Blackstone

Blackstone Inc. 2022 Greenhouse Gas (GHG) Emissions Report

GHG emissions of Blackstone Inc.'s operations for the year-ended December 31, 2022

About This Report

The Greenhouse Gas ("GHG") Emissions Report ("GHG Emissions Report" or "Report") is being provided for Blackstone Inc. (together, with its consolidated subsidiaries, unless the context otherwise indicates, "Blackstone," the "Company," "we," "us," or "our"). All data in this Report is provided for the year-ended December 31, 2022, unless otherwise noted. This Report is presented in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), published by the World Resources Institute and World Business Council for Sustainable Development (the "GHG Protocol").

About Blackstone

Blackstone is the world's largest alternative asset manager. We seek to create positive economic impact and long-term value for our investors. We do this by using extraordinary people and flexible capital to help companies solve problems. Our $1 trillion in assets under management (as of June 30, 2023) includes investment vehicles focused on private equity, real estate, private and liquid credit, infrastructure, life sciences, growth equity, public securities, and secondary funds, all on a global basis.

As of December 31, 2022, we employed approximately 4,695 people, including our 222 senior managing directors, at our headquarters in New York and around the world. Our employees are integral to Blackstone's culture of integrity, professionalism, and excellence. We believe hiring, training, and retaining talented individuals, coupled with our rigorous investment process, has supported our firm over many years. This successful history, in turn, has enabled us to innovate into new strategies, drive growth, and better serve our investors.

GHG Emissions Data

The tables below present Blackstone's Scope 1 and Scope 2 GHG emissions data as well as select Scope 3 GHG emissions data from our business operations. The increase in Scope 1 emissions from 2019 compared to 2022 was driven primarily by the lease of new office spaces. Throughout our operations, we seek opportunities to enhance sustainability performance by adopting technology solutions for offices, selecting recyclable office products, and partnering with energy-efficient travel providers.

Table 1: Scope 1 and 2 GHG Emissions in metric tons of CO_2 equivalents ("$MTCO_2e$")[1]

	2019	2020	2021	2022	% Change from 2019[2]
Scope 1	274[3]	279[3]	272[3]	542[3]	98%[4]
Scope 2 (Location-Based)	8,053	7,270	8,961	10,759	34%
Scope 2 (Market-Based)	7,883	7,323	8,806	10,708	36%
Total Scope 1 and 2 Emissions (Location-Based)	**8,327**	**7,549**	**9,233**	**11,301**	**36%**
Total Scope 1 and 2 Emissions (Market-Based)	**8,157**	**7,602**	**9,078**	**11,250**	**38%**

Table 2: Select Scope 3 GHG Emissions in $MTCO_2e$[1]

	2019	2020	2021	2022	% Change from 2019[2]
(5) Waste Generated in Operations	396	101	357	389	-2%
(6) Business Travel	11,792	2,736	4,094	12,104	3%
(7) Employee Commuting	4,369	1,513	4,109	4,977	14%
(8) Upstream Leased Assets	75	70	117	109	45%

Approach to Measuring GHG Emissions

This section provides a description of Blackstone's approach to measuring its GHG emissions from business operations.

Organizational Boundary

Related to our corporate operational emissions and this Report, Blackstone uses the operational control approach to define its GHG Inventory organizational boundary. The funds and other vehicles managed by Blackstone, including the respective portfolio companies and other investments of both consolidated and non-consolidated funds and vehicles, are excluded under this boundary. Under the operational control approach, the principal activities quantified for the purposes of this GHG Inventory and corresponding Report are: Scope 1 - natural gas, fuel oil, and diesel as well as fugitive emissions from refrigerants in heating, ventilation, and air conditioning ("HVAC") equipment in Blackstone-occupied offices; Scope 2 - purchased energy (electricity, steam, and chilled water) in Blackstone-occupied offices and servers operated by Blackstone at data centers; and Scope 3 - electricity in coworking spaces (upstream leased assets), waste from our operations, employee commuting, and business travel.

