

Sargent & Lundy Sustainability Plan



2022 Annual Report

www.sargentlundy.com



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1. INTRODUCTION AND POLICY

Sargent & Lundy is committed to achieving a more environmentally conscious business. To demonstrate our commitment and increase transparency around our sustainable practices, we established our first Sustainability Committee in 2020. We are pleased to build on that foundation and share with you the 2022 Sustainability Plan.

The Sustainability Advisory Council is made up of employees of varying roles from different business groups across the company who are charged with implementing our sustainability plan, assessing areas of improvement, and reporting on our progress each year. Their insight and coordination will help us make significant strides in our sustainability plan.

We strategically altered our use of resources such as electricity, ventilation, and general office supplies. Efforts were made to accommodate employees working from home, hybrid work, and support the opening of offices in April 2022 along with a new scheduled and remote work plan.

This plan specifies our actions and achievements in seven areas: governance, managing and communicating performance, offices, transportation and fuel consumption, water utilization, materials and supply chain, waste and cleaning, stakeholder engagement, and process improvement. In addition to our efforts in 2022, the plan also outlines our goals and projections for the next two years.

In 2022, there were two score cards for the Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA), Environmental, Social and Governance (ESG) Core, and Consulting/Advisory Services. Sargent & Lundy's Consulting/Advisory Services sustainability survey score is 93% out of 100%.

We recognize the long-term benefits of sustainability and have designed a plan across multiple years. Adopting sustainable practices not only helps the environment, but it can also lead to reduced costs, happier stakeholders, increased productivity, and countless more benefits. Sustainability matters – to our people, our clients, our suppliers, our company, and our communities.

We are proud of our achievements thus far and know that, with a long-term strategy and desire, we will help make a sustainable, positive impact on the world.

2. GOVERNANCE

Sargent & Lundy's executive team is responsible for oversight and implementation of this plan including:

- The Executive Vice President, Finance & Legal.
- The Senior Vice President, Director of Operations.
- The Sustainability Advisory Council (SAC) serves as a collaborative body to develop this plan, monitor its implementation, and issue an annual assessment of progress and potential areas for improvement. The SAC consists of representatives from the Executive Vice President, Finance & Legal, Senior Vice President, Director of Operations, and the business groups, inclusive of an executive team member/sponsor.

This sustainability plan is endorsed by the Chief Executive Officer.

Sargent & Lundy will develop, implement, and maintain a sustainability policy and plan that will be published annually on sargentlundy.com.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Ensure successful implementation of the sustainability plan.				
Actions				
Create an action plan.	X	X	X	
Establish subcommittees and performance metrics.	X	X	X	X
Measure and report metrics.	X	X	X	X
Recommend improvements.	X	X	X	X
Publish sustainability plan externally.	X	X	X	X
Achievements				
▪ The sustainability policy was reviewed and adopted by the sustainability committee.	X	X		
▪ Sargent & Lundy participated in the Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA) sustainability survey.	X	X		
▪ The annual sustainability plan was published externally on sargentlundy.com .	X	X		

3. MANAGING AND COMMUNICATING PERFORMANCE

Sargent & Lundy will develop metrics to measure the effectiveness of the plan’s implementation and report them annually on a sustainability program scorecard. The SAC will publish a summary of the results of the annual sustainability program scorecard externally on sargentlundy.com.

