



TABLE OF CONTENTS

01	<i>Introduction</i>	04	STOP THE STCKY®	11	FOCUSED ON EMPLOYEE WELLNESS	14	<i>Community Impact</i>				
		03	SAFETY BY CHOICE	10	INVESTING IN TALENT						
		09	PROSPERITY FOR EMPLOYEE-OWNERS	15	THE SUNDT FOUNDATION						
02	<i>Safety</i>	08	<i>Employee Investment</i>	18	<i>Sustainability</i>	24	<i>Diversity, Equity & Inclusion</i>				
		25	DE&I STRATEGY					29	WORKFORCE DEVELOPMENT	35	<i>Governance</i>
		26	MOVING FORWARD					33	CORE CRAFT PROGRAM		
27	PARTNERSHIPS WITH DIVERSE BUSINESSES	34	INDUSTRY ADVOCACY	37	HIGHER ETHICAL STANDARD						

A MESSAGE FROM OUR CEO AND CHAIRMAN



Today's businesses have the unprecedented opportunity to go beyond simply generating profit for shareholders. Together, we can be instruments of social change. **When guided by strong core values and a sense of purpose, our organizations have the power to promote diversity and inclusion, help the disadvantaged, protect the environment, strengthen our communities and more.**

Every organization must be profitable, of course, but we shouldn't stop there. By making social responsibility central to our vision and business strategy, we can use our organizations as forces for good.

We have created Sundt's first-ever Corporate Social Responsibility report to showcase and celebrate our commitment to this inspiring idea. Making a difference has always been at the heart of who we are at Sundt, and as we grow it will become an even larger focus. Since our founding in 1890, we have been improving people's lives and bettering our communities through the work we build and how we build it. This is why we say we are "Built on Purpose."

The following sections of this report highlight our efforts to create prosperity for all stakeholders: our clients and other valued business partners, our employee-owners and their families, and the communities and environment in which we operate. But this report isn't just a demonstration of our values and purpose in action. It's also intended to be a form of accountability, a way to examine the

results of our efforts and determine where we can do better. By producing this report each year and updating progress toward our goals, we'll ensure that we're continuing to hold ourselves to high standards and honestly assess where improvements are needed so we can take action.

I hope you enjoy reading Sundt's inaugural Corporate Social Responsibility report and come away feeling even more inspired by what's possible when we come together around a vision for a more prosperous future.

Sincerely,



Mike Hoover
CEO & Chairman of the Board
Sundt Construction, Inc.

SAFETY



As a two-time winner of the AGC’s Grand Award for safety, Sundt has developed a leading safety program. Finding new ways to address the biggest threats to worker safety, we are taking active, measurable steps to move beyond the industry status quo. Sundt’s safety program considers *why* we work safe—for our family, friends, personal health and more.



SAFETY BY CHOICE

Safety By Choice encourages safety education for all employee-owners. We pair that approach with a progressive and innovative program, Sh*t That Can Kill You, also known as STCKY® (pronounced sticky).

Developed by Sundt, the STCKY program identifies the most dangerous jobsite activities, proactively addresses them with employee-owners and craft workers in the field and gives us an improved framework for tracking safety incidents. We have consistently improved our safety results for more than two decades, and today, Sundt has one of the best safety records in the industry.

By emphasizing great safety choices, providing recognition to those who make them, and effectively tracking and measuring safety incidents and near-incidents, we can provide a safe work environment for every employee-owner and trade partner. Through these efforts, we maintain a strong and positive safety culture, and improve the safety performance of Sundt and the construction industry.

STOP THE STCKY®

Since OSHA was created in the 1970s, the construction industry has been in pursuit of “zero injuries.” Disappointingly, we continue to experience the most fatalities of any industry, with fatalities still occurring and reaching a plateau over the last 10 years. Sundt’s Health, Safety, and Environment (HS&E) team wanted answers to this plateau and set out to develop a better way to predict and avoid fatal incidents.

The data raised some important questions: does measuring injuries alone capture the entire picture of safety? Is the pursuit of “zero injuries” the best philosophy and goal to pursue? Does a world-class Recordable Incident Rate (RIR) hide the

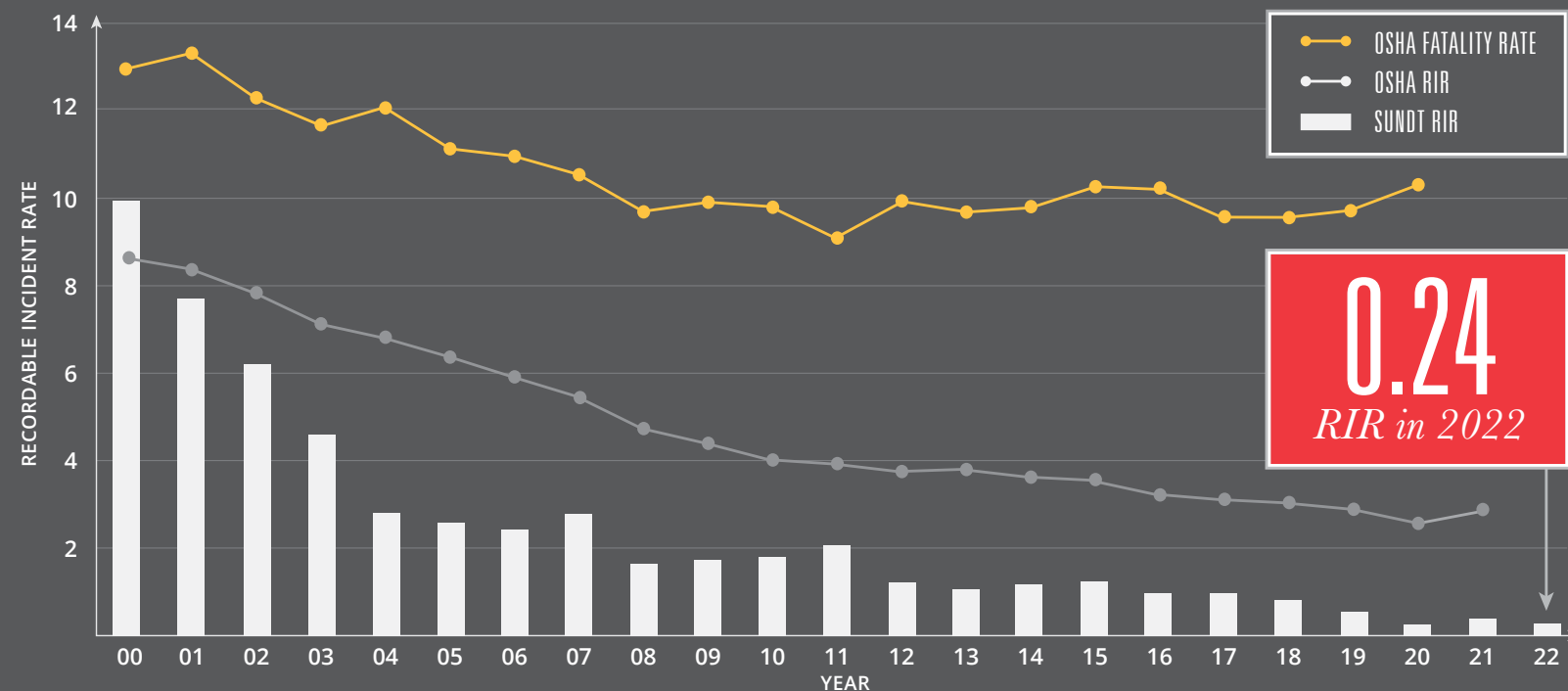
seriousness of other incidents? We believe the industry’s emphasis on RIR and Experience Modifier Rate (EMR) data does not provide a full view of safety on the jobsite.

That’s where our Sh*t That Can Kill You (STCKY) program comes in. We’re creating tools like the STCKY Wheel to help our employee-owners and trade partners more accurately assess risk and implement safety controls on the jobsite. With the right combination of training, tools, and tracking, we maintain the daily goal of zero injuries, but with an added emphasis on the most dangerous construction activities.



THE LAST 22 YEARS IN SAFETY

As RIR has dropped, fatalities have plateaued.



SAFETY FOR ALL

Many construction safety programs focus on the how of staying safe—processes and procedures to avoid accidents and keep projects running smoothly. Sundt’s safety program, Safety By Choice, focuses on why we work safe.

Learning is a deliberate improvement strategy. Whether an incident involves a lucky near-miss, an injury, or a proper control measure doing its job, we are tracking it. STCKY data provide a broader context for incidents, in addition to our Total Incident Rate (TIR) and RIR. We’re not required to add these metrics, but we’re choosing to raise the industry bar on how incidents are managed and how we learn from them.

We’re also creating an inclusive atmosphere by removing blame when incidents occur. By engaging our workforce to speak up when something is unsafe, we create an environment of trust. We focus on context when incidents do occur, seeking to learn from these events rather than repeat them—while still holding the right people accountable. We recognize that to

err is human, and we push each individual to understand the context of their choices. Sundt’s rating on traditional safety measures is important; ultimately, however, it’s our response to unplanned, high-risk events that makes us safer.

In 2021, to further our impact on the industry, Sundt accepted a board position with the Construction Safety Research Alliance (CSRA) in the mission to eliminate serious incidents and fatalities in the construction industry with transformative research and defensible science. Our company leaders are invested in enhancing our project and safety management software and were the key participants of a new, culture-driving process targeted at top management called the Safety Leadership Inventory (SLI).

“When I was a 20-year-old union ironworker, if someone would have told me, “You need to tie off” on a four-story building, I would have laughed. Now, I wouldn’t go above six feet without being tied off. Did the level of danger change? No. My awareness of it did, and my ego did, too. That’s why I’m passionate about this work—it’s about educating and empowering people to make good decisions, so they can return home safe to their families.”

– Mark Bakeman, Sundt Area Safety Manager



RECENT AWARDS



AGC of America Construction Safety Excellence Award (CSEA), Heavy Division, Over 800,000 Hours

AGC of Utah Safety Excellence Diamond Award

AGC of San Diego Construction Safety Excellence Award

PROJECT MANAGEMENT SOFTWARE

In 2021, Sundt implemented a new project management software that included a module for our safety practices. The app allows employee-owners in the field to perform and report routine STCKY Walks quickly. During a STCKY Walk, the employee-owner assesses the safety of an activity on the jobsite and submits a report via the app. They can also submit an HSE issue report at any time outside of routine STCKY Walks. By incorporating these functions into the app, Sundt is able to streamline jobsite safety data collection. The app increases awareness of safety on site and allows Sundt to gather reliable safety data. More importantly, it keeps our people safer.