[1] Blackstone engaged Deloitte & Touche LLP ("Deloitte") to perform a review engagement of management's assertion that the Statement of GHG Emissions, including Scope 1, Scope 2, and select Scope 3 emissions listed herein, for the year-ended December 31, 2022, is presented in accordance with the GHG Protocol. Deloitte's report can be found at the end of this Report. Deloitte previously performed a review engagement of management's assertion of Scope 1, 2, and select Scope 3 emissions, for the year-ended December 31, 2021. The 2019 and 2020 data were not subject to Deloitte's review; accordingly, Deloitte does not express a conclusion or any form of assurance on such information.

[2] The percent change from the base year to 2022 was calculated and is presented here (rounded to whole numbers); however, Deloitte's review and assurance was limited to calendar year 2022 totals and not provided for these percentage change figures.

[3] Blackstone uses R-22 (HCFC-22, an ozone depleting substance) in certain HVAC equipment in Blackstone-occupied offices. R-22 related fugitive emissions were calculated as 69 $MTCO_2e$ for each of 2019, 2020, and 2021, and 71 $MTCO_2e$ for 2022. Under GHG Protocol guidance, these emissions are not included within reported fugitive emissions and are reported outside of the scope of our corporate operational emissions inventory.

[4] The increase in Scope 1 emissions from 2019 compared to 2022 was driven primarily by the lease of new office spaces.

Base Year

Blackstone selected the 2019 reporting year – Blackstone's fiscal year-ended December 31, 2019 – as the base year for its corporate operational emissions. 2019 was chosen because it was the first year for which Blackstone calculated its corporate operational emissions and predates anomalous changes to operations from the impact of the COVID-19 pandemic.

Emissions Reported

This Report includes Scope 1 and 2 emissions, presented in alignment with the GHG Protocol. Additionally, this Report includes select Scope 3 emissions reflecting the following categories: Scope 3 category 5 (Waste Generated in Operations); Scope 3 category 6 (Business Travel); Scope 3 category 7 (Employee Commuting); and Scope 3 category 8 (Upstream Leased Assets).[5]

GHG emissions in this Report include emissions from electricity and fuel consumption—carbon dioxide ("CO_2"), methane ("CH_4"), and nitrous oxide ("N_2O")[6] — as well as emissions from hydrofluorocarbons ("HFCs") and perfluorocarbons ("PFCs") from fugitive emissions of refrigerants used in HVAC systems. Emissions from sulfur hexafluoride ("SF_6") and/or nitrogen trifluoride ("NF_3") are not included in this quantification as Blackstone has deemed these GHGs to be irrelevant to Blackstone's operations.

Blackstone applied the Intergovernmental Panel on Climate Change's ("IPCC") Global Warming Potentials ("GWP") from the Fifth Assessment Report (Climate Change 2014: Synthesis Report) ("AR5") to convert GHG emissions into carbon dioxide equivalents.

Exclusions

As it relates to Blackstone's indirect value chain or Scope 3 emissions, calculations were performed for Scope 3 categories 5 (Waste Generated from Operations), 6 (Business Travel), 7 (Employee Commuting), and 8 (Upstream Leased Assets). Other Scope 3 categories are not included in this Report, including, among others, category 15 (Investments). Scope 3 category exclusions are provided as follows:

- Scope 3 categories 1 (Purchased Goods and Services), 2 (Capital Goods), 3 (Fuel and Energy-Related Activities), 4 (Upstream Transportation and Distribution), 9 (Downstream Transportation and Distribution), 10 (Processing of Sold Products), 11 (Use of Sold Products), 12 (End-of-life Treatment of Sold Products), 13 (Downstream Leased Assets), and 14 (Franchises) are excluded.
- Scope 3 category 7 (Employee Commuting) does not include teleworking-related emissions due to lack of available data and insight into emissions sources within Blackstone employees' homes or other remote workspaces. Teleworking-related emissions are an optional reporting component of this Scope 3 category under the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Scope 3 category 15 (Investments) is excluded from this Report. Emissions from the funds and other vehicles managed by Blackstone, including the respective portfolio companies and other investments (also known as our financed emissions) of both consolidated and non-consolidated funds and vehicles, are a relevant component of total Blackstone emissions but are not included in this Report.
  - GHG Protocol guidance does not fully address reporting approaches under Scope 3 category 15 (Investments) by asset managers. The Partnership for Carbon Accounting Financials ("PCAF") has emerged as a GHG Protocol-aligned set of calculation and reporting guidance for Investments-related emissions. However, this guidance is still nascent, and PCAF was not written specifically for the alternative asset management industry.

