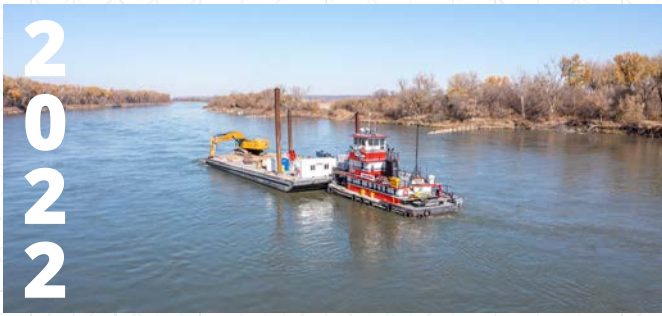


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THE MICHEL'S FAMILY OF COMPANIES SUSTAINABILITY REPORT

MICHEL'S®

WE DO THAT

...

& MORE

www.Michels.us

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A MESSAGE FROM PAT MICHELS, PRESIDENT & CEO

Michels' sustainability journey started nearly 65 years ago when my father, Dale Michels, used his welding experience and leadership skills to start a regional natural gas pipeline construction company in our hometown. My dad built a company known for quality work and doing what was right. The company's reputation grew. We expanded and enhanced our services to meet customers' and our industries' needs for improved infrastructure. Those advancements continue today as we demonstrate our commitment to natural gas as a key component to global energy transition by updating and building modern, more efficient natural gas infrastructure to support global greenhouse gas reductions and energy needs.

Like our company, our sustainability initiatives have evolved. Through it all, we have remained focused on providing our customers with reliable, innovative, and lasting construction solutions. We are focused on building a business to last for generations. We work to make everyday life better. For our customers. For our people. For the communities we serve. For everyone.

Our approach to sustainability is to constantly focus on the health, safety and social well-being of our people, communities and the environment. From my family and our senior leaders to the newest additions to our worldwide team of more than 8,000 people, we ask everyone to use our Core Values to guide all decisions and actions.

To stay ahead of global initiatives and our customers' needs, we are investing in diversified services, equipment and technologies to support energy transition and climate change resiliency.

Our 2022 Sustainability Report shares information about how we got to where we are, where we are going and, most importantly, what we are doing today to make for a better tomorrow. This report covers U.S. operations, but as we continue to evolve, we will pull our international operations into future reports. To our customers, thank you for trusting us to work on your critically important projects. To the communities in which we live and work, thank you for the opportunities to demonstrate our commitment to improving lives in ethical, responsible and innovative ways. Thank you to our people who have demonstrated and lived by our Core Values throughout the years.

As we look to the future, we are motivated by opportunities to continue the evolution of our business operations, the industries in which we work, and our Sustainability Journey. Thank you for joining us in striving to take meaningful, purposeful actions to have a positive impact on future generations.

A handwritten signature in black ink, appearing to read 'Pat Michels'.

Pat Michels

OUR HISTORY

Our journey from a regional natural gas distribution contractor into an international energy and infrastructure leader is driven by a goal to be diverse, yet consistent. Through organic growth, strategic acquisitions, and understanding our customers' and industries' needs, we have expanded into new markets and geographic regions, incorporating our values and safety culture at all points along the way.

Like the industries we serve, our story is a sustainable and transitional one. We remain inspired by legacy of the first generation of

Michels family owners, guided by the experience of the second generation, and exploring changing industry landscapes with the third generation.

We invite you to learn more about how we got to where we are and why we are optimistic and confident about our future.

And so it began...

In the late 1950s, pipeline welder Dale Michels had the vision to start his own business. He reached out to his brother-in-law, Ted Koenigs, and Ted's business partner, Jim Michel. Michels Pipeline Construction Inc. was established in 1959.

Guided by Dale's entrepreneurial spirit, Michels overcame considerable obstacles in its infancy by focusing on future opportunities. Inspired by their parents, the sons of founder Dale and his wife Ruth lead a company where innovation is an expectation, not an exception.



A story of dedication

Soon after Michels was established, a pipe fell onto Dale Michels, crushing his hip. With Dale in the hospital and the company's future in peril, most crew members planned to leave. But Jerry Eilbes (known as "Employee Number 1"), stepped up, convinced them to stay, and ran day-to-day operations in the field. By night, Jerry visited Dale in the hospital, discussing strategy for the next day. The pattern continued for a year as Dale recovered.

TEAMWORK

Like a weld connecting two joints into a strong pipeline, teamwork bonds our people and our diversified services together to form a whole even greater than the sum of our parts.



A base for innovation

In 1963, Dale Michels purchased the Brownsville, WI canning factory where he worked while in high school. It became Michels' home base; the expansive yard was Dale Michels' workplace and playground.

Few people will ever know exactly what happens inside the Brownsville yard, but all agree it is extraordinary. Mechanics and technicians design, build, modify, and maintain our equipment and vehicular fleet. Innovation emanates from each of the dozens of shops. Over the years, the yard behind Michels' headquarters has grown into the home base of one of the largest fleets of construction equipment and trucks in North America.



Branching out

Diversification has been our goal since the beginning. Some of Michels Pipeline Construction's first projects included installing telephone conduit in Waterloo, WI, and 16 miles of 6-inch steel gas mains from Wausau to Marathon, WI.

In the 1970s, Michels expanded underground utility construction services by adding sewer, water, and tunneling operations.

Continuing to diversify, Michels purchased crushing companies R.M. Hinze in the 1970s, 4X Corporation in 1989, and more than 100 pits and quarries throughout Wisconsin.

In 1997, Michels acquired Superior Electric Company in Wisconsin and continued on to become a nationwide leader in electrical transmission and distribution line and substation construction.

In 1999, Michels expanded our footprint on the West Coast by acquiring Pilchuck Contractors, an underground utility contractor. Michels continued West Coast growth by acquiring the Salem, OR-based pipeline rehabilitation business, Gelco Services, Inc.

In 2001, Michels Pipeline Construction Inc. was renamed Michels Corporation to better represent the breadth and depth of services provided.

After purchasing the first vertical drill rig to support power transmission line construction, Michels entered the foundations market in early 2003 and continued to grow market share by acquiring Gillen Co. in 2013.

Throughout the next six decades, organic growth and strategic acquisitions propelled the Michels Family of Companies into the energy, foundations, marine, renewables, transportation, civil, and water and wastewater industries.

Focused on the future

Since 1998, brothers Pat, Tim, and Kevin Michels have guided Michels from a \$158 million company into an international powerhouse with revenues in the billions. Our inspirational story doesn't end here. Committed to remaining family-owned and operated, our legacy will continue to the third generation and for decades to come.



MICHELS FAMILY OF COMPANIES OVERVIEW

Mission

To be the foremost provider of innovative construction solutions and value for our clients in their mission to serve the growing utility and infrastructure requirements of their customers around the world.

Vision

To exceed our customers' expectations by continually setting the global standard for quality, safety, and environmental stewardship in utility and infrastructure construction.

