

EXPLORING BEYOND



Charting our course to a better future together

Terracon's employee-owners are on a journey to explore the world around us, always searching for ways to improve how we serve our clients, care for one another, and give back to our communities. We have not only recognized a need to change ourselves, but the need to inspire others to act as well. Since 2020, we have become more focused and intentional in our efforts to be a more sustainable and inclusive company, both internally and through the services we provide our clients.

SUSTAINABILITY 2022

Meet Your Sustainability Team



Lori Cathcart
Director of Corporate Sustainability

ADVISORY TEAM



Ronda Freeman
Director of Procurement



Tamara Grimm
National Director of Pursuits



Lucio Nunez
Environmental Department Manager, Baton Rouge



Tony Pooley
Senior Sustainability Manager



Kevin Rottinghaus
Manager, Corporate Real Estate



Eric Wooten
Environmental Department Manager, Midland

2023 Goals

1. Finalize Scope 1 and 2 GHG emissions baseline and collaborate on path forward to reduce emissions.
2. Perform Materiality Assessment to discover what matters most to us and our stakeholders, and what is most impactful.
3. Discover baseline environmental and social impacts, set targets, KPIs, and emerging goals for measurable improvement.
4. Expand, energize, and support office green teams to accelerate our focus on sustainable office, laboratory and project practices.

Beyond a "purpose-driven company"

A message from Gayle Packer, Terracon President and CEO



Terracon is a purpose-driven company, but our purpose goes beyond what we can see and measure today. We value our people - we prioritize their safety above all else, and ours is a company founded on ensuring sustained safety and wellbeing for every life. We are on a journey that started long ago and continues today, with our employee-led teams prioritizing our focus on the future we want to build.

At our core, we are driven by the people who shape our company and our communities. Our efforts summarized in this report will provide the transparency, discipline, and commitment necessary to help us track progress for future success.

CORPORATE SUSTAINABILITY IN ACTION

In 2022, we made great strides toward establishing our baseline and building our sustainability management program. As a result, we were able to set ambitious environmental and social value goals for 2023 (see below left), aligned with UNSDGs and our commitments to our employees, our clients, and the planet.



Our Commitments

- ▶ **Leadership:** Appointed a dedicated Director of Corporate Sustainability and an advisory team to strengthen our focus on sustainability. (pictured left)
- ▶ **Strategy:** Develop and implement sustainability strategies, policies, procedures, and a sustainability roadmap to guide us on our journey.

UNSDGs: Formally aligned our efforts with the United Nations Sustainability Development Goals (UNSDGs) goals and framework.

Our Accomplishments

We're charting a course to measure our own sustainability and inclusion practices and improvements. We have reported and disclosed ESG efforts to EcoVadis since 2019 and made our first CDP disclosure in 2022.

Emissions

- ▶ Followed EPA Green House Gas protocols and established a method for collecting data and calculating Scope 1 and 2 emissions.
- ▶ First step in a program to track, reduce, and report our carbon footprint and resource usage.

Energy

- ▶ LED lighting system audits in eight offices = reduced electrical usage by:
↓312K KWH/yr and \$40K/yr
cost savings (est.)

Waste Diversion

- ▶ Continued dedication by laboratories and offices to increase recycling of concrete testing materials and office recyclables.
- ▶ **100% recycling increase!**
- ▶ **4,300 tons diverted** from landfills in 2022.
- ▶ **\$150K net savings**

Renewable Energy

- ▶ Terracon HQ (Olathe, KS) and Lenexa, KS offices entered an agreement with Evergy's Renewables Direct Program to offset
50% of energy usage through the Ponderosa Wind Farm.

Terracon Sustainability Green Teams



Arizona: The Arizona team, led by Karen Snodgrass and Sophie Hall, is an active group of 20 members from three offices. They collect batteries, bulbs, plastic bags, and K-cups for recycling, and office scraps for composting. They also developed a sustainability BINGO game to boost awareness officewide.



St. Louis, MO: The team's efforts, led by Susan Collins, include: recycling glass, plastic, cardboard, metal, wood, soil, concrete, aluminum, batteries, and printer ink cartridges; all-LED office lighting; reusable office dinnerware and glassware; 99% electronic document files; and swap and save shelves where staff can share new or gently used items.



Midland, TX: Being a member of our HIVE ERG inspired employee Natalie Pounder to help our Midland office get greener. Working with office leaders, they identified sustainable office practices including pre-task planning to reduce miles and fuel usage and K-cup recycling to help employees get their "coffee fix" more sustainably.