[5] Please see the "Exclusions" section of this Report for more information on our approach to Scope 3 category 15 (Investments).
[6] Biologically sequestered carbon is not applicable to Blackstone's operations.

Methodology

Scope 1

Blackstone's Scope 1 emissions include direct emissions from combustion of fuels (space heating and use of backup generators) and fugitive emissions from managed HVAC equipment. Actual data is collected where available, and estimates are made when necessary, using the same estimation methods as described in Scope 2, below.

The sources for Scope 1 emissions factors are as follows:

- U.S. Environmental Protection Agency ("U.S. EPA") GHG Emissions Factor Hub
- U.S. EPA's Inventory of U.S. Greenhouse Gas Emissions and Sinks
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- U.K. Department for Business, Energy & Industrial Strategy ("U.K. DEFRA") conversion factors
- Sustainable Energy Authority of Ireland conversion and emission factors

Scope 2

Blackstone's Scope 2 emissions include indirect emissions from purchased electricity, steam, chilled water, and data centers. Blackstone calculated both location-based and market-based Scope 2 emissions from purchased electricity in alignment with the GHG Protocol.

The location-based figures are calculated using emission factors from U.S. EPA's eGRID database for locations in the United States, U.K. DEFRA Conversion Factors for the United Kingdom, and the International Energy Agency's ("IEA") dataset for all other Blackstone locations.

Market-based methodology takes into account contractual arrangements through which the reporting company obtains power from specific sources (e.g., renewable energy) or suppliers. An emission factor of zero is used when purchased electricity is known to be procured from a renewable source, and this includes energy attribute certificates ("EACs") such as guarantees of origin ("GOs") and renewable energy credits ("RECs") that are sourced and retired for the benefit of Blackstone. Otherwise, and in the absence of other contractual agreements or supplier-specific emissions factors, the market-based figures are calculated using residual mix emission factors from the Association of Issuing Bodies ("AIB") where available, and location-based emission factors where AIB residual mix emission factors are not available.

Consumption data may be estimated if data is incomplete. When input data is not available, the Company makes estimates based upon prior period data, actual data from a similar facility, or industry averages from the United States Energy Information Administration ("EIA") Commercial Buildings Energy Consumption Survey ("CBECS").

Scope 3

The following summarizes the various approaches taken to calculate category-specific Scope 3 emissions for Blackstone:

- **Waste Generated in Operations**: A monthly waste generation figure for each Blackstone employee is generated using building waste data from the 345 Park Avenue office (our headquarters and facility with the largest employee headcount). This is applied to all other global offices, with the exception of the Hong Kong office, which provided tracked waste data. Emissions from waste and recycling are calculated by taking a facility's (actual or estimated) total trash and recycling production and multiplying it by the waste type emissions factor, as determined by reference to the U.S. EPA's GHG Emissions Factor Hub.
- **Business Travel**: Depending on the availability and type of data from travel vendors, emissions from business travel (commercial air, private air, car, and rail) are calculated by taking either the total distance traveled or total fuel consumption and multiplying it by the transportation or fuel-specific emission factor, as determined by reference to the U.S. EPA's GHG Emissions Factor Hub and the U.K. DEFRA conversion factors.
- **Employee Commuting**: Emissions from employee commuting are calculated using 2022 zip code data. An average miles per employee is calculated for each office represented in the data set. For offices where site-specific data is not available, an average miles per employee across all sites where data is available is applied. The total estimated annual distance

traveled to and from work is split out into five commuting methods based on the commuting method assumptions specific to each site as determined by Blackstone. Emissions factors are determined by reference to the U.S. EPA's GHG Emissions Factor Hub and the U.K. DEFRA conversion factors.

