Sargent & Lundy Sustainability Plan

2023 Annual Report



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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 Advisory Council (SAC) in 2020. We are pleased to build on that foundation and share with you our 2023 Sustainability Report.

Our SAC 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.

In 2023, we strategically altered our use of resources such as electricity, ventilation, and general office supplies. We also made efforts to accommodate employees working from home, support hybrid work, and open new offices.

This plan specifies our actions and achievements in nine 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 2023, the plan also outlines our goals and projections for the next two years.

In 2023, there were two scorecards 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 company, our employees, our clients, our suppliers, 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 and Director of Operations.
- The SAC, which 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 firm's Finance & Legal teams, Operations team, and business groups, inclusive of a sponsor from our executive team.

The Chief Executive Officer endorses the sustainability plan.

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

Goals/Actions/Achievements	2021	2022	2023	2024	2025			
Goals								
Ensure successful implementation of the sustainability plan.								
Track and publish report on Scope 1, 2, and 3 emissions.								
Actions								
Create an action plan.	Х	Х	Х	Х				
Establish subcommittees and performance metrics.								
Measure and report metrics.	Х	Х	Х	Х				
Engage sustainability consultant to track and report Scope 1 and 2 emissions by the end of 2024.				Х				
Engage sustainability consultant to track and report Scope 3 emissions by the end of 2025.					Х			
Recommend improvements.								
Publish sustainability plan externally.	Х	Х	Х	Х				
Achievements								
The sustainability policy was reviewed and adopted by the SAC.	Х	Х	Х					
Sargent & Lundy participated in the EUISSCA sustainability survey.	Х	Х	Х					
 The annual sustainability plan was published externally on www.sargentlundy.com. 	Х	Х	Х					

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	2025			
Goals								
Improve performance management and communication.								
Actions								
Create an action plan.	Х	Χ	Х	Х				
Establish performance metrics.								
 Evaluate utilization of the Global Reporting Initiative Sustainability Reporting (GRI) Standards. 			Х	Х				
Measure and report metrics.	Х	Χ	Х	Х				
Participate in the EUISSCA Sustainability Survey.	Х	Χ	Х	Х				
 Report EUISSCA Sustainability Survey sustainability program results. 	х	Х	Х	Х				
Recommend improvements.								
Identify applicable environmental standards.		Χ	Х	Х				
Plan an independent third-party audit schedule.		Χ	Х	Х				
Publish a summary of program results externally.	Х	Χ	Х	Х				
Publish updates on Sargent & Lundy's employee intranet.	Х	Χ	Х	Х				
Achievements			T	T				
The sustainability plan and annual report were issued and published on sargentlundy.com.	Х	Х	Х					
The SAC participated in regular review meetings.	Х	Χ	Х					
A dedicated Microsoft Teams channel was established to collect and share sustainability information.	Х	Χ	Х					
 Sargent & Lundy participated in the EUISSCA Sustainability Survey. 	х	Х	Х					

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:

