

**2023**

**Environmental, Social,  
and Governance  
Sustainability Report**



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## Our ESG Approach

ESG refers to the three key factors—environmental, social and governance that measure the sustainability and ethical impact of a company’s operation. As a small business leader in construction, engineering, environmental remediation and conservation, facility operations and professional services, North Wind creates long-term value for our stakeholders through the efficient, safe, and compliant delivery of our services. We recognize that by investing in a highly skilled workforce, we are able to deliver superior and sustainable products and services to our customers and communities. North Wind embraces the principles of ESG and advocates its practical implementation.

*ESG isn't just about doing good; it's about doing well by doing good. Incorporating environmental, social, and governance principles into business practices isn't just a moral imperative; it's a strategic imperative for long-term success, maintaining a diverse workforce, and resilience in a rapidly changing world.*

Rich Driggs, North Wind Group  
President and CEO



## ESG Framework

ESG principles relate to all that we do at North Wind. People Who Excel, Partnerships That Empower, and Performance That Exceeds, underpinned by strong governance, constitute our ESG framework. These foundational pillars bolster our ESG priorities, drive our ESG vision and goals, and reflect important aspects of our overarching business strategy. The current state of North Wind relative to ESG stems from the evaluation of our company core values and the assessment of mechanisms we can use to create and improve a sustainable company model that is long-lasting and compliant.

Our framework in 2023 is an extension of the analysis performed in 2022, which included a detailed review of leading ESG standards, stakeholder alignment, and analysis performed by the ESG Committee to strategically identify and inform our approach. We began in 2022 with an initial set of ESG material topics coalesced from a number of leading, industry-specific sustainability standards and administered a Materiality Assessment survey to elicit both internal and external stakeholder priorities regarding these topics. Next, we assessed our current ESG state including a comparative peer analysis and comprehensive inventory of existing programs, policies, and procedures to gauge the relative maturity of our ESG performance and document/establish our baseline. A gap analysis was then conducted to identify focus areas to maintain, improve or optimize, and thus develop a strategic road map with action initiatives, goals, and accountabilities. Finally, the Sustainability Council was charged with creating a comprehensive Sustainability Report with Key Performance Indicators (KPIs) to showcase North Wind's current ESG status, outline future goals, and report progress.

### Partnerships that Empower

- ▶▶ Investing in the communities we serve
- ▶▶ Protecting client data, privacy, and security



### People Who Excel

- ▶▶ Investing in training and development of our employees to reach their professional goals
- ▶▶ Promoting a diverse and inclusive workplace and fostering a culture of belonging
- ▶▶ Ensuring the safety and wellbeing of our employees

### Performance that Exceeds

- ▶▶ Delivering innovative and sustainable solutions in project execution
- ▶▶ Continuous improvement of methods to protect our environment and communities

## ESG Metrics and Targets

The result of the 2022 gap analysis was the identification of nine priority initiatives on which to focus in 2023, with corresponding goals and accountabilities, as well as the tracking and reporting of the identified KPIs. This report illustrates the process and progress of addressing the priority initiatives and the following page showcases our performance improvement metrics.

FOCUS AREA	METRIC	BASELINE 2022	2023 NUMBERS	TARGET GOAL	TARGET DATE
Professional Development	Total investment	Total \$974,025.82	Total \$1,863,894.09	Increase investment by 10%	2024
	Annual engagement %	80%	80%	85%	2024
Diversity, Equity, & Inclusion	Employee diverse representation numbers	<ul style="list-style-type: none"> <li>• 22% minority</li> <li>• 31% female</li> <li>• 8% veterans</li> <li>• 11% self-reported disabilities</li> </ul>	<ul style="list-style-type: none"> <li>• 23% minority</li> <li>• 32% female</li> <li>• 13% veterans</li> <li>• 13% self-reported disabilities</li> </ul>	Increase diversity year over year	2024
Employee Safety	Total Recordable Incident Rate (TRIR)	0.52	0.43	Reduce by 10%	2024
Employee Health and Wellness	Employee participation in Wellness Program	112	485	Increase participation year over year	2024
Waste Reduction	Project specific and e-waste reduction	Recycled 65 computers	Recycled 96 CPUs and 86 laptops	Begin tracking project waste	2025
Carbon Footprint Reduction	All carbon reduction activities	2,200 trees planted	Design/ installation of 13 Level 2 Electrical Vehicle Charging Stations (EVCS)	Continued contribution to carbon footprint reduction	2024
Recycling	Number of offices recycling	Not Available	15	Recycling implemented in all corporate offices	2025
Environmental Stewardship	Number of stewardship challenges	1	1	Continued growth of program	2024
Diverse Partnerships	Number of partnerships with minority organizations	3	2	Expand by 2	2024
Giving Back	Total Charitable Contributions	\$35M	\$34M	Increase contributions and expand reach year over year	2024
Cybersecurity CISO	Number of cyber attacks blocked	4.8 billion	332 million	Zero successful malicious attacks	2024