RELENTLESS HOUSEKEEPING

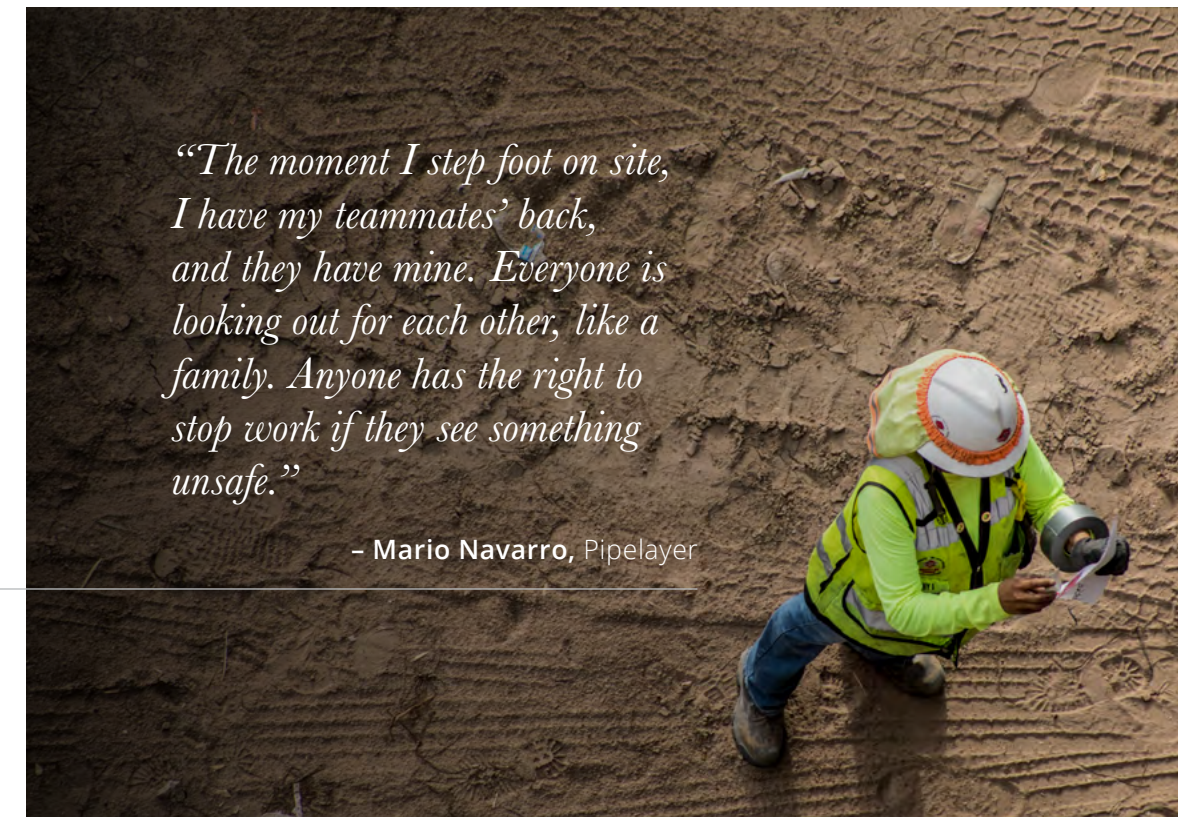
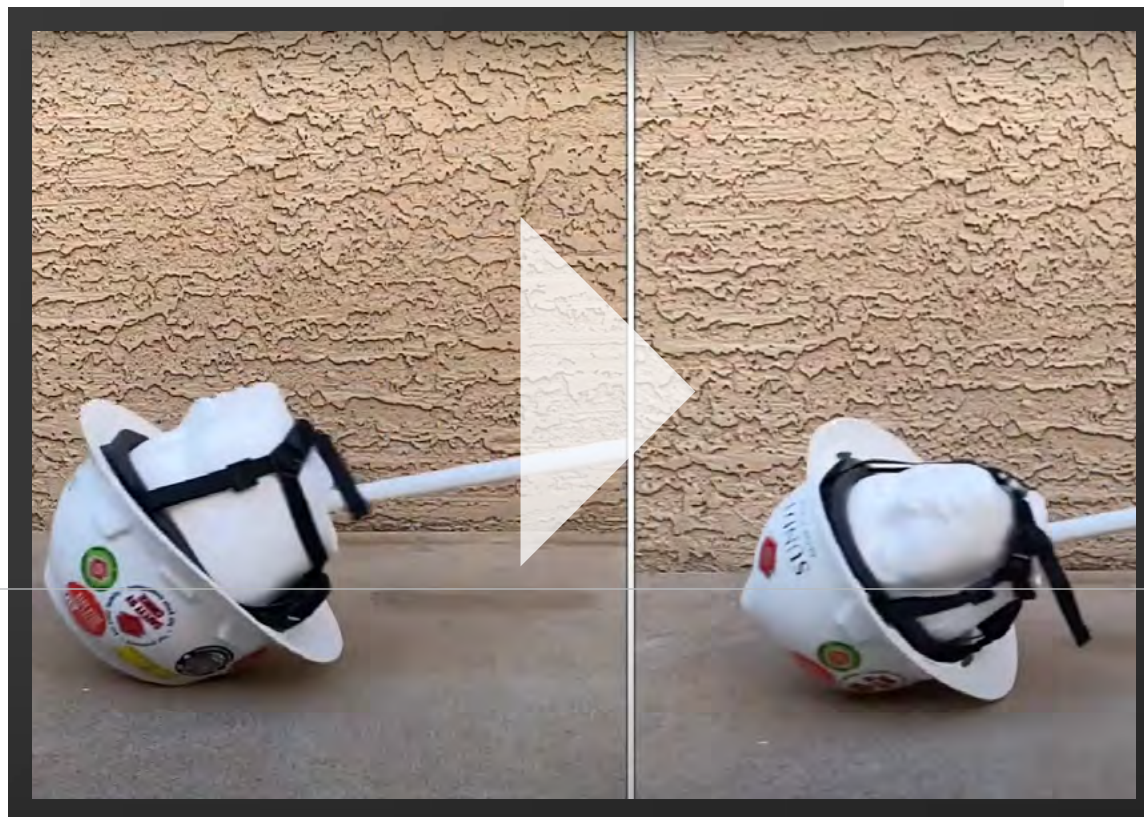
A clean jobsite is a safe jobsite, and to emphasize this, Sundt implemented relentless housekeeping: a daily action to help stop the STCKY. For us, relentless housekeeping is a task within the scope of work. Sundt prides itself on clean and defined sites, organized materials, timely and adequate trash management, controlled work in progress, and proper maintenance of tools, trucks, and equipment. When our jobsites are clean and orderly, we reduce the number of safety hazards. Relentless housekeeping is an attitude we maintain in the office and on each jobsite.

CHINSTRAP HARD HATS

Sundt continues to be a leader in safety and to invest in products that provide additional levels of protection for workers. Injuries to the head, either from heights, a simple slip and fall, or dropped objects, can be irreversible or even fatal. In 2021, Sundt rolled out new hard hats that include a chin strap; this offers increased protection on the front, sides, and rear of the hat. These new hard hats are now required in the field, as they provide better protection against falls, slips and trips, material handling and falling objects. Advancing our personal protective equipment keeps employee-owners safer every day on the jobsite.

SVIS PROGRAM

We implemented Sundt Voices in Safety (SVIS), a project-based health and safety committee intended to maximize both Sundt and trade partner craftworker involvement and feedback by providing a collaborative forum. SVIS is structured to encourage respect, collaboration, integrity, and innovation. The goals of SVIS are to identify, implement, and recognize safe work practices; identify and correct hazards; instill HS&E commitment; and enhance craft engagement in HS&E. The project SVIS Committee is responsible for hearing feedback from craft personnel on the jobsite, identifying and correcting hazards, recommending best safety practices and reporting safety feedback, decisions, concerns, and initiatives.



“The moment I step foot on site, I have my teammates’ back, and they have mine. Everyone is looking out for each other, like a family. Anyone has the right to stop work if they see something unsafe.”

– Mario Navarro, Pipelayer

A STCKY Success Story:

FROM CRITICAL LIFT TO CRITICAL SAVE

After taking a closer look at how our industry measures safety, Sundt developed the STCKY program in 2020 and incorporated it into our overall safety program. Even with a decline in OSHA recordable incidents over the past decade, industry fatalities have plateaued.

This prompted our HS&E team to find ways to better measure, understand and prevent fatal hazards. With the STCKY program, we focus on the “fatal 8”: Sh*t that moves, lifts, pinches or crushes, stores energy, is hazardous or energized, is built underground or at heights. This plan encourages our teams on the jobsite to speak up when there is a STCKY incident.

When a STCKY incident occurs, we always measure it within one of three categories: STCKY Success, STCKY Luck, or STCKY Injury. The goal is to increase our STCKY Success rate while decreasing rates of STCKY Luck and STCKY Injury. Sundt jobsites are successfully tracking this data, and it’s important to share examples of STCKY success.



STCKY SUCCESS

No significant injury or death; **adequate** controls in place.

STCKY LUCK

No significant injury or death; **inadequate** controls in place.

STCKY INJURY

Significant injury or death.

A CRITICAL LIFT USES STCKY CONTROLS

One of Sundt’s project teams was tasked with setting an E-House, a large modular electrical unit measuring 46 feet long by 12 feet wide by 14 feet high. This was deemed a critical lift due to equipment cost and long lead time replacement concerns. The plan was to hoist the E-House approximately 40 feet off the ground and swing it onto an elevated pad.

Per STCKY protocols, the process began with a low trial pick to ensure the load was level and the rigging was secure. The hoisting crew made their trial pick 1 to 2 feet off the ground, completed a walk-around to visually inspect the load and rigging, and proceeded to lower the E-House back to the ground before making the final lift. At that point, one end of the load came down successfully, but the other end dropped suddenly as a pin sheared out from one of the shackles.



STCKY SUCCESS

Had the shackle pin sheared out while the load was 40 feet in the air, the rigging team, the operator, and anyone else nearby could have been seriously injured, or worse. At the very least, it would have destroyed the E-house, leading to project delays.

This STCKY Success is due to the diligence of the team and is one example of why Sundt prepares for and measures STCKY.

INVESTMENT IN EMPLOYEE-OWNERS



Sundt's thoughtfully structured benefits are designed to reward, respect, and support the people who create our shared success.

In a recent industry benchmarking study by Willis Towers Watson, Sundt was ranked No. 1 for skilled craft benefits and No. 2 for administrative employee-owner benefits. Our well-rounded benefits program takes care of the whole employee. From physical and mental well-being to financial wellness and opportunities for professional development and career advancement, our employee-owners have the tools they need to succeed at work while maintaining a healthy, balanced life.

PROSPERITY FOR EMPLOYEE-OWNERS

As part of our commitment to fulfilling our purpose—building prosperity for clients, employee-owners and our communities—Sundt offers employee-owners two main avenues for retirement savings: 401(k) and The Sundt Companies Employee Stock Ownership Plan (ESOP). **Sundt’s ESOP is open to everyone who joins the company; from craft to administrative employees, our priority is that anyone can work here while building wealth for their family.** Beyond this, we’ve found that this structure positively contributes to the culture of our workplaces. Everyone has a stake in the company’s success, resulting in increased care and attention to each other and our business goals.

All Sundt employee-owners are automatically enrolled after 12 months of employment and 1,000 hours worked. It allows individuals at every level of the organization to share in the profits and success of the company. In 2023, Sundt increased its contribution to employee-owner ESOP accounts up to 16% of base salary if the employee-owner is contributing at least 5% annualized into their 401(k). Employee-owners are able to build long-term financial stability and security, ensuring peace of mind for themselves and their families.

“When I retired a few years ago, the ESOP allowed me to buy property and build my ‘forever home.’ Nowhere else would I have had this kind of retirement opportunity, especially working as clerical support. I am living in a way I never have before; I never worry about money, and I am able to do all the things I always wanted to. I just built a ‘world’s best grandma’ playground in my backyard!”

– Alyson Gartin, former Preconstruction Coordinator, retired 2019

In addition to offering the opportunity for an abundant retirement, Sundt provides employee-owners with SmartDollar, a company benefit designed to support employee-owners in meeting their financial goals at no cost. The program educates participants in financial wellness and how to make the most of their money in the short- and long-term. With a robust library of content, this benefit is meant to pair with Sundt’s retirement programs to solidify our employee-owners’ financial futures.



