



SYBLON REID

General Engineering Contractors

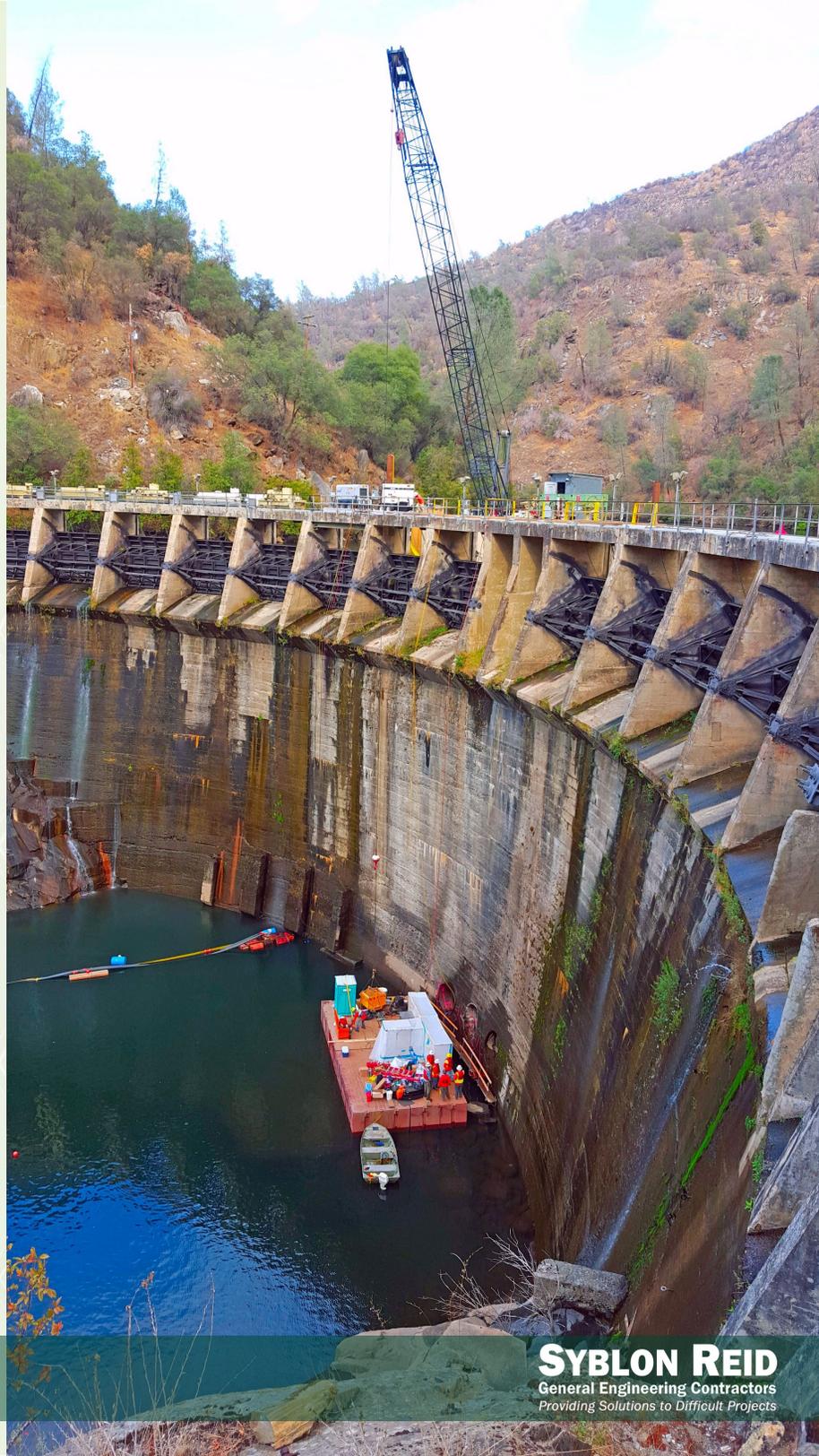
Providing Solutions to Difficult Projects

SUSTAINABILITY PLAN

2023

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ABOUT SYBLON REID

Syblon Reid, General Engineering Contractors is based in Folsom, California. The company was founded by Ray Syblon and John Reid, and has emphasized quality work at competitive prices since 1955. Throughout the years Syblon Reid has grown steadily to meet the engineering construction needs of the United States.