We will participate in the EUISSCA sustainability survey annually. The executive team and SAC will review the results of the annual survey and coordinate with the appropriate work groups to identify potential areas and actions to promote performance improvement.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Improve performance management and communication.				
Actions				
Create an action plan.	X	X	X	X
Establish performance metrics.				
<ul style="list-style-type: none"> ▪ Evaluate utilization of the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards). 			X	X
Measure and report metrics.				
<ul style="list-style-type: none"> ▪ Participate in the EUISSCA Sustainability Survey. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Report EUISSCA Sustainability Survey sustainability program results. 	X	X	X	X
Recommend improvements.	X	X	X	X
Identify applicable environmental standards.		X	X	X
Plan an independent third-party audit schedule.		X	X	X
Publish a summary of program results externally.	X	X	X	X
Publish updates on The Loop (Sargent & Lundy’s employee intranet).	X	X	X	X
Achievements				
<ul style="list-style-type: none"> ▪ The sustainability plan and annual report were issued and published on www.sargentlundy.com. 	X	X		
<ul style="list-style-type: none"> ▪ The Sustainability Committee participated in regular review meetings. 	X	X		
<ul style="list-style-type: none"> ▪ A dedicated Microsoft Teams channel was established to collect and share sustainability information. 	X	X		
<ul style="list-style-type: none"> ▪ Sargent & Lundy participated in the EUISSCA Sustainability Survey. 	X	X		

4. OFFICES

Sargent & Lundy does not own or operate any buildings. We continuously assess our leased office spaces and work with building management to promote sustainability efforts that include:

1. LEED®, GBI Green Globes®, FitWel®, and WELL® for Interiors certifications where appropriate.
2. Utilizing LEED® and other reputable standards to guide interior office space design.
3. Lighting efficiency and control: Where allowable, we will install or replace lights with T5 and LED lamps, install motion sensors and timers, and provide day lighting and line of sight for most employee workspaces.
4. Turning off task lighting.
5. ASHRAE® Standard 90.1-2007 HVAC compliance where feasible.
6. Setting indoor air quality standards during construction and post occupancy. Post occupancy standards will include a tobacco-free interior environment and green cleaning and incorporate low volatile organic compound (VOC) materials and finishes.
7. ENERGY STAR® certification for buildings and future ENERGY STAR® for tenants (formerly "Tenant Star") certification through the EPA.
8. Reducing plug load by encouraging employees to unplug nonessential equipment at workstations.
9. Encouraging power saving modes in computers, printers, and copiers.
10. Reducing power consumption by scaling down quantity of physical servers and data storage systems by implementing virtual servers and migrating to cloud-based services when feasible to reduce physical hardware.
11. Eliminating physical computer rooms that require dedicated cooling, fire protection, and large UPS systems when feasible.
12. Eliminating physical desktop printers to reduce the use of paper, ink, and electricity.
13. Eliminating physical desktop phones to reduce the power consumption in our computer rooms by switching to a cloud-based phone system.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Reduce energy utilization and environmental footprint.				
Actions				
Create an action plan.	X	X	X	X
Establish performance metrics.	X	X	X	X
Measure and report metrics.				
▪ Evaluate building managements' ratings and certifications.	X	X	X	X
▪ Evaluate ratings Sargent & Lundy can improve and certifications it can pursue for existing leased spaces.	X	X	X	X
▪ Baseline lighting fixtures and lighting systems.	X	X	X	X
▪ Create indoor air quality (IAQ) minimum standards for construction and post occupancy.	X	X	X	X
▪ Determine plug loads of nonessential equipment at workstations; encourage unplugging and powering off equipment.	X	X	X	X
Recommend improvements.				
▪ Pursue FitWel® certification for Chicago headquarters.		X	X	X
▪ Replace T12 fixtures with T5 or LED fixtures.	X	X	X	X
Achievements				
▪ We replaced all lamps in the light fixtures at our Englewood, Colorado, office and installed new LED lights in new offices.		X		
▪ We eliminated desktop printers in all offices to reduce the use of electricity, ink, and paper.	X	X	X	
▪ Chicago building management continued pursuing BOMA 360, LEED® for Existing Buildings (LEED®-EB), and ENERGY STAR® certification status.	X	X	X	
▪ Building management at our Warrenville, Illinois, office continued pursuing LEED®-EB and WELL® certification status.	X	X	X	
▪ Building management at our Santa Ana, California, office continued pursuing ENERGY STAR® certification status.	X	X	X	
▪ New office locations in Tampa, Florida; Indianapolis, Indiana; and Lake Mary, Florida, have ENERGY STAR®. The building in Lake Mary achieved WELL® certification status.		X	X	