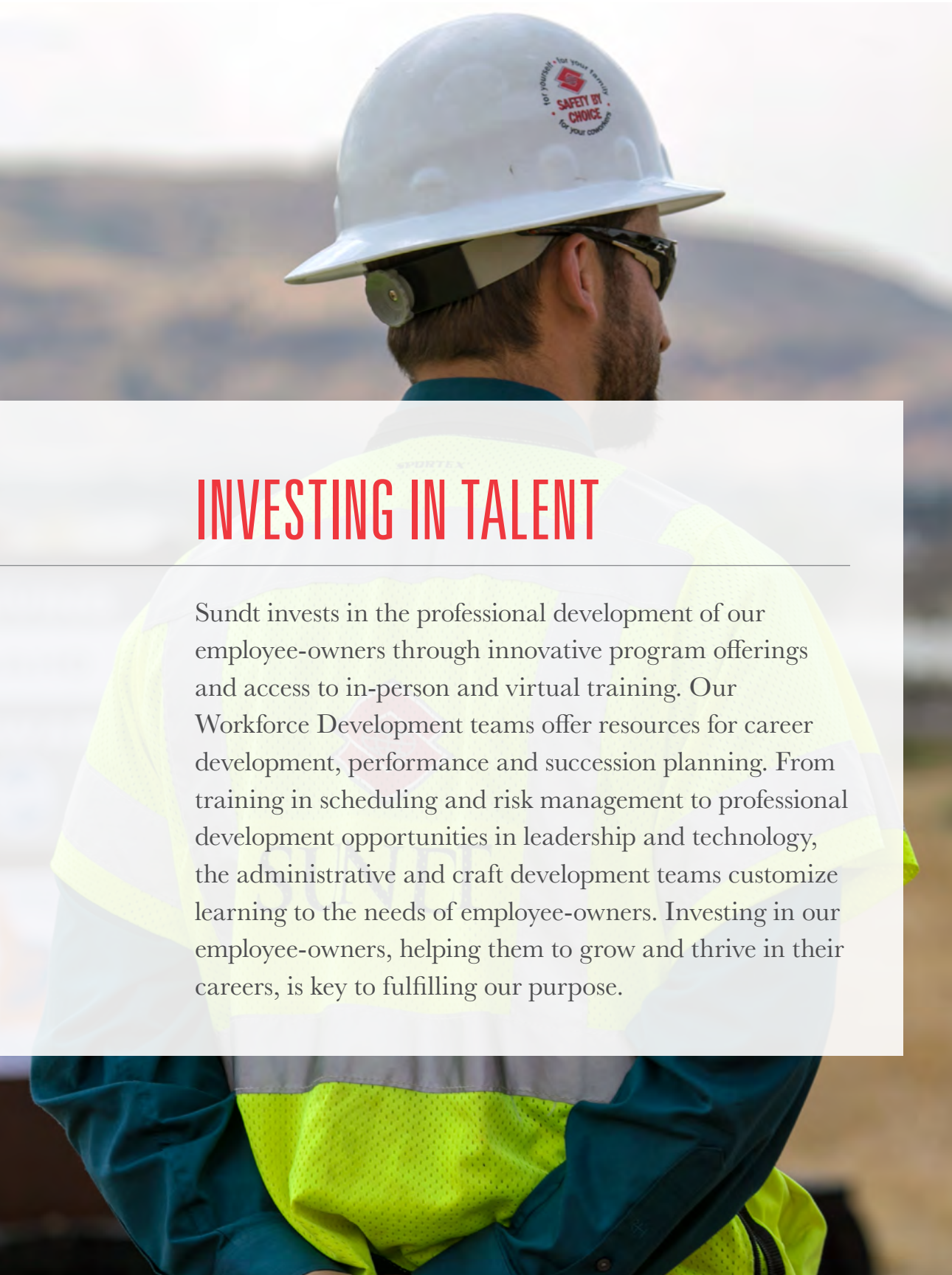
LARGEST EMPLOYEE-OWNED COMPANY

headquartered in Arizona, *National Center for Employee-Ownership, 2022*

#7 2022 Phoenix Healthiest Employers

#47 Training Magazine APEX award

#57 Largest employee-owned companies in America, *National Center for Employee-Ownership, 2022*



INVESTING IN TALENT

Sundt invests in the professional development of our employee-owners through innovative program offerings and access to in-person and virtual training. Our Workforce Development teams offer resources for career development, performance and succession planning. From training in scheduling and risk management to professional development opportunities in leadership and technology, the administrative and craft development teams customize learning to the needs of employee-owners. Investing in our employee-owners, helping them to grow and thrive in their careers, is key to fulfilling our purpose.



Supporting our employee-owners in their career growth means investing in leadership development. Every two to three years, a select group of employee-owners, often mid-career and identified as high potential, are chosen by Sundt's senior leaders to participate in our Leadership Excellence Accelerates Performance (LEAP) program. Throughout the course of a year, LEAP participants tackle real business issues, receive individual assessment and coaching and attend skill-building workshops while networking with their peers and Sundt executives.



Early career professionals and new managers can apply to join Sundt's annual START (Sundt Talent Recognition and Training) class, which gives participants the tools they need to lead themselves and their teams more effectively. START attendees fine-tune their leadership skills during a four-day course and take on a real business challenge project. Individuals are able to connect with other early career professionals from across the organization, hear from Sundt company leaders and gain valuable skills and tools to support them on their career journey.



Sundt's Manager Effectiveness Training, introduced in late 2022, equips Sundt managers with the knowledge and confidence to have difficult conversations, influence change around them, and manage and mentor high-performing teams. Managers take part in a required, two-day training covering topics such as manager expectations and fundamentals; mental wellness and work/life integration; diversity, equity and inclusion; and performance development.

FOCUSED ON PHYSICAL WELLNESS

Sundt is committed to the health of our employee-owners, and that means offering a benefits package that allows them to invest in their health. As a self-insured company, Sundt has increased the quality of benefits offered to employees. Administrative and craft employee-owners receive medical, dental, vision and prescription coverage, including a \$0 individual base plan. Beyond Sundt's healthcare benefits, employee-owners have access to life insurance, accidental death and dismemberment coverage and access to medical condition-specific resources.

UP TO \$3,000 SAVED



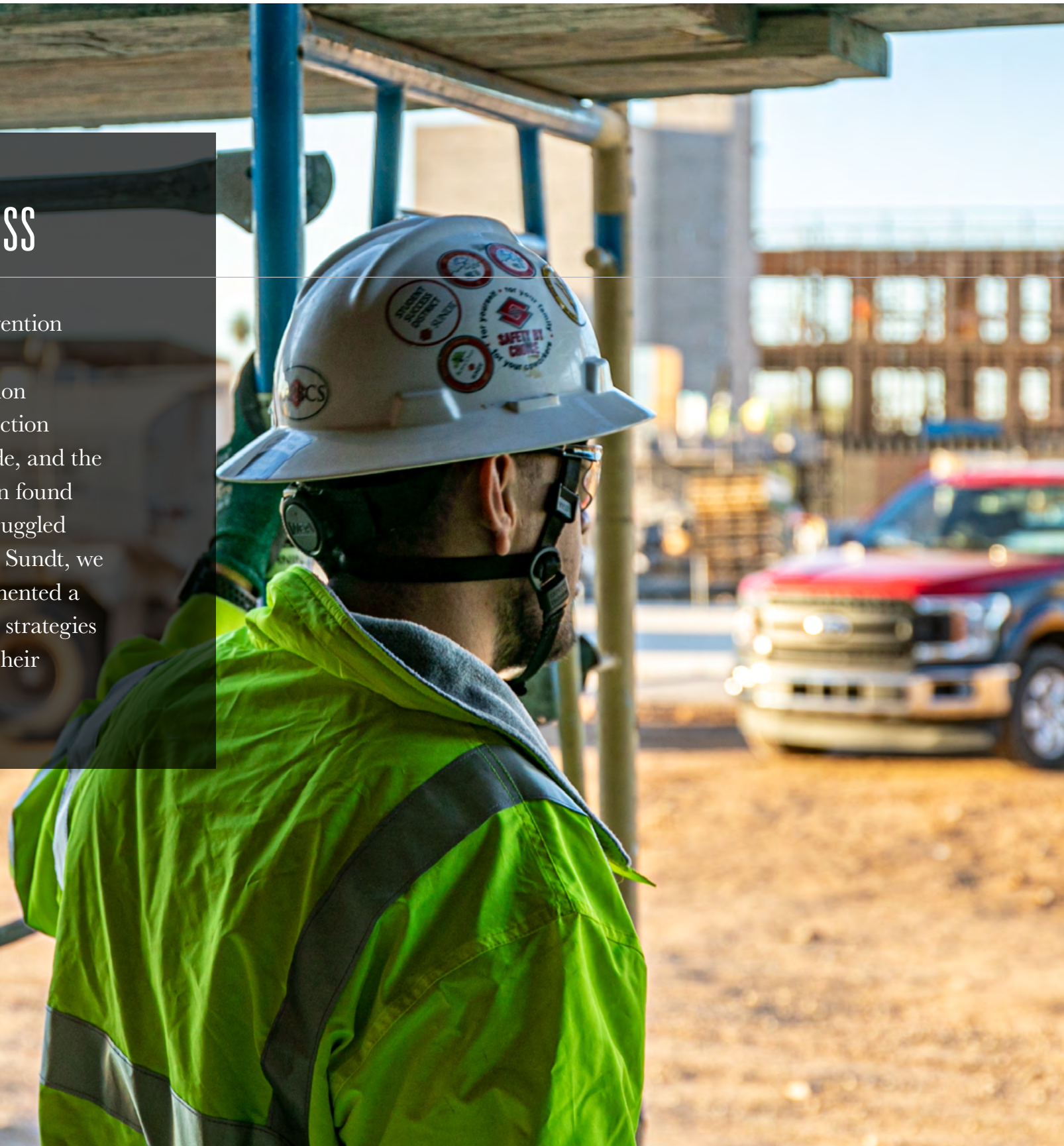
for employee-owners and their partners

The company encourages employee-owners and their partners to maintain their physical health by completing annual physicals. These annual check-ins help employees stay on top of their health, and Sundt provides a savings of up to \$3,000 per year on health insurance premiums for participants. Sundt strives to give employee-owners opportunities and incentives to take care of their physical health, starting with preventative healthcare.

In addition, Sundt recognizes the value of achieving a balance between work and life. Sundt is the only company in the industry to offer a flexible time off (FTO) program to all of our administrative employees; this program enables them to take time away from work when needed to recharge and attend to other commitments. FTO can be used for needs such as vacation, personal or family illness, doctor appointments, school, volunteerism, and other activities of the person's choice. This flexibility allows employee-owners to feel comfortable maintaining a healthy work-life balance. Craft employee-owners also have a paid time off program that awards time off based on years of service, and they are encouraged to use their time off throughout the year.

FOCUSED ON MENTAL WELLNESS

Mental health awareness and suicide prevention are crucial for employees in any industry, but particularly for those in the construction industry. The CDC reported that construction occupations have the highest rate of suicide, and the Construction Industry Rehabilitation Plan found that 83% of construction workers have struggled with some form of mental health issue. At Sundt, we take these issues to heart and have implemented a variety of measures and employed careful strategies to ensure that our employee-owners and their families are taken care of.



In 2021, Sundt Human Resources and HS&E teamed up to create the “Under the Hard Hat” mental health initiative. A major component of the initiative included the creation and distribution of our Mental Health Toolkit, a comprehensive, published guide to mental health resources including benefits, trainings, programs, and apps. Sundt provides access to the Cigna Employee Assistance Program (EAP) 24/7 for all employee-owners, and their dependents and household members. Through our EAP benefit, employee-owners receive up to six free virtual or face-to-face counseling sessions, per issue, per year with a dedicated, licensed counselor. The benefit does not require being on a Sundt medical plan, ensuring that every person can receive the support they need.