Today, Syblon Reid is recognized as a leader in technical and difficult engineering construction projects requiring a high skill level in problem solving and risk management. We integrate these skills with our clients to provide solutions using a variety of delivery methods in the following areas of construction expertise: hydro generation, water treatment/pumping facilities, heavy underground utilities, bridges, environmental enhancements, recreational improvements, and site work.

We believe our future is secured through our past performance. We build life-long relationships with our clients by providing cost-effective construction solutions for the highest quality product on time and on budget.

Our reputation means more to us than profit. We readily accept projects that others are apprehensive about and we perform this type of work in a safe and efficient manner.

“Providing Solutions to Difficult Projects” is the foundation of Syblon Reid’s culture. The founders of Syblon Reid established this culture and we continue to be driven by it. In short, we are your most cost-effective provider of high risk work. We think like your partner, not just a contractor.

We pride ourselves on our ability to evaluate difficult situations or projects and use our resources to develop an efficient, environmentally sound, and economical solution. It is our commitment to embrace the owner’s problems as if they were our own. The long-term success of our company depends on our reputation and our ability to satisfy our clients.

We accomplish this by:

- ❖ Always providing more than is expected.
- ❖ Developing relationships that are based on trust and integrity.
- ❖ Providing a professional and family environment for Syblon Reid employees.

Syblon Reid conducts its business with six priorities in mind:

Safety | Quality | Workforce Excellence | Customer Service | Stewardship | Profit



OUR COMMITMENT TO ESG

Environmental, Social, and Governance (ESG) impacts exist in nearly every project we work on and are visible in the way we operate. At Syblon Reid, we recognize our actual and potential impacts on ESG topics and have an opportunity to lead our industry in the ESG space. Building off our 2019 Sustainability Plan, this 2022 Plan provides a holistic approach to understanding our ESG impacts and identifying opportunities for continual improvement. Working with a third-party consultant and informed by globally recognized standards and frameworks such as the United Nations Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB), we conducted an industry analysis and consulted with internal and external stakeholders to identify and prioritize our ESG impacts. Building off our existing foundational values of **Safety, Quality, Workforce Excellence, Customer Service, Stewardship, and Profit**, the following plan details our approach to determining our impact areas, highlighting our current strengths and being transparent about our opportunity areas and plans to improve. The goals outlined within each impact area address positive and negative impacts that we may directly cause through our operations in addition to impacts that we may directly contribute to through our business relationships. We pride ourselves on our ability to evaluate difficult situations and/or projects and use our resources to develop efficient, economical, and environmentally sound solutions.

"PROVIDING SOLUTIONS TO DIFFICULT PROJECTS"



Environmental



Social



Governance

Our Priorities

- Environmental Management
- Renewable Energy
- GHG Emissions

- Workforce Safety
- Client Satisfaction
- Community Engagement

- Compliance/Risk Management
- Sustainable Products and Services
- Business Ethics

Our Strong Foundation

Safety | Quality | Workforce Excellence | Customer Service | Stewardship | Profit

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



We acknowledge the impact we have on the environmental, our people, and local economies and recognize our role in supporting and advancing the achievement of the United Nations Sustainable Development Goals (SDGs), a framework to guide efforts by companies, governments and civil society to address the world's most pressing needs. We have identified seven SDGs (above) that best align with our newly define priority areas, as demonstrated throughout this plan.

SDG ALIGNMENT



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all



13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts



14 LIFE BELOW WATER
Conserve and sustainably use the oceans, seas and marine resources for sustainable development



3 GOOD HEALTH AND WELL-BEING
Ensure healthy lives and promote well-being for all at all ages



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



6 CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns

Syblon Reid Goals

Operating day-to-day in ways that help maximize the company's positive impacts on the planet and provide optimal living and working environments while minimizing the company's negative impacts.

Creating an engaging, safe and inclusive workplace for our employees on and off site.