- LEED®, GBI Green Globes®, FitWel®, and WELL Health-Safety 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 daylighting 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 (IAQ) 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. Defaulting all onsite printers and copiers to black and white toner use.
- 11. Reducing power consumption by scaling down the number of physical servers and data storage systems by implementing virtual servers and migrating to cloud-based services when feasible to reduce physical hardware.
- 12. Eliminating physical computer rooms that require dedicated cooling, fire protection, and large UPS systems when feasible.
- 13. Eliminating physical desktop printers to reduce the use of paper, ink, and electricity.
- 14. 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	2025
Goals					
Reduce energy utilization and environmental footprint.					
Actions					
Create an action plan.	Х	Х	Х	Х	
Establish performance metrics.					
Measure and report metrics.	ı	_			
Evaluate building management's ratings and certifications.	Х	Х	Х	Х	
 Evaluate ratings Sargent & Lundy can improve and certifications it can pursue for existing leased spaces. 	Х	Х	Х	Х	
Baseline lighting fixtures and lighting systems.	Х	Х	Х	Х	
 Create IAQ minimum standards for construction and post- occupancy. 	Х	Х	Х	Х	
 Determine plug loads of nonessential equipment at workstations; encourage unplugging, and powering off equipment. 	Х	Х	Х	Х	
Recommend improvements.	T	_	T		
Pursue FitWel® certification for Chicago headquarters.		Х	Х	Х	
Replace T12 fixtures with T5 or LED fixtures.	Х	Х	Χ	Χ	
Achievements	T				
 We replaced all lamps in the light fixtures at our Englewood, Colorado, office. We installed new LED lights in our new offices. 		Х			
 We replaced all lamps in the light fixtures at our Chattanooga, Tennessee, office. We installed new LED lights in our new offices. 			Х		
 We eliminated desktop printers in all offices to reduce the use of electricity, ink, and paper. 	Х	Х	Х		
 Chicago building management continued pursuing BOMA 360, LEED® for Existing Buildings (LEED®-EB), and ENERGY STAR® certification status. 	Х	Х	Х		
 Building management at our Warrenville, Illinois, office continued pursuing LEED®-EB and WELL Health-Safety certification status. 	Х	Х	Х		
 Building management at our Santa Ana, California, office continued pursuing ENERGY STAR® certification status. Building is in progress for the 2024 completion of solar panel installation for building and parking garage electricity. 	Х	Х	Х		
 New office locations in Tampa, Florida; Indianapolis, Indiana; and Lake Mary, Florida, have ENERGY STAR® certification. The building in Lake Mary, Florida, achieved WELL Health-Safety certification status. 		Х	Х		
 The new office in Fort Worth, Texas, is powered by 100% renewable energy, and the parking garage avoids over three million pounds of CO² per month. The building features onsite 			Х		

beekeeping efforts, converted HVAC to digital controls, and onsite recycling.					
The Chicago office building now features onsite beekeeping efforts.	Х	Х	Х	Х	
 New office green lease in Washington, D.C. Building is LEED Gold, ENERGY STAR®, WELL Health-Safety, UL Health Building, FitWel®, BOMA 360 Certified. Committed to Zero Emission Electric by 2025. 			X		
 Building management at our Charlotte, North Carolina, office continued pursuing LEED®-EB certification status, ENERGY STAR® certification status, and Green Lease. 		Х	Х		
 The company email system migrated to a cloud-based system that eliminates physical servers in computer rooms. 	Х	Х	Х		
Computer rooms in Chicago and Warrenville, Illinois; Wilmington, Delaware; and 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.		Х	Х		
 We eliminated desktop phones from an on-premises server environment to a cloud-based environment, reducing energy consumption in our computer room. We eliminated over 1,500 desktop phones in our Chicago office. 		X	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	2025
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.	Х	Х	Х	Х	
The number of vehicle charging stations available is considered when selecting a new office.	Х	Х	Х	Х	
Office building proximity to public transportation is considered when selecting a new office.	Х	Х	Х	Х	
Review supplies and construction materials that can be sourced locally.	Х	Х	Х	Х	
Achievements					
The actions above are recommended as potential improvements.	Х	Х	Х		
 We purchased and distributed web-based video and audio- conferencing tools companywide to support remote work to reduce fuel consumption. 	Х	Х	Х		
A substantial percentage of employees currently participate in our pre-tax commuter benefit, WageWorks.	Х	Х	Х		
 Our Elkridge, Maryland, office building installed electric charging stations. Electric charging stations are also available at several of our office locations. 		Х	Х		
Our Chicago office building installed electric charging stations.			Х		
The Richland, Washington, office installed indoor secure bike racks.		Х	Х		