Face-to-face counseling sessions aren’t always accessible or possible for people, so Sundt offers additional options for care. Virtual mental health visits through telemedicine are available at no cost under most of Sundt’s medical plans. Employee-owners have access to Cigna’s behavioral health network, which provides video-based counseling through its own network of providers. Beyond this, our medical plan offers a variety of apps for virtual counseling, peer coaching, and self-guided wellness support.

SUPPORT WHERE YOU NEED IT

At Sundt, we also believe change starts with how we think and talk about mental health—from our HS&E group to our support staff, to our project teams on the front lines. Acknowledgment and support from leadership and peers encourages employee-owners to seek help when they are experiencing a mental health crisis. All Sundt managers receive training on mental wellness and suicide prevention in our Manager Effectiveness Training course so they can feel confident in providing support. In addition to manager training and broadening mental health advocacy, Sundt takes a “train the trainer” approach with employee-owners. Project Superintendent Randy Stromstad, who has spearheaded many mental health efforts on and off his jobsites, said “We should be proactive instead of reactive, approaching mental health risks like we do any other safety risk.”

Randy was part of Sundt’s first group of employee-owners to complete a two-day suicide prevention training. Twenty-two employee-owners from across Sundt attended the Construction Working Minds suicide prevention training, led by clinical psychologist Dr. Sally Spencer-Thomas, in March 2022. Randy took what he learned and brought it back to his project team to educate them during Construction Safety Week to help break the stigma around mental health issues like anxiety, depression, and suicide. “Breaking the stigma surrounding mental health in the industry is vital because the issue is present among all of us every day. We should strive to create an atmosphere on the jobsite where these conversations are commonplace,” said Randy.



It’s often the norm to minimize discussions of mental health in our industry, but Sundt strives to make the atmosphere on our jobsites and in our offices open to these conversations. We believe that when our employee-owners talk about and take care of their mental wellness, the result is safer jobsites, improved communication, and stronger relationships.

“When you look at the statistics and risk factors surrounding suicide in construction, there is no doubt that it needs to be a conversation. This is something that affects everyone and, while it isn’t an easy conversation to have, it is absolutely critical that we start normalizing it and let people know there are resources out there. I am so proud and encouraged by Sundt’s willingness to make suicide prevention a priority. Just like CPR, with the proper training and intentional connecting, anyone can be a resource and a lifeline for someone in need.”

– **Patricia Mason**, Project Engineer and Construction Working Minds Suicide Prevention Training participant

INVESTMENT IN EMPLOYEE-OWNERS

\$80,000

Total amount spent on tuition reimbursement for employee-owners in FY 22

19,879

Total hours spent on personnel learning and training in FY 22

10,969 hours for admin

8,910 hours for craft

265

Total # of START graduates to date (since 2004)

162

Total # of LEAP graduates to date (since 2000)

COMMUNITY IMPACT



Our projects are built to last, but Sundt knows improving communities doesn't end with delivery day; it means giving our time and resources to improve the lives of others around us.

Sundt employee-owners have a long history of charitable giving and participation in service projects. Our offices and jobsite teams often seek out these opportunities, focusing on filling community needs as they arise. Along with these efforts, our main vehicle for giving is through the Sundt Foundation.



THE SUNDT FOUNDATION

Founded in 1999, the Sundt Foundation was born out of one of Sundt's core values: Service. We are dedicated to improving the communities where employee-owners live and work through volunteer work, donations, and quarterly grants to nonprofits.



ONE-TO-ONE MATCH

Through the Sundt Foundation, all of our people have the opportunity to give back. The Foundation is 50% funded by contributions from Sundt employee-owners, who can give as little as \$1 per week to support charities in a giving area of their choice. Every dollar is matched by the company and then distributed through quarterly grants to qualified 501(c)(3) nonprofits across 11 giving areas: Tempe/Phoenix, Tucson, El Paso, North Texas, Central Texas, Sacramento, Irvine, San Diego, Salt Lake City, Charlotte, and Portland Metro.

The Foundation receives numerous applications from charities in each giving area. Local committees of employee-owners decide which organizations to fund; by surveying their regions, these committee members ensure the grants support causes we are most passionate about. The Foundation considers a broad range of social issues and gives special focus to underserved children and teens, domestic violence victims, and military veterans and their families.

Over
\$12M
 IN GRANTS
 AWARDED TO DATE

VOLUNTEER EFFORTS

In addition to quarterly grants, the Sundt Foundation offers regular giving and volunteer opportunities through partnerships with local nonprofit organizations. The Foundation also directs proceeds from the company's annual Mike Gaines fundraising sporting events to the Muscular Dystrophy Association to help find a cure for ALS. The tournaments are named in honor of Mike Gaines, an employee-owner who lost his life to ALS in 2002.

Beyond this, the Sundt Foundation has organized technology drives; sourced water and food for those in need; provided vulnerable workers with safe transportation; adopted veterans' families for the holidays; donated labor and equipment to restore historic homes and assist those affected by winter storms; and participated in donation drives in multiple cities. Our annual Thirst Aid event, for example, has contributed over 3,459,000 bottles

to the Phoenix area to support the homeless through the city's scorching summers.

Our giving efforts are diverse because the needs of our communities are diverse. The Sundt Foundation directly reflects the purpose of Sundt Construction: to build environments where our clients, employee-owners, and communities prosper.

Spotlight

SUNDT'S COMMITMENT TO FIGHTING ALS

Since 2001, Sundt has hosted a suite of sporting competitions in Arizona, California and Texas to raise money for ALS research in honor of Mike Gaines. Mike was a member of the Sundt family for two decades before losing his life to ALS, also known as Lou Gehrig's disease. ALS is a progressive neurodegenerative disease that affects nerve cells in the brain and spinal cord.

The Mike Gaines Charitable Fundraising Events were created in partnership with Mike before his death. Annual golf tournaments and fun shoots are held in Tucson, Phoenix, Sacramento, Irvine, San Diego and San Antonio to raise money for the Muscular Dystrophy Association (MDA).

The events have raised \$2 million to date and, more importantly, bring passionate people together to honor Mike Gaines' legacy with Sundt Construction.



Mike Gaines
1953-2002


SUNDT FOUNDATION 2022 KEY STATS

 **1,051 HOURS**
volunteered

 **200 GRANTS**
awarded

 *More than*
\$1 MILLION
donated to nonprofits

 **\$15,000**
donated to Community Foundation of Texas Hill Country

 **337,920 WATER BOTTLES**
to St. Joseph the Worker's 2022 Thirst Aid campaign

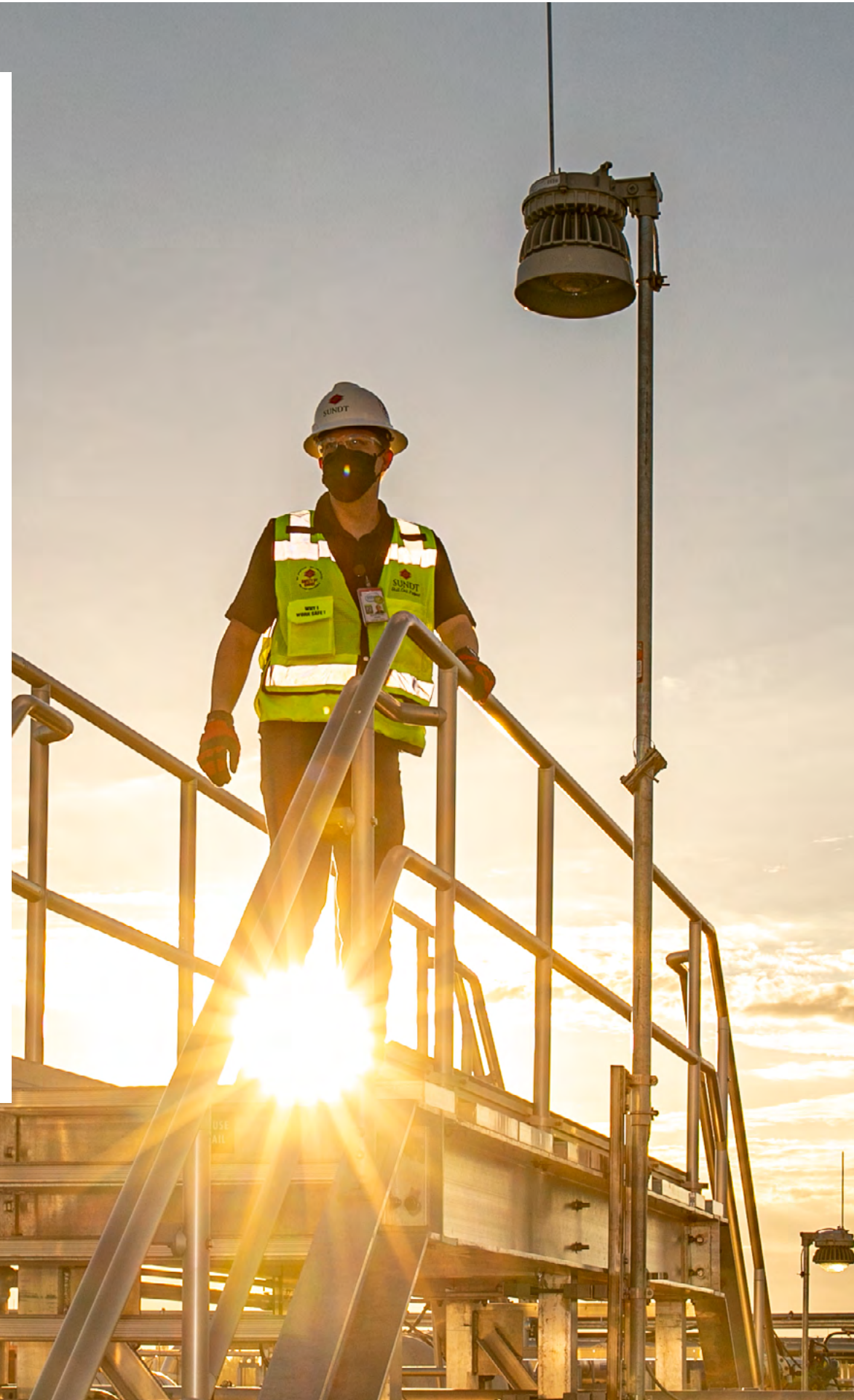
 **\$23,390**
to the American Red Cross

SPECIAL GIVING

As the last three years have shown us, unpredictability is the norm, and the Sundt Foundation has been there to respond and provide emergency assistance when our regions require it. In 2020, the Sundt Foundation gave a special round of \$200,000 in emergency relief grants to over 20 nonprofits. These grants supported those working at the front lines of the COVID-19 pandemic—healthcare workers, food banks and organizations supporting victims of domestic violence.

In 2021 the Sundt Foundation donated \$10,000 in emergency grants to support local winter storm relief efforts in Texas, split equally between the Tarrant Area Food Bank and the Let’s Help San Antonio emergency fund. In 2022, the foundation donated \$15,000 to the Community Foundation of the Texas Hill Country’s Uvalde Strong Survivors Fund to aid survivors and their families.

Beyond the Foundation, Sundt also sponsors and donates to a variety of causes, including the annual Big Dig for Kids benefiting the Phoenix Children’s Foundation, the annual Arizona and Southern Arizona Construction Career Days events to introduce youth to construction careers, and numerous other foundations and organizations.