Achievements	2021	2022	2023	2024
<ul style="list-style-type: none"> ▪ Building management at our Charlotte, North Carolina, office continued pursuing LEED®-EB certification status, ENERGY STAR® certification status, and Green Lease. 		X		
<ul style="list-style-type: none"> ▪ The company email system migrated to a cloud-based system that eliminates physical servers in computer rooms. 	X			
<ul style="list-style-type: none"> ▪ Computer rooms in Chicago; Warrenville, Illinois; Wilmington, Delaware; Chattanooga, Tennessee, offices had a steady decrease in power consumption due to retirements and migrations to cloud systems. In 2022 there was a large migration of data files from on premises servers to cloud-hosted servers. 		X		
<ul style="list-style-type: none"> ▪ We eliminated desktop phones from an on-premises server environment to a cloud-based environment, reducing energy consumption in our computer room. Eliminated over 1,500 desktop phones in our Chicago office. 		X		

5. TRANSPORTATION AND FUEL CONSUMPTION

We continue to promote the use of public transportation for employees' commutes to/from work by offering a pre-tax employee benefit.

We reduced travel requirements by providing tools for audio and videoconferencing to facilitate collaboration among employees at multiple locations and when working remotely. Employees can host audio conference calls using a third-party service that allows multiple callers to call into a central audio meeting. Most offices also have desk phones that allow a smaller number of people to be joined into a single call. For situations that require videoconferencing, several offices have rooms with videoconference equipment that allows participants from multiple locations to connect to a common video meeting to collaborate. In addition, employees' computers and mobile devices can utilize a videoconference client to connect to these video meetings.

We have also established policies that promote minimized fuel consumption related to:

- Car rentals for business travel.
- Hotel selections based on a green rating system for business travel.
- Vehicle charging stations at office buildings.
- Purchasing locally manufactured items.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Reduce transportation-related fuel consumption.				
Actions				
Measure and report metrics.				
▪ The number of indoor/outdoor bicycle racks available is considered when selecting a new office.	X	X	X	X
▪ The number of vehicle charging stations available is considered when selecting a new office.	X	X	X	X
▪ Office building proximity to public transportation.	X	X	X	X
▪ Review supplies and construction materials that can be sourced locally.	X	X	X	X
Achievements				
▪ The actions above are recommended as potential improvements.	X	X		
▪ We purchased and distributed web-based video and audio-conferencing tools companywide to support remote work to reduce fuel consumption.	X	X		
▪ A substantial percentage of employees currently participate in our pre-tax commuter benefit, WageWorks.	X	X		
▪ Our Elkridge, Maryland, office building installed electric charging stations. Electric charging stations are also available at several other office locations.		X		
▪ The Richland, Washington, office installed indoor, secure bike racks.		X		

6. WATER UTILIZATION

Sargent & Lundy does not own or operate any buildings. We encourage water conservation at our leased office spaces through the following practices that reduce the use of water and/or the creation of wastewater:

