

# Sustainability Report 2015



## Contents

2	Owner's Letter
4	Business Profile
6	Focus on Culture
8	Focus on People
11	Focus on Environment
19	Focus on Community
26	Glossary
28	About This Report
30	Contact and Feedback

# Owner's Letter



2015 has been a pinnacle year for sustainability and awareness with meaningful progress being made at the global level with the United Nation's acknowledgement for action by world leaders and a continuing shift in procedures for global energy production and consumption.

Sustainability is and has always been at the core of our values at Richmond Road Holdings and we have had a strong focus on products and services that support this mission. We are proud to state that at the end of 2015 we are 100% carbon neutral in the products we provide our customers as well as all of our company operations.

Kiwi Energy, our first United States retail company has a strong focus on cleaner energy products. By the end of 2015, we offset all the energy consumed by our customers with Renewable Energy Certificates and introduced our carbon offset natural gas product. By the end of 2015 our entire customer base energy consumption was

being offset, resulting in zero net greenhouse gas emissions from their energy usage, which is equal to 10,971 garbage trucks worth of waste or 229,085 acres of forest in the United States. Additionally, our natural gas usage has been offset through purchase of tradable carbon credits generated from projects registered and verified through the Verified Carbon Standard.

We are pleased with the dedication shown by our customers to make environmentally responsible decisions and look forward to presenting more partnerships to further reduce energy usage and support alternative sources of renewable energy production.

We are committed to rewarding our customers for making the right environmentally conscious decisions. Every customer using our products receives complimentary membership to the Ecogold loyalty plan that they can use to redeem gift cards from vendors or choose to redeem carbon offsets for their other lifestyle activities such as family travel.

Caring for the environment is a core value in our company culture and we are always proud of the commitment and enthusiasm shown by our employees to get involved in our Ecogold Environmental Fund activities with local non-profit organizations. These enriching experiences bring the community together and build morale. Whether it's rolling up our sleeves to help in community plant sales or rebuilding community gardens in New York, there are always great opportunities for staff to show their environmental stewardship and support meaningful initiatives and organizations.

Richmond Road Holdings is constantly looking at business and growth opportunities to demonstrate their dedication to environmental responsibility. Looking ahead to 2016 we will be launching a solar partnership and a home energy audit partnership. This will allow homeowners to consume less energy and help to achieve the state goal of 50% local renewable energy production by 2030. We plan to move away from print where possible as we use digital forms of communication and achieve our goal of reducing waste and preserving natural resources. All materials used currently are Forest Stewardship Council approved and biodegradable.

We are very pleased have achieved carbon neutrality by the end of 2015 and all operations from 2016 forward, from our employee commute and business flights to waste management and offsets. We have set new goals in place for 2016 to constantly improve our processes. We aim to not only achieve carbon neutrality but make our own business operational changes to reduce our carbon footprint.



Richard Booth  
President of Retail Operations  
Richmond Road Holdings LLC





# Business Profile



## Our Business

### Richmond Road Holdings LLC

Richmond Road Holdings is a privately held New York based energy services company operating multiple businesses across different states. These brands include Kiwi Energy in New York and Spring Power & Gas in New Jersey and Maryland. Richmond Road Holdings will also be launching Arrow Energy in the mid-west in 2017 and expanding Kiwi Energy and Spring Power & Gas into other states, with these companies being managed by RRH Energy Services LLC.

### RRH Energy Services LLC

RRH Energy Services is a New York based energy services management company overseeing businesses management across different states. RRH Energy Services includes but is not limited to Financial Forecasting and Budgeting, Business Development and Planning for new

and established companies, Procurement, Risk Management, New Market Entry, Sales Strategy and Growth, Operations and Database Solutions, Marketing and Public Relations Strategy and Value-added Services and Partnerships. They provide support and management for businesses focusing on residential and small commercial customer bases. Currently these brands include Kiwi Energy in New York and Spring Power and Gas in New Jersey and Maryland. The Ecogold loyalty program services these companies as a value-added rewards program offering a retail benefit for customers, added services through partnerships and energy saving initiatives.

RRH Energy services predominately focuses on Energy Retail Solutions that have a sustainable outcome, they analyze business objectives and find the right approach to help companies achieve these critical goals.

## Kiwi Energy NY LLC

The company was originally formed in December 2008 and was rebranded in 2012 when we moved towards a focus on renewable energy and environmentally focused energy products in the New York market. Kiwi Energy markets predominantly to residential, with some small commercial customers, and has contracted with more than 100,000 customers in New York. The current utility service areas include National Grid, ConEd, New York State Electric & Gas, Rochester Gas & Electric, and Central Hudson.

## Spring Energy RRH LLC under the name Spring Power & Gas

Spring Power & Gas was formed in November 2013 to operate in the Maryland and New Jersey energy markets, retailing to residential and small commercial customers.

## Our Customers

At Richmond Road Holdings we have a very strong focus on customer satisfaction and incentivize our staff to ensure excellence in service. Customer satisfaction is paramount, with staff performance on these calls an important component. Richmond Road Holdings takes customer privacy very seriously; recorded voice verification is required on all customer calls and we comply with any request to non-contact. Our customers are predominantly residential, with some small businesses, and we aim to provide an exceptional experience to our customers above and beyond what they are able to gain from the utility.

## Our Supply Chain

Richmond Road Holdings purchases its electricity from the New York Power Pool (NYPP) for Kiwi Energy and from The Pennsylvania-New Jersey-Maryland (PJM) Interconnection for Spring Power & Gas. Both the NYPP and PJM source supply from generation within their region and from neighboring regions. The mix of fuels used to generate the electricity varies hourly and includes natural gas, nuclear, hydro, oil, coal, wind and other renewable resources. Spring Power & Gas sells electricity in states that have Renewable Portfolio Standards (RPS). These standards require Spring Power & Gas to purchase environmental attributes from various renewable sources for approximately 15% of the electricity it sells. These are mandated Renewable Energy Certificates (RECs) from specific sources. Both Kiwi Energy and Spring Power & Gas go above and beyond these state requirements ensuring that in addition, 100% of customer's supply is matched with RECs.

Richmond Road Holdings purchases natural gas from various natural gas production and storage facilities. Using the data from the United States Environmental Protection Agency (US EPA), Richmond Road Holdings determines the carbon emissions associated with its natural gas sales and purchases carbon credits to offset the emissions from projects that encourage forestry and avoid carbon dioxide (CO<sub>2</sub>) emissions.