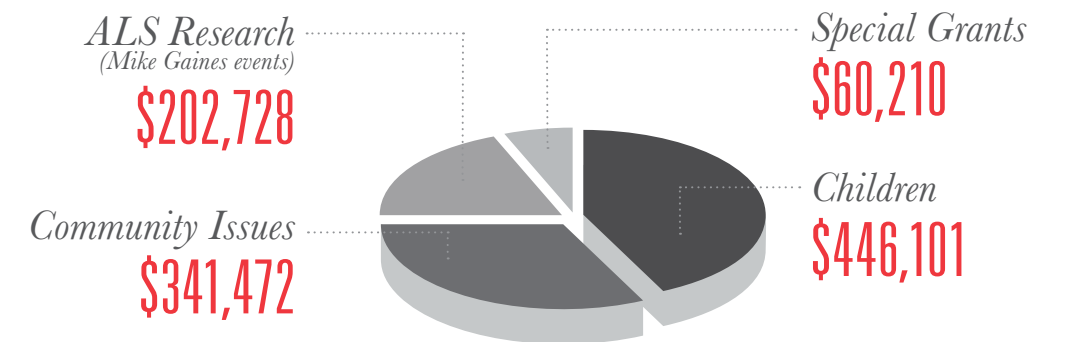


Since its founding in 1999, the Sundt Foundation has reflected our employee-owners’ passion for giving back to the places where we live and work. Each year, the foundation awards approximately \$1 million in grants to a diverse array of charitable organizations across the United States. As Sundt grows into new geographies, so do our giving efforts. The Foundation currently has 11 giving areas, with participation from 61% of our admin employees and 27% of our craft workforce.

FY 22 GIVING AREA GRANT DISTRIBUTION TOTALS

<i>Central Texas</i>	<i>Irvine</i>	<i>Phoenix</i>	<i>San Diego</i>
\$59,000	\$24,500	\$326,908	\$63,343
<i>Charlotte</i>	<i>Northwest</i>	<i>Sacramento</i>	<i>Tucson</i>
\$18,600	\$25,000	\$45,400	\$96,312
<i>El Paso</i>	<i>North Texas</i>	<i>Salt Lake City</i>	
\$33,300	\$34,500	\$20,500	

BREAKDOWN



SUNDT FOUNDATION PARTICIPATION



SUSTAINABILITY

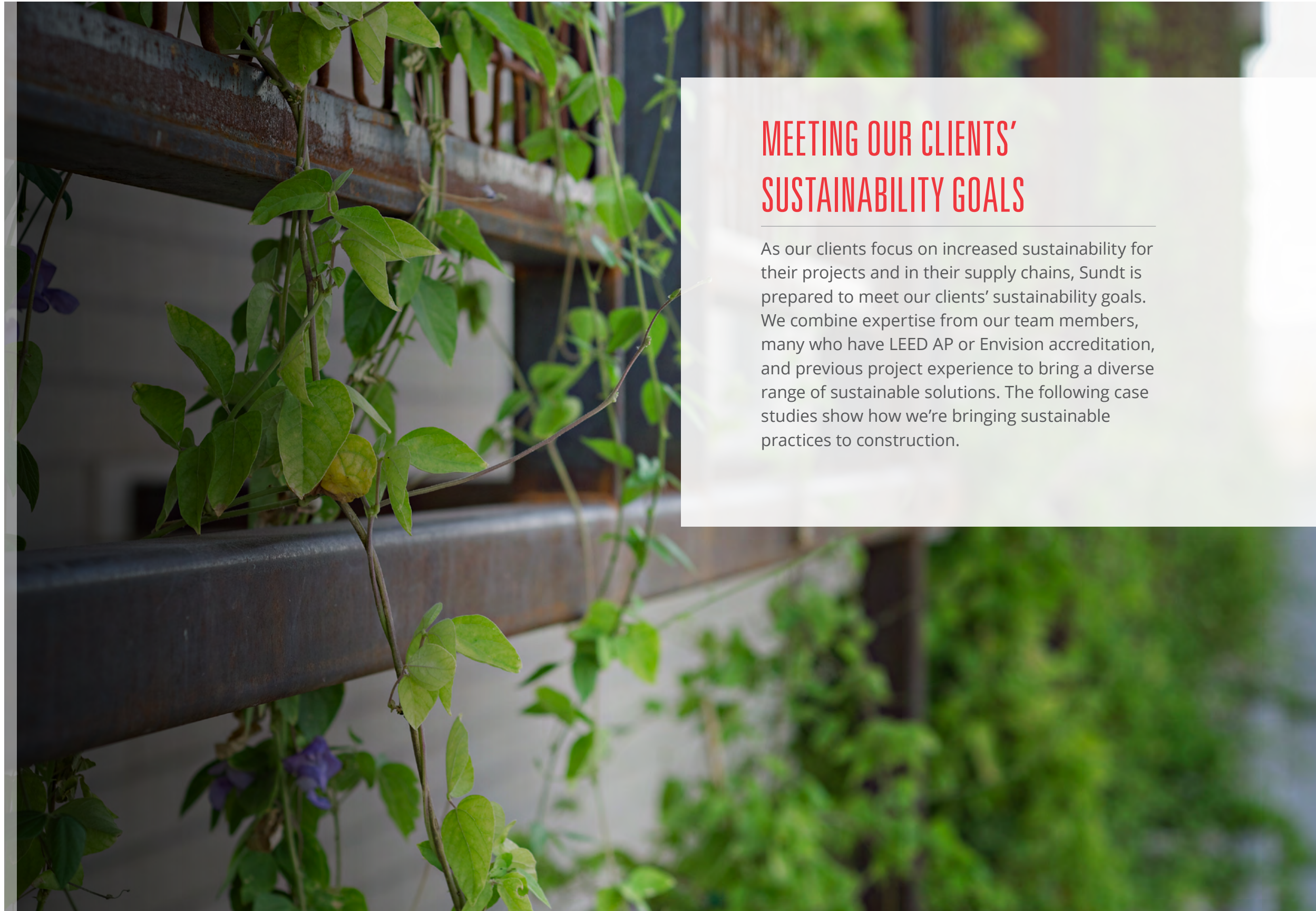


Sundt’s culture of sustainability is rooted in the belief that the construction industry has both the opportunity and the responsibility to protect and preserve the environment. Sundt’s sustainable business practices have consistently supported the reduction of waste, water, and energy while helping our clients achieve their own sustainability goals. Sundt has over 100 projects across multiple states and sectors, including roads, buildings and bridges that have been certified with a sustainability designation. Our main offices in Tempe and Tucson, Arizona are both LEED Gold[®], with our Tempe office also recognized by three Green Globes, certifying best practices in water and energy efficiency.



Sundt is a pioneer in green building and sustainable infrastructure, with projects such as the first LEED Platinum building in the Southwest, Arizona State University’s Biodesign Institute, and the first Envision Gold public infrastructure project in San Francisco, the San Francisco Public Utilities Commission Headworks Project. We also have more than 60 employee-owners who have earned a sustainability accreditation in LEED, Envision or WELL.

Building on this foundation, our in-house sustainability group is working with a nationally recognized consultant to develop a comprehensive, company-wide sustainability plan that builds on our successes and challenges us to make an even greater impact over the next decade.



MEETING OUR CLIENTS’ SUSTAINABILITY GOALS

As our clients focus on increased sustainability for their projects and in their supply chains, Sundt is prepared to meet our clients’ sustainability goals. We combine expertise from our team members, many who have LEED AP or Envision accreditation, and previous project experience to bring a diverse range of sustainable solutions. The following case studies show how we’re bringing sustainable practices to construction.

Case Study:

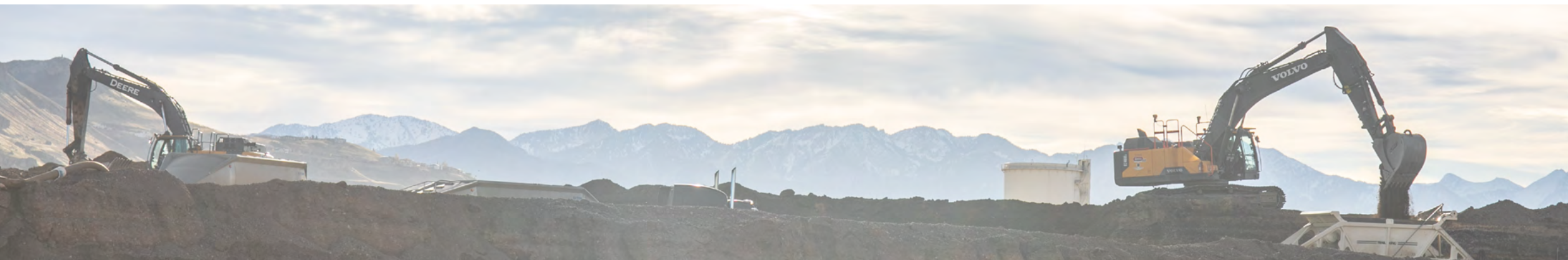
SALT LAKE CITY NEW WATER RECLAMATION FACILITY

In 2017, then-Mayor of Salt Lake City, Utah Jackie Biskupski signed an executive order calling for citywide collaboration on sustainability, including a move toward NetZero buildings and sustainable infrastructure. In 2019, Sundt and joint venture partner PCL Construction were chosen by the Salt Lake City Department of Public Utilities to construct a 48-million-gallon per day new water reclamation facility (WRF) to accommodate their growing population. This critical facility will serve more than 200,000 customers over a 110-square-mile service area, making it one of the largest public works projects ever undertaken by the city.



The state-of-the-art facility will replace the current 55-year-old plant that treats only 33 million gallons of wastewater per day and is the City's only wastewater treatment plant. The project includes the construction of new facilities, as well as the decommissioning and removal of existing elements. The scope sees the addition of a biological nutrient removal process

designed to reduce phosphorus in wastewater to comply with current and anticipated future regulations in a sustainable and efficient manner. The addition of the ultraviolet disinfection process is the final step of wastewater treatment, and the plant's effluent will discharge into and help to replenish the Great Salt Lake.



Envision

The client chose to pilot the Institute for Sustainable Infrastructure’s (ISI) Envision sustainability framework on the project. Envision is a cutting-edge sustainability rating system designed to help industrial project owners, designers, and contractors create sustainable and resilient infrastructure. The project team is pursuing Envision Platinum, the highest possible rating. To help meet its goal, Sundt is recycling, reusing and/or salvaging at least 95% of all waste materials.



The challenge on a project like this is pulling all stakeholders together to meet the City’s goals, which involves implementing sustainable practices and tracking those practices. The Salt Lake City WRF is a massive project, spread out over 115 acres, and is funded by ratepayers, which means sustainability efforts must have a practical purpose. Sundt is prioritizing innovative and essential sustainability tracking on this project.



“This project is proof that it’s not just one entity contributing to the success of sustainability; it has to be integrated into the project team from the beginning. Doing a project this large, cost-effectively and sustainably, all while maintaining operations, requires the voices of all stakeholders. This collaboration leads to more resilient, sustainable infrastructure and long-term value for the community.”

– Jennifer Graves, Senior Project Engineer

Waste Diversion/Material Reuse

Sundt’s efforts for waste diversion and material reuse have been at the forefront of the SLCDPU New WRF project, clearly displaying Sundt’s core values of innovation, accountability, and integrity. The targeted level of achievement for using recycled materials is a minimum of 25% of the purchased materials. The project is achieving the goal and strives to achieve an aspirational goal of at least of 50% recycled materials. By incorporating sustainable procurement practices, being intentional with material selection, and maintaining a holistic project team approach, the project will continue to improve sustainable performance and meet the client’s goal of achieving Envision Platinum.

