

2023

MICHELS®

THE MICHELS FAMILY OF COMPANIES

SUSTAINABILITY REPORT



www.Michels.us

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A MESSAGE FROM PAT MICHELS, PRESIDENT & CEO

Partnering with customers to make communities throughout the world more resilient is a driving force of our sustainability efforts. We stay ahead of global initiatives and our customers' needs by investing in diversified services, state-of-the-art equipment and new technologies that support energy transition. Our decisions and actions position us to deliver reliable infrastructure for the future. We pursue work focused on fortifying and powering the electric grid; connecting offshore renewable energy generation plants to shore; and removing sediments and contaminated materials from lakes, rivers, and other waterbodies.

Our deliberate approach to sustainability has a continual 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.

As we evolve, our unique skills and vision for the future allow us to do the work for which we are known without sacrificing the needs of our customers and with regard for the impact our operations have on the people and environments where we work.

We achieve our goals by:

- Promoting the safety, health, and strength of our people and the communities where we live and work.
- Contributing to a resilient culture, for our team and the communities we serve, by providing the tools and support needed to thrive in changing environments.

- Enhancing our customers' infrastructure through safe practices, quality work, environmental compliance and subcontractor/supply chain management.
- Supporting the transition to cleaner energy sources and technology.
- Using our governance and leadership abilities to act swiftly to address evolving customer needs through diverse construction services and equipment.

Our 2023 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 our Core Values guide our sustainable operations throughout the world.

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.

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 the 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.



EST. IN

1959



A story of dedication

Soon after Michels was established, the boom on a pipelayer failed and fell on Dale, 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.



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 our 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, we 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 buying our first vertical drill rig to support power line construction, we entered the foundations market in early 2003 and continued to grow market share by acquiring Gillen Co. in 2013. After entering the marine market in 2021, we further expanded in 2022 with the purchase of Aqueos Corporation.

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 for decades with the third generation and beyond.



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.

MICHEL'S FAMILY OF COMPANIES OVERVIEW

2023 **by the** Numbers

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.



Our People

6,500

United States

8,000

Global

Our Fleet

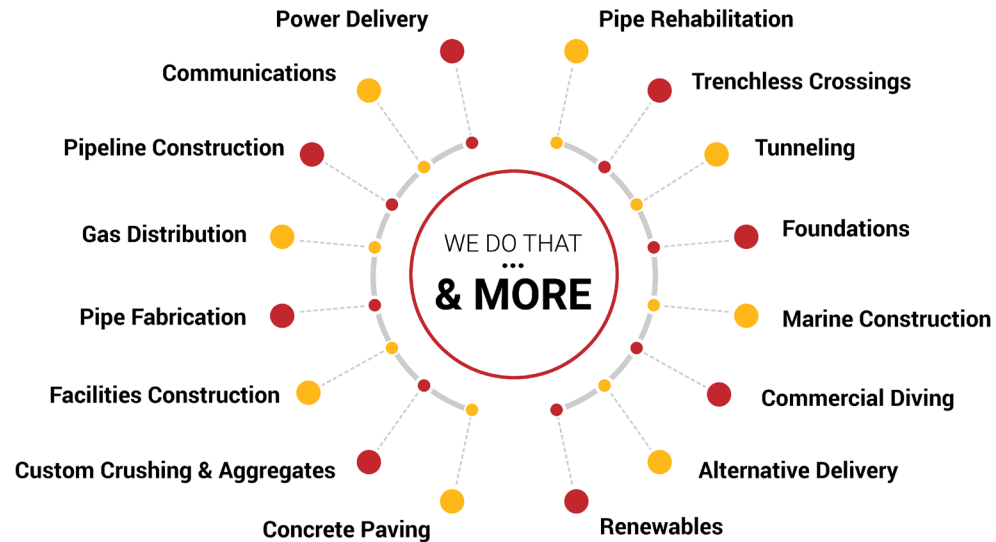
16,000

United States

18,000

Global

Capabilities



Our Locations

52

United States

4

Canada

1

Australia

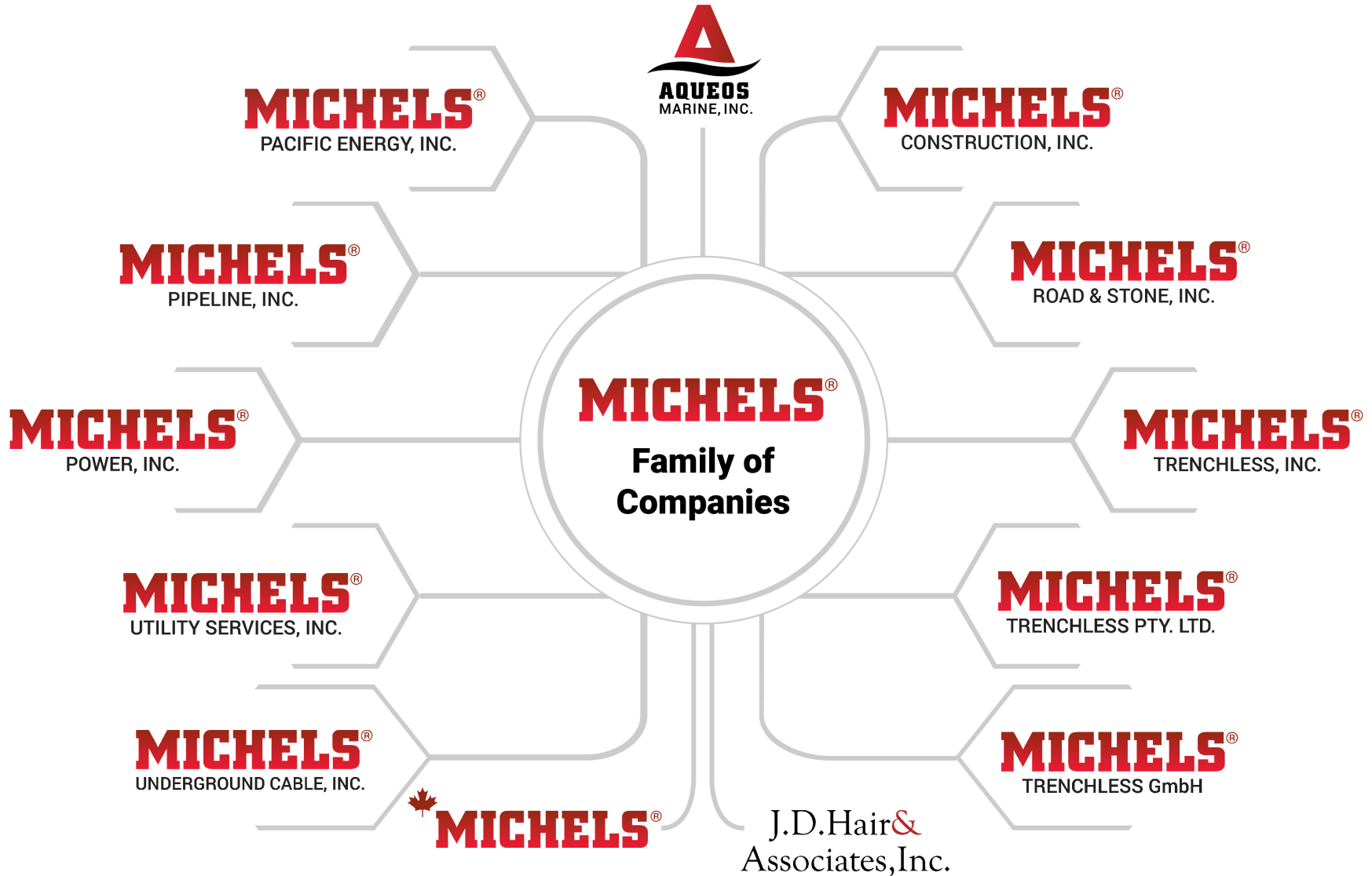
1

Germany

1

Singapore

MICHELS FAMILY OF COMPANIES





Anne Allen, Director of Environment and Sustainability, uses her extensive regulatory and compliance expertise and passion for sustainable operations to lead the Michels Family of Companies' sustainability program. She also serves as Chair of our Sustainability Committee.