Operating ethically, effecting sustainable change without hampering long-term financial performance

STAKEHOLDER ENGAGEMENT

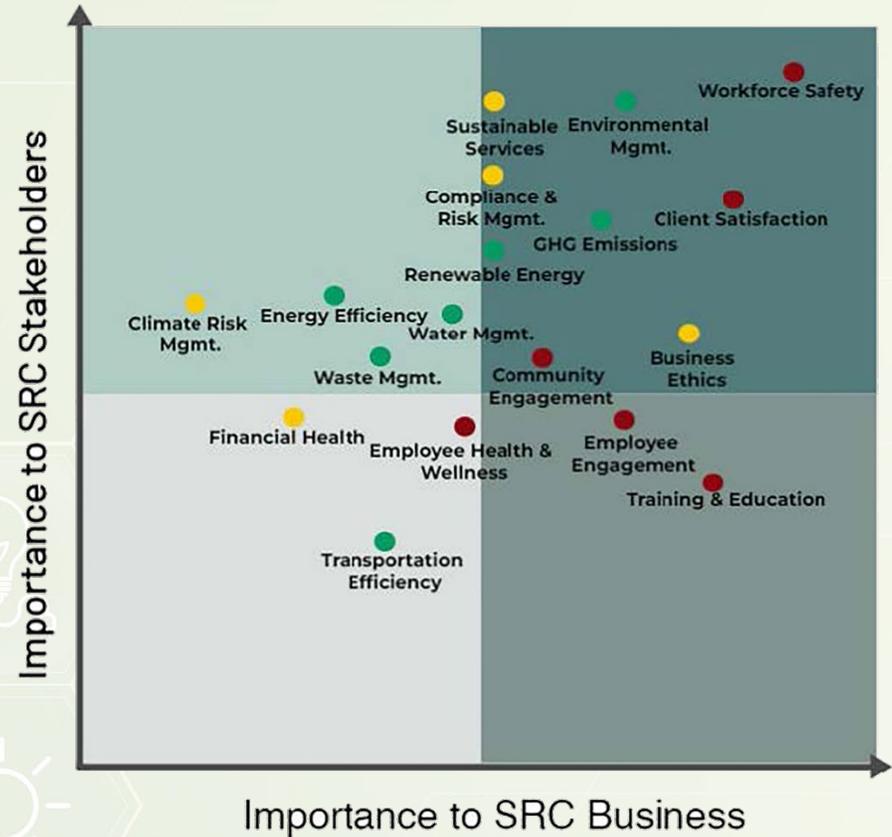
Stakeholder engagement is an important first step in determining priority areas and taking into consideration the interests and impacts of all stakeholders. The following summarizes our engagement with key stakeholder groups:

STAKEHOLDER GROUP	MECHANISMS FOR ENGAGEMENT	INTERESTS
Employees	<ul style="list-style-type: none"> ❖ Leadership interviews ❖ ESG-focused surveys 	<ul style="list-style-type: none"> ❖ Construction site waste management ❖ Energy efficiency ❖ Customer satisfaction
Customers	<ul style="list-style-type: none"> ❖ Analysis of questionnaires ❖ Website reviews ❖ Open feedback and communication 	<ul style="list-style-type: none"> ❖ Renewable energy ❖ Water management ❖ Diversity, equity, and inclusion
Peers and Community	<ul style="list-style-type: none"> ❖ Industry analysis ❖ External reporting 	<ul style="list-style-type: none"> ❖ Safety (zero injuries) ❖ Environmental stewardship ❖ Training and education

ESG MATERIAL TOPICS

The materiality matrix provides a visual representation of our priority topics. While every issue on this matrix is important, the issues that fall into the top right quadrant have been deemed as the "most material" issues based on our various stakeholder engagements and therefore we have outlined the following plan to identify opportunities and set goals in those areas.

- ❖ Workforce Safety
- ❖ Environmental Management
- ❖ Sustainable Services
- ❖ Client Satisfaction
- ❖ GHG Emissions
- ❖ Compliance and Risk Management
- ❖ Business Ethics
- ❖ Renewable Energy
- ❖ Community Engagement



- Environmental
- Social
- Governance

ENVIRONMENT

Operating day-to-day in ways that help maximize the company's positive impacts on the planet and provide optimal living and working environments while minimizing the company's negative impacts.