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	2025
Goals					
Reduce water consumption.					
Actions					
Create an action plan.	Х	Х	Х	Х	
Establish performance metrics. Create a Bt,/.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 EPAct.	Х	Х	X	Х	
Measure and report metrics.	X	Χ	Х	X	
Recommend improvements.					
 Create a list of improvements based on metrics. Review the installation of water-efficient and hands-free fixtures to 	Х	Х	Х	Х	
provide healthier environments and reduce water consumption levels where feasible.	Х				
Educate and train employees on water efficiency.	Х	Х	Х	Х	

Achievements				
 We maintained Bevi[®] water stations in our Chicago, Illinois; Wilmington, Delaware; and Chattanooga, Tennessee, offices, saving over 100,000 plastic water bottles since installation. 	Х	Х	Х	
All full-time employees received new aluminum travel water bottles.	Х	Х	Х	
 We continued working toward our goal to replace breakroom faucets with low GPM fixtures in regional offices and all new offices. 	Х	Х	Х	
 We maintained filtered water bottle filling stations in our Wilmington, Delaware, and Chicago, Illinois, offices. We also continued replacing refrigerators with filtered water and ice in existing and new offices and maintaining scheduled filter replacement. 	X	Х	Х	
In all offices with over 10 employees, we introduced a coffee program with machines that utilize less water for the coffee process and installed/have maintained an inline water filtration to each coffee machine. Each Flavia FreshPack saves as much as five gallons per brew cycle.		X	x	
In our Chicago office, all plumbing fixtures in the restrooms on the 23 rd and 24 th floors were inspected. All manual flush valves were replaced with electronic auto sensors and low-flow water-efficient valves.		Х		
 We replaced older dishwashers in the Chicago, Illinois, and Englewood, Colorado, offices with WaterSense and ENERGY STAR® rated appliances. 		Х		
 All new offices installed WaterSense fixtures and ENERGY STAR® rated appliances. 			Х	

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.
- Using locally sourced products where applicable.

Goals/Actions/Achievements	2021	2022	2023	2024	2025			
Goals								
Reduce the environmental impact of purchased products.								
Actions								
Create an action plan.	Х	Х	Х	Х				
Establish performance metrics.								
■ Establish a baseline of ENERGY STAR®-rated equipment.	Х	Х	Х	Х				
 Create a future purchasing plan for ENERGY STAR®-rated equipment. 	Х	Х	Х	Х				
 Establish a baseline for material certifications and create standards for vendors. 	Х	Х	Х	Х				
Establish a baseline for vendor supplies.	Х	Х	Х	Х				
 Create minimum requirements for vendor supplies that use recycled or recyclable materials. 	Х	Х	Х	Х				
Review vendor packaging and delivery methods.	Х	Х	Χ	Χ				
Issue sustainability questionnaires to vendors and suppliers.			Х	Х				
Measure and report metrics.	Х	Х	Х	Х				
Recommend improvements.								
Review baselines and make recommendations.	Х	Х	Х	Х				

Achievements				
 We provided updated software technology to reduce the need for technical designers to print large format drawings for document reviews. 	Х			
 We refurbished workstation panels on the 16th floor of our Chicago office, allowing us to avoid purchasing new materials. 		Х		
We replaced the floor carpet on the 16 th - floor of 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 eliminating adhesive and reducing off-gassing in the office space. This diverted 9,812 pounds of carpet from landfills.		X	х	
We 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; and Midland, Texas, locations.		Х		
■ The 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 a minimum of 25% to 100% recycled materials, low VOC paint, carpet, and adhesives. In addition,we minimized new materials used for construction by selecting offices with minimal renovation required.		Х		
■ We initiated a free-to-employee coffee program in all offices with over ten employees, with sustainability top of mind in the selection process. The coffee program selected reduces carbon in the roasting process, packaging, machine energy use, and water in the brewing 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. In 2023 over 4,000 pounds of coffee packaging was recycled.		X	X	
We reduced purchases to support remote work.	Х	Х		
We issued the annual sustainability report.	Х	Х	Х	
 We prepared and issued a sustainability questionnaire for vendors and suppliers. 	Х	Х	Х	

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.
- Responsibly recycling equipment that is no longer viable for donation or is not in working condition.