SUSTAINABILITY LEADERSHIP

Sustainability Committee

In late 2023 Michels developed a charter and formed a Sustainability Committee dedicated to furthering our culture of sustainability. The committee defines Michels' sustainability material topics, identifies key strategies and deliverables, and analyzes data to make informed decisions for continued progress toward sustainable actions and commitments.

The Sustainability Committee is made up of Executive Senior Leadership (including Board members) and a Sustainability Steering Committee composed of individuals responsible for leading the sustainability functions and operations of the organization, including representation from environmental, equipment, human resources, risk, safety, marketing, supply chain management, legal, information technology and construction operations.



Sustainability Reporting and Achievements

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



EcoVadis



Climate Disclosure Project



The Sustainability Project (TSP) for Electric Utility Industry Sustainable Supply Chain Alliance (EUISSCA)



Wisconsin Sustainable Business Council, Green Masters



ABOUT THE MICHELS FAMILY OF COMPANIES

Michels is proud to be ranked as the 32nd largest contractor on the 2023 Engineering News-Record (ENR) Top 400 Contractors List. As a specialty contractor focused on supporting our country's energy and infrastructure industries, Michels is honored to maintain our positions as 6th among Petroleum Contractors and 8th among Power Contractors.

2023 Awards and Accolades



Best Places to Work — awarded to Michels Corporation for workplaces' positive impact on employees, families, customers and communities.



Achievement in Safety Excellence — awarded to Michels Power to celebrate our exceptional safety culture and positive impact on employees, families, customers and communities.



DCA Arthur T. Everham Safety Award — awarded to Michels Utility Services for exceptional safety performance; Michels has won this award for three consecutive years.



Zero Harm Safety Club 69kV Level — awarded to Michels Power for working 69,000 consecutive hours without a First Aid or OSHA recordable incident.

Engineering News-Record Rankings



LEADERSHIP AND INVESTMENT IN TRADE ORGANIZATIONS

Each year our people dedicate their time and expertise to more than 50 trade organizations representing the industries we serve to improve and facilitate reliable and safe infrastructure construction and operations throughout North America.



North American Society for Trenchless Technology
 Craig Vandaele, Vice President, Preconstruction Services, Micon Group, received the 2023 Chair Award for Distinguished Service to the North American Society for Trenchless Technology.



American Society of Civil Engineers
 Jeff Scholl, P.E., Vice President, J.D. Hair & Associates, served as Vice Chair on a committee for the American Society of Civil Engineers that put together a manual of practice (MOP) for Direct Pipe. MOPs present in-depth technical information on a specific topic and provide a detailed analysis of the limitations and applications of the described methods and technologies.



Distribution Contractors Association
 Dan Britz, President, Michels Utility Services, is providing his knowledge and leadership by serving on the Board of Directors.



Pipe Line Contractors Association
 Matthew J. Westphal, President, Michels Pipeline, is serving as the Treasurer on the Board of Directors.



Electrical Transmission & Distribution Partnership
 Bob Osborn, President, Michels Energy Group, is chairing the Executive Committee, which is the policy-setting body of the Partnership.



Wisconsin Transportation Builders Association
 JR Ramthun, Senior Vice President, Michels Road & Stone, served as the President of the Board of Directors.



International Pipeline & Offshore Contractors Association
 Dean Cowling, President, Michels International Holdings, is serving as the Director, North America on the Board of Directors.



Interstate Natural Gas Association of America Foundation
 Sean Nicholson, Vice President, HSEQ, Michels Corporation, served as the Vice Chair and is currently serving as the Chair of the Board of Directors.



MICHELS CORE VALUES



Safety

Safety is the cornerstone of our culture.



Environment

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



Integrity

Our actions are characterized by integrity, trust and respect.



Dedication & Teamwork

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



Social Responsibility

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



Sustainable Operations

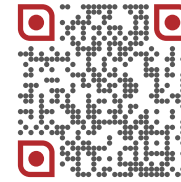
We have sustainable operations driven by our ability to execute swift, strategic decisions.

CORE VALUES DRIVING OUR APPROACH TO SUSTAINABILITY

We focus on building and improving critical infrastructure around the world with best-in-class people, work ethics and practices. Michels' Core Values guide all our actions, including our approach to sustainability. These values clarify and communicate Michels' vision and expectations, as passed down from Dale Michels in 1959 to the present and forward for future generations.

As we enter our 65th year, we continue to focus on our Core Values, which encapsulate the three core pillars of sustainability: environmental stewardship, social responsibility and corporate governance.

Our core values guide our actions.



Scan to learn more about our Culture Playbook issued in 2023



Core Value	Goals
Safety	Focus on continuous improvement and hazard mitigation to advance our safety culture and performance with a journey to zero injuries so everyone comes home safe, every day.
Environment	Advance our environmental program to reduce our environmental footprint and increase environmental stewardship opportunities that not only preserve the areas we impact, but also improve them.
Social Responsibility	Provide benefits and programs that empower our people to live their best lives at work and at home. Support our communities by giving back for a better today and a sustainable environment for future generations.
Integrity	Ensure our people, business operations, and supply chain uphold Michels' Code of Business Ethics and Vendor Code of Ethics so our actions are characterized by integrity, trust and respect.
Dedication & Teamwork	Build an ethical culture with commitment, collaboration, and willingness to do whatever is necessary and go above and beyond what is required.
Sustainable Operations	Uphold a culture with our Core Values and goals for long-term sustainable operations so Michels thrives for another 65 years and beyond.



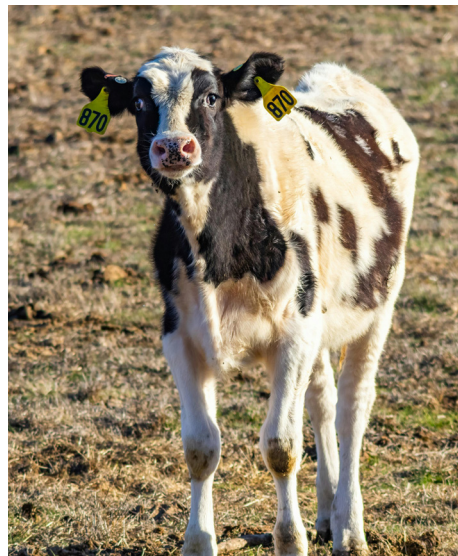
REUNITING A WAYWARD CALF

Michels Power crew members were traveling into a substation in Preston, CT. As they traveled along a driveway through a farm, they noticed a cow in distress at the edge of the barbed wire fence. They scanned the area and found a calf hiding in the brush on the outside of the fence. From experience, they knew that if the calf didn't get back to its mother, the cow would cause harm to herself to get to the calf. They guided the calf back through the fence, reuniting it with its mother. The farmer was notified of the actions and was very appreciative.