Our Aspirations

Environmental Management

Procure sustainable materials. Recycle all jobsite waste materials

Renewable Energy

Procure green energy wherever possible

GHG Emissions

Reduce absolute emissions

Our Goals

- ❖ Increase opportunities for recycling on-site
- ❖ Establish a Sustainable Procurement Program
- ❖ Develop framework for onsite waste management

- ❖ Increase the share of renewable energy in the energy mix as new technologies become available
- ❖ Increase use of renewable energy on project sites

- ❖ Implement systems to manage readiness to respond to new markets in the transition to a low-carbon economy
- ❖ Support the longevity of the company by monitoring the company's ability to be resilient and adapt to changing climate conditions

ENVIRONMENT

Our Current Highlights

In August of 2022, we calculated our first greenhouse gas inventory for Scope 1 and Scope 2 for the 2021 calendar year. Moving forward, this can be used as a baseline to track changes in emissions over time, both absolute emissions and emissions intensity by revenue.

Scope 1 emissions are defined as direct GHG emissions that occur from sources that are directly controlled or owned by an organization. In the case of Syblon Reid, our consultant, 3R Sustainability (3R) calculated the emissions associated with natural gas purchased for office building operations and mobile combustion for on-site activities based on fuel consumption data provided by Syblon Reid. Scope 2 emissions are defined as indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. In the case of Syblon Reid, 3R calculated the emissions associated with purchased electricity for the office headquarters in Folsom, CA.

SCOPE	MT CO ₂ e
Scope 1	2,817.46
Scope 2	44.33
Total	2,861.79

As we work to implement more sustainable practices to address our environmental impact, one step we have already taken was to implement sustainable purchasing practices for environmentally friendly office supplies (i.e. toilet paper, paper towels, copy paper, binders, cleansers, herbicides, insecticides, etc.) and buy items made from recycled materials whenever possible.

ENVIRONMENT

Our Planned Actions

Phase 1 (2022-2023)

- ❖ Begin tracking consumption of hydropower
- ❖ Established GHG baseline for Scopes 1 & 2
- ❖ Begin estimation of Scope 3

Phase 2 (2023-2025)

- ❖ Workforce education plan for understanding waste management protocols on-site
- ❖ Develop procurement policy for office and construction materials
- ❖ Begin tracking waste tonnage
- ❖ Commit to renewable energy use at all new office spaces
- ❖ Set a GHG reduction target for Scopes 1 & 2
- ❖ Improve fuel economy of fleet and equipment by using biodiesel or electric when feasible

Phase 3 (2025-Long-Term)

- ❖ Transition to electric fleet as they become available
- ❖ Calculate Scope 3 emissions

SOCIAL

Creating an engaging, safe and inclusive workplace for our employees on and off site.

Our Aspirations

Workforce Safety and Education
Zero workplace incidents and injuries

Client Satisfaction
Completely satisfied customers

Community Engagement
Healthy, supportive communities where SRC lives and works

Our Goals

Continue to implement and monitor proactive safety culture promoting safe behavior and open reporting/analysis of incidents

Engage our clients on sustainability topics to understand their current and future needs, and work to align our values

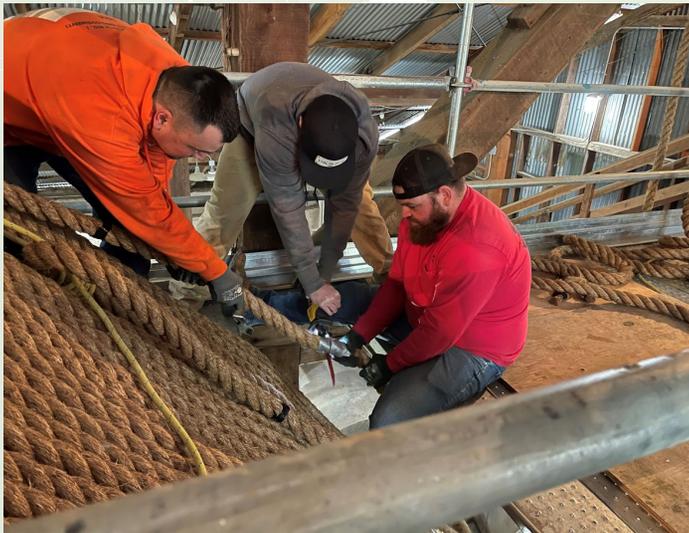
Increase community engagement and interactions

