initiative</td>
<td>Uncoated wood products or recyclable plastics, avoid bioplastics, look for max. post-consumer recycled content.</td>
</tr>
<tr>
<td>Other Office Supplies</td>
<td>As applicable; Office Depot’s “GreenerOffice” product catalog, Staples’ “Sustainable Earth” line</td>
<td>Max. post-consumer recycled content, easily recyclable materials.</td>
</tr>
</tbody>
</table>

**IMPLEMENTATION AND RESULTS**

Given the variability in purchasing needs and local vendors available to each office, the final EPP Guide served as a customizable template. The original annual goal was to create a customized EPP Guide for each office and circulate to purchasers. Once lock-down restrictions were implemented in response to the COVID-19 pandemic, however, work shifted from the office to employees’ homes. As of this report, this remains the case. As such, each office’s committee representative customized the EPP Guide for their region and sent to all office staff (Table 2).

<table>
<thead>
<tr>
<th>Office</th>
<th>Dates Sent to Staff</th>
<th>Number of Staff</th>
</tr>
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<tbody>
<tr>
<td>Austin</td>
<td>9/18/2020</td>
<td>28</td>
</tr>
<tr>
<td>Cazenovia</td>
<td>12/11/2020</td>
<td>11</td>
</tr>
<tr>
<td>Davis</td>
<td>12/17/2020</td>
<td>21</td>
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<tr>
<td>Los Angeles</td>
<td>10/7/2020</td>
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<tr>
<td>Oakland</td>
<td>11/19/2020</td>
<td>7</td>
</tr>
<tr>
<td>West Sacramento</td>
<td>12/17/2020</td>
<td>13</td>
</tr>
<tr>
<td>San Ramon</td>
<td>12/15/2020</td>
<td>17</td>
</tr>
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</table>
Through promotion via the internal Sustainability Hub, reminder emails to staff, and the October 2020 Quarterly All-Staff Meeting, committee members encouraged at-home adoption of the EPP. Figure 1 shows two slides from the October staff meeting.

The committee did not track guide use; however, several staff sent feedback:

“This is great. I’m always looking for ways to do better at home. I learned some new things here!”
Los Angeles Office Staff Member

“…this is great! Learning a lot about the best certifications and local suppliers/how to avoid greenwashing.”
Oakland Office Staff Member

**Next Steps**

The next steps are to refine and officially adopt EPP guidelines for each office, which committee members will address when staff return to in-office work. This goal may expand to include:

1. **Incorporate into existing purchasing process.** Staff will be prompted to use EPP guidelines when making purchases. In 2021, the committee will consider ideas that include identifying preferred, relatively sustainable vendors or product lines, and adding a checkbox to the purchasing interface so the user can verify that the purchase adheres to the EPP Guide.

2. **Quantify environmental impact.** Illustrating the quantitative impact of adopting EPP guidelines, such as CO2e (carbon dioxide equivalents) reductions, is vital to communicating success and encouraging implementation. Doing so will involve researching a product’s environmental savings (energy, water, materials, etc.) and converting those savings to CO2e.

3. **Expand to other purchase types.** The current EPP Guide focuses on overhead/office supply purchases. A subsequent iteration should develop EPP guidance for all applicable expenditures, including lab, client, and corporate purchases.
Goal # 2 – Responsible Investing

Environmental, Social, and Governance (ESG) investing—commonly referred to as socially responsible investing—is a growing trend. The ESG designation identifies funds that earn money through societally responsible means such as energy efficiency, equity, health, and safety. Frontier Energy employees can add ESG funds to their company retirement plans or discuss with their personal financial advisors.

DEVELOPMENT

The committee worked with a liaison from the GTI Sustainability Team and retirement fund financial advisors to research ESG fund availability. The Parnassus Core Equity Fund (Inst) is one ESG fund available to Frontier employees in their company retirement accounts. This fund invests in large cap companies that meet ESG criteria, and some of its major holdings include:

- Gilead Sciences – Health Care: 95% of revenues from treatment of diseases such as HIV, hepatitis C, and lymphoma.
- Digital Realty Trust – Real Estate: 85% of revenues from energy efficiency and green building.
- Xylem Inc. – Industrials: 44% of revenues from energy efficiency and sustainable water.

Overall, this fund’s holdings have 49% fewer carbon emissions than the average S&P 500 fund, while its financial performance compares well to S&P 500.

IMPLEMENTATION AND RESULTS

With help from Frontier’s graphic designers, the committee created an infographic that describes ESG investing, lets Frontier employees know how they can get more information about ESG, and potentially to begin investing in an ESG fund. The committee presented this infographic (Figure 2) at a Frontier Energy quarterly All-Hands meeting and is available to staff on the Sustainability page of the Frontier Energy SharePoint site.

Next Steps

Frontier Energy employees are encouraged to consider whether ESG investing is for them. They can add the Parnassus Core Equity Fund to their company retirement plans or discuss with their personal financial advisors.
Goal # 3 – Office Thermostat Audits

The Sustainability Committee adopted an audit of office thermostats as one of its three 2020 goals to ensure the thermostats operate in a way that meets space conditioning needs without wasting energy. The committee selected this because it is a relatively simple task yet often goes overlooked, especially in commercial spaces, which contributes to the significant statewide energy use associated with HVAC systems.

This goal was neither started nor completed due to the COVID-19 pandemic, as nearly all Frontier Energy staff began working from home in April 2020. At that time, the committee had been implementing other annual goals. By the fourth quarter of 2020, with staff still working from home, the committee decided to table this goal until normal office operations resume. This will ensure that staff can be present to implement any changes and be meaningfully engaged in the thermostat audit, and that efforts to optimize thermostat operations will be focused on day-to-day conditions.

Despite no official concerted effort, two offices made changes to their HVAC settings. San Ramon adjusted all thermostats to between 60 and 65 degrees (F) except for the lab thermostat. The lab conducts energy consumption and performance testing on commercial kitchen appliances, and requires an ambient temperature of 75±5°F. West Sacramento also began logging internal temperatures and adjusting thermostat settings to between 60 and 63 degrees (F) on the five thermostats throughout the office.

It is unclear if or when thermostat audits will be re-adopted as an official Frontier Energy sustainability goal. When that time comes, the efforts will inform company-wide implementation. The committee will also consider additional components such as:

- System for measuring temperatures and energy use before and after thermostat adjustments
- Lab vs. office space conditioning needs
- Thermostat and system-wide operation tips (e.g., space zones)
- Feedback and lessons learned from staff
Looking Ahead

As the COVID-19 pandemic continues to disrupt typical operations, it may affect annual goal implementation. The committee is considering 2021 sustainability goals that can be implemented from any workplace—home, lab, or office.

These efforts will be carried out with the support of all staff as well as the president:

Frontier’s commitment to sustainability aligns with our business; we deliver energy solutions, and we can lead by example. We have helped countless businesses and families reduce energy and water consumption, save money, and increase comfort. Our company-wide sustainability efforts examine the environmental, health, and safety impacts of our own operations and focus our talented team on practicing good stewardship for our planet.

Each Frontier office boasts a strong legacy of sustainability. Looking ahead, I am excited that we put our company’s core principles into action; about walking the talk. We focus on sustainability in everything we do and the footprint of our operations is crucial to our clients’ and our company’s long-term success.

Please join me as we carry our sustainability mission into new territory, creating a shared tradition of which we can all be proud.

- Larry Brand

Connect with Frontier Energy on LinkedIn at @frontier-energy