REMOVING ROCKS FROM A ROAD

After reporting a rockslide that covered both lanes of a mountain pass near Mount Storm in West Virginia, a Michels Senior Safety Coordinator turned on his strobe lights and put on his high-visibility attire to remove the rocks that were dangerously hidden by a curve in the road on either side, creating safe passage for others.

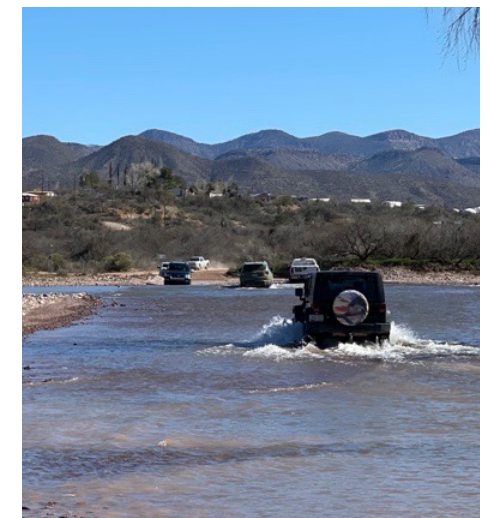


EMPOWERED TO MAKE A DIFFERENCE

A Trego, WI resident contacted Michels to commend a Michels Power General Foreman for exemplary work while restoring power in the area during a four-day outage. The customer wrote: "Some people would be cranky and just say, 'Your power should be back on, but not Jacob. He knew I was elderly and alone so he took the time to help me lift both of my heavy garage doors that weren't working, checked the breaker in the basement for me and just did more than I could have ever expected. I truly appreciate that.'"

VEHICLE FREED FROM FLOODWATERS

A Michels Construction foreman and crew member were installing drilled shafts for a future bridge over a creek in Tonto Basin, AZ when they spotted an elderly woman whose vehicle was stuck in the flooded creek. They entered the creek, fastened a tow strap to the vehicle, and pulled it safely ashore. Next, they jumpstarted the woman's car battery. In recent years, there have been multiple drownings due to the creek flooding and people trying to cross, which is a big factor in the development of the bridge.



WE DO THAT ... & MORE

The Michels Family of Companies provides a wide array of services and solutions in support of global infrastructure needs and resiliency. While safety is the cornerstone of all that we do, we also believe accountable actions in the present are vital for a sustainable future.

Highlighted on the following pages are some of the projects underway or completed by Michels in 2023 that demonstrate how we are helping to strengthen the communities where we work and live.



ENERGY TRANSITION & RENEWABLES

Change is inevitable, and part of honoring our Core Value of sustainable operations involves staying current and predicting how industries evolve. We support North America's evolution to cleaner, more sustainable energy solutions, including solar, wind, hydrogen, carbon capture, battery energy storage and renewable natural gas (RNG) markets.

30% of our power projects support energy transition and renewables, including power outage response, grid resiliency, solar farms and battery energy storage systems (BESS).

BESS PROJECTS

Michels Power's battery energy storage system (BESS) solutions allow energy generated from renewables, including solar and wind, to be stored and then released when the power is needed most.

Monon, IN

45 MW/180 MWh BESS with 14 battery inverter lineups

Weeping Water, NE

1.245 MW/2.49 MWh BESS with one battery enclosure

San Pierre, IN

75 MW/225 MWh BESS connected to a new collector substation

WIND PROJECTS

Our portfolio includes an ever-increasing number of renewable energy projects, including cabling and substations for wind farms.

Malone, WI


34.5/345 kV wind collector substation (civil and electrical construction)

Concordia, KS

Three 34.5/230 kV renewables substations plus 17 miles of 230 kV transmission line



BLUEOVAL SK BATTERY MANUFACTURING PLANT

 *Zero Incident Safety Award*

Michels Construction received the Zero Incident Safety Award from National Maintenance Agreements Policy Committee, Inc. for working 135,428 hours with no recorded incidents on the BlueOval Battery Manufacturing Plant in Stanton, TN. Michels built 1,313 caissons to anchor and support the building foundation of a new multi-million square foot lithium-ion battery cell manufacturing plant in a high seismic zone. Michels utilized temporary casing and polymer slurry drilling fluid. The polymer slurry was specially tailored and used as a successful technique to manage hole stability throughout drilling in the soft materials. In total, Michels drilled more than 72,000 feet, utilizing as many as 8 different drill rigs at peak construction, and tremie poured more than 100,000 cubic yards of concrete.

POWER GRID RELIABILITY

Helicopter assists with slope stabilization

A Michels Power crew took to the air to assemble large steel structures in Nitro, WV, where access constraints, steep terrain and existing 20-inch high-pressure gas main made it impossible to take heavy equipment to the site to install foundations or set the structures. The West Virginia-based team rebuilt 10 miles of the 100-year-old Nitro-Turner 69kV transmission line near Charleston, WV to improve power grid reliability. At the two tower locations, a ground crew attached tag lines to the incoming pieces to guide them into place. At the same time, crew members climbed the structures, used proper safety equipment and then caught and secured each structure section into place. A thorough hazard analysis and detailed planning resulted in zero injuries.






ADVANCING RENEWABLE NATURAL GAS

We are growing our team and experience with designing and building RNG facilities to capture organic methane emissions from landfills, dairy farms, and other waste streams and convert it into clean, sustainable fuel.

Michels Pipeline played a critical role in the creation of a first-of-its-kind multi-stage gas processing station that captures emissions from landfill methane and converts it into renewable natural gas (RNG) on a 15.3-acre site in Wisconsin.

UPGRADING NATURAL GAS INFRASTRUCTURE FOR GRID RESILIENCY

Michels continues to advance and demonstrate our commitment to natural gas as a key component to support global transition to cleaner, more sustainable energy by updating and building modern, more efficient natural gas infrastructure to support global greenhouse gas reductions and energy needs.