## ESG Oversight

The ESG Committee and Sustainability Council are responsible for oversight of North Wind's efforts regarding ESG matters. The Committee and Council are chaired by North Wind's President and CEO and are comprised of cross-functional leaders to ensure diverse representation and perspectives are incorporated into the planning and execution of ESG initiatives. The Committee and Council communicate with the DE&I Committee and Enterprise Risk Management team, as well as other functional organizations, to ensure alignment in related areas and cooperative strategy.

The primary role of the Committee is to analyze, initiate, drive, and communicate ESG initiatives that align with North Wind's core values and business goals, and to take a stewardship and sustainability approach to realizing ESG outcomes. The Committee is responsible for the development, implementation, and communication of the ESG program vision, objectives, strategy, framework, road map, and initiatives, and leads the organization in producing an annual ESG Action Plan. The Committee is held accountable by stakeholders to provide governance and oversight on

sustainability efforts and promote company-wide communication on progress. In 2023, the Committee met monthly, and progress was reported regularly on weekly leadership calls and during scheduled Board partnering meetings. The Committee has the authority to commence and terminate ESG initiatives as necessary to align with the overall North Wind business strategy.

The primary role of the Sustainability Council is to provide oversight of the ESG Plan progress, establish KPIs to track and report ESG status and progress, and lead the organization in producing a Sustainability Report. The Council is responsible for monitoring and communicating the progress of ESG initiatives outlined in the ESG Plan, partnering with the ESG subcommittees to assist with planning, developing, executing, and reporting on Plan objectives and KPIs, and setting appropriate performance targets. The Council will also assist in the identification of future trend spotting ESG initiatives, overseeing sustainability trends and their impacts on business, and make focus area recommendations to the ESG Committee.





# ESG Priority Initiative Overview

## Environment

### ENVIRONMENTAL CHALLENGES

The Environmental committee teamed up with North Winds Wellness Program in 2023 to encourage North Wind employees to consider some environmental challenges that not only improve employees' health but also the environment. Employees were given the choice to pick up trash on their daily walks, sign-up for a river or roadway cleanup, or use only re-usable water bottles and coffee mugs instead of single-use items, which many did take part in. Overall, 2023 was another building-block year into developing different ways to encourage and challenge employees to be more environmentally conscious going forward.

### ENVIRONMENTAL EDUCATION

North Wind continues to encourage and educate employees on environmental initiative or lifestyle changes they can make in their day-to-day lives. This is done by publishing a number of articles on the North Wind employee homepage, true.North. Some of the articles that were published in 2023 touched on topics such as recycling, environmental clean-up, travel and CO2 reduction as well as water conservation. All of these articles explained to staff the environmental issues associated with these topics and initiatives and day-to-day practices staff can implement to reduce impacts.

### OFFICE RECYCLING PROGRAM

North Wind conducted a recycling survey to better understand how many North Wind offices have access to recycling and are actively recycling. Twenty-two of North Wind's offices completed the survey. Of the responses, only seven offices did not have access to recycling at their location for various reasons such as specific on-project location trailers didn't accommodate or entire office complexes with landlords did not offer. The 15 offices that do have recycling services in their offices mostly recycle plastic, paper, and aluminum. Many responded that glass recycling was no longer offered in their area, which is now a more common practice due to increase in cost to process glass materials. Several offices also noted that they recycled used ink cartridges, batteries and plastic grocery bags. One of the survey questions probed respondents to suggest future recycling or environmental challenges that offices could participate in. The most frequent response to the question was to issue to offices a no-print challenge, which is something that North Wind will consider in 2024.