2022 by the Numbers

Our People

6,500
United States

8,000
Global

Our Fleet

15,000
United States

18,000
Global

Our Industries



Civil



Energy



Energy
Transition



Foundations



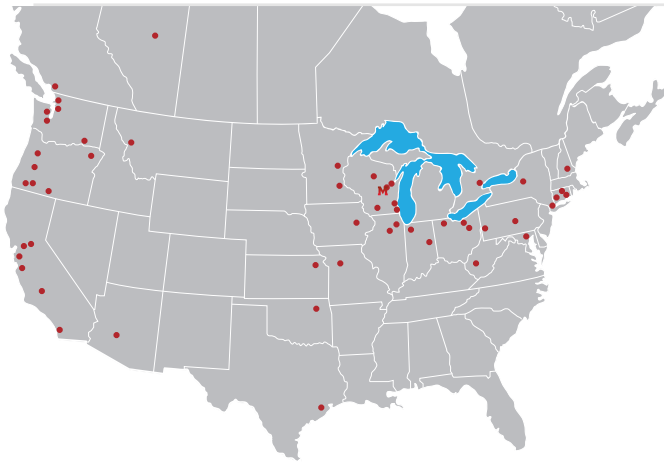
Marine



Transportation



Water &
Wastewater



Australia



Germany



Singapore



Hawaii

Our Locations

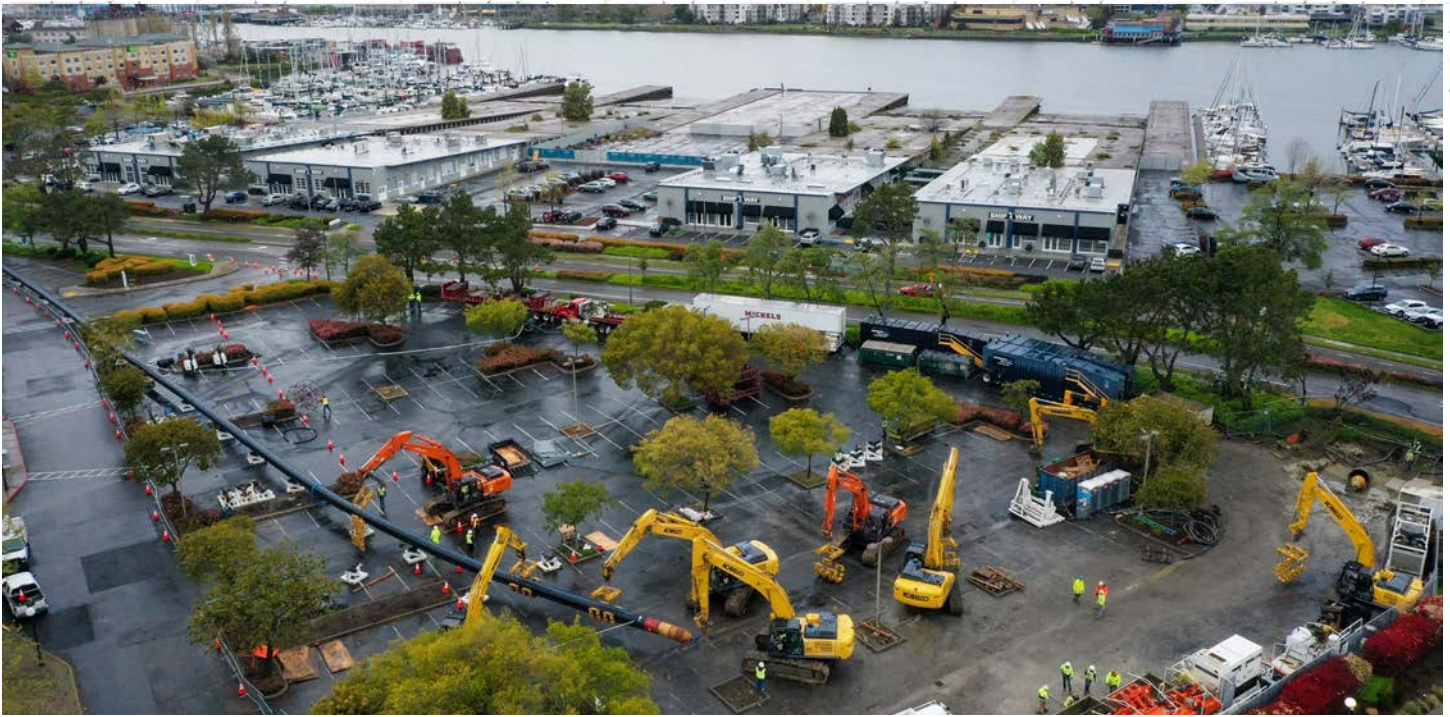
52
United States

4
Canada

1
Australia

1
Germany

1
Singapore



MICHELS FAMILY OF COMPANIES OVERVIEW

Engineering News-Record Rankings

32

Top 400
Contractors

6

Petroleum
Contractors

8

Power
Contractors

10

Top 100 Working
Abroad

30

Top 50 by New
Contracts

36

Top 50
Domestic Heavy
Contractors

Awards & Recognition



Recognition as Green Professional by Wisconsin Sustainable Business Council's Green Masters Program. Received last five years for sustainability performance.



Wisconsin Clean Cities Forward Fleet Award winner (second place) for reduction of fuel usage and emissions through sustainable transportation technology and programs.



Safety Excellence Award given by National Electrical Contractors Association (NECA) to members with excellent safety and health programs.



Arthur T. Everham Safety Award from the Distribution Contractors Association (DCA) for the second year in a row.



Best Places to Work from Employ Humanity for workplace culture.

WE LIVE BY OUR CORE VALUES

Our Core Values of Safety, Environment, Dedication & Teamwork, Integrity, Social Responsibility and Sustainable Operations guide our actions, regardless of the type of work being performed. At each stage, Michels remains focused on the future, anticipating our customers' needs and developing solutions before being asked.



MICHELS CORE VALUES



Safety

Safety is the cornerstone of our culture.



Integrity

Our actions are characterized by integrity, trust and respect.



Social Responsibility

We are committed to being a responsible community partner and value the diversity of individuals and their contribution.



Environment

We are committed to preserving and improving the environments where we live and work.



Dedication & Teamwork

Our people are dedicated and share a passion for quality and innovation.



Sustainable Operations

We have sustainable operations driven by our ability to execute swift, strategic decisions.



SAFETY IN ACTION

While working on the Schuylkill River in Philadelphia, PA, Michels Construction, Inc. boat operators and crew members were notified of a person who had fallen into the river from a bridge. They took their boat to the bridge, found the person who was hypothermic and unable to respond, pulled them into the boat, and waited for EMS to arrive.

Scan to see more
Core Values in Action



SCAN ME

INTEGRITY IN ACTION

When one of our drivers was out in Wisconsin, he noticed an injured owl by the side of the road. He pulled over and took the adult male owl into his cab, keeping it warm and safe until it could be handed off to a co-worker for transportation to a rehabilitation facility. The owl, named CB, was treated for severe cuts on its wing from being tangled in a barbed wire fence.



OUR APPROACH TO SUSTAINABILITY

The Michels Family of Companies' commitment to a sustainable working environment for our people, customers and communities started years before the concept of Environmental, Social and Governance (ESG). Our journey continues, while maintaining constant focus on the health, safety, and social well-being of our people and communities with increasing emphasis on measurable environmental sustainability programs.



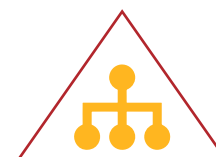
SOCIAL RESPONSIBILITY

Michels is committed to being a responsible community partner, and values the diversity of individuals and their contributions. We implement best practices to maintain the health, safety, and wellness of our highly skilled workforce. We practice good citizenship by supporting local, regional, and national charitable organizations in the communities where we work and serve.