- Coyote Springs Compressor Station in Lexington, OR; greenfield site, 1,600 horsepower
 **Received Highest TC Safety Award**
- 300 Compressor Station in Hewitt, NJ; greenfield site, 19,000 horsepower
- 201 Compressor Station in West Deptford, NJ; greenfield site, 9,000 horsepower
- 505 Compressor Station in Branchburg, NJ; brownfield site, 15,900 horsepower

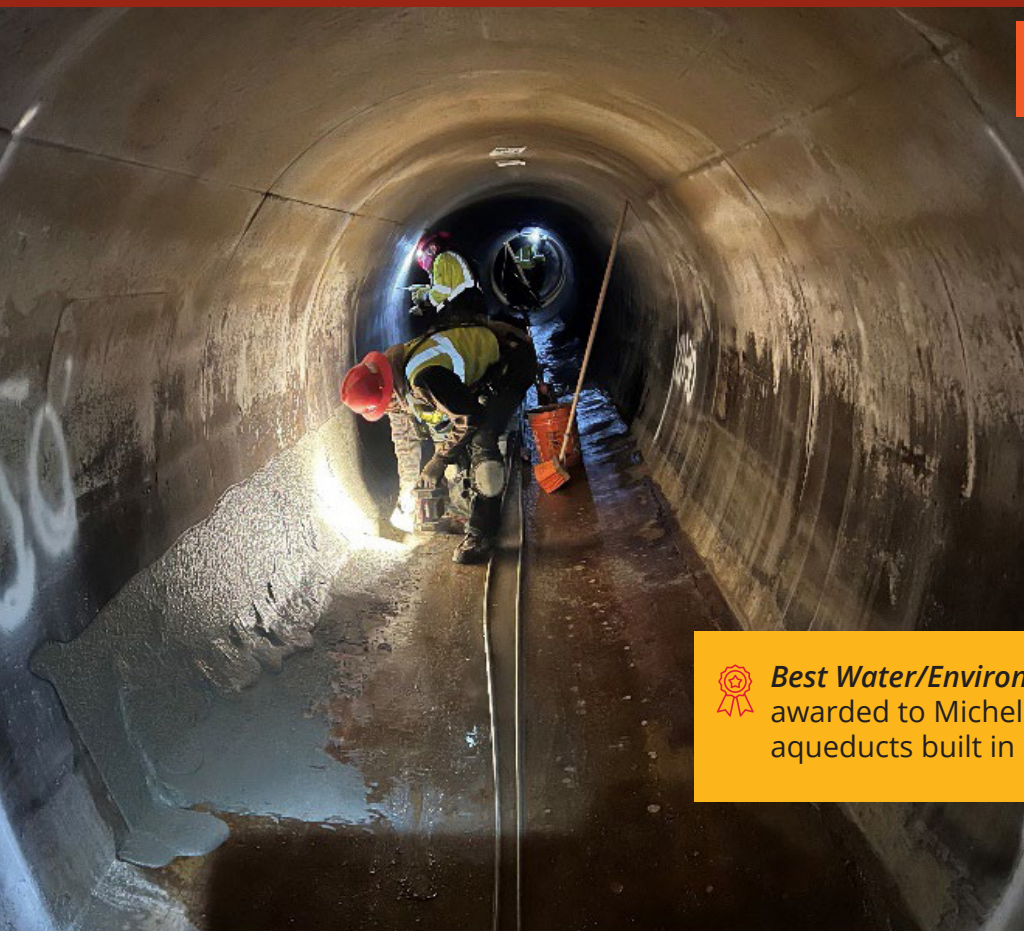


BEST-IN-CLASS TRENCHLESS CONSTRUCTION

Michels is a global leader in trenchless construction, which uses horizontal directional drilling (HDD), Direct Pipe®, tunneling, and microtunneling techniques to install and replace pipelines, power lines/cables and other infrastructure under natural and sensitive resources with minimal environmental impacts.

Improving waterlines and systems

Our underground infrastructure rehabilitation services reline old and otherwise compromised water and sewer lines to extend their life and resiliency up to 50 additional years with minimal environmental footprint and community disruptions. While these services are important for many types of infrastructure, it is especially important in cases of aging waterlines because they also support clean water conveyance to homes and businesses.



SAN DIEGO AQUEDUCT REHABILITATION

Water for 4 million people

Michels Trenchless delivered an alternate solution for the rehabilitation of three 72-inch, horseshoe-shaped water tunnels that service 4 million people. Our solution used an application of sprayed-in-place geopolymer liner on two tunnels and the installation of a 63-inch fiberglass reinforced polymer pipe and grout via sliplining. With no feasible alternate means of providing treated water to customers, shutdown of the San Diego, CA aqueduct for repairs was also only possible in the cooler winter months and was limited to periods based on downstream reservoir capacity and minimum fire reserve quantities.



Best Water/Environment Project - California

awarded to Michels Trenchless by the ENR for rehabilitating three sections of 72-inch aqueducts built in 1947 over the course of three 10 day periods in cooler winter months.

ARKANSAS WATER SUPPLY PIPELINE

Augmenting water supply in Arkansas

Michels Trenchless provided the city of Hot Springs, AR with a new, much-needed source of water to meet increased demand. Throughout the second half of 2023, Michels installed more than 5,000 feet of steel pipe of varying diameters, leveraging both microtunneling and float-and-sink methods for the Lake Ouachita Water Supply project. With the help of Michels Construction, two secant shafts were installed, a requirement for the microtunnel operations.