## Social

### CAREER PATHING RESOURCES DESIGN AND IMPLEMENTATION

North Wind recognizes that a professional and technically skilled workforce is vital to our success. This belief is reflected in our company's values of investing in our employees and encouraging them to pursue continuous growth and learning. As a service organization, our employees take personal responsibility for meeting our shared goals and fulfilling our commitments as they strive to be masters of their craft and exceed client expectations. Investing in our employees and ensuring appropriate resources are available to develop professional skills and encourage advancement are top priorities at North Wind. Our dedication to employee training and professional development is cross-departmental and multifaceted, with many layers of resources and programs offered to meet the diverse individual needs of each member of our team, at all stages of their career. The optimization of North Wind University (NWU), our online professional development platform, to include more tailored and well-defined career pathing resources for all employees was a top priority for 2023. In response to this need, the Training and Talent Development team worked diligently to begin this process with the creation of the Learning Champions Program, as well as the design and implementation of our curriculum style, role-based Academies Platform.

The Learning Champions program is comprised of a team of functional representatives who encourage others to participate in professional development while acting as learning liaisons between their functional organizations and the Training and Talent Development team. The main objectives of the program are to drive professional development engagement and assist in the creation of role-based career pathways in NWU. Monthly Champion planning and alignment meetings were held throughout the 2023 year to discuss training needs, engagement strategies, platform capabilities and updates; relay best practices and guidance; identify learning objectives; design resource plans and pathways; and receive monthly

training and development metrics to report back to functional groups. The result of this ongoing initiative was the development of custom resource plans in NWU for each functional and specialty group. These plans include onboarding materials, relevant professional development courses, useful templates, procedural information, and targeted upskilling materials. However, it was noted that there was also a need for a more rigorous and targeted set of learning pathways, or Academies, which would be aligned with functional goals and strategies and customized to the career pathing needs of each group. Our Learning Champions continue to support and assist in the design and implementation of the Academies Platform.

The Academies Platform was launched in early 2023 with the procurement of an additional NWU



vendor that offered a highly customizable, curriculum style learning solution to provide each North Wind employee with a clear career path. Our initial step consisted of the creation, design, and implementation of a suite of Project Manager Academies, aligned with the 3 levels of Project Management roles outlined in the organization. The Academies contain both internal and external resources including videos, courses, articles, and North Wind policies and procedures. The Academies also incorporate various proficiency checkpoints to demonstrate knowledge and topic retention, or provide guided additional instruction where needed. There are now approximately 10 additional Academies in draft state as the Training and Talent Development team, with the assistance of our Learning Champions, continue to expand this platform and develop the necessary resources for each employee to achieve their professional development and career advancement goals.

### REVISION OF CORPORATE BONUS PROGRAM AND TOTAL REWARDS

Building and maintaining fair and equitable compensation requires an ongoing commitment to reviewing and revising our programs. In 2023, an additional benchmarking survey was added



to the tools used by our compensation team to ensure an accurate look at comparable pay data. 2024 brings change to North Wind with new leadership and philosophy. With this change, we anticipate a shift in our total rewards philosophy to a true pay-for-performance culture, which incentivizes and rewards the high performance that drives North Wind's success.

### ETHICAL SUPPLY CHAIN MANAGEMENT

Advancements in technology and procurement automation have streamlined and optimized business practices. We recognize that the procurement function has a decisive role to play in shaping North Wind's ESG footprint through purchase decisions. In late 2021 North Wind made the decision to implement SmartBid, one of the leading construction bid management software solutions, into our suite of applications. Initially, SmartBid was used only by our estimating department. In 2022, we began to explore the use of SmartBid for prequalification of subcontractors and successfully implemented this aspect in December 2023. North Wind now has an improved way to interact with vendors, which lends to stronger relationships, improved record keeping and tracking, project data and analytics, and overall better decision-making. This application allows North Wind to easily embed custom ESG principles and queries into our vendor database, allowing for access to qualified subcontractors and vendors at our fingertips.