## Our Leadership

Richmond Road Holdings has a small Executive Team with a big vision and shares a collective goal for a sustainable future, with innovative energy solutions critical to achieving this mission. Our team brings decades of energy experience and has had extensive experience in running energy companies throughout the United States and Internationally. The team at Richmond Road Holdings works diligently to develop our products, brand and build our business. Throughout the company our employees share and encourage our commitment to the environment, our customers and the local community.

## Our Management Approach

Our corporate team is based in Manhattan, New York and oversees the operations for New York as well as other states. We've established governance processes between our Executive Team and investors and utilize outside council to ensure that our processes for procuring energy and communicating with our stakeholders are 100% compliant and adhere to the highest business and environmental standards. At Richmond Road Holdings LLC we have proven systems and procedures in place to encourage a positive customer experience and ensure consistent quality in customer service from enrollment to renewal. We have high expectations of our staff to abide by our procedures and codes of conduct. We measure success and reward staff for these efforts. Richmond Road Holdings takes pride in fair and equal treatment of all staff to ensure a harmonious, productive, supportive and safe working environment.

# Engaging Our Stakeholders

At Richmond Road Holdings LLC we have engaged with widely varied stakeholder groups, all equally as important to our business. Whether we are engaging customers, employees, shareholders, suppliers, regulators or the greater community, we aim to approach all of our interactions with integrity and honesty, preempting their needs and questions before they arise. We aim to provide solutions and educate on energy choices, as well as strive to inspire and provoke positive environmental change. We choose to do this is by communicating through the appropriate channels. This can vary from digital newsletters and social media to our customers and employees, submitting material changes with the Public Service Commission for regulatory transparency, to sending media releases about our community involvement to sharing our message with the wider community.

## Our Strategy

At Richmond Road Holdings our sustainability strategy focuses on several key policy principles and goals to ensure we serve our customers, employees, investors, other external stakeholders and the environment. Above all we want to conduct our business to the highest ethical standard possible and inspire those with whom we interact to promote a focus on the environment among our staff, customers and the wider community.

- 1. Renewable Energy and the Environment
- 2. Customer Satisfaction
- 3. Community Outreach
- 4. Employee Development and Wellbeing

## Our Sustainability Vision

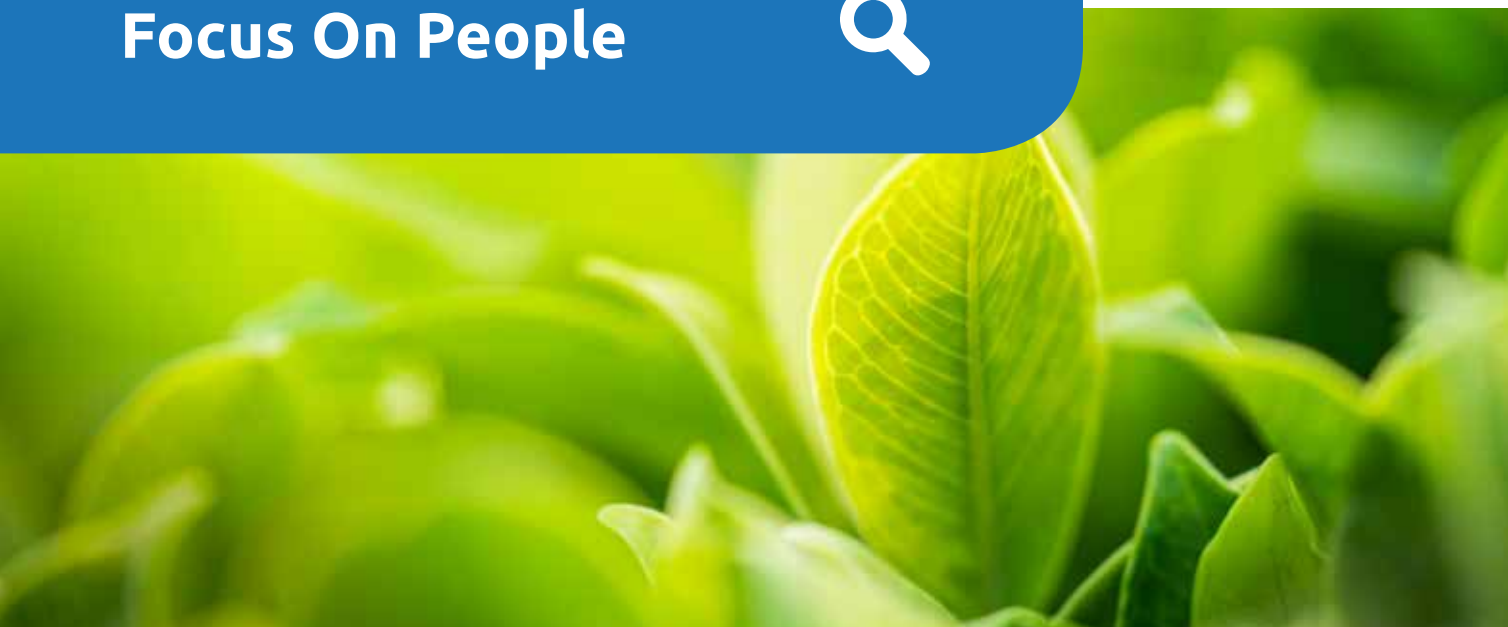
As an energy retailer that provides innovative energy solutions for electricity and gas supply to our customers, we strive to conduct our business in a manner that is environmentally and socially responsible. In order to achieve this, we are committed to the following principles:

- To provide our customers with superior service and innovative energy solutions
- To comply with all applicable regulations that affect our business, while operating above the standard
- To achieve carbon neutrality for our operations and the energy we supply
- To provide unwavering support to the communities in which we operate
- To be the company of choice for environmentally conscious energy solutions

These principles constitute the basis for Richmond Road Holdings’ sustainability vision.







## Our Employees

Sustainability not only applies to our company practices but to our people. We look to identify what is important to our employees and stakeholders and create a workplace that provides support and opportunities to nurture employees that are as dedicated to Richmond Road Holdings as we are to them. As a small team of employees we value every staff member and consider each person as an integral part of the team. We aim to have long-term employees that can grow with the company and contribute to our vision.