ENVIRONMENTAL STEWARDSHIP

We are committed to preserving and improving the environments where we live and work. This includes monitoring and managing our environmental footprint by actively seeking ways to avoid, mitigate, and improve the natural environment in and close to our places of work.



GOVERNANCE

As a privately owned and operated corporation, Michels Boards of Directors and Executive Leadership teams provide direction and oversight for continuous performance and fiscal responsibility across the Michels Family of Companies. Our comprehensive corporate policies and structures reflect our commitment to maintaining the highest standards of ethics and integrity.

Reporting

As a private family-owned company, Michels does not report all our data and metrics publicly, but we do disclose this information as privileged to our customers and partners as requested. This includes annual reporting (for at least the past two years) to the following sustainability assessment platforms:

- Climate Disclosure Project (CDP)
- EcoVadis
- Green Masters
- ISNetwork
- The Sustainability Project (TSP) for Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA)



STRATEGIC PRIORITIES

We focus on building and improving critical infrastructure around the world with best-in-class people, work ethics, and practices. We are committed to delivering on our customers’ needs and in positioning Michels for future growth through strategic investments and decisions that:



Promote the safety, health, and strength of our people and the communities where we live and work.



Enhance our customers’ infrastructure resiliency through safe practices, quality work, environmental compliance focus, and subcontractor/supply chain management.



Support energy transition and reduction of emissions through management of our fleet, diverse operations, and helping our customers meet their commitments.



Use our governance and leadership abilities to act swiftly to address evolving customer needs through diverse construction services and equipment.

WE DO THAT ... & MORE

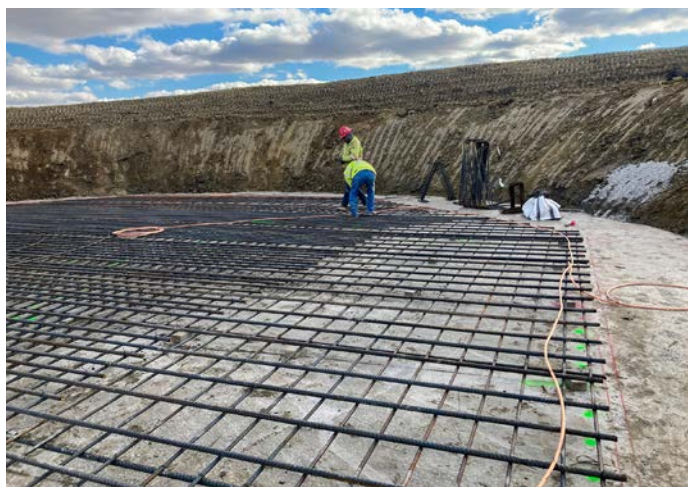
The Michels Family of Companies provides diverse services and solutions in support of global infrastructure needs and resiliency. Our sustainable construction services support our clients' objectives and improve the communities in which we work. While safety is the cornerstone in all that we do, we believe our actions are vital for a sustainable future. To achieve our customers' and global initiatives, we are investing in diversified services, equipment, and technologies in support of energy transition and climate change resiliency.



ENERGY & RENEWABLES

WIND ENERGY

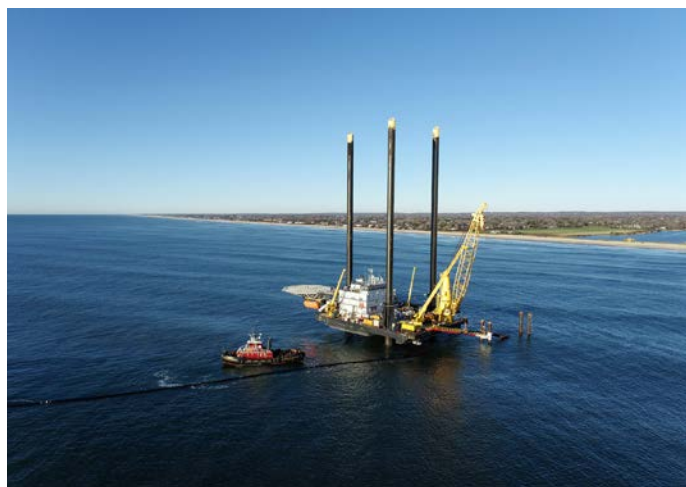
We support North America's energy transition and developing solutions in decarbonization, including solar, wind, hydrogen, carbon capture, battery energy storage and renewable natural gas (RNG) markets. In 2022, we completed a subsea trenchless installation of offshore wind power cables in the U.S.



FORD RIDGE WIND FARM

Sibley, IL

Michels Power, Inc. engineered, procured, and constructed nearly all scopes of electrical work for a 121.6 MW wind farm. The project consists of 43 turbine generators, a new substation, 7 miles of transmission line and 28 miles of underground collection system.



SOUTH FORK WIND

Long Island, NY

Michels Trenchless, Inc. used horizontal directional drilling (HDD) to install 2,589 feet of 24-inch-diameter subsea landfall electrical conduit for a 132 MW offshore wind farm.

The 12-turbine wind farm is designed to produce enough clean energy to power 70,000 homes.

ENERGY & RENEWABLES

POWER DELIVERY

Michels aids our clients' infrastructure resiliency programs through the undergrounding of power lines and replacement of wood power poles with steel in North America.

We support power providers' efforts to restore power after storms and natural disasters through mutual aid agreements. To respond to customers faster and stay longer, we formed an additional storm response team, comprised of employees not working for Investor-Owned Utilities (IOUs). The creation of this dedicated team required new, innovative ways to meet the time sensitive needs, including installing forward-facing cameras on our entire fleet to ensure drivers remain focused on safe driving practices.



Hurricane Ian

Kissimmee, FL

Michels helped restore power following Hurricane Ian in 2022. The 277 crew members and 315 pieces of equipment rode out the storm near Kissimmee, FL, and then began working with the utility and other contractors to restore power to about 300,000 Duke Energy customers impacted by the storm. Crews demobilized 11 days later when power was restored to most Duke Energy customers.

ENERGY & RENEWABLES

NATURAL GAS

Michels continues to be a leader in the expansion and upgrading of transmission and distribution natural gas infrastructure. Part of our commitment to energy transition is building modern natural gas infrastructure to support reducing global greenhouse gases and the need for global energy sources.

Our natural gas facilities team is leading the way in infrastructure modernization programs. Since 2015, we have replaced 13 major compressor units with more efficient units and equipment at existing facilities in the U.S. These first-in-class installation of upgrades support the industry in reducing environmental impacts through limited land disturbance and significant reduction of emissions, including greenhouse gases (GHG) from modernized equipment.



Mountain Compressor Station

Suring, WI

Michels Pipeline, Inc. upgraded a brownfield compressor station with two more efficient, 11,110 hp Solar Taurus 70 units along with associated piping, electrical systems, equipment, concrete foundations and three buildings. The modernized compressor station improves reliability and reduces emissions on a highly utilized segment of a major gas pipeline.

Our commitment to energy independence and energy transition includes our ongoing efforts to modernize and maintain North America's natural gas infrastructure.

ENERGY & RENEWABLES

TRENCHLESS INSTALLATIONS

Michels uses HDD, Direct Pipe®, tunneling and microtunneling to drive world-class installation and replacement of pipelines and other infrastructure under resources with minimal environmental impacts. Since 2021, we completed trenchless installations under at least 66 natural resources, including major waterways, wetland, and wildlife/aquatic habitats.