- Following plumbing standards from the Energy Policy Act (EPAct) of 2005 for uniform water efficient fixtures and Uniform Plumbing Code Section 402.0, Water Conserving Fixtures and Fittings.
- Using WaterSense® labeled fixtures.
- Installing low-flow fixtures, faucet aerators, motion sensor faucets, and flush valves.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Reduce water consumption.				
Actions				
Create an action plan.	X	X	X	X
Establish performance metrics.				
<ul style="list-style-type: none"> ▪ Create a baseline report analyzing all landlord fixtures and Sargent & Lundy-installed fixtures for WaterSense® ratings that meet or exceed good manufacturing practice (GMP) standards per the EPA Act. 	X	X	X	X
Measure and report metrics.	X	X	X	X
Recommend improvements.				
<ul style="list-style-type: none"> ▪ Create a list of improvements based on metrics. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Review the installation of water-efficient and hands-free fixtures to provide healthier environments and reduce water consumption levels where feasible. 	X			
<ul style="list-style-type: none"> ▪ Educate and train employees on water efficiency. 	X	X	X	X
Achievements				
<ul style="list-style-type: none"> ▪ Maintained Bevi® water stations in our Chicago; Wilmington, Delaware; and Chattanooga, Tennessee, offices, saving over 100,000 plastic water bottles since installation. 	X	X		
<ul style="list-style-type: none"> ▪ All full-time employees received new aluminum travel water bottles. 	X	X		
<ul style="list-style-type: none"> ▪ Continued working toward our goal to replace breakroom faucets with low GPM fixtures in regional offices and all new offices. 	X	X		
<ul style="list-style-type: none"> ▪ We maintained filtered water bottle filling stations in our Wilmington, Delaware, and Chicago offices and continued replacing refrigerators with filtered water and ice in existing and new offices as well as maintaining scheduled filter replacement. 	X	X		
<ul style="list-style-type: none"> ▪ In all offices with over 10 employees, we introduced a coffee program with machines that utilize less water for the coffee process. We also installed and have maintained an inline water filtration to each coffee machine. Each Flavia Freshpack saves as much as five gallons per brew cycle. 		X		
<ul style="list-style-type: none"> ▪ In our Chicago office, all plumbing fixtures in the restrooms on the 23rd and 24th floors were inspected. All manual flush valves were replaced with electronic auto sensors and low-flow water-efficient valves. 		X		
<ul style="list-style-type: none"> ▪ Replaced older dishwashers in the Chicago and Englewood, Colorado, offices with Water Sense and ENERGY STAR® rated appliances. 		X		

7. MATERIALS AND SUPPLY CHAIN

Sargent & Lundy purchases materials to support operations, administration, and office-interior construction and maintenance. Materials are purchased based on a range of criteria including quality, cost, and environmental impact. We encourage:

- Using ENERGY STAR®-compliant electronic and computing equipment whenever feasible.
- Using GREENGUARD®, Green Seal®, FSC Chain of Custody, MAS, Cradle to Cradle (C2C), and Carpet and Rug Institute (CRI) Green Label Plus® certified materials.
- Using products made from recycled or recyclable materials.
- Using easily compostable or recyclable products.
- Vendors' use of sustainable packaging and delivery methods.
- Use of locally sourced products where applicable.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Reduce the environmental impact of purchased products.				
Actions				
Create an action plan.	X	X	X	X
Establish performance metrics.				
▪ Establish a baseline of ENERGY STAR®-rated equipment.	X	X	X	X
▪ Create a future purchasing plan for ENERGY STAR®-rated equipment.	X	X	X	X
▪ Establish a baseline for material certifications and create standards for vendors.	X	X	X	X
▪ Establish a baseline for vendor supplies.	X	X	X	X
▪ Create minimum requirements for vendor supplies that use recycled or recyclable materials.	X	X	X	X
Review vendor packaging and delivery methods.	X	X	X	X
Issue sustainability questionnaire to vendors and suppliers.			X	X
Measure and report metrics.	X	X	X	X
Recommend improvements.				
▪ Review baselines and make recommendations.	X	X	X	X