Our dynamic and diverse company offers unparalleled opportunities to contribute to our corporate success with a host of initiatives, projects, and resources designed to promote personal and professional development and growth. Richmond Road Holdings takes pride in being a work place where staff can develop skills and build careers.

Richmond Road Holdings nurtures a collaborative work environment and does not tolerate bullying or harassment.

## Our Labor Practices

We are committed to providing the best possible climate for maximum development and goal achievement for all team members. Our company is committed to equal employment opportunity. We will not discriminate against team members or applicants for employment on any legally-recognized basis. At Richmond Road Holdings we support diversity and disincant discrimination on gender, talent, ethnicity, sexual orientation, cultural perspectives, and foster inclusion, innovation, and mutual respect. Our practice is to treat each team member as an individual and important member of the team. We seek to develop a spirit of teamwork; individuals working together to attain a common goal and promote personal improvement and success.

In order to maintain an atmosphere where these goals can be accomplished, we provide a comfortable and progressive workplace. Most importantly, we have a workplace where communication is open and problems can be discussed and resolved in a mutually respectful atmosphere. We take into account individual circumstances and the individual team member.

We firmly believe that with direct communication, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship and harmonious workplace.

## Wellness

An important aspect of our company's values is to have happy and healthy employees. We offer all full time staff member's health, dental and life insurance, with access to insurance plans for their significant others. We provide prevention in optional complimentary vaccinations for staff and offer parental leave, tuition support and reimbursement. Richmond Road Holdings also contributes up to 4% towards employees' 401k.

Richmond Road Holding LLC provides an employee assistance program (EAP) for employees. This program offers qualified counselors to help staff cope with personal problems they may be facing.

## Developing Our Workforce

Richmond Road Holdings encourages staff to reach their full potential and provides growth and development opportunities for its workforce. Staff have regular performance reviews where they have the opportunity to self-assess and work towards goals using tools provided by the company to measure success.

Developing our workforce is not limited to training and technical skills, we also provide opportunities outside the confines of the work environment to enhance their health and well-being, and to enrich the lives of others. Our partnership with the Brooklyn Greenway Initiatives (BGI) illustrates this commitment.



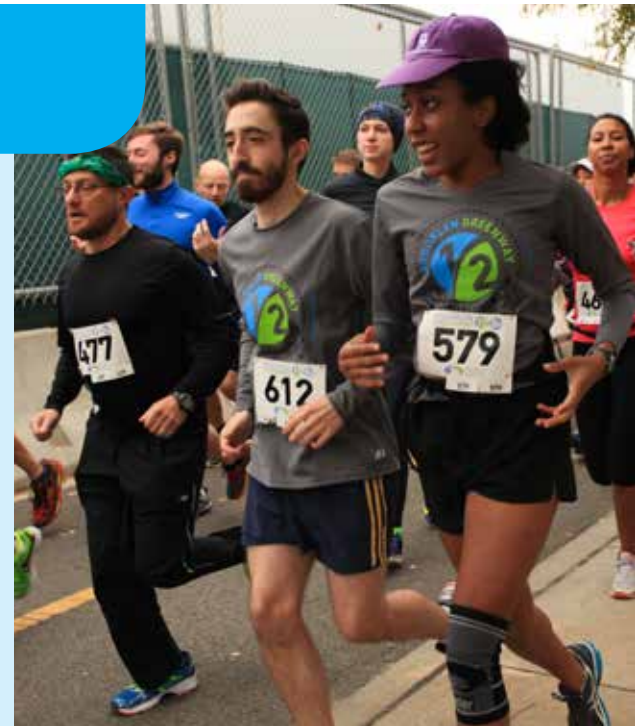
## BGI Epic and Half + 5k

Richmond Road Holdings and the Ecogold Environmental Fund have been proud sponsors of the Brooklyn Greenway Initiatives Half Marathon + 5K run since 2013. This is the first half marathon that flows exclusively on the Brooklyn Waterfront Greenway, raising money for further development and awareness of this fantastic public greenway. Starting and finishing in Brooklyn, this intimate run highlights BGI's progress in achieving a fully completed greenway along the Brooklyn waterfront, as well as showcasing city and state parks.

Richmond Road Holdings Ecogold Environmental Fund also supported the BGI Epic 2015, where 1,400 riders rode 40 miles from Greenpoint to Far Rockaway to support the Brooklyn Greenway. Richmond Road Holdings team has willingly participated in and sponsored this event since 2013.

For a decade, BGI has acted as the catalyst for the establishment, development and long-term stewardship of the Brooklyn Waterfront Greenway.

Beginning in 2004, BGI and planning partner Regional Plan Association (RPA) hosted initial public workshops along the Brooklyn waterfront to develop a Conceptual Plan. BGI and RPA then worked directly with the New York City Department of Transportation (NYC DOT) to host additional workshops and develop the Implementation Plan for the Brooklyn Waterfront Greenway, which was released to the public on June 21, 2012.



Today, the Greenway consists of 23 NYC DOT capital projects. DOT's mission is to provide for the safe, efficient, and environmentally responsible movement of people and goods in the City of New York and to maintain and enhance the transportation infrastructure crucial to the economic vitality and quality of life of our primary customers, City residents

Spanning 14-miles from Greenpoint to Bay Ridge, six miles of the Greenway are now available for public use.

Four additional segments are now in design and engineering.



# Focus On Environment



In today's society, customers, businesses, regulators and other stakeholders are influencing companies to operate in a more sustainable fashion. Performance expectations are being driven beyond just economic considerations, to include environmental, social and governance aspects of a business. This speaks to enhancing a company's environmental stewardship, to reducing a company's environmental footprint and to preserving our natural resources. This of course includes having access to more innovative and sustainable energy sources that create less pollution and reduce environmental impacts.

Richmond Road Holdings is committed to demonstrating environmental stewardship through:

- Achieving carbon neutrality, both for the energy that we purchase and sell, and how we conduct our business operations
- Implementing actions to reduce our environmental footprint overall and to foster environmental conservation

While we are an office-based business and thus do not own or operate facilities or equipment that generate significant emissions or wastes, there is much we can do to foster energy conservation, reduce our greenhouse gas (GHG) emissions, manage waste, and enhance biodiversity and environmental conservation.