Lake Sakakawea HDD

Watford City, ND

Michels Trenchless, Inc. completed a 15,426-foot intersect horizontal direction drill under the lake to install a 24-inch steel natural gas pipeline. Compared to a traditional open-cut route around the lake, HDD resulted in significant time and financial savings and avoided substantial environmental impacts. Upon operation, the owner was able to reduce the flaring of natural gas and related emissions.

2022 Trenchless Technology Project of the Year

WATER

REHABILITATION

Our underground, trenchless infrastructure rehabilitation services with Cured-In-Place Pipe (CIPP) and Spray-In-Place Pipe (SIPP) internal lining materials, allow Michels to extend the life and resiliency (up to 50 additional years) of infrastructure with minimal footprint, environmental, and community impacts. While this service is important for many types of infrastructure, it is extremely important for aging water lines because it also supports clean water conveyance to homes and businesses. To date, we have used this service to rehabilitate more than 125 waterlines, including 43 since 2021.



First Aqueduct Treated Water Tunnels

San Diego, CA

Michels Trenchless, Inc. rehabilitated a deteriorating potable water aqueduct system while maintaining the supply of water to more than 3 million people. A combination of potable water-approved geopolymer material and reinforced fiber plastic sliplining adding 75 years of life to 7,200 feet of aqueduct tunnels.



**Rehabilitated 125
waterlines, and
43 since 2021 to
convey clean water.**

MARINE

SHORELINE PROTECTION RESILIENCY

Michels has steadily increased our marine (onshore and offshore) capabilities since 2020. We are proud of the team's 2022 successes completing environmental remediation dredging and shoreline protection/resiliency projects along coastlines and major lakes around the U.S. As a United States Army Corps of Engineers-certified contractor, we also provide rip rap and armor stone sourced from our quarries in Wisconsin.



Rockaway Beach Improvement - Atlantic Shorefront Resiliency Project

Rockaway, NY

Michels Construction, Inc. is rehabilitating 7.7 miles of Atlantic Ocean shoreline to provide a barrier against erosion and wave attack, while limiting storm surge inundation and cross-peninsula flooding. The self-performed work in the resiliency project includes building a composite seawall, sand dune and rock mound structure seaward of the wall.



TRANSPORTATION

ROADWAYS & AGGREGATE

Building and improving our nation's highway systems are important to Michels. We are proud of the processes and equipment we use to complete our work locally and efficiently. A few examples include our stringless equipment that increases pavement smoothness with less asphalt than traditional paving methods, repurposing removed concrete into usable aggregates, and using first-in-class portable concrete batch plants to minimize material transport.



Michels recycled more than 2 million tons of asphalt and concrete into usable aggregate in 2022.



OUR PEOPLE

The backbone to Michels' success is our team of 8,000+ people who bring their talents and skills to work each day. We listen to our people, value their opinions and innovations, and trust them to make decisions and develop solutions.



HEALTH & SAFETY

Safety is the cornerstone of everything we do and our top core value. With more than 30 million hours worked throughout the last two years, our commitment to safety and our culture of continuous improvement is evident in our declining injury rates.

2022 Michels Family of Companies Injury-Related Rates

Reduced
TRIR
(Total Recordable
Incident Rate)
14%
since 2021

Reduced
LTIR
(Lost Time Incident Rate)
5%
since 2021

.59
EMR
(Experience
Modification Rating)



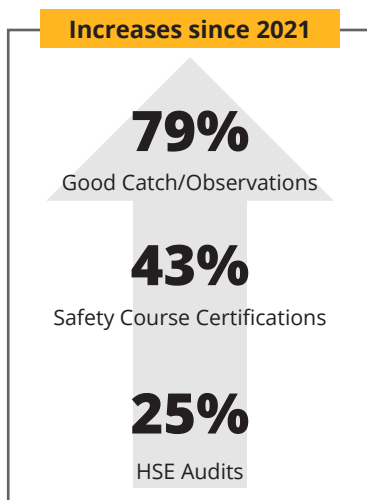
Safety is the cornerstone of our culture.



HEALTH & SAFETY

Our Health, Safety and Environment Department (HSE) consists of more than 170 professionals providing technical support, training, audits and assessments, and oversight for our operations from an HSE perspective at our facilities and job sites.

2022 Culture of Continuous Safety Improvement Indicators





CORNERSTONES OF HEALTH & SAFETY

Michels' HSE team developed the 10 Cornerstones of Health and Safety as foundational principles all Michels employees should "LIVE by" and must never be compromised. The visual message is displayed at our jobs sites, yards, and offices as a reminder of our commitment to our Core Value of Safety.



Energy Isolation & Control

Always verify hazardous energy sources, including gravity, are controlled (i.e. LOTO) and position yourself and others to avoid the "line of fire" should a release of energy occur (i.e. NEVER pass under suspended loads).



Equipment Operation

Always adhere to company policies and the manufacturer's recommendations for the inspection and safe operations of the equipment; only operate equipment if you are trained and competent to do so and the equipment is in good working order.



Driving

Always inspect your vehicle to ensure it is in safe/compliant condition prior to use (pre- and post-trip for CMVs), possess a proper and valid license, drive free of any impairments, operate defensively, avoid distractions, wear your seat belt, and travel at a safe speed.



Working at Heights

Always protect yourself against a fall when working at heights or over hazardous areas and use proper fall protection systems.



Excavation Work

Always have trenches/excavations inspected by a competent person and ensure proper trench protection and access/egress prior to entry.



Safety Responsibility

Always maintain and exhibit your commitment to Michels Mi-Promise and plan safety into each and every task being performed by completing a pre-task assessment (i.e. JSA, work permits, pre-trip inspections, etc.) to identify and communicate hazards to others.



Ground Disturbance

Always plan ground disturbance activities, locate and positively identify all utilities prior to digging/drilling and protect any utilities being exposed.



Rotating Equipment

Always guard or prevent exposure to rotating equipment.



Incident Reporting

Always immediately report all injuries, spills/releases and incidents to your supervisor and HSE.



Fit for Duty

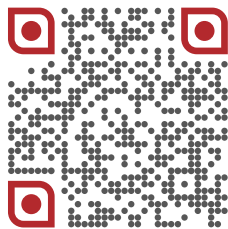
Always report to work healthy, mentally and physically fit for work and assure you are able to safely perform work activities assigned.

MI-PROMISE

Michels fundamental promise is to work safely, keep a vigilant eye out for potential hazards, and return to our loved ones at the end of each day just as healthy as we were when the workday started. Our “Mi-Promise” multi-faceted campaign focuses on inviting our employees to make a personal commitment to their safety and the safety of those around them, whether at work or home.



Watch the video



SCAN ME

Components of the Mi-Promise campaign include:

- **Stop Work Promise:** Michels asks all employees to promise to stop work that is unsafe or that they or someone else may be unqualified to perform.
- **Mi-Promise:** Employees made a personal and specific commitment/promise to their loved ones regarding what they would “always” do to ensure they make it home safely each and every day.
- **Mi-Promise video:** This emotional video captures our people’s spouses, children and loved ones asking them to “Promise Me” to not enter an unsafe trench or not wear a seatbelt.
- **Mi-Promise Safety Coin:** Michels designed and distributes a commemorative Mi-Promise coin to reinforce the campaign commitment and importance of each individual’s Stop Work Promise. Everyone is asked to carry their coin with them each day as a reminder to themselves and their teammates of this essential commitment and message.