SOCIAL

Our Current Highlights

Community Impact

In an effort to reestablish an interpretive display at the lower section of the Historic Folsom Powerhouse for public tour, Syblon Reid employees volunteered to install the nearly 2000 feet of 2-inch diameter manila rope to reconnect the pulley system as it operated over 125 years ago. Since the powerhouse was de-commissioned in the 1950s due to the construction of the Folsom Dam, the ropes that connected the pulley system from the generator to the turbine had deteriorated. Mike Frey, Senior Project Manager for Syblon Reid, is an active member of the Friends of the Folsom Powerhouse Association and has a passion for the community and hydroelectric power generation allowing him to assemble a great team to complete this restoration project.



Volunteerism

Syblon Reid continues to support organizations such as Friends of Lakes Folsom and Natoma that provides employees the opportunity to participate in trash pickups and other volunteer events.

Reid Family Scholarship

Since the inception of Syblon Reid, the values of the Reid family have enabled the company to grow and prosper by emphasizing the fair treatment of and respect for clients, employees, and our communities. Consistent with these long-held values is the ideal of providing personal and professional growth

opportunities for employees and their families. The Reid Family Scholarship was created to recognize and honor the Reid family's contributions to the success of Syblon Reid since 1955. These annual scholarships are available to children of Syblon Reid employees.

SOCIAL

Our Planned Actions

Phase 1 (2022-2023)

- ❖ Continue to implement and communicate proactive safety metrics tracking (near-misses, incident analysis and corrective action completion, etc.)
- ❖ Determine satisfaction KPIs
- ❖ Track, report and identify opportunities to increase diverse supplier spend

Phase 2 (2023-2025)

- ❖ Introduce employee volunteer days in the community
- ❖ Update client survey to include sustainability topics
- ❖ Commit to meeting or exceeding client environmental goals
- ❖ Provide opportunities for employees to send feedback to leadership or participate in decision-making
- ❖ Deploy employee engagement survey
- ❖ Increase company-wide participation in sustainability initiatives
- ❖ Create and distribute list of diverse suppliers to foremen to work with
- ❖ Introduce employee training on DE&I (in the field)

GOVERNANCE

Operating ethically, effecting sustainable change without hampering long-term financial performance.

Our Aspirations

Compliance and Risk Management
Zero incidents of non-conformance

Sustainable Products and Services
Become an industry leader in sustainable offerings

Business Ethics
Zero legal proceedings associated with business ethics

Our Goals

Implement proactive tracking system by project for all regulatory and permit compliance requirements

Participate in industry resource groups to contribute to the understanding of environmental impacts of the construction industry

Formalize and communicate strong business ethics programs

GOVERNANCE

Our Current Highlights

Exceeding Compliance

From 2018 to present, we have exceeded the California Air Resources Board regulations by continually swapping out our high emission producing (Tier 0-3) equipment for low emission producing equipment (Tier 4 Final), resulting in an overall emissions reduction of

2,483,635.30 g CO₂e/bhp

Employee Stock Ownership Program

Syblon Reid operates through an Employee Stock Ownership Program (ESOP) and retains both an independent ESOP Trustee and an ESOP Board to ensure all leadership is acting in the best interest of the Employees/Owners.

SRC retains four supporting committees (Nominating, Finance, Compensation, ESOP) to provide advisement to the Board. All financials are generated by the CFO which are then reviewed by a third party accounting firm to validate decisions. This structure ensures checks and balances are in place for governance decisions and reduces potential risk for business ethics issues to arise.

GOVERNANCE

Our Planned Actions

Phase 1 (2022-2023)

- ❖ Implement a proactive tracking system, by project, for all regulatory and permit compliance requirements
- ❖ Participate in industry resource groups to contribute to the understanding of environmental impacts of the construction industry
- ❖ Sign on the United Nations Global Compact
- ❖ Increase communication of Syblon Reid's stance on sustainability internally

Phase 2 (2023-2025)

- ❖ Increase communication of Syblon Reid's stance on sustainability externally
- ❖ Submit to CDP/Ecovadis/etc.