## Our Carbon Footprint

Due to the nature of our business, we do not have a significant carbon footprint. Nonetheless, for this first sustainability report we have estimated GHG emissions for those sources of GHG emissions where reliable data could be obtained. We quantified the following sources of emissions:

- **Scope 1** – We presently do not have any direct GHG emissions as we do not own any facilities and lease or sublease our office space and locations. Nor do we own or operate any company vehicles.



- **Scope 2** – Indirect GHG emissions from purchased electricity used in our offices, and apartment and storage locations are quantified.
- **Scope 3** – We have quantified emissions from office space heating, business travel, employee commute, and purchased electricity transmission and distribution (T&D) losses.

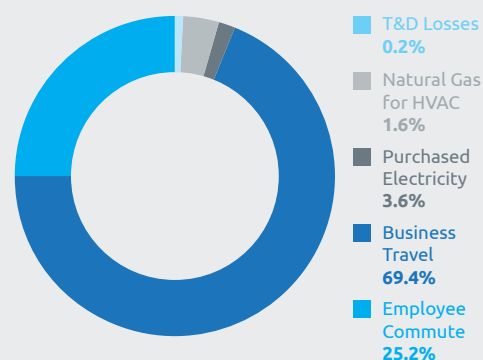
Data sources for our Scope 2 emissions include U.S. EPA eGRID factors or Energy Information Administration (EIA) electricity emission factors.<sup>1</sup> For Scope 3 emissions, office space heating utilized EIA natural gas heating emission factors.<sup>1</sup> All other sources are quantified using the U.S. EPA Center for Corporate Climate Leadership - Emission Factors Hub (2015).

Richmond Road Holdings' GHG emissions for calendar year 2015 are summarized in the table and figure below.

### Summary of 2015 GHG Emissions

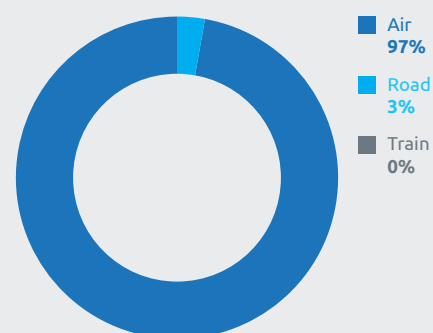
GHG Emission Sources	GHG Emissions, metric tons CO <sub>2</sub> e
<b>Scope 1</b>	0
<b>Scope 2</b> Purchased Electricity	15
<b>Scope 3</b> Space Heating	6
Business Travel	286
Employee Commute	104
T&D Losses	1
<b>Total GHG Emissions</b>	<b>412</b>

### Total Greenhouse Gas Emissions



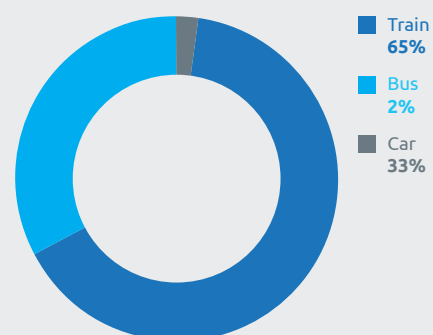
### Business Travel

Our largest single source of GHG emissions is business travel, which comprises 69 percent of our carbon footprint. The source for the majority of these emissions (97 percent consists of airline travel).



### Employee Commute

Employee commute is our second largest source of GHG emissions and represents 25 percent of our carbon footprint. The majority of our employees commute to work using public transportation via bus or train, with about 33 percent of employee commute emissions from use of personal motor vehicles.



<sup>1</sup> <http://www.eia.gov/consumption/commercial/reports/2012/energyusage/>

For 2015, Richmond Road Holdings has chosen to offset the carbon footprint from our operations through purchase of Verified Carbon Standard (VCS) Verified Carbon Units (VCUs) from the following project:

### **RMDTL Portel-Para REDD Project Avoiding Planned Deforestation & Providing Social Benefit**

RMDTL Portel-Para REDD project aims to prevent CO<sub>2</sub> emissions by avoiding planned deforestation in the Para' State, Brazil, a region with the highest rate of deforestation in Brazil. The project was created in 2008 and is registered with the VCS framework in the Amazon, the RMDTL Portel-Para REDD Project is in a critical area of the Amazon, in a low lying area that has over 100 million trees. This area filters the water for the region, filters the air and holds a diverse number of flora, fauna and wildlife that relies on this environment. The land is over 177,000 hectares total, making the area one of the largest private reserves in the Amazon. The project includes native forest, wetlands, two large rivers and tens of miles of small streams.

In addition to the United Nations Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing countries (know as REDD+), the project also meets the Climate Community and Biodiversity Alliance (CCBA). It does this through social investment supporting traditional people that live isolated along the Amazon River. The project allocates 56,000 hectares in land to the local inhabitants. The donations allow traditional people to gain financing to complete their own projects on the land such as cassava farming, acai, black pepper and agro forestry and live sustainably. Each family is given 140 hectares and allows for empowerment of the local

people allowing them to enter the rural middle class. RMDTL Portel-Para REDD project:

- Preserves carbon stored in the forest's living biomass
- Protects the biodiversity that depends on the forest ecosystem
- Generates an alternative and substantial income source for RMDTL Portel-Para REDD Project via the sale of Verified Carbon Units
- Supports Biodiversity on a community level

**2016 GOAL**  
**Manage and offset  
our carbon footprint as  
RRH's business expands.**

## **How We Manage Our Waste**

Because our business is office based, the waste that we generate includes typical municipal waste, including items like paper, food waste, plastic and glass beverage containers, and other waste typical of office operations. We occupy office space in several buildings in the New York Metro area, rent an apartment and utilize a storage facility. Where the respective landlords segregate waste for recycle or disposal, we do so as well.

As a result of the expansion of our business into new markets and changes to our office operations, we produced a considerable amount of stationery and promotional literature that we may not be able to utilize. Approximately 68,500 pieces of artwork and envelopes totaling 1175 pounds

required proper management. To ensure that this material was not just disposed in a landfill, we retained an independent recycling company to shred and recycle this waste in 2015. By recycling this waste paper, the equivalent of 4100 pounds of CO<sub>2</sub>e emissions were avoided.<sup>2</sup>

## Our Commitment to Biodiversity and Conservation

Richmond Road Holdings works in several ways to enhance biodiversity and promote environmental conservation. Examples of such efforts are Ecogold Environmental Fund partnership with Grow NYC Governor's Island Teaching Garden and their Grow to LEARN NYC program.