Achievements	2021	2022	2023	2024
<ul style="list-style-type: none"> ▪ Provided updated software technology to reduce the need for technical designers to print large format drawings for document reviews. 	X			
<ul style="list-style-type: none"> ▪ Refurbished all 16th floor workstation panels in our Chicago office, allowing us to avoid purchasing new materials. 		X		
<ul style="list-style-type: none"> ▪ Replaced 16th floor carpet in our Chicago office with products in the manufacturer's M/PACT™ carbon neutral program that are Red List Free and PVC-Free. Selected Tractionback, a bio-based coating Wednesday, May 10th that eliminates adhesive and reduces off-gassing in the office space. 		X		
<ul style="list-style-type: none"> ▪ Purchased ENERGY STAR® rated appliances and AV equipment for our new offices in San Juan, Puerto Rico; Tampa, Florida; Lake Mary, Florida; Indianapolis, Indiana; Richmond, Virginia; West Palm Beach, Florida; Midland, Texas, locations. 		X		
<ul style="list-style-type: none"> ▪ New offices in San Juan, Puerto Rico; Tampa, Florida; Lake Mary, Florida; Indianapolis, Indiana; Richmond, Virginia; West Palm Beach, Florida; and Midland, Texas, used construction materials made of minimum 25% to 100% recycled materials and low VOC paint, carpet, and adhesives. In addition, we minimized the need for new construction materials by selecting offices with minimal renovation required. 		X		
<ul style="list-style-type: none"> ▪ Initiated a free-to-employee coffee program in all offices with over 10 employees, with sustainability top of mind in the selection process. The coffee program we selected reduces carbon in the roasting process, packaging, and machine energy use, and reduces the amount of water used in the brew process. Single serve packaging is 100% recyclable. We partnered with Lavazza (manufacturer), First Choice Coffee (the national distributor of Lavazza Flavia), and Terracycle (recycler) for free recycling containers and shipping to recycle the Freshpacks. In 2022, over 2,000 pounds of coffee packaging was recycled. 		X		
<ul style="list-style-type: none"> ▪ Reduced purchases to support remote work. 	X	X		
<ul style="list-style-type: none"> ▪ The annual sustainability plan was issued. 	X	X		
<ul style="list-style-type: none"> ▪ Prepare sustainability questionnaire for vendors and issue to vendors and suppliers. 	X	X		

8. WASTE AND CLEANING

Sargent & Lundy does not own or operate any buildings; however, we continuously find ways to reduce our waste within leased office spaces. We encourage:

- Recycling and waste reduction programs for paper, plastic, glass, aluminum, batteries, and electronics at our offices.
- Janitorial green cleaning practices such as using Green Seal® products.
- Using compostable materials in our breakrooms where feasible.
- Reusing and maintaining interior nonstructural elements during renovations and office buildouts to reduce construction materials to landfills.
- Vendors to recycle materials.
- Construction waste diversion.
- Donating furniture, supplies, materials, and equipment.
- Donating electronic and computing equipment that has reached end-of-life for business use to local charitable organizations that can reuse the equipment.
- Using in-building electronics recycling programs offered at several of our office locations.
- Responsible recycling of equipment that is no longer viable for donation or is not in working condition.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Reduce overall waste generated across office operations.				
<ul style="list-style-type: none"> ▪ Donate electronic and computing equipment that has reached end-of-life for business use to local charitable organizations that can reuse the equipment. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Use in-building electronics recycling programs that are offered at our office locations. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Work with local recycling agencies to responsibly recycle equipment that is no longer viable for donation or is not in working condition. 	X	X	X	X