IMPROVING OUR SOCIAL IMPACT AND VALUE

Our people and our communities are at the heart of sustainability. We're committed to fostering conversations around inclusion; building a more diverse workforce; and giving back to our communities.

Inclusive Culture Leadership Team formed in 2022 to help guide our strategic efforts around creating a truly inclusive culture at Terracon.

Employee Resource Group (ERG) program enhances our inclusion efforts by connecting, educating, and welcoming our employee-owners.



270
members

63
mentoring program
participants

7
chapters
nationwide



180
members

Coordinated
first Terracon Earth
Day observance

22
offices
participated

\$3,000
raised for environmental
organizations



Established in 2022 to help connect, honor, and recruit veterans of all armed services at Terracon.

Terracon Foundation Equity Grants established in 2022 to allocate \$25,000/year for community grants focused on social value and community equity.

Sustainable and diverse supplier procurement practices implemented across our purchasing and real estate management platforms.



Great American Cleanup, Greensboro, NC

SUSTAINABILITY 2022

INNOVATIONS IN SUSTAINABLE SERVICES

We believe our greatest impact comes from the services we provide to our clients. We focus on partnering with our clients on solutions to plan, design, and build for a better future. Our teams are bringing innovation and curiosity to transform how we respond to sustainability challenges at every stage of the project lifecycle.

- ▶ Community Sustainability and Resilience
- ▶ Ecological Planning and Restoration
- ▶ Carbon Management and Design Planning
- ▶ Disaster Response and Resiliency
- ▶ Corporate Sustainability Consulting
- ▶ Water and Waste Management and Minimization

FEATURED PROJECTS

SeaPoint Industrial Terminal Complex Remediation, Savannah, GA



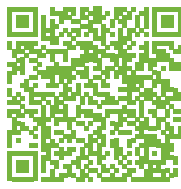
This community revitalization project spanned 755 acres and included 84 work elements - the largest Brownfield cleanup by area in the history of the Georgia Environmental Protection Division Brownfields program. Terracon provided remediation activities including excavation of contaminated material from drainage ditches, uplands and wetlands, remediation of dredge spoils, and permitting, designing, and constructing a wastewater treatment pond. Redevelopment of the site will create 1,700+ new and sustainable high-wage jobs and is estimated to generate a nearly \$1 billion annual economic impact.

GripTerra



To meet the ongoing challenge of climate change, our team of geodesign engineers, in partnership with our renewable energy leadership, has designed the next generation of wind foundations. The GripTerra pier foundation is the preferred sustainable choice for wind energy. Our pier and anchor foundations install faster, with less concrete and excavation than traditional spreadfoot foundations. Our foundations also have the potential to be repowered to handle the larger turbines of tomorrow. When it comes to green energy, GripTerra's innovative new solution is the most sustainable and eco-friendly foundation for wind turbines on the market.

SCAN: to learn more about our GripTerra wind turbine foundations.



Hurricane Ida Disaster Response



In the days prior to Hurricane Ida's landfall on Aug. 29, 2021, Terracon's Disaster Leadership Team was already working diligently to anticipate clients' needs and bolster their resiliency. On the day after landfall, team members assessed the damage to Terracon offices and employee homes, as well as assessing the immediate needs of clients and partners. In all, 41 Terracon employees from 19 offices provided critical services to all impacted by this extreme climate event. We also came to the aid of 23 K-12 schools; 21 commercial properties, 16 banks, 11 hotels, and three shopping malls; two apartment complexes; and hospitals, universities, and government and telecommunication facilities.

Durango Campus Retrofit, Maricopa County, AZ



Photo courtesy of WERK.

This project will transform the Maricopa County Flood Control District's campus into a living lab to demonstrate and study the water-conservation and flood-mitigation value of green infrastructure and low-impact development techniques including site-scale stormwater management, effective use of Sonoran Desert-adapted plants, and sustainable maintenance practices for new and retrofit projects in the area. Led by Terracon's landscape architecture group, the project collects roof runoff and A/C condensate into cisterns to supply the irrigation system for the low-water-use planting design. This project will be submitted for SITES, a sustainable project certification.

2022 Climate Change Business Journal Awards



- ▶ **Technology Merit Award**
GripTerra WIND POWER INFRASTRUCTURE
- ▶ **Industry Leadership Award**
HURRICANE IDA DISASTER RESPONSE

2022 Environmental Business Journal Awards



- ▶ **Information Technology Award**
COMPASS CLIENT PROJECT DELIVERY PORTAL
- ▶ **Social Contribution**
TERRACON FOUNDATION