### 2016 GOAL

**Establish a mechanism to independently recycle our office waste or encourage building management to do so.**

## Grow to Learn NYC Aquaponics Project

With Richmond Road Holdings and the Ecogold Environmental Funds support, GrowNYC built an aquaponics garden at the Young Women's Leadership School in Astoria in 2014. The garden includes several dozen fish and a hydroponic garden that grows lettuce, swiss chard, beans, tomatoes, strawberries, herbs, and more. The indoor garden is used by science classes and an after-school gardening club, and provides a hands-on intersection of biology, agriculture, and applied technology.

Children from 7th grade to 12th grade are taught about aquaponics, and the garden club also is mixed with students from these grade ranges.

**Aquaponics = Aquaculture + hydroponics**



growTo  
LEARNnyc

<sup>2</sup> Equivalent emissions were calculated using U.S. EPA's GHG Equivalency Calculator, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

## Grow NYC Governor's Island Teaching Garden

In 2014, Grow NYC re-purposed an old shipping container funded by Richmond Road Holdings and the Ecogold Environmental Fund to create a fully functional kitchen for the Governors' Island Teaching Garden. The Governors Island Teaching Garden was created as a result of the combined efforts of Grow NYC and the Trust for Governors Island, both of whom are delighted to be able to provide this valuable experience to New York City students!

Governors Island Teaching Garden is an 8,000 square foot urban farm that aims to engage, excite, and educate New York City public school and summer camp students in all aspects of urban farming. Students participate in activities such as planting, watering, weeding, mulching, harvesting, cooking, and caring for chickens. GrowNYC hopes that by exposing students to a diverse array of nutritious and flavorful foods, and by bringing awareness to urban farming's environmental benefits, they will be encouraged to make healthy choices for their bodies and for their communities.

The 8' x 12' shipping container kitchen that Richmond Road Holdings sponsored hosts most of the cooking activities on the farm and is fitted out with windows, doors, a sink, lots of storage, and tables or countertops on which everyone can prep, cook, and eat. An awning has been added to the outside of the container to give some additional sheltered area for students to gather under.

GrowNYC replaced the old roof and added a green roof on which to grow sedum, moss, and lettuce greens. Excess rainwater is diverted from the container and awning into a nearby rain garden.

As well as the outdoor kitchen the garden features over 20 vegetable beds made from recycled plastic lumber, a gourd tunnel, fruit trees, and a bean teepee.





## How We Achieve Carbon Neutrality for the Energy We Sell

Richmond Road Holdings sales are comprised of electricity and natural gas as illustrated below. Both Kiwi Energy and Spring Power & Gas, through

its environmentally conscious offerings, purchases RECs to cover 100 percent of its electricity sales. Richmond Road Holdings purchases and sells natural gas, and purchases carbon credits to offset the carbon emissions from its natural gas sales.

Richmond Road Holdings LLC has purchased National Wind RECs (Renewable Energy Credits) to offset 73% of their customer's electricity usage between January 1st 2015 and August 31st 2015, and 100% of customers' electricity usage between September 1st and December 31st 2015.

Registry	Product Name	Project Type	Vintage	RECs
ERCOT	Spring Green	RECs	2015	267,360

For gas sales from September 2015 onward, Richmond Road Holdings has purchased VCS VCUs to offset carbon emissions from customer use of this natural gas.






Registry ID	Product Name	Project Type	Vintage	VCUs
VCSR977	REDD Project	Land Use	18/07/2010	54,113

Richmond Road Holdings follows a strict auditing process to match and retire their products with RECs and Carbon Credits. These are recorded and counted through a 3rd party paperless inventory system using the ERCOT system for RECs and the VCU system for Carbon Offsets.






It is instructive to consider what reducing GHG emissions means in everyday terms. The US EPA has developed a GHG equivalency calculator that translates these abstract measurements into understandable terms to which we all can relate. Whether related to the cars we drive, the waste we generate, the light bulbs we use or trees we plant, these equivalencies provide a means to illustrate the potential impact of efforts to reduce our environmental footprint.

## Electricity Environmental Impact Data

Matched 100% with National Wind RECs

Product	Annual Sales	CO <sub>2</sub> e Offset Annually	GHG/CO <sub>2</sub> Avoided or Carbon Sequestered Expressed As		
	 Megawatt hours	 Metric tons CO <sub>2</sub> e	 Garbage Trucks of Waste Recycled vs. Landfilled	 Incandescent Lamps Switched to LEDs	 Acres of US Forests in One Year
Electricity 01.01.15-08.31.15	164,963	115,932	5,256	4,109,608	109,742
Electricity 09.01.16-12.31.15	102,424	71,981	3,263	2,551,617	68,138
<b>Total</b>	<b>267,360</b>	<b>187,894</b>	<b>8,518</b>	<b>6,660,553</b>	<b>177,861</b>

## Natural Gas Environmental Impact Data

Product	Annual Sales	CO <sub>2</sub> e Offset Annually	GHG/CO <sub>2</sub> Avoided or Carbon Sequestered Expressed As		
	 Dekatherms	 Metric tons CO <sub>2</sub> e	 Garbage Trucks of Waste Recycled vs. Landfilled	 Incandescent Lamps Switched to LEDs	 Acres of US Forests in One Year
Natural Gas	1,020,623	54,113	2,453	1,918,236	51,224

## RMDTL Portel-Para REDD Project Avoiding Planned Deforestation

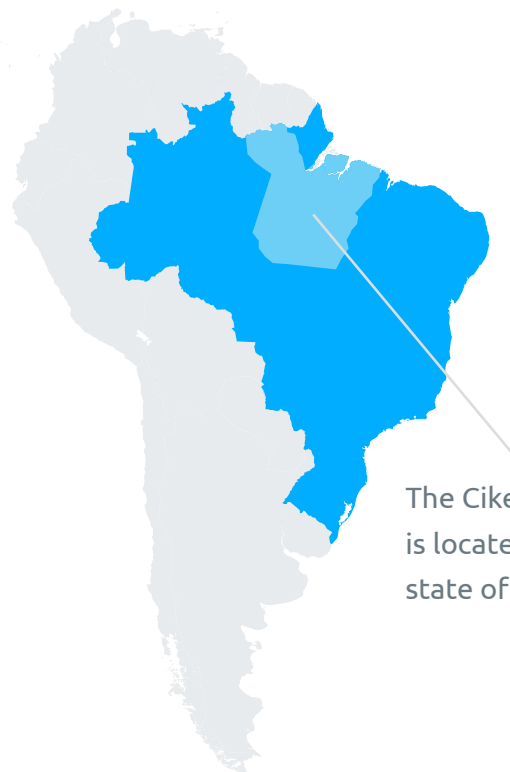
We have used the same REDD+, VCS, CCBA project for our customer carbon offsets as we believe this is a valuable and worthy project. Refer to page 10 for more in-depth project detail.