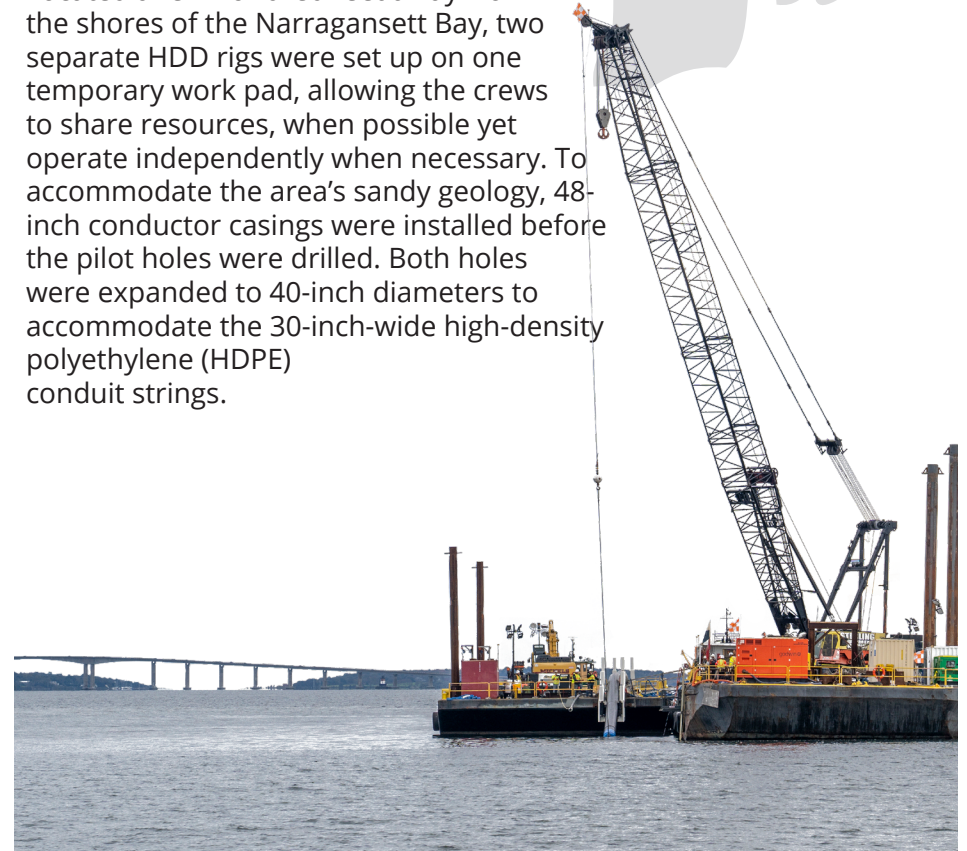


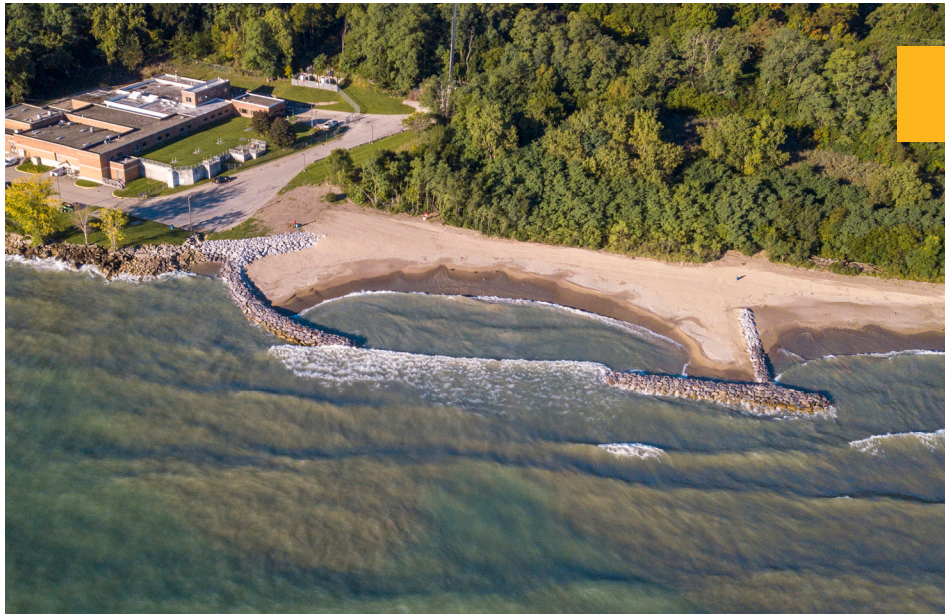
MARINE

Michels continues to grow our onshore and offshore marine capabilities. We are proud of the team's 2023 successes completing environmental remediation dredging and shoreline protection/resiliency projects along coastlines and major lakes across the U.S.


RHODE ISLAND OFFSHORE WIND

Using trenchless techniques to bring offshore energy to the inland power grid, Michels Trenchless used HDD to complete two landfall approaches for an offshore wind farm project in North Kingston, RI. Located a few hundred feet away from the shores of the Narragansett Bay, two separate HDD rigs were set up on one temporary work pad, allowing the crews to share resources, when possible yet operate independently when necessary. To accommodate the area's sandy geology, 48-inch conductor casings were installed before the pilot holes were drilled. Both holes were expanded to 40-inch diameters to accommodate the 30-inch-wide high-density polyethylene (HDPE) conduit strings.





ILLINOIS PROJECT WINS BEACH RESTORATION AWARD

 *American Shore and Beach Preservation Association's 2023 Best Restored Beaches Award*

Michels Construction's coastal habitat restoration and nourishment project in North Chicago, IL restored approximately 1,300 feet of shoreline at Foss Park with approximately half of the length dedicated to recreational swimming and half to coastal habitat restoration. The project provided direct benefit to an economically challenged community and incorporated Americans with Disabilities Act (ADA) access along with the recreational sand beach. The beach had been closed to swimming for 100 years due to unsafe swimming conditions.

LAKE MICHIGAN SHORELINE PRESERVATION PROJECT

Michels Construction is taking a creative approach to preserving the last remaining natural Lake Michigan shoreline in Illinois from the ravages of erosion. Rather than building steel or concrete seawalls that would block lake views or change the area's aesthetics, the design-build team is constructing offshore breakwaters and submerged reef structures at Illinois State Park in Zion, IL. The breakwaters are designed to block waves and reduce erosion, guide the movement of sand, and create new habitat for fish and endangered birds. After the breakwaters are complete, the shoreline will be renourished with 800,000 tons of sand.



TRANSPORTATION

Supporting the nation's transportation and heavy civil needs by building and improving our highway systems throughout the U.S. is important to Michels. We take pride in 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 by converting it into usable aggregates and using first-in-class portable concrete batch plants to minimize material transport.



WISCONSIN INTERCHANGE



*WisDOT Excellence in Construction Award
(Large Contract)*

Michels Road & Stone completed a two-year project to reconstruct 1.7 miles of Interstate 41 in Wauwatosa, WI. The North Leg was the final northern section of the Zoo Interchange project, which was under construction for a dozen years. Approximately 144,000 vehicles travel through the section each day, which made construction and scheduling particularly challenging.

The North Leg widened the highway from six to eight lanes, widened on- and off-ramps, and added frontage roads, cut walls, retaining walls and noise walls. The project replaced five freeway bridges, including one over a creek and one over a local road, all using concrete girders, and one interchange ramp with steel girders.

As the prime contractor, Michels Road & Stone self-performed a lot of the work as well as managed 18 subcontractors. Michels Construction worked with Michels Road & Stone to construct a temporary and permanent railway bridge for Union Pacific Railroad. Michels Construction crews also built soldier-pile and lagging retaining walls to support the excavations needed for widening the urban highway.



RESPONSIBLE AGGREGATE MINING

Michels is among the largest construction aggregate suppliers in the US, responsibly operating mining of aggregates since the 1970s. From our more than 60 pits and quarries across Wisconsin, we source and custom crush DOT-approved limestone, red granite, quartzite and black granite.

Mined from our quarries throughout Wisconsin, we provide the right stone for each project's needs. **We are a United States Army Corps of Engineers-certified provider of natural riprap and armor stone for shoreline protection and restoration, including revetment, slope stabilization, shoreline protection and erosion control projects.**



Over the course of Michels' ownership, more than 2,500 acres have been reclaimed, restoring the land to a natural or economically usable state.

HEALTH & SAFETY

Safety is the cornerstone of everything we do and our top Core Value. With more than 44 million hours worked throughout the past three years, our commitment to safety and our culture of continuous improvement is evident in our declining injury rates, as well as our leading indicator performance.

2023 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

.58
EMR
(Experience
Modification Rating)



Safety is the
cornerstone
of our culture.





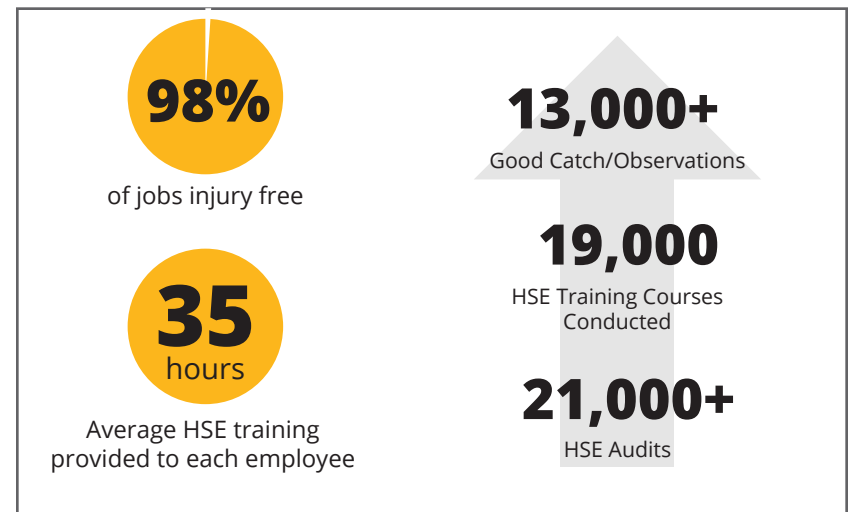
HEALTH & SAFETY

Our Health, Safety and Environment (HSE) Department, in conjunction with our Transportation Safety Resource Team (TSRT), consists of 195 professionals providing technical support, training, audits and assessments, and oversight for our operations from an HSE perspective at our facilities and jobsites.