### COMMUNITY ENGAGEMENT PROGRAM

North Wind Group is deeply committed to enhancing the well-being of the communities we live and work in. North Wind prioritizes initiatives and financial support aimed at promoting conservation and protecting the environment, understanding the critical importance of preserving natural resources for future generations. Whether through sustainability projects, eco-friendly practices, or supporting local conservation efforts, North Wind Group demonstrates its dedication to environmental stewardship. Additionally, North Wind actively supports STEM-related community initiatives through contributions and volunteer hours, understanding that fostering interest and education in science, technology, engineering, and mathematics is essential for driving innovation. By investing in both environmental conservation and STEM education, North Wind Group strives to create a brighter, more sustainable future for all.

North Wind Group is dedicated to expanding its community engagement program by empowering employees to volunteer their time, skills, and experience within the communities they live and work in. North Wind is actively developing a Volunteer Time Off (VTO) program, which will be presented to the executive leadership team. This initiative aims to provide employees 10 hours per calendar year of dedicated time off to engage in volunteer activities that align with the company's values and community priorities and demonstrates our commitment to corporate social responsibility and community involvement.



## Governance

### SUPPLY CHAIN RISK ANALYSIS

Supply chain risk has become an increasingly important topic for numerous industries over the last few years. During the summer of 2023 North Wind addressed supply chain risk management (SCRM) through an SCRM plan. The primary objective was to develop a supply chain risk management plan that will guide the identification, documentation, tracking and mitigation of NWG's supply chain risks and assist in delivering products in conjunction with NWG's mission. The SCRM plan also encompasses assessments/reviews of subcontractors/suppliers associated with NWG's activities to mitigate future risk. An assessment suggested was a supplier scorecard in which NWG can track the performance of suppliers/subcontractors in anticipation of awarding future work to reliable suppliers/subcontractors. Supply chain risk is a very dynamic and ever-changing challenge. Therefore, to assist NWG in effectively mitigating potential risks the SCRM plan has been structured to promote different evolutions to best suit the risk environment. Overall, the SCRM plan allows NWG to transition from a reactive mindset to a proactive mindset regarding supply chain risk.

### METRICS-BASED MANAGEMENT

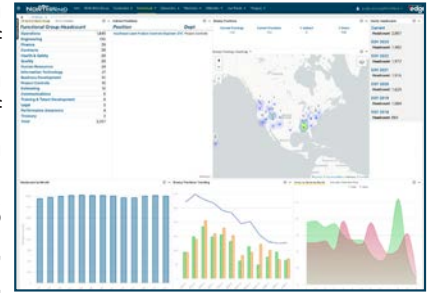
North Wind identified a problem where the current leadership was unable to obtain near real-time, actionable information from the underlying business systems. They needed to improve situational awareness to increase revenue, profitability, and enhance the overall project delivery experience. To address this problem, North Wind partnered with edgeTI to create digital twins to provide real-time representation of the internal health of the organization. By leveraging edgeTI software and creating a custom dashboard and interface, North Wind can leverage Northern Lights to have an immediate pulse on financial and personnel data. The Northern Lights solution provides the ability for leadership to have real-time information from its diverse systems and create a culture where the data can help drive the decisions of the business.

Northern Lights has mapped



critical business systems into an integrated data visualization platform and driven top-down adoption from senior leadership. Integrations of multiple data sources have provided a single pane of glass of real-time visualization reports, interactive dashboards, and much more.

Since enabling this technology, North Wind has gained efficiency of its staff, enabled savings in projects, and improved alignment with information transparency of its workforce. In the first year of using Northern Lights, North Wind created over 45 data connectors, 645 visualizations, 170+ dashboards and over 1200 data streams. This allows for a robust way to standardize views using real-time enterprise data from over 50 commercial-off-the-shelf (COTS) and custom in-house systems. This process helped identify overdue billings and reduced invoicing delays, thereby lowering days sales outstanding.



Finally, Northern Lights has created immediate value by allowing for real-time data manipulation and providing actionable information that can drive business value. For example, project managers are now able to pull up real-time data for their staff to see if they are meeting their utilization goals and, if not, help identify why and provide remediations near real time. It has also reduced the number of reports being distributed internally and created a better representation of the data by eliminating an extensive number of spreadsheets.