- Preserves carbon stored in the forest's living biomass
- Protects the biodiversity that depends on the forest ecosystem
- Generates an alternative and substantial income source for RMDTL Portel-Para REDD Project via the sale of Verified Carbon Units
- Supports Biodiversity on a community level



### 2016 GOAL

**Initiate a verification process for future sustainability reports.**



The Cikel project is located in the state of Pará, Brazil.



# Focus On Community



Richmond Road Holdings is firmly committed to establish and grow positive and productive relationships with our neighbors in the energy markets that we serve. These efforts encompass annual giving, community outreach, and establishing beneficial community and professional partnerships. We encourage our employees to contribute their skills and our unique values to support these efforts. Examples of these efforts are provided below.

## Our Giving



Our primary mechanism for donating to our communities is through the Ecogold Environmental Fund. The Fund is a privately funded with contributions from the Richmond Road Holdings portfolio of companies in order to support charitable and non-profit organizations

domestically and abroad. For every new customer acquired a portion of the proceeds are donated to the fund.

The Ecogold Environmental Fund contributes to programs that align with the fund's values of sustainability, integrity and environmental accountability. The Fund is dedicated to supporting organizations that:

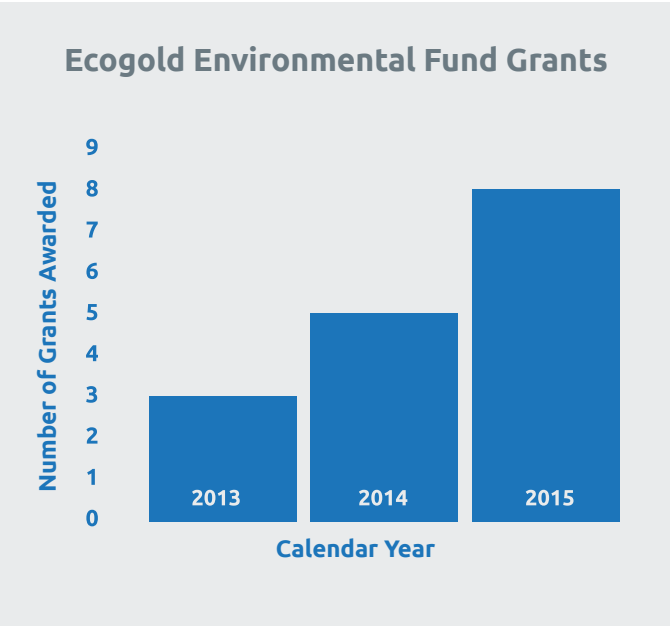
- Have long-term, sustainable solutions that focus on people and the planet.
- Foster a culture of sustainability and environmental accountability.
- Are dedicated to building stronger, supportive and environmentally conscious communities.
- Are raising environmental awareness through grass root initiatives.



Grants are made to United States charitable organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are public charities under Section 509(a) of the Code. Additionally, certain tax exempt religious organizations, educational institutions, and private operating foundations are eligible. Some of the organizations that the Ecogold Environmental Fund has supported include:



In the past three years, 16 grants were distributed to these and other organizations through the Ecogold Environmental Fund, with the Brooklyn Greenway Initiative, Grow NYC and Recycle Bicycle each receiving multiple grants.



### Community Outreach

Our community outreach encompasses a broad spectrum of efforts in areas including education, environmental and energy conservation, transportation, and community development. Our goal is not only to benefit the communities we serve, but to instill a sense of social responsibility in our employees and provide them with the opportunity to make a difference.

## Earthwatch Teach Earth Program

Richmond Road Holdings and the Ecogold Environmental Fund supported two teachers to participate in the Earthwatch Teach Earth fellowship looking at Climate Change at the Arctic Edge. The live fieldwork project brings unique and engaging learning experiences directly to the classroom as students follow their educators' journey real time and engage in lesson plans derived from these experiences.

The Teach Earth USA Fellowship program is based upon the principle that every individual can be involved in creating a sustainable planet, regardless of their level of scientific skill. Teachers are selected from all subject areas to assist scientists on expeditions by collecting data on climate change and sustainable resource management.

The teachers measured evidence of global warming near Churchill, a small town on Hudson Bay that's on the front line of climate change. The teachers acquired water samples to assess the abundance of the fish and frogs that make these northern wetlands their home. They monitored the health of the tree line by examining tree cores, to allow researchers to reconstruct tree life histories (to date, the oldest living tree this team has found dates from 1643).



## Transportation Alternatives — Century Bike Ride

In 2015 Richmond Road Holdings and the Ecogold Environmental Fund were an official sponsor of the NYC Century in its 26th year. It is still the nation's only all-urban century bike tour. It includes three routes: 100 miles for the experienced cyclist, 62 miles for intermediate riders and 31 miles for those who are new to biking. In addition to being an official sponsor staff from Richmond Road Holdings participated in this fun and challenging bike ride.



## Transportation Alternatives — Tour de Queens

Transportation Alternatives' mission is to reclaim New York City's streets from the automobile and to promote bicycling, walking and public transit. T.A. fights for the installation of infrastructure improvements that reduce speeding and traffic crashes, save lives and improve everyday transportation for all New Yorkers.

Richmond Road Holdings and the Ecogold Environmental Fund sponsored the Transportation Alternatives Tour de Queens 2015. The event started and ended in tree-lined Astoria Park, a stone's throw from the East River. The tour covered approximately 20 miles through some fabulous neighborhoods, including Long Island City, Sunnyside, Rego Park, Forest Hills, and Corona. Our rest stop was at one of Queens' most beautiful yet often overlooked oases, Juniper Valley Park in Middle Village. There was a total of 7,000 participants in the event, including Richmond Road Holdings' employees.