Strategic Continual Improvement Actions >>

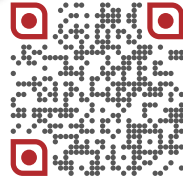
- Utilize Michels Mi-Promise, Stop Work Promise, and Cornerstones of HSE to drive safety culture and accountability so everyone comes home, every day.
- Build upon our policies and procedures through the improvement of Michels Safety Management System with an integrated web and mobile platform for HSE reporting and auditing to track trends for improved performance.
- Continue to identify and remove human error to reduce potential serious injury or fatality (PSIF) type events through the Michels Human Performance Improvement (HPI) Program.

Culture of Continuous Safety Improvement Indicators



MI-PROMISE

Michels' fundamental promise is to work safely and keep a vigilant eye out for one another and for potential hazards so we can 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

Components of the Mi-Promise campaign include:

- **Stop Work Promise:** Michels asks all employees to promise to stop work that is unsafe, potentially unsafe or that they or someone else may be unqualified to perform.
- **Promise Me Video:** This emotional video captures our people's spouses, children and loved ones asking them to "Promise Me" not to conduct unsafe activities.
- **Mi-Promise Video:** Employees made a personal and specific commitment to their loved ones regarding what they would "always" do to ensure they make it home safely each and every day.
- **Stop Work Challenge 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.



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.



Excavation Work

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



Energy Isolation & Control

Always verify hazardous energy sources, including gravity, are controlled (e.g., 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).



Incident Reporting

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



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.



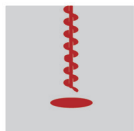
Working at Heights

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



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.



Rotating Equipment

Always guard or prevent exposure to rotating equipment.



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.



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.



Ground Disturbance

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



HUMAN PERFORMANCE IMPROVEMENT PROGRAM

The HPI Program rewards employees actively identifying and recognizing hazards before an incident occurs and using corrective actions. This program empowers our culture for continuous HSE improvements, emphasizes our Core Values, and makes a direct and positive impact on our overall success as well as the wider construction industry.

Recognizing the average human makes approximately 50 errors of varying degrees each day, Michels set a goal to find a solution to reduce the number of errors our team makes while accepting the fact that we work in a very dynamic environment where conditions change often. Our HPI Program is the result of that goal.



13,593

good catch/near hit observations submitted, a 160% increase in 2023

Goal to reduce our PSIF injuries by **10%** in 2024

5%

improvement in our lost time/PSIF injury rates

Strategic Actions >>

Michels completed a phased approach to fully integrate HPI into our daily routine. We started by gaining the full support of our executive leadership team and promoted a team member as a full-time HPI Manager in 2022. We systematically rolled out the program to the entire HSE team and, ultimately, to all of our crews.





HEALTH & WELLBEING

Caring for our people and their families is of the utmost importance, including their physical, mental and financial wellbeing. Our goal is to provide benefits and programs that empower our people to live their best lives at work and at home.

We have expanded our benefits program through the establishment of our first on-site health and wellness clinic at our corporate headquarters in Brownsville, WI. Staffed and managed by SSM Health at Work, the Michels Clinic is dedicated exclusively to Michels employees and their families.

The Michels Clinic creates improved access to acute care, wellness and preventive care. Occupational health services, including drug testing and DOT physicals, are available for all Michels employees. The clinic includes three exam rooms and a lab draw area staffed by a family medical nurse practitioner, an occupational health registered nurse and a patient access representative. The clinic is open during weekday hours to allow our people and their families to receive health and wellness care at convenient times. Michels believes in providing our people with a comprehensive benefits program focused on physical, mental and financial health.



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



Flexible spending accounts for both healthcare and dependent care and health savings accounts



Employee Assistance Program (EAP)



Wellness programs for colleagues and spouses



401(k) retirement savings program with company matching contributions



Paid vacation and holidays



Short-term and long-term disability



Employee life insurance



Wellness Incentive Program



CARE PROGRAM

Michels continues our mental health mission by breaking the stigma of suicide with our Concern, Ask, Resources, Empower (CARE) Program, which complements our Mind Matters Program and the Michels EAP.

CARE, along with other shared resources, is used to empower our people to start a conversation with someone who may be struggling with mental health. Our people learn about the CARE suicide identification method and the signs that someone is struggling, gain a deeper understanding of suicide and mental health statistics, and ultimately learn how to be a resource and offer assistance when needed.

Strategic Actions

- Increased understanding of mental health through Stress Awareness Month, Mental Health Awareness Month and National Suicide Prevention Month.
- Incorporation of CARE principles" into meetings, trainings, and events and access to resources so mental health services are easily accessible for all employees.



What our people are saying about CARE:

“I think sharing about the resources that are offered is very beneficial, especially considering how many people might not know that Michels offers them and that they are free.”

“There is a wealth of information and people at your fingertips at Michels. It was mentioned a few times during the presentation that 'I'd rather be wrong, than right' when having a discussion, finding out the person is fine and not thinking about suicide.”

“As a manager you need to have this in your toolbox to care for those around you and report to you.”

1,000 Michels people

participated in
Mind Matters
Webinars



SOCIAL RESPONSIBILITY FOR OUR PEOPLE & COMMUNITIES

INVESTING IN OUR COMMUNITIES

Michels demonstrates our responsibility as a strong corporate citizen by investing in our communities. Our roots have spread far beyond the small, rural town where we began, but our pride in the places we call home remains as strong today as it was in 1959. We actively give back to local, regional, and national causes through donations, sponsorships, and volunteer support.

Making Special Olympics a success

Thanks to Michels Trenchless crews in Connecticut for teaming up with our customer, Eversource Energy, to connect 1,100 feet of air and water pipes and snow-making guns to supply snow for the cross-country and snowshoe courses for the state's Special Olympics Winter Games. The 16 Michels Trenchless volunteers spent three hours on a Saturday doing the work, which has become an annual tradition.

Brownsville brat fry supports fire department

In June 2023, the Michels family supported the Brownsville Volunteer Fire Department's brat fry by buying nearly 600 brats. Our Dale's Diner staff prepared the brats and served them to anyone who was in the Brownsville office on the day of the brat fry. Our people showed their appreciation of the local fire department by also contributing more than \$500 to a Fill the Boot campaign during lunch.



Supporting Big Brothers Big Sisters

More than 30 people from Michels and Big Brothers Big Sisters (BBBS) of Fond du Lac County volunteered to sort Christmas cookies in Dale's Diner in November. As a fundraiser for the BBBS organization, thanks to the help of volunteers, Michels and BBBS, more than 2,700 dozen were sold. Michels further supported BBBS at its annual Bowl for Kids' Sake event, raising \$14,750 while competing at the costume-clad bowling contest.