Northern Lights has created significant value to North Wind by eliminating duplicated data and work streams, reducing errors identified in manual processes, creating real-time data driven dashboards, and allowing for the entire company to leverage the datasets to request or create their own metrics. The low-code solution has created a Metrics-Based Management (MBM) culture with the data at the fingertips of North Wind Employees.





## Project Highlights

### Redstone Arsenal

North Wind Resource Consulting prepared an Environmental Assessment (EA) for a highly sensitive, state-of-the-art facility on Redstone Arsenal, Alabama. The facility consists of a 32,000-square-foot building that houses office space, research and operations facilities, storage areas, and 50- and 120-meter indoor firing ranges. The 120-meter range includes a rolling overhead door that expands the range outdoors to a maximum distance of 1,500 meters. North Wind conducted a variety of field investigations and data analysis during preparation of the EA.

During the analysis North Wind staff identified an area where impacts could potentially be minimized: the clearing of a wide swath of mature trees during construction of the 700-foot-long entrance road. We inquired with the customer and the design contractor as to why the clearing was so much wider than the entrance road and were told that it was to make sure the overhead electrical lines would be clear from any falling trees. We requested that the design team evaluate the placement of underground electrical lines from the main road to the building. This would maintain much more of the forested buffer, reducing visibility of the building from the main road. The design contractor had assumed that undergrounding the lines would be cost-prohibitive, but once a full analysis was considered the client determined that the overall benefits associated with increased security and adhering to the principle of reducing environmental impacts outweighed the modest cost increase associated with undergrounding the electrical lines. The client's decision resulted in the preservation of two acres of mature hardwood forest in an area where forest canopy is rapidly decreasing.

# Portsmouth Gaseous Diffusion Plant

North Wind Dynamics is the prime DOE Infrastructure Support Services contractor at the Portsmouth Gaseous Diffusion Plant (PORTS). Mission and contract support activities are performed for DOE and other small and large contractors at Portsmouth, including the D&D contractor, Fluor-BWXT Portsmouth, LLC. Performance Work Statement scope areas include safeguards and security; surveillance, maintenance, and repair of facilities; computing, telecommunications, cybersecurity; real and personal property management; janitorial services; grounds maintenance, snow removal, pest control; roadway/parking lot maintenance; fleet management; records management and document control; Environmental Safety, Health and Quality; and training.

DOE PORTS was recognized as a Leader in Sustainable Electronics Procurement with a 2023 EPEAT Purchaser Award. The award comes from the Global Electronics Council (GEC), a non-profit organization that manages the EPEAT ecolabel. EPEAT allows DOE PORTS to efficiently address the lifecycle impacts of the electronics purchased. North Wind uses EPEAT in purchasing contracts to require that vendors only provide electronics that meet strict sustainability criteria for the Portsmouth Infrastructure Support Services (ISS) contract. These products are more energy efficient, less toxic, longer lasting, and easier to recycle than products that do not meet EPEAT criteria while addressing labor and human rights issues along the entire supply chain. As a Four-Star Award winner in multiple categories (Computers and Displays, TVs, Mobile Phones, and Imaging Equipment), DOE PORTS received a calculation of the environmental and cost benefits associated with our EPEAT-registered purchases.

North Wind provides the whole complement of services required for implementation of Electric Vehicle

Charging Station (EVCS) projects. EVCS implementation is integral to promoting sustainability and reduced greenhouse gas emissions through plug-in hybrid and zero emission vehicles. In support of this, North Wind provided the planning, design, and construction installation of 13 Level 2 EVCSs at PORTS. These charging stations will accommodate charging for 26 concurrent electric and plug-in hybrid vehicles spread across six locations at the site.

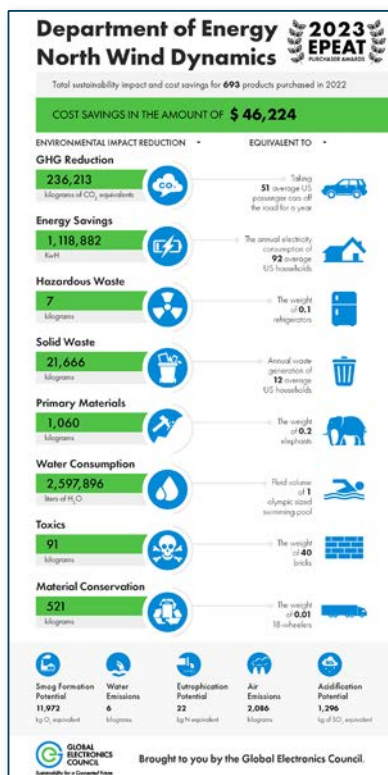
Future expansion has been incorporated into the planning and construction to minimize future cost impacts or rework as stations are added. On-site and emergency operations off-site installations are planned for FY24.