Work kicked off with demolishing the existing concrete drying beds, creating a staging area, and bringing in fill dirt and preload material to stabilize the soil. Earthwork crews at the New WRF have placed nearly 1.7 million tons of preload materials to address long-term ground settlement. The decision to use preload instead of 100% driven piles is saving ratepayers roughly \$40 million.

The team also separated demolished concrete from steel rebar, leaving metal to be recycled at a local salvage yard. From here, on-site crushing allowed Sundt to efficiently repurpose materials across the project, avoiding expenses and emissions of hauling them to a landfill and hauling in new materials to do the same job. In exploring green options for drainage pipe, the team discovered a locally made, high-recycled-content high-density polyethylene pipe that can replace the standard option and costs 10% less. The client has saved approximately \$13 million by reusing material, while simultaneously diverting millions of tons of material from landfills. These examples of waste diversion and material reuse are made possible by the creativity, communication, and collaboration from the project team.



BUILDING SUSTAINABLE AND AFFORDABLE HOUSING

Sustainable elements have been incorporated into several Sundt projects in El Paso, including the City Housing Authority’s Chelsea, Father Pinto, and Sun Plaza multi-family housing renovations for El Paso Housing Opportunity Management Enterprises (HOME). The City of El Paso focused on sustainable features that would maximize the value of their buildings. For example, most of their high-rise projects had centralized heating and cooling systems, but the design team found that ice-storage cooling systems would pay themselves off within four to seven years. All three properties now feature ice-storage cooling systems, low-water landscaping, LED lighting and other green features.

Employee-owner Spotlight

JOSEPH RICCILO, LEED AP, VICE PRESIDENT & EL PASO REGIONAL DIRECTOR

Joseph Riccillo has been with Sundt for more than nine years, leading more than \$500 million worth of projects in the El Paso region. He serves on Sundt’s Sustainability Committee and is on the Board of Directors for the Texas Chapter of the U.S. Green Building Council.

Q: How are owners and contractors thinking about sustainability today?

A: Sustainability within buildings is no longer focused solely on energy conservation. It’s about the people who live and work in these structures, understanding how they interact and creating a space that equips communities to resist shocks and stresses. This looks different across regions, imagining how climates could change and how that could affect communities. We’re also looking at people’s physical and mental health needs. Air and water quality, time spent inside a building versus outside, use of natural light—all of these affect people’s well-being. As builders, we have to be mindful of these factors long before we break ground.

Q: What does the future of sustainable construction look like?

A: It’s a more holistic approach, not just focusing on the building and where to create sustainable energy and resource savings, but on the building’s inhabitants, their interactions and long-term health and well-being. To be a leader in resiliency and sustainability, we need to help drive the market forward. When you look at what’s been achieved over the past two decades with respect to sustainability, it’s nothing short of mind-blowing. When the public creates demand for sustainable materials and resources, the market responds. We’re seeing new standards when it comes to materials and products. As builders, we have to keep pushing better practices to create public understanding and help evolve the industry.



Case Study:
SELLWOOD BRIDGE

Completed by Sundt in 2016, the Sellwood Bridge project for Multnomah County in Portland, Oregon, was one of the first heavy civil projects to be Greenroads Certified—a rating system managed by the Sustainable Transport Council. Established in 2010, the Council is an independent 501(c)(3) nonprofit corporation advancing sustainability education and initiatives for transportation infrastructure.

Sustainability was at the forefront of the design and construction of the Sellwood Bridge project, which focused on meeting the county’s environmental, social, and corporate governance goals. In reconstructing the 2,000-foot-long, aging bridge over the Willamette River, the project aimed to accommodate all modes of travel for locals while complementing its natural surroundings. The new bridge has two vehicle lanes in each direction on the west end, narrowing to one lane in each direction on the east end. The bridge also has two 6-foot-wide bike lanes and two 12-foot-wide sidewalks, and new routes for transit busses. The construction provided better trail and pedestrian access, facilitating travel for residents without vehicles.

One of the sustainable strategies used during construction was a “shoofly” (detour) approach in which the team lifted the old bridge deck and truss with hydraulic jacks and moved it to a set of temporary piers over the course of 14 hours. The old bridge was then connected to temporary approach spans to allow traffic flow while the new bridge was constructed. Not only did this process save the public \$5 million in tax dollars, but it eliminated the need to build the new bridge in two phases, which would have required in-water work and yielded its attendant environmental impacts. Further, the bridge was constructed out of weathering steel which rusts, oxidizes and protects itself, reducing the need for constant re-painting and, preventing further environmental impact within the waterway.

94% OF MATERIALS SOURCED WITHIN 50 MILES

91% OF WASTE MATERIALS RECYCLED

When Multnomah County asked the project team to clear a trail on the east side of the river, the team brought in a herd of 60 goats to chew brush on the site. This creative solution reduced the project’s energy use by eliminating the need for equipment to clear the brush, and reduced the environmental impact of disposing the cleared brush.

Other sustainable efforts involved sourcing 94% of materials by cost within 50 miles of the project site, including recycled steel products. In total, 91% of waste materials were recycled. The team also installed energy-efficient LED lights that limit light pollution, and educational plaques documenting the history of the bridge. The new Sellwood Bridge has lasting positive influence for Multnomah County, providing accessible travel, sustainable features and educational material for residents in the area.

SUNDT STATS

90+ PROJECTS WITH A SUSTAINABLE DESIGNATION

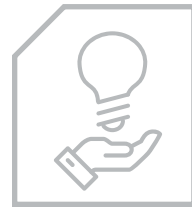
60+ ACCREDITED EMPLOYEE-OWNERS (LEED, Envision or WELL)

#52 ENR TOP GREEN BUILDERS

ENVISION QUALIFIED



OPPORTUNITY



Becoming a More Diverse, Equitable & Inclusive Sundt

Part of being a skilled builder is being a diverse and inclusive builder. Sundt is committed to building a workforce that reflects the diverse communities where we operate and to creating a workplace that fosters a sense of purpose and belonging. From our interns to our self-perform craft and project teams on the front lines, to our mid-level and senior leaders, our people are bringing more to the table — because they have a seat at the table. This is the idea behind our efforts to hire, develop, promote, and retain diverse talent.



DEI STRATEGY

Sundt’s diversity, equity and inclusion (DEI) efforts focus on the following five areas:



Our DEI Committee is made up of a diverse group of individuals from across the company to spearhead these efforts. Since the group’s start, we’ve established clear goals and made significant progress.



OUR MISSION

The DEI Committee’s first task was to define our mission and explore several key concepts.

Sundt’s DEI mission: to help build inclusive environments with a diverse workforce where everyone can prosper.

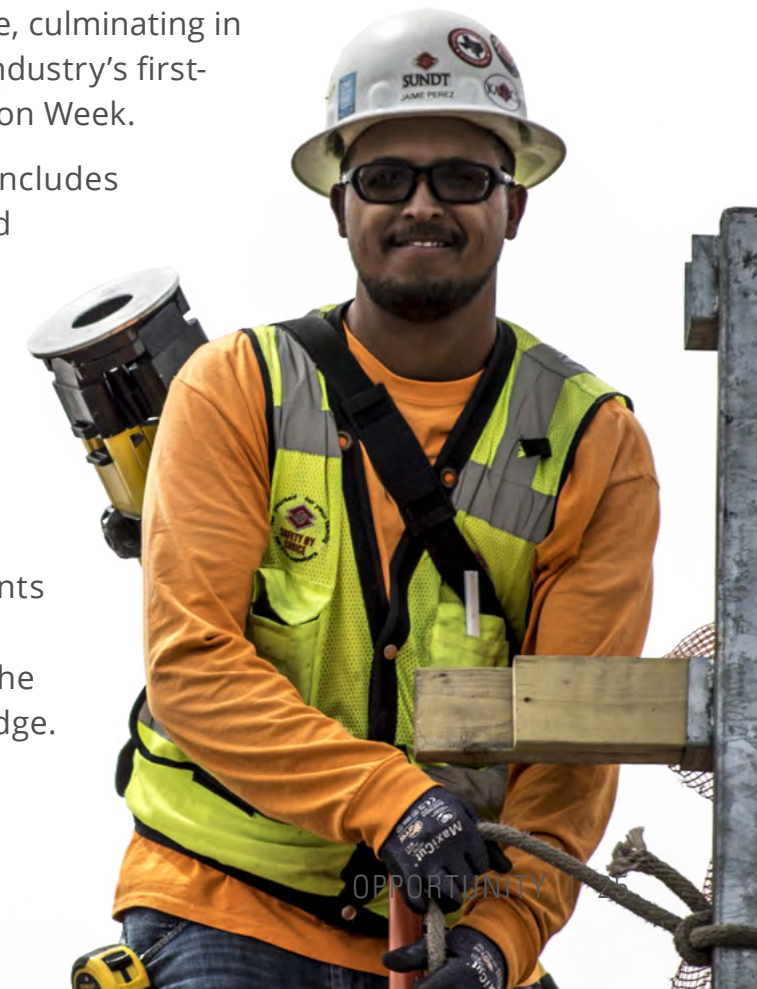
- **Diversity:** the collective mixture of individual and organizational differences, such as race, gender, age, values, personalities, experiences, and behaviors.
- **Equity:** ensuring everyone has access to the same treatment, opportunities, and advancement.
- **Inclusion:** the achievement of a work environment where all individuals are treated fairly and respectfully, have equitable access to resources, and are able to contribute fully to the organization’s success.

PROGRESS TO DATE

We launched DEI training in August 2022 for Sundt’s senior managers. Led by our consultant, Dr. Shawn Andrews, a top DEI researcher and instructor, senior managers engaged in training and discussion on topics including implicit bias, microaggressions, psychological safety, and David Rock’s SCARF model. These topics were incorporated into Sundt’s manager effectiveness training, helping all Sundt leaders create more inclusive work environments, whether on the jobsite, at the office or somewhere in between.

Another significant accomplishment was our move to a more inclusive application process for Sundt’s START leadership development program, doubling the percentage of female and ethnically diverse participants (detailed in the case study in the following pages). The committee has also provided resources to build our DEI awareness company-wide, culminating in our participation in the industry’s first-ever Construction Inclusion Week.

Other progress to date includes our communications and networking initiatives, including our new DEI webpage (Sundt.com/diversity), an ongoing internal diversity video series featuring employee-owners, DEI-focused networking events at universities, and our signed commitment to the AGC Culture of Care pledge.



MOVING FORWARD

Over the next year, the DEI initiative will focus on these three areas:

- *Recruitment and hiring*
- *Education and training*
- *Inclusive leadership*

Focusing on these areas will also help us meet Sundt’s annual goals for hiring and increasing the diversity of employee-owners. We established these goals to align with or exceed key benchmarks. As part of our goal-setting process, our DEI consultant helped our committee analyze industry norms and demographic data in order to establish goals that are challenging but attainable. Our progress thus far across combined DEI efforts is making Sundt a more diverse, equitable and inclusive company, and we’re excited for the road ahead.



Case Study:

A MORE EQUITABLE APPLICATION PROCESS

Providing development and training opportunities is a major part of Sundt’s mission to be the most skilled builder in America. To ensure these opportunities are inclusive of all employee-owners, Sundt’s DEI committee examined the selection process for our in-house leadership programs. Following research and evaluation, the committee recommended the creation of an open, “blind” application process.

The START (Sundt Talent Recognition and Training) Program was the first to implement this change. The new application process allowed all employee-owners to apply for START rather than waiting to be nominated by group leadership. In addition, all identifying information was removed from the applications before they were passed on to the review committee in order to mitigate any unconscious bias.