## GrowNYC Volunteer Day — Coney Island

Richmond Road Holdings and the Ecogold Environmental Fund have an ongoing relationship with GrowNYC by financially supporting several of their initiatives, as well as volunteer work. One of these projects was the GrowNYC Coney Island Pumping Station Urban Farm - one of 83 GrowNYC built community gardens. They support hundreds more through tool loans, volunteer days, technical assistance, their annual plant sale, and much more. An enormous 70,000 square foot community garden on the water's edge was destroyed a few years ago in Hurricane Sandy. Several key garden members moved, and the garden was never rebuilt. The new farm is a hybrid community garden / urban farm, capable of producing thousands of pounds of food a year. The site itself features a landmarked building in the middle of it, The Coney Island Pumping Station building. Our team spent the afternoon moving dirt into plant beds and filled in the walkways with mulch getting it ready for the next planting season.





## GrowNYC Plant Sale

Every year since 1986, GrowNYC holds their Annual Spring Plant Sale in order to provide community groups with perennial and annual flowering plants, herbs, and vegetables from Greenmarket farmers at wholesale prices. Plants are for neighborhood open space projects only (e.g. community gardens, schools, block associations, churches, etc.) and may be sold to raise other funds. Richmond Road Holdings and the Ecogold Environmental Fund have shown their ongoing support of the sale volunteering for their 2014 and 2015 sales.



## Green Guerillas Youth Powered Urban Farm

Established in the early 1970's, Green Guerrillas uses a unique mix of education, organization, and advocacy to help people cultivate community gardens and much more.

Richmond Road Holdings and the Ecogold Environmental Fund supported the Green Guerrilla's Youth-Powered Urban Farm in Crown Heights.

The Youth-Powered Urban Farm grows thousands of pounds of food, empowers youth, and allows them to manage Community Supported Agriculture while providing healthy food to Crown Heights and East Flatbush residents. Richmond Road Holdings contribution supported two workdays, a market day and a youth-led cooking demonstration. They will continue their support of Green Gorillas in 2016.



**greenguerillas**



## EarthSpark International

Richmond Road Holdings and the Ecogold Environmental Fund are supporting EarthSpark International, which empowers communities by eradicating energy poverty. Efforts are focused in Haiti, the poorest country in the Western Hemisphere, where just 25 percent of households are connected to electricity grids while the remaining 75 percent rely on lighting from kerosene lamps and wax candles. This is unsafe as well as costly.

EarthSpark has been in operation since 2009 and has sold over 18,000 small scale clean energy products. In 2012 EarthSpark turned on a privately owned pre-pay microgrid. Earthspark operates at a community level, providing product grants to develop clean energy businesses that sell solar light bulbs, energy efficient cook stoves and other energy efficient technologies.

In 2012, EarthSpark turned on a first-of-its-kind privately operated pre-pay microgrid in Les Anglais, Haiti, a small town that had never before had grid electricity. In 2015, EarthSpark expanded the grid to 430 connections, directly serving over 2000 people with 24-hour electricity powered primarily by solar energy and battery storage, cutting customers' energy costs by up to 80% over previous energy sources.

EarthSpark aims to build eighty microgrids in Haiti by the end of 2020. To meet the Sustainable Energy for All goals established by the United Nations, 40% of all new connections will come from microgrids. Around the world, local governments are looking to microgrids to harden critical infrastructure and improve resiliency. Innovation is portable, and in building a model for clean, smart, transformative community infrastructure, EarthSpark is pursuing deep solutions to both energy access and climate change.

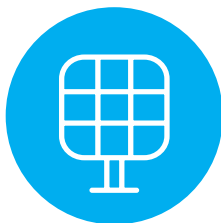


## Our Partnerships

In addition to our Non-profit and environmental partnerships Richmond Road Holdings are in negotiation with additional partnerships to encourage Energy efficiency and production of sustainable energy. Our goal is to have these partnerships underway by the end of 2016.

In 2016 Richmond Road Holdings successfully engaged partnerships in solar and home energy efficiency meeting key 2016 goals for sustainable practices through partnerships.

**2016 GOAL**  
**Establish a formal mechanism to engage with our stakeholders to ensure transparency, to garner feedback, to inform material aspects, and to continually improve our performance and reporting.**



## GLOSSARY

**Biomass** Organic matter derived from living, or recently living organisms that can be used to generate energy, which often refers to plant or plant-based materials such as wood and wood waste, and agricultural products and byproducts.

**Carbon Dioxide Equivalent (CO<sub>2</sub>e)** The mass of greenhouse gas (GHG) emissions multiplied by the GWP for that species, which is used to evaluate emissions of different GHGs on a common basis—the mass of CO<sub>2</sub> emitted that would have an equivalent warming effect.

**Carbon Offsets** A reduction in emissions of GHGs made in order to compensate for or to offset a GHG emission that occurs elsewhere.

**CCBA** The CCBA is a unique partnership of leading international NGOs that was founded in 2003 with a mission to stimulate and promote land-based carbon activities that credibly mitigate global climate change, improve the well being and reduce the poverty of local communities, and conserve biodiversity. The CCBA brings together diverse stakeholders through a transparent and inclusive participatory process to develop standards that stimulate, identify and promote high quality and multi-benefit land based carbon activities. The members of the CCBA are non-governmental organizations including CARE, Conservation International, The Nature Conservancy, Rainforest Alliance, and the Wildlife Conservation Society.

**Dekatherm (Dth):** A unit of energy that is used to measure natural gas. A dekatherm is equal to 10 therms or 1,000,000 British thermal units (MMBTU) of energy. One standard cubic foot of natural gas is equivalent to about 1,000 BTUs.

**Forest Stewardship Council (FSC):** An independent, member-led group that promotes environmentally sound, socially beneficial and economically prosperous management of the world's forests. It is a voluntary program that sets standards for responsible forest management, including forest certification. More than 380 million acres of forest are certified under FSC's system, including more than 150 million acres in the United States and Canada.

<https://us.fsc.org/en-us>

**Global Warming Potential (GWP)** A relative measure of how much heat a GHG traps in the Earth's atmosphere, compared to the amount of heat trapped by a similar mass of CO<sub>2</sub>.