HUMAN PERFORMANCE IMPROVEMENT PROGRAM

Michels Human Performance Improvement (HPI) Program recognizes and rewards Michels employees that actively identify and correct at-risk and undesired behaviors (human errors). This program empowers our Culture for Continuous Safety Improvements, emphasizes our Core Values, and makes a direct and positive impact on our overall success as well as the construction industry.



Program objectives

- Identification of potential organizational vulnerabilities prior to an event occurring.
- Identification and reporting of near hits and good catches.
- Identification, correction, and reporting of at-risk/undesired behaviors and conditions.
- Identification and reporting of an employee's promise to Stop When Unsure.
- Improving overall performance by creating and maintaining a safe, efficient, and productive workforce.
- Providing a process to track and trend leading indicators.
- Provides a platform for organizational coaching when at-risk/undesired observation exists.

Recognition & rewards

- Reports or actions are scored from 100-500 and points added to an employees' individual HPI account. Employees have the option to cash in a card for a reward or allow points to build up to earn larger item(s).
- Direct supervisor contacts recognized employees upon receiving verification of a valid report to provide positive reinforcement and constructive feedback.
- HPI Champion stickers are awarded to the employees by an HSE team member.
- Employees are recognized by management (e.g., acknowledged during meetings, publications).

\$150,000

spent on HPI rewards
to employees in 2022

3x

Program participation
has more than tripled
since 2019

HEALTH & WELLBEING

Michels provides our people with a collection of programs and practical ways to improve and enjoy many aspects of life. These programs include:

Mi-Family: Programming that allows our people to take part in fun activities with their families and their colleagues.

Mi-Wellness: Achieving physical and emotional wellness is important to us. MI-Wellness provides the resources and opportunities for a healthier mind and body.

Mi-Involved: Volunteer activities that allow our people to be actively and efficiently involved in charitable causes.

Mi-Learning: Seminars on personal enrichment topics, from financial planning to fitness trends.

Mi-Team: Non-work-related activities that foster cooperation and trust among colleagues.

Sustainability Committee: This group plans events in the Mi-Involved program (Earth Day, Plastic-free July, No-Mow May) focused on improving local environments in the communities where we live and work.

Michels Mind Matters: Program designed to build knowledge and provide mental health help for our people and their families.



BENEFITS & COMPENSATION

In the U.S., where we employ about 75 percent of our workforce, we continue to focus on providing a comprehensive, competitive benefits package that helps our colleagues be well – physically, mentally and financially. These are the common benefits offered:



Medical, dental and vision benefits for colleagues, spouses, domestic partners, and dependents



401(k) retirement savings program with options to contribute on a pre-tax, Roth or after-tax basis, with company matching contributions



Flexible Spending Accounts for both healthcare and dependent care and Health Savings Accounts



Paid vacation and holidays



Employee Assistance Program



Short-term and long-term disability



Wellness programs for colleagues and spouses



Employee life insurance



Wellness Incentive Program



MICHELS SCHOLARSHIP FUND

We started the Michels Scholarship Fund in 2010 to help provide post-secondary education (trade school and college) scholarships to employees and their dependents. To date, we have awarded more than \$395,000 to 162 employees and their dependents. In 2022, the Michels Scholarship Fund awarded 17 scholarships totaling \$70,500 to 1 employee and 16 family members. Initially established by the Michels family, the Michels Scholarship Fund is funded by employee-organized and supported events, including auctions, raffles and donations.





70+

Outreach events
in 2022

TALENT ATTRACTION & DEVELOPMENT

From elementary school students to military veterans, Michels educates and recruits people with skills and attitudes aligning with our expectations and behaviors. In 2022, Michels participated in more than 70 outreach events focused on communicating construction career opportunities ranging from Internships, Skilled

Trades Apprenticeships and Professional Construction Management. We also partner with unions to enhance training fund opportunities for all individuals in the union workforce we utilize across the U.S. This includes referring individuals to Joint Apprenticeship Training Committees.



HIGHLIGHT

Career Exploration Day

We invite students to spend a day getting a behind-the-scenes look at our Corporate Headquarters' 100+ acre yards and shops. Our goal is to educate students about employment opportunities in the construction industry with strong science, technology, engineering, and math (STEM) skills.

TALENT ATTRACTION & DEVELOPMENT

Michels Internship Program is a key element of our talent strategy and part of our commitment to community involvement and growth of the construction industry.

Michels Internship Program Objectives

1. Encouraging and bringing fresh perspectives to our workplace, building connections with schools and universities, and building and maintaining a pipeline of skilled talent for future recruitment.
2. Assessing candidates for possible full-time hire upon graduation.
3. Providing students with the opportunity to see if their chosen career path or field of study is right for them, by utilizing and applying the skills learned in school to real world situations.
4. Providing opportunities for students to build connections and relationships with industry professionals to prepare them for their careers.

90%

Increase in internships since 2020

25%

Interns hired for full-time positions in 2021 & 2022





OUR PLANET & ENVIRONMENTAL RESPONSIBILITY

Michels is committed to preserving and improving the environments where we live and work. This includes monitoring and managing our environmental footprint, and actively seeking ways to improve the natural environment. With support from our dedicated in-house Michels Environmental Resource Group (MERG), we conduct our work and operations in an environmentally responsible manner.



ENVIRONMENTAL POLICY



Protect the environment and human health through our guidelines, policies, and procedures that further drive compliance with applicable environmental laws and regulations.



Continually review our environmental program, guidelines, and actions to identify areas where we can improve to protect the environment.



Regularly communicate with our employees and subcontractors and provide them with the tools necessary to uphold our commitments through awareness, training, lessons learned, and stewardship.



Be good corporate citizens and neighbors by promoting environmental compliance and sustainability from our operations and job sites.



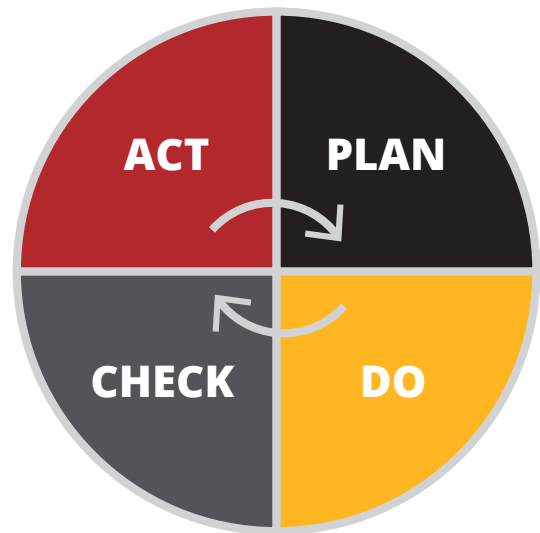
Promote pollution prevention and strive to minimize waste and emissions, encourage recycling and the reuse of materials and natural resources.

ENVIRONMENTAL MANAGEMENT

As we adapt to a changing world and evolving operational needs, we implement environmentally sound practices and improvements. One of our priorities is expanding our environmental footprint assessments from our Corporate Headquarters to our other primary facilities/yards across the U.S. This action supports baseline data evaluation and future improvement initiatives to reduce our footprint on the natural environment.