Strategic Actions

- Initiated a new program to focus on planting trees in the communities where we operate and near our jobsites to support air quality, carbon reduction, growth of forests and biodiversity.



Boosting Junior Achievement

In 2023, Michels volunteers ventured into six classrooms in two school districts to support Junior Achievement, a program that provides lessons in financial literacy, work and career readiness, and entrepreneurship. These lessons, spread over the course of five one-hour sessions, reached about 120 second- and fifth-grade students. Michels has supported this valuable program for more than a decade, steadily building on the number of volunteers and students impacted each year.

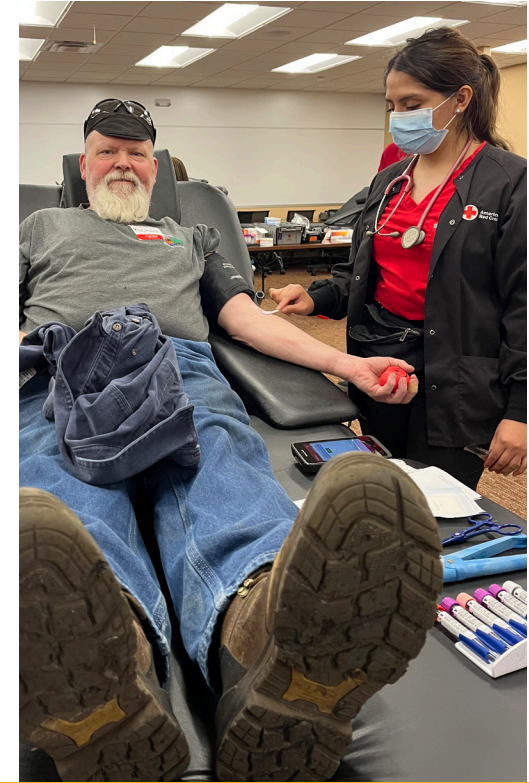


Donating School Supply

As the 2023-2024 school year approached, Michels people at 18 offices participated in our annual School Supply Drive. School supplies are collected for children in need and donated to local schools.

Brownsville hosts blood drives, saving 282 lives

In November 2023, our R1VER office in Milwaukee, WI and our headquarters in Brownsville, WI held blood drives that were very successful thanks to the Michels employees who donated. Collectively, the two offices donated a total of 94 units of blood, which has the potential to save up to 282 lives.



12 Days of Giving

Offices throughout the United States participated in our annual 12 Days of Giving event, where organizations in need are chosen by each office location to support. Throughout the first 12 days of December, donations, monetary and otherwise, are collected by the people in those specific locations. In 2023, 18 office locations participated in this important initiative and donated goods to those in need.



Project Leadership

Michels Project Management Boot Camp is an internally created multi-day training that follows the life cycle of a project from estimating to closeout and focuses on what contributes to a project's success. Topics include understanding and managing different types of contracts, benefits of utilizing solutions and equipment across the Michels Family of Companies, project planning and scheduling, project financial management, managing risk and human performance, and developing a positive relationship with the client.



INVESTING IN OUR PEOPLE

Our approach to building a talented workforce for tomorrow is similar to how we construct 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 for our people.

Developing Our People

Michels University and our Training Resource Center provide continuous learning resources to move our employees forward in their knowledge and skills to perform job duties, take on more responsibilities and advance their careers. We provide on-the-job training, reimbursement for external education and certifications, and regular performance reviews.

In 2023, Michels opened our Training Center to advance in-person and corporate employee training programs.

Michels University provides centralized training in key areas. Different learning environments are provided to suit an individual's specific needs. Options include web-based training, virtual classrooms, classroom training, workshops and library resources.



In 2023, Michels opened our Training Center to advance in-person and corporate employee training programs.

Michels University trainings:

- Policy, procedures and compliance training
- Computer software and technology tools
- Communications
- Leadership
- Credential prep courses
- People management
- Employee personality assessments

Our Employee Developmental Feedback Program trains our managers to be both coaches and mentors to support the development of our people. This program focuses on employee strengths, areas for improvement, and company and personal development goals.

80%

of employees received career advancement training

40,000+

training programs were completed

Strategic Actions

We continue to review our internal and external training programs for new opportunities to better prepare Michels and our employees for success.

BUILDING AN INCLUSIVE CULTURE

We continue to enhance and build a culture that values the diverse backgrounds, skills and experiences of our people. We are committed to creating a work environment so everyone at Michels has a sense of belonging, is recognized for their contributions and is given the opportunity to succeed.

CONSTRUCTION INCLUSION



Our involvement as a sponsor in Construction Inclusion Week in 2023 was a first step in encouraging conversations about inclusivity throughout our industry. This is a crucial concept that aligns with our Core Values and makes Michels a better place to work. Each day throughout the week of October 16 focused on a different learning objective, such as commitment and accountability, belonging, supplier diversity, workplace culture and community engagement. We shared various tools and resources to continue the conversation of diversity and inclusion going forward. With Michels as a supporting sponsor of this awareness campaign, we knew it would be a great reminder to our people that we are building more than infrastructure; we are building a culture where everyone is valued, supported and empowered to contribute at their best.



WOMEN IN CONSTRUCTION

Women in Construction Week is a chance to celebrate the strength and knowledge of women and the vital role they play in shaping the future of the industry. We are proud to have strong female voices in all levels of our company, from the field to project management and support operations. Each year, Michels observes Women in Construction Week by sharing the perspectives of our female team members through videos, social media and a feature in our quarterly magazine.

Strategic Action



- We are building a more inclusive work environment that removes bias and drives individual empowerment and accountability.

“You bring unique perspectives, skills, and talents to the construction industry. Remember your value and the contributions you make.”

\$247M

diverse spend in 2023

60+

diverse business events attended

\$817M

diverse spend since 2020



INCLUSION & COMMITMENT TO SUPPLIER DIVERSITY

Michels recognizes the importance of operating in an inclusive, socially responsible manner. The growth of small, disadvantaged, veteran, women, indigenous, and/or minority-owned businesses, as well as other diverse businesses, contributes to the overall economic wellbeing of our communities and is essential to the industries we serve.

In 2023, Michels expanded its Supplier Diversity commitment with a policy based on the following principles and Strategic Continual Improvement Actions:

- Bring value to our customers by exceeding or meeting project specific goals.
- Provide employees with more tools to enable opportunities for diverse subcontractors and suppliers wherever possible.
- Create beneficial relationships with diverse, small, and local suppliers and subcontractors strengthening the industries in which we operate.
- Actively identify and mentor suppliers from geographically, economically and/or socially disadvantaged backgrounds.

- Support and develop certified, diverse suppliers whose business model is aligned with our business strategy.
- Be good corporate citizens and neighbors by promoting an inclusive environment.

Through our Supplier Diversity Program, we host, sponsor and attend various supplier diversity events. Our commitment 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 support of the Women's Business Development Center (WBDC).

Michels showcases its commitment to corporate social responsibility by investing in organizations whose mission is to aid the growth of small, diverse businesses.

Strategic Action



- We are building economic inclusivity for diverse supply chain through mentoring and support.