- **Upstream Leased Assets**: Emissions from coworking-type spaces are deemed outside of Blackstone's operational control and categorized as Scope 3. These emissions are calculated by multiplying a portfolio-wide energy use intensity by available square footage. Market-based figures are calculated using residual mix emission factors from the AIB where available, and location-based emission factors – from U.S. EPA's eGRID database, U.K. DEFRA Conversion Factors, Canada Emissions Factors and Reference Values, or IEA – where AIB residual mix emission factors are not available.

Management's Assertion

Blackstone management is responsible for the disclosures included in this GHG Emissions Report for the year-ended December 31, 2022. Blackstone management is responsible for the selection, and interpretation of the criteria, the assessment of relevant information for inclusion or exclusion, and the application of estimation techniques in order to compile a complete and accurate Report. Blackstone management is also responsible for the presentation of the information included in the Report, and Blackstone management asserts that this Report for the year-ended December 31, 2022, is presented in accordance with the GHG Protocol.

Important Notes and Limitations

The COVID-19 pandemic impacted Blackstone's operations in 2020 and 2021. From mid-2020 through early 2021 many of our offices saw limited operational capacity or were closed completely due to COVID-19. Employee business travel and employee commuting to and from offices was also constrained during the COVID-19 pandemic. Nevertheless, we continued to measure and track our emissions associated with our operations during that period. Accordingly, due to the impact of the COVID-19 pandemic, any changes to our emissions year-over-year may not be representative of Blackstone's actual energy and emissions management since 2019.

Estimates were made in calculating the information provided herein, including, without limitation, situations where activity (e.g., energy consumption) data was unavailable. We base our estimates and judgments on historical or similar period property data and other assumptions that we believe are reasonable under the circumstances. These assumptions, estimates and/or judgments, however, are often subjective. The use of different assumptions could produce materially different results. Blackstone evaluates assumptions and estimation methodologies on an ongoing basis and may make changes as is deemed appropriate by management.

Certain of the information contained in this Report have been obtained from sources outside Blackstone and could prove to be incomplete or inaccurate and is current only as of any specific date(s) noted therein.

Deloitte.

Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112-0015
USA

Tel: +1 212 492 4000
Fax: +1 212 489 1687
www.deloitte.com

INDEPENDENT ACCOUNTANT'S REPORT

Blackstone Inc.
New York, NY

We have reviewed management of Blackstone Inc.'s (together, with its consolidated subsidiaries, "Blackstone" or the "Company") assertion that the accompanying 2022 Greenhouse Gas (GHG) Emissions Report (the "Report") is presented in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Resources Institute / World Business Council for Sustainable Development (the "GHG Protocol" or the "criteria"). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Report in order for it to be presented in accordance with the criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than an examination, the objective of which is to obtain reasonable assurance about whether the Report is presented in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment. In performing our review, we performed analytical procedures, inquiries and other procedures as we considered necessary in the circumstances. For a selection of amounts within the Report, we performed tests of mathematical accuracy of computations, compared the specified information to the underlying records, or observed the data collection process.

The preparation of the Report requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Measurement of certain amounts, disclosures, and metrics may include estimates and assumptions that are subject to substantial inherent measurement uncertainty, including for example, from the accuracy and precision of conversion factors or estimation methodologies used by management. Obtaining sufficient appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the amounts, disclosures, and metrics. The selection by management of different, but acceptable measurement method, input data, or assumptions, may have resulted in materially different amounts, disclosures, and metrics being reported.

Any information relating to periods prior to the year-ended December 31, 2021, or information relating to forward looking statements, targets, goals, progress against goals and linked information was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to the Report in order for it to be presented in accordance with the criteria.

Deloitte + Touche LLP

September 14, 2023