**Greenhouse Gas (GHG)** A gas that contributes to the greenhouse effect by absorbing infrared radiation produced by solar warming of the Earth's surface. Greenhouse gases can be emitted naturally or can be the direct result of human activity.

**Megawatt Hour (MWh)** A megawatt hour is equal to 1,000 kilowatt hours (kWh), which is equal to 1,000 kilowatts of electricity used continuously for one hour and is equivalent to about 3.41 million BTUs.

**Renewable Energy** A naturally occurring, theoretically inexhaustible source of energy that is not derived from fossil or nuclear fuel, which can include biomass, geothermal, hydroelectric, solar, tidal, wave, and wind power.

### **Renewable Energy Certificate (REC)**

Financial instruments purchased and sold on the open market that represent the environmental attributes of power produced from renewable energy projects and are sold separately from

commodity electricity. A REC represents 1 Megawatt (MW) (or 1,000 Kilowatts) of electricity generated by a renewable source such as wind, solar, hydroelectric or biomass.

**Renewable Portfolio Standard (RPS)** A regulation that requires increased production of energy from renewable energy sources, such as wind, solar, biomass, and geothermal.

**Scope 1 GHG Emissions** Direct GHG emissions are from emission sources that are owned or controlled by the reporting entity.

**Scope 2 GHG Emissions** Indirect GHG emissions are from the consumption of purchased energy including electricity, heat, steam, or cooling that are a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity.

**Scope 3 GHG Emissions** All indirect GHG emissions (not included in Scope 2) that are a consequence of the activities of the reporting entity, but are not owned or controlled by the reporting entity. Examples of Scope 3 GHG emissions may include those from business travel, employee commuting, waste disposal, transportation of raw materials and products, electricity transmission and distribution losses, and others.

### **Sustainability/Sustainable Development**

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. For a business, it represents a balance between achieving economic growth, while preserving the environment and being socially responsible.

**U.S. EPA eGRID** The Emissions and Generation Resource Integrated Database (eGRID) is a comprehensive source of data on the environmental characteristics of almost all electric power generated in the United States. It is maintained by U.S. EPA and includes among other characteristics, air emissions for CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, as well as net generation and resource mix. The latest version of eGRID was released in October 2015, covering data through 2012. <https://www.epa.gov/energy/egrid>

**UN-REDD Programme** The UN-REDD Programme is the United Nations collaborative initiative on Reducing Emissions from Deforestation and forest Degradation (REDD) in developing countries. The programme was launched in 2008 and builds on the convening role and technical expertise of Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environmental Programme (UNEP).

**Verified Carbon Standard (VCS)** The Verified Carbon Standard develops and manages standards and frameworks that are used to vet environmental and sustainable development efforts. It establishes rules and requirements that must be met for any project, and ensures that projects, programs and activities meet the standards, including independent verification. GHG reduction projects are issued carbon credits known as Verified Carbon Units (VCUs), where each VCU represents a reduction or removal of one metric ton of carbon. <http://www.v-c-s.org/>



# About This Report

## Our Approach to Reporting

This represents Richmond Road Holdings LLC first sustainability report. The scope of this report addresses business activities for Kiwi Energy and Spring Power & Gas under the Richmond Road Holdings portfolio and primarily includes the reporting period from January 1, 2015 through December 31, 2015. We have attempted to provide a thorough overview of our business, culture, operations, and sustainability performance as relates to our people, the environment and the community within which we operate. We believe that the data presented is a fair representation of our performance, with additional and current information available on our [website](#).

## Our Key Stakeholders

In operating our business, we strive to achieve our goals, to grow the business, and to create value for our stakeholders, who are essential to maintain our license to operate and to the ongoing success of our business. We strive to serve our key stakeholders, including customers, regulators, investors, employees, and suppliers, and stakeholders in the communities in which we operate. Being cognizant of our stakeholders’ expectations provides valuable input to establish business priorities and to enhance our performance. With the publication of this our first sustainability report, engagement with our stakeholders will be enhanced to ensure transparency and to garner additional feedback. The table below provides an overview of our stakeholder groups, and the topics of importance to each of them.

Stakeholder Overview	
Stakeholder Groups	Key Topics
Customers	<ul style="list-style-type: none"><li>• Reliable and cost-effective energy supply</li><li>• Access to green energy</li></ul>
Regulators	<ul style="list-style-type: none"><li>• Compliance with regulations</li><li>• Advocacy on developing regulations</li></ul>
Investors	<ul style="list-style-type: none"><li>• Ethics and transparency</li><li>• Financial Health</li></ul>
Employees	<ul style="list-style-type: none"><li>• Professional growth</li><li>• Opportunities to enhance personal health and to support our communities</li></ul>
Communities	<ul style="list-style-type: none"><li>• Expansion into new markets</li><li>• Support to community development</li></ul>
Suppliers	<ul style="list-style-type: none"><li>• Expansion of energy supply</li><li>• Market price for supplied energy</li></ul>

## Materiality

For this first sustainability report, we have taken an informal approach to determine aspects that are important or 'material' to our stakeholders and our business. Input to this assessment is comprised of feedback received by company management and employees, information available through internet and social media, third party assessment of broad-based aspects, as well as responses received to sales process quality assurance surveys. The importance of aspects was determined through consideration of the following attributes:

- **Stakeholders** – Environmental and social impact, voiced concerns, potential for sustainability improvement
- **Business** – License to operate, political/public opinion, impact on business strategy and performance

Going forward, a more formal approach will be implemented to engage with and acquire feedback from our stakeholders to inform the assessment of material aspects. The table below provides a summary of priority aspects we have considered to establish the prominence given to each in our report.

**Summary of Material Aspects**

Aspects	Importance to Stakeholders	Importance to the Business
Business Ethics-Compliance	High	High
Customer Satisfaction	High	High
GHG Emissions-Climate Change	High	Moderate
Energy Purchased-Sold	High	High
Reputation-Brand	High	High
Risk Management	Moderate	High
Stakeholder Engagement	High	Moderate
Supply Chain Management	High	High

## Contact and Feedback

Richmond Road Holdings LLC welcomes any feedback or questions on this first sustainability report, contact us through the [Kiwi Energy](#) or [Spring Power and Gas](#) website.

We can be contacted through our corporate headquarters, as well, at:

**Richmond Road Holdings LLC**

**Fax: +1 888 812 2284**

**[www.rrhenergy.us](http://www.rrhenergy.us)**