Goals/Actions/Achievements	2021	2022	2023	2024	2025
Goals					
Reduce overall waste generated across office operations.					
 Donate electronic and computing equipment that has reached end- of-life for business use to local charitable organizations that can reuse the equipment. 	х	х	Х	Х	
 Use in-building electronics recycling programs that are offered at our office locations. 	Х	Х	Х	Х	
 Work with local recycling agencies to responsibly recycle equipment that is no longer viable for donation or is not in working condition. 	Х	Х	х	Х	

Actions					
Create an action plan.	Х	Х			
Establish performance metrics.					
Provide necessary recycling containers in offices.	Х	Х	Х		
Request green cleaning products be utilized in our office spaces.	Х	Х	Х		
Train and engage employees in recycling.	Х	Х	Х	Х	
 Report on leased office space buildings' recycling and waste programs. 	Х	Х	Х	Х	
 Report on leased office space buildings' janitorial cleaning processes. 	X	X	Х	Х	
Recommend improvements.					
Achievements					
The annual sustainability report was issued.	Х	Х	Х		
 Our coffee FreshPack program enabled us to recycle over 2,000 pounds in 2022. In 2023, we recycled an additional 4,000 pounds. 		Х	Х		
As part of the carpet replacement project on the Chicago office's 16th floor, we partnered with the manufacturer's Landfill Diversion Program and its "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 a landfill. The Carpet America Recovery Effort (CARE) certified collectors qualified much of the carpet for reuse to reduce the energy used in the recycling process.		х	х		
 We partnered with lamp recyclers in our Chicago office to recycle over 3,500 lamps. 		Х	Х		
 Building management at our Warrenville, Illinois, office initiated a recycling program. 	Х	Х	Х		
 Building management at our Chicago, Illinois; Santa Ana, California; and Charlotte, North Carolina, offices continued their green cleaning policies. 	X	X	Х		
 We actively participated in and promoted building recycling programs, including e-recycling events hosted by our building management, where applicable. 	Х	Х	Х		
 We donated furniture and office supplies to local charitable organizations when closing or relocating offices. 	Х	Х	Х		
We diverted metal from landfills during office demolition.	Х	Х	Х		
 We donated retired computer equipment to charitable organizations such as Engineers Without Borders, Youth Technology Corps, and local civic groups. 	Х	Х	Х		

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 employees to adopt 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	2025		
Goals							
Drive companywide sustainability performance by encouraging employees to adopt sustainability practices in the workplace.							
Actions							
Create an action plan.	X	Х	Х				
Establish performance metrics.							
Measure and report metrics.	Х	Х	Х	Х			
Recommend sustainable improvements.	Х	X	Х	Х			
Achievements							
The SAC etablished seven subcommittees to address the following: coffee pod recycling, electricity usage, desktop phones, paper usage, physical space utilization, sustainable transportation, and food sources.	х						
 We created a questionnaire for building owners to help us collect additional metrics for targeted improvements at each office location. 	Х						
The annual sustainability plan was issued.	Х	Х					

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	2025			
Goals								
Identify and evaluate potential areas for improvement in sustainability performance.								
Actions								
Create an action plan.	Х	Χ	Х					
Establish performance metrics.								
Evaluate how PIP system metrics can be utilized and reported.	Х	Х	Х	Х				
Measure and report metrics.								
Report improvements.		Х	Χ	Х				
Recommend improvements.								
Achievements								
The annual sustainability report was issued.	Х	Х						
 We used the PIP system to drive improvement. In 2022, Sustainability PIPs were issued and successfully closed regarding recycling in regional offices. 	х	Х						
We used the Innovation Hub to contribute ideas across the organization.	Х	Х	Х	Х				