Michels has been part of the Wisconsin Green Tier Program since 2015, which promotes our continuous environmental improvements in our home state of Wisconsin. Administered by the Wisconsin Department of Natural Resources (WDNR), Green Tier recognizes organizations for superior environmental performance and sustainability initiatives beyond regulatory requirements. As part of this program, our Corporate Headquarters implements an ISO14001 functionally equivalent Environmental Management System (EMS) to support

environmental compliance, pollution prevention, and continual environmental performance improvement. Our future actions include continual expansion of EMS processes to other primary yards/facilities and jobsites to advance our commitment to environmental performance.



MEASURING & REDUCING ENVIRONMENTAL FOOTPRINT

We are committed to proactive and responsible management of our fleet and facilities to reduce our environmental footprint. These efforts are our commitment to proactive and responsible management of our facilities. We strive to implement safe practices and recognize what we do impacts the environment and our communities.



Fleet Management

Replacing vehicles and equipment with U.S. Environmental Protection Agency (EPA) Tier 4 engines or better, adding electric, hybrid and innovative equipment, reducing predictive maintenance, and reducing idle time.



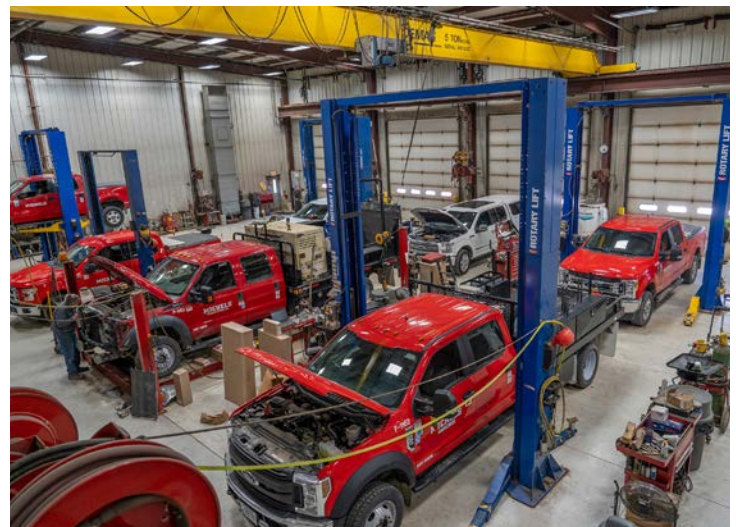
Capturing Grid Greening & Renewables

Tracking emissions from the electricity we purchase to power our yards and facilities, including renewable energy available through the grid or installed for our use.



Yard & Facility Optimization

Conducting assessments at our primary yards and facilities to identify opportunities for improvement for energy, water, waste, or any other natural resources. Assessments provide opportunities for meaningful reductions at most facilities as well as benefits to operational improvements through mitigating potential health and safety risks.



FLEET MANAGEMENT

Michels places significant focus on the continual modernization and management of our extensive 15,000 piece fleet. Annually, about 5% of our rolling stock fleet is replaced with newer units powered by EPA Tier 4 engines or better. One of our primary initiatives to reduce our footprint is the enhancement of our idling program that began in 2015. The installation and use of telematics on 100 percent of our fleet allows us to capture a range of data including real-time data for fleet optimization, including fuel consumption, idle time and speed. This system provides increased awareness for safe driving and opportunities to reduce emissions. Another efficiency tool we utilize is GPS grade control equipment, which grades sites to specifications in the least amount of time possible.

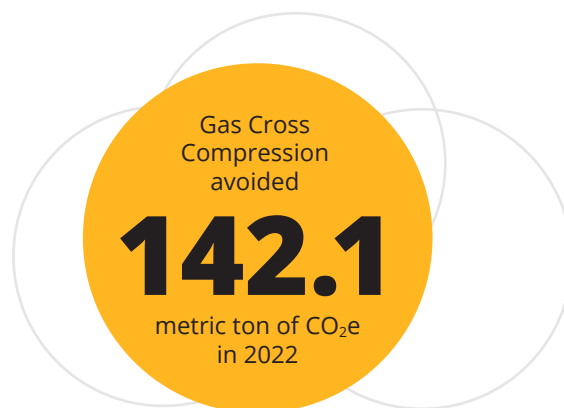


HIGHLIGHT



2022 Wisconsin Clean Cities Forward Fleet Award winner for reduction of fuel usage and emissions through sustainable transportation technology and programs.

In October 2022, we added mobile gas cross compression services for our natural gas distribution customers and deployed it more than 60 times in less than 3 months. This mobile equipment depressurizes or evacuates a natural gas pipeline segment, and captures and moves the gas out of the pipeline being depressurized into another section of the system, thus avoiding releases of methane and greenhouse gases traditionally done by venting during system maintenance. The method provides our clients with an industry-accepted response to the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020 requirement to evaluate and minimize voluntary methane emissions. It is an approved method by the American Gas Association (AGA) to reduce emissions from voluntary blowdowns.



FLEET MANAGEMENT

Through our long-standing partnership with Ford Motor Companies, we added more than 20 hybrid Ford F-150 trucks and 9 fully electric vehicle (EV) Ford F-150 trucks into our fleet with 10 charging stations in the U.S. Adding EV trucks to our fleet provides a reduction in our emissions and provides Michels the opportunity to pilot the use of these vehicles for the heavy construction industry. For example, our first EV F-150 trucks were utilized by the Michels Foundation Team on the construction of a battery plant on the Ford BlueOval Electric Vehicle Center in Tennessee.



Ford BlueOval City Battery Plant

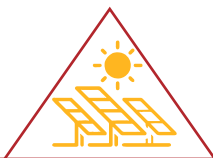
Stanton, TN

Michels Construction, Inc. installed 1,313 drilled shafts to anchor and support the building foundation for a multi-million square foot lithium-ion battery cell manufacturing plant.

CAPTURING GRID GREENING & RENEWABLES

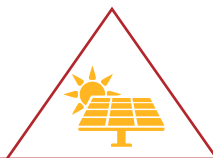
Our efforts include continual refinement of our emissions inventory (baseline 2021) and identifying actions to reduce GHG from our operations. Michels' Scope 1 emissions are primarily from our approximately 7,500 rolling stock fleet and natural gas consumption at our yards and offices. Scope 2 emissions include purchased electricity at our yards and offices. To capture grid greening, we incorporate the EPA's Emissions and Generation Resource Integrated Database (eGRID) to include renewable sources from regional power grids.

To reduce our carbon footprint, we invest in:



Community Solar

Community 1 MW solar facility in Wisconsin and purchased 30% of the available solar blocks as the anchor tenant.



Solar Facility

Installing a solar field that will provide dedicated power for shops at our Corporate Headquarters.



LED Lighting

Continually upgrade lighting systems with high-efficiency light emitting diode (LED) and motion sensing switch controls.





YARD & FACILITY OPTIMIZATION

Through the Wisconsin Green Tier Program, Michels started tracking environmental data at our Corporate Headquarters (64% of total 2022 operational workhours), which has made meaningful improvements since we started the program in 2016. Other improvements at our Corporate Headquarters are driven by our partnership with the U.S. Department of Energy's (DOE) Better Plants Program, including our commitment to reduce energy intensity by 20% by 2028.

This program is an active partnership that focuses on efficiency, increased resilience, and reduction of our carbon footprint through improvements in energy efficiency. Our DOE representative meets with us throughout the year and annually determines our intensity and evaluates our progress.