North Wind has continued with an emphasis on waste minimization, resource consumption minimization, and participation in recycling programs. North Wind utilizes the Responsible Recycling (R2) standard for Electronics Recyclers that is recognized by the EPA. All recycled excess electronics were sent to an R2-certified recycler that met specific environmental and safe recycling management practices. North Wind recycled in excess of three tons of electronic scrap, which included CPUs, laptops, printers, and other misc. electronic devices. IT organization currently has 100 percent of all eligible ISS and D&D contactor computers, notebooks, and monitors installed with power management (676 computers and 3,852 monitors).

To reduce the impact to the environment, grounds and maintenance crews were able to modify their mowing schedules and practices to maximize Monarch butterfly reproductive life cycles and increase beneficial habitat. In addition, the team also developed a low-cost environmental management approach to address an overgrowth of invasive flora to prevent future loss of prairie habitat. Removal of the non-desirable invasive species will increase biodiversity for both flora and fauna associated with the established prairie.



*X-611A prairie (formerly the X-611A Sludge Lagoon) is managed and maintained by North Wind ground crews. The prairie currently supports the growth of numerous Ohio native grasses and fauna beneficial to Monarch butterflies and many other pollinator species.*



## Moab UMTRA

North Wind Portage has removed over 14.3 million tons of radioactive uranium mill tailings, soil, and debris from the Moab site in southeastern Utah. The site is located along the Colorado River, directly across from the entrance to Arches National Park, and approximately three miles northwest of downtown Moab. The operation of a former Uranium Mill at the site resulted in the placement of over 16 million tons of radioactive mill tailings (a mass equivalent to 160 aircraft carriers), former mill building debris, and contaminated soil in an unprotected pile over 60 feet tall adjacent to the Colorado River. Water and wind erosion in the area threaten to spread the contaminated material into the river and to the sensitive areas and populations nearby. Since 2011, North Wind Portage has been actively remediating the site, moving, on average, a total of 1 million tons of contaminated material annually. The project team excavates the material; places it into conditioning beds, where it is disked and blended to meet optimal geotechnical parameters and moisture content for disposal; loads the material into hard-sided containers; and places the containers on a train. Each night, the train transports 156 containers, containing almost 5,400 tons of contaminated material to an engineered disposal facility located approximately 34 miles north in Crescent Junction, UT. At the disposal facility, North Wind Portage places the excavated tailings and debris in lifts into engineered, protected cells, as deep as 40 feet below ground surface. As

cells are filled with tailings and debris, North Wind constructs a multi-layer cap over the cell, in accordance with a design approved by the Nuclear Regulatory Commission, providing safe and secure disposal of the material.

In 2023, North Wind demolished and removed the Atlas Building (a former Uranium Ore processing facility) as well as 14 buried autoclaves. Both the Atlas Building and autoclaves were radioactively contaminated and contained asbestos and other regulated materials, which North Wind compliantly abated and disposed of.

North Wind estimates approximately 2-3 million more tons of contaminated material exist at the Moab site and will continue remediation until the full volume of the former pile and contaminated sub-pile soils are removed from the site. North Wind expects to initiate preliminary confirmatory surveys and sampling to demonstrate that the 400+ acre Moab site is remediated this year. We expect to complete remediation efforts in 2027, perform final confirmatory survey and sampling, and return the site to its original contours and plant native vegetation, fully restoring the site to its former configuration. North Wind will construct the final landfill cover and cap at Crescent Junction in 2027 and 2028 and complete the closure of the disposal facility in mid-2028. North Wind was awarded the project in 2011, was given a five-year extension in 2016, and won the project closure recomplete contract in early 2022. This project alone has employed over 130 personnel.