By making this process more inclusive and decreasing its risk for bias, program managers achieved amazing results. The number of applications significantly increased and the percentage of female and ethnically diverse participants.

“The group activities really brought out how diverse the class was. Through the discussions, you could see how everyone had different backgrounds and life experiences that shaped their opinions. It made this program successful; having a more diverse group encouraged everyone to share more openly.”

– Gianni Avril, Project Engineer, Sundt Building Group

PARTNERSHIPS WITH DIVERSE BUSINESSES

Looking beyond our own workforce, Sundt also believes in the importance of providing opportunities and support to small, local, disadvantaged, and diverse business enterprises (XBEs). In turn, the skilled work of our XBE community is often the cornerstone of our projects' success. We're proud to work with XBE trade partners through each phase of our projects, contributing to their business growth and prosperity.

In 2022 Sundt hired Jackie Guilfucci as our XBE & Diversity Outreach Manager to oversee our XBE efforts across the California region. She collaborates with Tracy Sanders, our DEI Specialist, on various DEI initiatives at Sundt. Tracy is a certified supplier diversity professional (ASDP), certified small business liaison officer (SBLO) and Inclusion Institute Certified Diversity Practitioner (IICDP). Their efforts are represented through our Four-Phase Inclusivity and Outreach Activities plan:

A key component of ensuring program success is tracking our work with XBEs. That's why Sundt piloted a new software in 2022 to identify and track XBE partners on projects. In 2023, all of our construction projects will track this information so we can be sure we're meeting our XBE participation goals on projects.



Phase 1

Initial Set-Up, Planning, Bid Packaging

- Outline subcontractor procurement process
- Break out smaller packages
- Conduct trade assessments
- Prequalification and best-value process
- Calendar XBE events
- Develop and implement advertisements

Phase 2

Preconstruction Outreach and Inclusion

- Participate in and host XBE outreach events and information sessions
- Distribute ads and project opportunities
- Create general mobilization and site packages with preferences for XBE firms
- Award based on best value plus XBE commitments

Phase 3

Construction Inclusion and Reporting

- Assistance to non-certified and non-local firms to identify additional opportunities
- Monthly utilization reporting: workforce and XBE
- Monitor commercially useful function
- Enforce recovery plan, if applicable

Phase 4

Final Completion and Reporting

- Final confirmation of second-tier participation
- Final results submitted to client
- Success stories advertised

“Building this program is another way of showing, not just saying, that we’re here to create prosperity for our local communities. We see it as part of our larger social responsibility as a company — it’s not a box you check, it’s a mission you set forth.”

– Tracy Sanders, DEI Specialist

Case Study:

SDUSD MOST VALUABLE PRIME AWARD FOR MORSE HIGH SCHOOL WSM

In April 2022, Sundt was named Most Valuable Prime by San Diego Unified School District for our efforts in hiring emerging business enterprises (EBEs) on the Morse High School Site Modernization (WSM) project, Phase II. The District set EBE goals totaling 50% of construction values to be awarded to diverse business, including small and disabled, veteran, women, and minority-owned businesses.

Sundt exceeded this mark for Phase II by achieving 59.04% of project value, awarding more than \$5 million in EBE contracts. Now building Phase III, which is a substantially larger scope, the Morse project team is consistently exceeding their Phase III target, maintaining 35% to 40% EBE utilization.



The results of meeting project XBE goals are, without a doubt, helping to create a better project and a bigger impact on the community. Not only does our partnering work create more benefit to the local economy, but it opens up new ways for XBE subcontractors to grow their businesses—from both a mentoring and networking standpoint. XBEs are able to learn about other opportunities on other projects they may not have been aware of. This process also helps to create public buy-in for district bond measures, as community members witness the positive effects on local businesses.

The Morse High School modernization project is a good example of why Sundt goes the extra mile to partner with diverse subcontractors: More diverse project teams lead to greater opportunities and healthier, more prosperous communities.

“We create project-specific plans based on the scope and trade partner demographics. We have found the key to success in these initial plans is communication with those partners, and constant tracking against our established goals. From there, our project teams focus on maintaining and improving on those goals as opportunities arise throughout the life of the project.”

– Mike Casey, Project Executive, Sundt Building Group

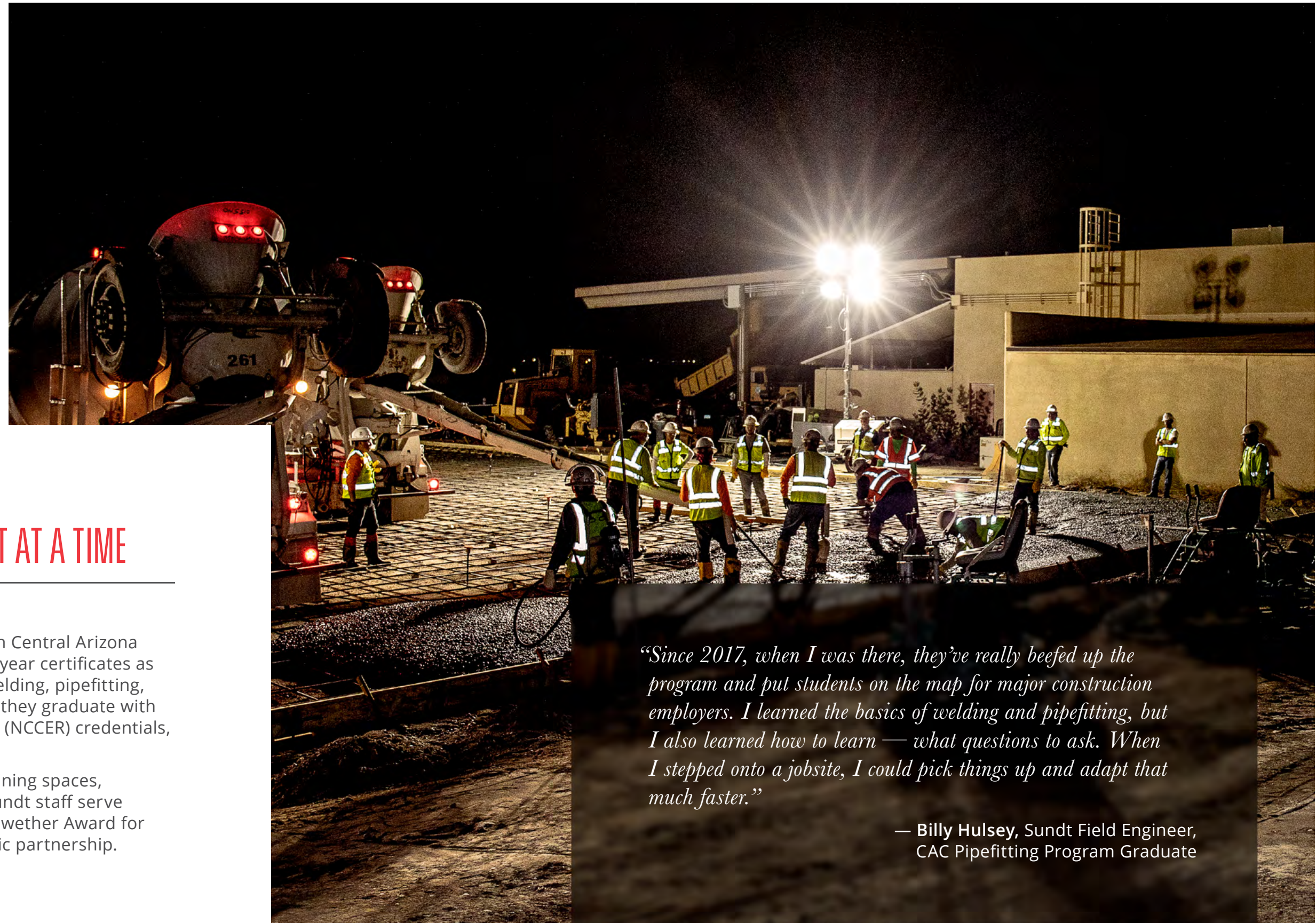
WORKFORCE DEVELOPMENT



As of 2023, there is a one-million-person shortage in the construction industry. To address this challenge, Sundt has built a culture of learning that empowers our workforce and provides the potential for a lifelong career. We are training our craft employee-owners through apprenticeship programs, leadership development programs, and skill-building courses. At the same time, we're providing solutions to the industry's need for a skilled workforce nationwide through partnerships with local community colleges.

Sundt's in-house workforce development program and industry partnerships have seen huge success, creating a national model for firms to help rebuild the talent pipeline. We're providing opportunities for our employee-owners to learn, grow and embody Sundt's core values of quality, safety, and innovation.





BUILDING OUR WORKFORCE PIPELINE, ONE SKILLSET AT A TIME

Central Arizona College Partnership

In 2017, Sundt established a workforce development partnership with Central Arizona College (CAC) in Coolidge, Arizona. The program offers one- and two-year certificates as well as two-year associate degrees in heavy equipment operation, welding, pipefitting, and industrial carpentry. Once students complete their credit hours, they graduate with OSHA 30 and National Center for Construction Education & Research (NCCER) credentials, ready to start working on the jobsite.

To build out the program's capabilities, Sundt has helped provide training spaces, technology, materials, and—most significantly—our time. Multiple Sundt staff serve as adjunct instructors with CAC. In 2020, Sundt and CAC won the Bellwether Award for promoting community and economic development with their strategic partnership.

“Since 2017, when I was there, they’ve really beefed up the program and put students on the map for major construction employers. I learned the basics of welding and pipefitting, but I also learned how to learn — what questions to ask. When I stepped onto a jobsite, I could pick things up and adapt that much faster.”