In addition to our emissions inventory, we prioritized 2022 efforts on collecting environmental baseline data from 16 additional primary yards throughout the U.S. to identify opportunities for improvement, including energy, water, waste and other natural resources.

2022 Michels Corporate Headquarters Environmental Performance

3.2%
energy intensity
reduction

1M
gallons of water
reused in fleet wash
station recycling
system

83
tons of single stream
waste diverted from
landfills

9,200
pounds of mixed
electronics recycled

43%
total waste &
materials recycled

INVESTING IN OUR COMMUNITIES

Michels demonstrates our responsibility as a strong corporate citizen by investing in the communities where we live and work. Our roots have spread far beyond the small, rural town where we were established, but our pride in the places we call home remains as strong today as it was in 1959. In addition to building projects to improve lives, Michels is committed to building strong communities in other ways. We actively give back to local communities, regions and national causes by providing financial contributions, donations and volunteer support.



Community support comes in many forms. Michels worked with local blood centers to hold mobile collection drives at our offices, making it convenient and satisfying for our people to participate.



An activity for one of our leadership summits was to work in teams to assemble children's bicycles, which were then donated to Big Brothers Big Sisters of Fond du Lac.

HIGHLIGHT

Environmental Sponsorship: Water Basin Advocacy

Michels partners with a science-based advocacy organization working for swimmable, fishable rivers throughout the Milwaukee River Basin in Wisconsin. Our efforts include supporting the organization through donations, participation in local river clean-up events, and the collection of water samples to assess health and quality.



INVESTING IN OUR COMMUNITIES



Our office staff and project crews show gratitude to communities that welcome us by giving back. We got the school year off to a strong start for students across the country by holding supply drives in many locations.



The Michels Giving Tree is one of our annual holiday traditions. Our people helped make the holidays a little brighter for local kids in need by donating 100 gifts to students in the Lomira School District.



Michels commitment to preserving the environment is demonstrated every day. We celebrated Earth Day at many of our offices by collecting trash, planting trees and taking part in other activities.



Each of our office teams picked a local nonprofit organization and developed a 12-day campaign to support it during December. We donated toys, food and money to a variety of causes important to our people.

INVESTING IN OUR COMMUNITIES



A Michels crew collected bottles and cans to benefit the Trout Lake Rod and Gun Club's rock bass kids fishing derby. The convenient collection site for returnable containers kept them out of landfills.



Michels continued our annual holiday tradition of supporting the Salvation Army of Fond du Lac's Red Kettle Campaign. Michels matched \$25,000 in donations, and our people volunteered to ring bells and collect curbside donations.



Kevin Michels and Elizabeth Michels presented the Fond du Lac Police Department K-9 Unit with a \$15,000 donation from Michels to add a third K-9 officer to the force.

SUPPLIER MANAGEMENT

While Michels often self-performs up to 80 percent of the scopes of work on our jobs, at times we use specialized, qualified subcontractors. Therefore, it is Michels highest priority to work with safe, quality, and reputable companies and complete projects safely, on-time and on-budget.

We manage the qualifications and performance of more than 1,400 subcontractors through a partnership with ISNetworld®. We expect our

subcontractors to meet our high standards of safety, incident prevention and hazard control. We consider subcontractors' historical safety performance before awarding contracts. We are growing our subcontractor and supplier programs by adding environmental and other sustainability measures to our evaluations. Through our subcontractor management process, we maintain consistency in our quality and standards.



Subcontractors are vetted in several areas:

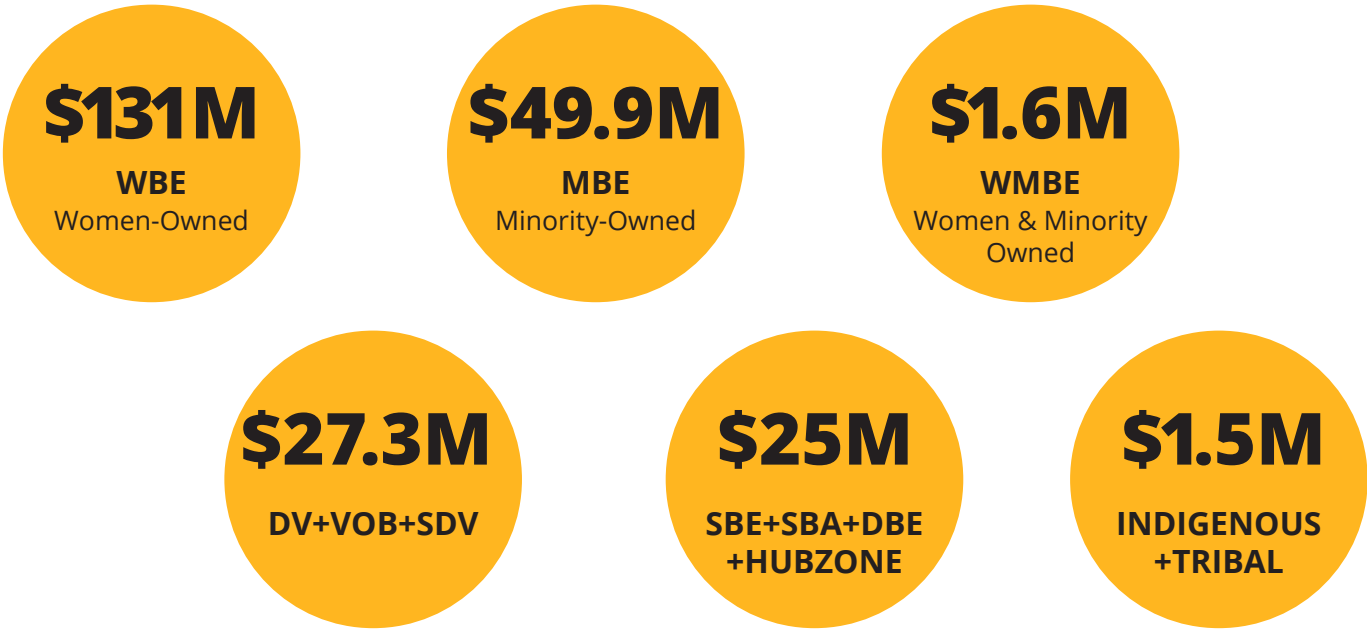
- HSE Training & Performance
- HSE Improvement Plans
- Licensing & Status
- Work Experience
- Equipment Fleet



SUPPLIER DIVERSITY

In keeping with Michels Core Values and our commitment to social responsibility, it is Michels’ policy to provide diverse firms [small, disadvantaged, veteran, and women and/or minority owned (D/V/WMBE)] with the maximum practicable opportunities to participate in our projects in support of our customers and their goals for diverse business participation. Through our Supplier Diversity Program, we host, sponsor, and attend various supplier diversity events. This includes but is not limited to our partnership with the National Minority Supplier Development Councils (NMSDC), corporate sponsorship of

the National Association of Minority Contractors (NAMC) and the Women’s Business Development Center (WBDC). Current and prospective suppliers are encouraged to attend events and other engagements to learn about opportunities to work with Michels. Michels has an established outreach program, including a Small Business Administration (SBA) Mentor-Protégé Program, to support small and diverse businesses overcome access challenges they face and build a resume that will aid them in securing future work from coast to coast while still supporting Michels.



HIGHLIGHTS

\$240M
2022 total supplier diversity spend

\$569M
supplier diversity spend since 2020

SUPPLIER DIVERSITY



TESTIMONIALS

"As the Field Operations Manager for DRJ Trucking Inc., I've had the pleasure of working with Michels' employees and it has been a great experience coordinating with responsible and organized crews. I look forward to tackling our future projects together. Thank you for always making sure my drivers are well treated."