Actions	2021	2022	2023	2024
Create an action plan.	X	X		
Establish performance metrics.				
<ul style="list-style-type: none"> ▪ Provide necessary recycling containers in offices. 	X	X	X	
<ul style="list-style-type: none"> ▪ Request green cleaning products be utilized in our office spaces. 	X	X	X	
<ul style="list-style-type: none"> ▪ Train and engage employees in recycling. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Report on leased office space buildings' recycling and waste programs. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Report on leased office space buildings' janitorial cleaning processes. 	X	X	X	X
<ul style="list-style-type: none"> ▪ Recommend improvements. 	X	X	X	X
Achievements				
<ul style="list-style-type: none"> ▪ The annual sustainability plan was issued. 	X	X		
<ul style="list-style-type: none"> ▪ Through our coffee Freshpack recycling program, we recycled over 2,000 pounds in 2022. 		X		
<ul style="list-style-type: none"> ▪ As part of the carpet replacement project on our Chicago office's 16th floor, we partnered with the manufacturer's Landfill Diversion Program and their "No Carpet to Landfill Pledge" to successfully divert 40,000 square feet of used carpet for reuse/donations to Habitat for Humanity. The program evaluated and determined all full carpet tiles in good condition qualified for reuse/donation and all unusable carpet tiles were picked up by manufacturer Millikan to be recycled into new carpet. No carpet went to landfill. The Carpet America Recovery Effort (CARE) certified collectors qualified much of the carpet for reuse to reduce energy used in a recycling process. 		X		
<ul style="list-style-type: none"> ▪ Partnered with Lamp Recyclers in our Chicago office to recycle over 2,500 lamps. 		X		
<ul style="list-style-type: none"> ▪ Building management at our Warrenville, Illinois, office initiated a recycling program. 	X	X		
<ul style="list-style-type: none"> ▪ Building management at the Chicago; Santa Ana, California; and Charlotte, North Carolina, offices continued their green cleaning policies. 	X	X		
<ul style="list-style-type: none"> ▪ Actively participated in and promoted building recycling programs including e-recycling events hosted by building management where applicable. 	X	X		
<ul style="list-style-type: none"> ▪ Donated furniture and office supplies to local charitable organizations when closing or relocating offices. 	X	X		
<ul style="list-style-type: none"> ▪ Diverted metal from landfills during office demo. 	X	X		
<ul style="list-style-type: none"> ▪ Donated retired computer equipment to charitable organizations such as Engineers Without Borders, Youth Technology Corps, and other local civic groups. 	X	X		

9. STAKEHOLDER ENGAGEMENT

Employee engagement and support are critical to the success of Sargent & Lundy's sustainability efforts. This program's objective is to effectively communicate our sustainability goals, encourage employee adoption of sustainable workplace practices, and strengthen our understanding of the inherent value of sustainability in all activities. For instance, broad adoption of our audio and videoconferencing tools has facilitated collaboration among employees and customers at multiple locations.

We are facilitating a transition to more sustainable workplace practices. This includes supporting the use of public transportation for employees who commute, installing water coolers to reduce bottled water purchases, and promoting recycling.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Drive companywide sustainability performance by encouraging employees to adopt sustainability practices in the workplace.				
Actions				
Create an action plan.	X	X	X	
Establish performance metrics.	X	X	X	X
Measure and report metrics.	X	X	X	X
Recommend sustainable improvements.	X	X	X	X
Achievements				
<ul style="list-style-type: none"> ▪ The Sustainability Committee established eight subcommittees to address the following: coffee pod recycling, electricity usage, desktop phones, paper usage, physical space utilization, sustainable transportation, and food sources. 	X			
<ul style="list-style-type: none"> ▪ We created a questionnaire for building owners to help us collect additional metrics for targeted improvements at each office location. 	X			
<ul style="list-style-type: none"> ▪ The annual sustainability plan was issued. 	X	X		

10. PROCESS IMPROVEMENT

Sargent & Lundy employs a Performance Improvement Process (PIP) system that allows employees to identify and share potential opportunities for improvement as well as lessons learned. Since its inception in 1997, employees have periodically utilized the PIP system to provide suggestions for sustainability improvements. Annually, the SAC and PIP system stakeholders will explore changes to enhance the system for sustainability process improvements.

Goals/Actions/Achievements	2021	2022	2023	2024
Goals				
Identify and evaluate potential areas for improvement in sustainability performance.				
Actions				
Create an action plan.	X	X	X	
Establish performance metrics.				
▪ Evaluate how the PIP system metrics can be utilized and reported.	X	X	X	X
Measure and report metrics.				
▪ Implement reporting.		X	X	X
Recommend improvements.	X	X	X	X
Achievements				
▪ The annual sustainability plan was issued.	X	X		
▪ Utilization of the PIP system to drive improvement. In 2022, Sustainability PIPs were issued and successfully closed regarding recycling in regional offices.	X	X		
▪ Utilization of the Innovation Hub to see and contribute ideas across the organization.	X	X		