— **Billy Hulsey**, Sundt Field Engineer,
CAC Pipefitting Program Graduate

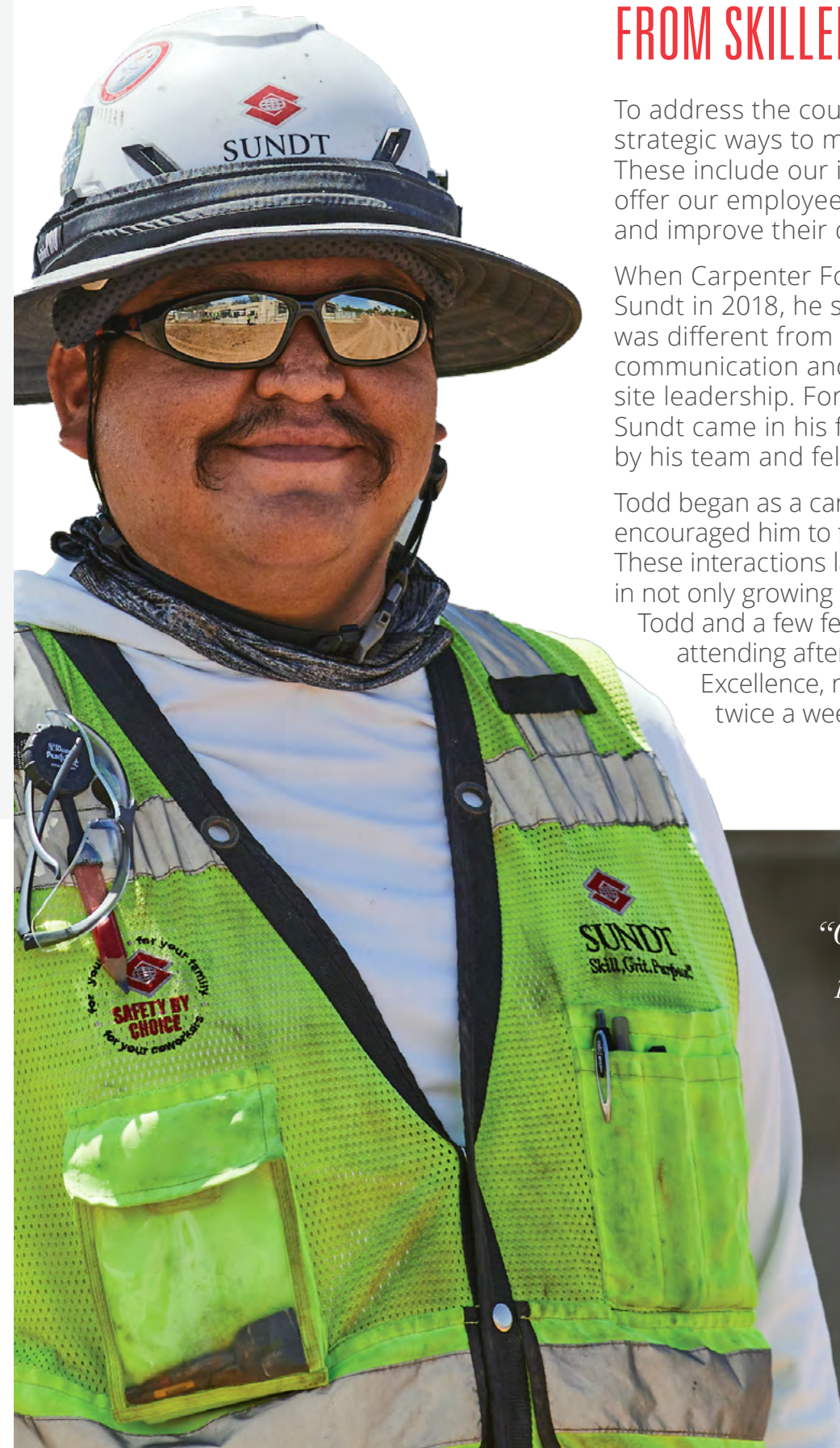
Training and Apprenticeships

In 2015, Sundt launched the Center for Craft Excellence to offer training in several disciplines, and in summer 2023, we will open a brand-new training facility to continue supporting these efforts. At the Center, Sundt’s skilled trade employee-owners receive comprehensive craft training opportunities and the chance to attain NCCER certification.

Sundt also offers three apprenticeship programs—industrial carpentry, pipefitting, and heavy equipment operation. Small class sizes are led by industry-veteran instructors who give students a balance of hands-on and classroom-based learning, without the pressures of a jobsite. Dedicated construction training programs empower Sundt’s craft employee-owners to build their knowledge and skill, and provide avenues for career advancement in the industry.

“I tell people: Go for it. Set a goal and stick to it—if you’re invested in this program, they’re invested in you. And if you see it through, you’re going to come out a better person and a more skilled builder at the end.”

— Abraham Campos, Sundt Industrial Carpenter, Apprenticeship Graduate



FROM SKILLED BUILDER TO EXPERIENCED LEADER

To address the country’s skills gap, Sundt is focusing on strategic ways to maintain and strengthen the workforce. These include our in-house apprenticeship programs, which offer our employee-owners avenues to advance their careers and improve their quality of life.

When Carpenter Foreman Todd Billy began his career with Sundt in 2018, he saw how the atmosphere of a Sundt jobsite was different from that of his previous employer. Positive communication and encouragement were the norm among site leadership. For Todd, the “aha” moment to stick with Sundt came in his first week, as he was immediately accepted by his team and felt comfortable asking for help.

Todd began as a carpenter with Sundt, and his managers encouraged him to take on more leadership responsibilities. These interactions laid the foundation for Todd’s confidence in not only growing his skills but furthering his career. Soon, Todd and a few fellow employee-owners began voluntarily attending after-hours classes at Sundt’s Center for Craft Excellence, refreshing their math and carpentry skills twice a week over the course of a year.

“One of the major pieces of the apprenticeship program was that we grew to be a close-knit class and care for each other. I feel lucky that I was in the first graduating class of Sundt’s apprenticeship for carpentry, and I’m grateful for the trust Sundt has placed in me as a leader.”

—Todd Billy, Carpenter Foreman, Concrete Division

Concrete and Workforce Development leaders noticed the group’s commitment to growth, and when it was time for them to earn NCCER certification, there was a clear opportunity to convert the program into a formal apprenticeship. Beyond the valuable experience and credentials offered to participants, the program filled two pressing needs.

First, it increased retention among critical frontline roles, and second, it sent more qualified leaders back into the field with a “train the trainer” mindset—addressing the industry-wide skills shortage on multiple levels. Todd and his peers would be the first class of Sundt’s carpentry apprenticeship.

Craft Training Instructor Austin Nalwood, who led the apprenticeship, emphasized the importance of teamwork, and created an inclusive classroom that ensured each student understood the required skills before moving on to new concepts.

The curriculum of Sundt’s apprenticeship program emphasizes leadership and communication skills, while also explaining the “why” behind the methods we use as best practices. For Todd, learning to better communicate both verbally and in writing became crucial to his development as a leader.

His improved ability to demonstrate and train others on Sundt’s high standards for quality is a direct outcome of his training.

As a result of Sundt’s investment in workforce development, Todd is now a foreman and a key frontline builder on multiple high-profile projects. As of 2023, he reached his fifth anniversary with the company and is fully vested in Sundt’s Employee-Stock Ownership Plan. Todd is also the recipient of the 2022 Craft Excellence Award, an honor given at Sundt’s annual awards event.

CONCRETE FOREMAN DEVELOPMENT PROGRAM

In 2018, to answer the need for more qualified craft and craft leadership, Concrete Division leaders decided to invest more resources in training and equipping our frontline personnel. This was the beginning of our Concrete Foreman Development Program. Each year, craft employees and select engineers receive a formal invitation to the program and commit to five week-long sessions throughout the year. The collaboration and connection between craft and admin employees has become a cornerstone of this program.



Program curriculum was developed using NCCER guidelines and a deep well of institutional knowledge. Coursework is designed to give a balance of technical and professional skills, with 25% classroom-based and 75% hands-on instruction. Participants learn fundamental skills such as construction math and blueprint reading, progress into advanced carpentry and finish with business development and work packages,

including project sequencing and resource management. Throughout the program, Sundt partners with industry leaders for tours and guest speaking sessions, covering lumber, steel, tools, and structural engineering. By the end of the program, students have completed 200 hours of education and receive a certificate of completion—and the knowledge and relationships to be a stronger leader on the jobsite.



CORE CRAFT PROGRAM

In addition to training and apprenticeships, Sundt offers its two-phase Core Craft Program as a step in the transition from a job to a career with Sundt and another avenue for professional advancement. To qualify for the program, craft employee-owners with one year of service with Sundt must demonstrate exemplary performance in areas of safety, quality, productivity, planning, and communication. They are nominated by their supervisor, and, if accepted, receive enhanced training and development, a pay increase, and additional job security. Individuals can advance to Core Plus once they gain NCCER Certified Plus status; this comes with an additional raise and an individual development plan for continued career advancement, allowing for continued growth at Sundt and in the industry.

INDUSTRY ADVOCACY

Beyond these established programs and partnerships, Sundt participates in Arizona Construction Career Days, partners with SkillsUSA and the NCCER Build Your Future initiative, and collaborates with local high schools, including career and technical education programs.

Establishing a dependable construction talent pipeline is crucial to meet America's growing needs around civil and social infrastructure. This is why Sundt also advocates directly for skilled trades through conversations with state and city representatives. In these conversations, Sundt shares information about why investing in workforce development is essential for economic and social growth.



“Eight years ago, we started working with the Arizona Department of Education. We were able to get NCCER’s material approved as one of the state’s curricula. Since then, Arizona has made big steps toward embracing a standardized approach across schools. On the industry side, Sundt has taken the lead in using NCCER standards to spearhead Arizona’s craft workforce development, certifying workers and trainers across the state, including many from other contractors.”

Contractors across the country noticed how Sundt was developing the talent pipeline and began replicating our programs. Our training efforts are viewed as national models for workforce development.”

—Sean Ray, VP of Craft Workforce Development

WORKFORCE DEVELOPMENT STATS

21 SUNDT APPRENTICE GRADUATES
Since program launch

41 APPRENTICES ENROLLED
in FY 22

96 CORE CRAFT CERTIFIED
employee-owners

\$7.8 M ECONOMIC IMPACT
from Sundt CAC Program

166 SUNDT CAC GRADUATES
with certification & degree

CORPORATE GOVERNANCE



As a 100% employee-owned company, Sundt has a culture of fairness, transparency, shared responsibility and shared success. Our employee-owners take great pride in the reputation we've built since 1890. This ownership culture drives our shared commitment to operating with integrity every day. **Our code of conduct guides employee-owners to ensure ethical business practices are upheld and helps Sundt maintain an effective ethics and compliance program.** Our policies hold all employee-owners accountable to ethical practices, and our corporate structure reflects and implements these beliefs.



FAIR AND EQUAL TREATMENT

Every Sundt employee is referred to as an employee-owner regardless of their tenure or their level, of ownership in the ESOP. Ownership is automatic upon joining the company and extends from senior leadership to entry-level project-based personnel. Because we are 100% employee-owned, this culture of ownership forms the expectations of how we treat each other and how we treat those we work with.

These expectations include required Sexual Harassment/ Hostile Workplace Prevention training for all employee-owners. Administrative employee-owners, including forepersons and above for field personnel, must complete and pass the training within the first six months of employment and complete a refresher course every two years. Sundt is committed to providing a working environment that is free from illegal misconduct such as sexual harassment, hostility, discriminatory intimidation, coercion and other forms of harassment. Sundt will not tolerate retaliation against an

employee-owner for reporting a concern in good faith or for cooperating with a compliance investigation, even when no evidence is found to substantiate the report.

Sundt prohibits slavery and human trafficking and is committed to taking steps to ensure slavery and human trafficking are not taking place in any part of our business or supply chain. Credible information regarding a potential violation of this policy, whether by an employee, contractor, subcontractor, agent, vendor, supplier, partner, or others through whom Sundt conducts business, must be immediately reported to the Human Resources Department, Legal Department, or can be reported anonymously through the Ethics Line.

This commitment to fair and equal treatment goes well beyond mere compliance. Each employee-owner is expected to ask themselves, "Am I striving to be fair to everyone involved?"



HIGHER ETHICAL STANDARD

At Sundt, we are committed to integrity and ethical practices. Sundt is one of the 11 founding members of the Construction Industry Ethics and Compliance Initiative, a nonprofit association dedicated to integrity and ethical conduct in the construction industry.

To demonstrate our commitment to integrity and safe practices, Sundt's independently monitored EthicsLine is available to all employee-owners, 24 hours a day. If an employee-owner should witness behavior or actions that violate Sundt's code of conduct, they are strongly encouraged to call the EthicsLine. Monitored by NAVEX Global, this line is staffed by trained professionals, including Spanish-speaking operators, who are available 365 days a year to speak with employee-owners who wish to seek guidance and/or clarification on any legal or ethical issue and/or make their concerns known. All

calls are completely anonymous unless the employee-owner chooses to identify themselves. Additionally, Sundt has a well-established open door policy in which every single member of management is responsible to encourage open, honest communication regarding issues of concern.

The Director of Ethics and Compliance also conducts a biennial risk assessment. This is a comprehensive survey of both management-level as well as project-level personnel. The assessment is an in-depth means of evaluating all personnel's understanding of Sundt's processes and procedures as well as assessing how effectively the processes and procedures are accomplishing the goal of preventing misconduct and uncovering any misconduct that might be occurring. The assessment is summarized and reported directly to the Board of Directors.