- Rosa G. Duda, *DRJ Trucking, Inc.*

"The NYPA Mentor-Protégé program was my first experience with a program of this kind. Although Geomatics Land Surveying has been in existence since 1994, our survey experience in the power industry has been limited. Perhaps I should have been more careful of what I included in my Wish List of items we were looking for guidance with. Michels' Rodrigo Azqui came back with a plan that included meeting and support with department heads, a visit to Corporate Headquarters, and months of training and oversight from the DEI division and regional staff. Be careful what you wish for! An immediate result of the program was that our scope of services being provided to Michels Power was expanded, and additional contracts added. And our staffing numbers doubled! The experience has deepened our knowledge base and given new life to my firm and its future."

- Stacey L. Allott, LS President, *Geomatics Land Surveying, PC*



GOVERNANCE & OPERATIONS

We are committed to sustainable operations driven by our ability to execute swift, strategic decisions. As part of this commitment, we completed Michels 2.0, which demerged and created nine independent companies to better align Michels for global long-term sustainable success through our governance and risk management actions.

ETHICS, COMPLIANCE & HUMAN RIGHTS

We operate according to our Core Values in Action which includes the Michels Code of Business Ethics & Vendor Code of Ethics. These actions are characterized by integrity, trust and respect. With these core values, we look forward to a future focused on our people, the environment, and sustainability of our operations. And we devote significant effort to enhance our business ethics centered on our core values through continual education and reinforcement into Michels culture.

All Michels employees are expected to:

- Be honest, fair and trustworthy in all your Michels activities and relationships.
- Treat co-workers with respect and take pride in your work; you are an important member of the Michels team and teamwork is critical.
- Strive toward maintaining a safe workplace and embrace environmental stewardship.
- Follow the law and make sure that others you work with — from suppliers and subcontractors to upper management do the same.
- Through leadership at all levels of the company, sustain a culture where ethical conduct is an essential part of how we do business.

We are creating a work environment of mutual respect and understanding of diverse backgrounds in our workforce. This includes our commitment to respecting human rights principles throughout our operations, the principles of freedom of association, and the right to collective bargaining. Our Equal Employment Opportunity/Affirmative Action Policy, Human Trafficking and Forced Labor Policy and Non-Discrimination and Anti-Harassment Policy are among the policies representing our commitment to human rights and our employees. Michels does not condone and strives to eliminate all forms of discrimination in our work environment and business operations.



RISK MANAGEMENT & OPERATIONAL EXCELLENCE

Michels uses an enterprise-wide Risk Management Information System (RMIS) to support our strategic objectives and provide resiliency to our operations. Michels’ RMIS is designed to identify, assess, monitor and manage Michels critical risks and risk mitigation strategies. Michels Executive Leadership manages the system and reports regularly to our Boards. Our Board oversight of risk management includes understanding the risks faced by the Michels Family of Companies, the steps necessary and taken to manage those risks, and the level of risk appropriate for Michels to accept and manage while maintaining resiliency.

Our risk management process also includes comprehensive risk assessments, including operational, industry, climate-related, financial, reputational, legal, regulatory, data and cyber

security risks. These evaluations and the risks we face drive our business strategies and economic decisions. For example, our Business Continuity Plan provides the steps to minimize disruption to Michels’ operations in the event of a crisis or disaster.



HIGHLIGHT

Dash Camera Program

As part of our risk and safety management, Michels invested in and began implementation of a Dash Cam Program with a goal of full implementation in 2024. The goals of this program are to improve driver safety, create better driving habits, and respond to motor vehicle incidents quicker. In 2022, we installed cameras in 25 percent of our rolling stock fleet.



INFORMATION & CYBER SECURITY

For more than 64 years, Michels has leveraged new technologies to support our operations, assist our employees, and safeguard our customers' information. As Michels expands, the demand for information sharing continues to increase and creates continual challenges for ensuring the protection of information and compliance with ever-evolving data compliance laws. We continually assess and increase our focus and investment into our cyber security strategy. Our Information Security Policy Program aligns with various security programs such as General Data Protection Regulation and National Institute of Standards and Technology.

This continual investment is critical in protecting every aspect of our financial and business operations. We are committed to proactively identifying threats and have a robust incident response plan. This commitment is highlighted by the following best practices:

- Employee cyber security training
- Security vulnerability assessments
- Simulated cyberattack (pen test)
- Data loss prevention controls

BUILDING A CULTURE OF CONTINUOUS IMPROVEMENT

When people in an organization believe improvement and accountability are important, they behave with care and concern about how they do their jobs. Continuous improvement initiatives are built into the Michels culture.

Michels Quality Management Program

Quality requires consistency which is why it is in our Core Value of Dedication and Teamwork. It is also a key part of our culture for continuous improvement driven by our Boards and Senior Management. This dedication is evident by the quality of our work, and the care and concern our people apply to their job responsibilities. Our Quality Management Program is established and overseen by a dedicated Quality Department that works to assure our customers that we meet or exceed expectations for quality, reliability, safety and value. At the same time, it reinforces the responsibility of each member of our team to relentlessly pursue ways to improve our processes and performance.



Auditing & Accountability

Michels is committed to compliance and accountability through evaluation and improvement of our risk management and internal controls. Our internal and external audit activities help us uphold the Michels Family of Companies to the highest levels of corporate accountability by evaluating the effectiveness of Michels' system of internal controls and the quality of our performance based on our goals and objectives. Our audits and performance reviews include:

- Annual external audit of the accuracy and integrity of financials.
- Compliance reviews with our policies and procedures in accordance with the applicable laws and regulations that could have a significant impact on our businesses.
- Quarterly reviews of regional and project operations for meeting established goals and compliance expectations.
- Continual review of risk management issues and initiatives.
- Reviewing and appraising the effectiveness and efficiency of resources, including employees, Collective bargaining agreements, and fleet.
- Reviewing the effectiveness and efficiency of our HSE regarding compliance and first-in-class actions.





INVESTING IN OUR PEOPLE

Building a talented workforce for tomorrow is like building a large-scale energy or infrastructure project. Both require persistence, dedication, and a desire to achieve the best. We take actions to create a work environment of mutual respect and understanding of diverse backgrounds in our workforce.

DEVELOPING MICHELS LEADERS

Michels University provides centralized training in key areas, including project management, leadership, communications, and software, as well as in other specific areas of need. Different learning environments are provided to suit specific needs. Options include web-based training, virtual classrooms, classroom training, workshops, and library resources. Michels University provides training in several areas:

- Policy, Procedures, and Compliance Training
- Computer Software & Technology Tools
- Communications
- Leadership
- Credential Prep Courses
- People Management
- Employee Assessments (i.e., StrengthsFinder®, 16 Personalities™)



Employee Developmental Feedback Program

Michels trains our managers to be good coaches and mentors to support the development of our employees personal and career development. Our Developmental Feedback Program is based on Developmental Competencies, Michels Core Values, and job descriptions. We focus on employee strengths and areas for improvement. We believe trust and teamwork are necessary to maximize the employee's career and personal development.



We believe our growth and success is built upon the ingenuity, dedication and expertise of our people.

76%

of Michels staff received Career Advancement Training in 2022

50+

employees requested and received different career path positions for growth



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