Michels' Mentor-Protégé Program Supports Diverse Businesses

Michels' Supplier Diversity department puts our Core Values into action by providing opportunities for small, disadvantaged, veteran, indigenous and/or minority-owned businesses across the country. Our Mentor-Protégé Program (MPP) is one example of how we accomplish this.

In 2023, Michels partnered with Katie Ewing, owner of Ewing Safety and Industrial. Established by Katie in 2016, Ewing Safety and Industrial has thrived under her leadership. From its roots in Delaware, the business rapidly expanded into New York, Pennsylvania and New Jersey. Michels' Mentor-Protégé Program has provided a variety of opportunities for Katie's company, including one-on-one coaching, ongoing meetings and introductions to industry leaders. Katie visited Michels headquarters in Brownsville, WI, where she engaged with leaders from our Marketing; Health, Safety and Environmental; Procurement; Supplier Diversity; and Legal departments. Since the strategic collaboration with Michels started, Ewing Safety and Industrial has seen significant growth and anticipates an impressive 200% growth in 2024, a testament to Michels' MPP. These factors have allowed Katie to grow her team and begin discussions about expanding the physical footprint of her supply business.

TALENT ATTRACTION

From elementary school students to military veterans, Michels is committed to communicating construction career opportunities ranging from internships, skilled trades apprenticeships and professional construction management. We also partner with unions to enhance training opportunities and joint apprenticeship training committees for all individuals in the union workforce that we partner with across the U.S.

56
colleges &
universities
reached



Networked with
700+
students

30%
of interns
offered
full-time
positions

Internship Program

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

1. Encourage and bring fresh perspectives to our workplace, build connections with schools and universities, and build and maintain a pipeline of skilled talent for future recruitment.
2. Assess candidates for possible full-time hire upon graduation.
3. Provide 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. Provide opportunities for students to build connections and relationships with industry professionals to prepare them for their careers.

Supporting Veterans and the National Guard

Vice President Tim Michels, a veteran of the U.S. Army, signed the Statement of Employer Support of the Guard and Reserve Committee (ESGR) on behalf of the Michels Family of Companies. Since its earliest days when our founder, Dale Michels, a U.S. Army veteran, managed the company, Michels used the military's principles as foundational blocks for the company. Currently, Michels has more than 360 employees who self-identify as active reservists or veterans. The statement acknowledges Michels' pledge to:

- Recognize, honor and comply with the Uniformed Services Employment and Re-Employment Rights Act (USERRA).
- Provide managers and supervisors with the tools needed to effectively manage our people who serve in the Guard and Reserve.
- Appreciate the values, leadership, and unique skills service members bring to the workforce and encourage opportunities to hire Guard members, Reservists and Veterans.
- Recognize and support our country's service members and their families in peace, in crisis and in war.

ESGR, a Department of Defense program, facilitates and promotes a cooperative culture of employer support for National Guard and Reserve service by developing and advocating mutually beneficial initiatives, recognizing outstanding employer support, increasing awareness of applicable laws and policies, resolving potential conflicts between employers and their service members, and acting as the employers' principal advocate within the Department of Defense.



2023 Michels Corporate Headquarters Environmental Performance

7.1%

energy intensity
reduction

1M

gallons of water
reused in fleet wash
station recycling
system

165,000

kilowatt hours of
solar renewable
energy added

55%

total waste &
materials recycled

OUR PLANET & ENVIRONMENTAL RESPONSIBILITY

As we adapt to a changing world and evolving operational needs, we implement environmentally sound practices and improvements. We monitor and manage our environmental footprint and actively seek ways to improve the natural environment.

Michels has been part of the Wisconsin Department of Natural Resources (WDNR) Green Tier Program since 2015. Our corporate headquarters implements an ISO14001 functionally equivalent Environmental Management System (EMS) to support environmental compliance, pollution prevention and continual environmental performance improvement.



YARD & FACILITY OPTIMIZATION

We continue to conduct assessments at our primary yards and facilities to identify opportunities for improvement for the consumption of energy, water, and other natural resources and the production of waste. Assessments provide opportunities for meaningful reductions at most facilities as well as benefits to operational improvements through mitigating potential health and safety risks.

Strategic Continual Improvement Actions



- Expand EMS processes to additional primary yards, facilities and jobsites to advance environmental performance.
- Use the HPI Program, procedures, training, and integrated web and mobile platform for environmental reporting and auditing to track trends for improved environmental performance.
- Leverage the environmental data collected from 17 primary yards and facilities in 2023.
- Continue to refine processes for collecting and using environmental data to identify opportunities to reduce emissions, water and waste.

ENVIRONMENTAL CORNERSTONES

Michels' Environmental Resources Group developed the 10 Environmental Cornerstones as foundational principles, which all Michels employees must be aware of and which are built into their day-to-day work activities. While there are different environmental regulations and requirements based on location, these cornerstones are the common underlying principles for compliance with most expectations and environmental stewardship. We monitor compliance trends to drive our Cornerstones and Environmental Program.



Approved Limits of Disturbance – Always identify LOD stakes/markers and stay within approved work areas and approved access points.



Good Housekeeping – Always keep yards and work areas clean, free of debris and trash, and in a neat and orderly condition.



Spill Prevention & Reporting – Always assign a spill coordinator that knows the spill plan. Locate tanks/containers with proper containment and spill kits. All spills must be cleaned up and reported, regardless of size.



Proper Waste Management & Recycling – Always follow waste minimization and best practices (e.g., label containers, separate waste types). Identify recycling opportunities with local vendors.



Install & Maintain Erosion & Sediment Controls – Always install E&SCs according to the plan and/or specs. Never ignore damaged/failed devices and report when maintenance is needed.



Keep Roadways Clean – Always keep roads clean from tracked sediment (street sweeping) and utilize rock construction entrances or other approved tracking pads.



Protect Wetlands and Waterways – Always identify resource locations in the field with signage. Follow job-specific/permit requirements (e.g., crossing method, bridges, timber mats).



Clean Dewatering – Always use properly sized dewatering structures or filter bags to discharge clean water. Do not pump and discharge milky, muddy, or cloudy water to water resources or storm drains.



Reduce Vehicle Idling – Always consider when vehicles/equipment can be shut off to reduce emissions and fuel costs. Equipment should only idle during extreme weather and if necessary for specific equipment job functions.



Know Job-Specific & Permit Requirements – Always follow job-specific requirements and attend environmental training to protect resources (e.g., biological, cultural and other protected resources).

Environmental Policy

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

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.

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

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

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



Total Solar Renewable Energy
670,000
kilowatt hours
(equivalent to more than 55 homes' energy use in one year)

TRACKING & REDUCING EMISSIONS

We continue the refinement of our emissions inventory (baseline 2021) and identify actions to reduce GHG from our operations. Michels' Scope 1 emissions are primarily from our approximately 9,650 rolling stock fleet and natural gas consumption at our yards and offices. Scope 2 emissions include purchased electricity at our yards and offices.

Emissions Inventory Strategic Actions

- Conducted first emissions inventory in 2021.
- Completed third-party verification of 2022 inventory in 2023.
- Incorporated EPA's Emissions and Generation Resource Integrated Database (eGRID) to include renewable sources from regional power grids.

Yard & Facility Optimization Strategic Actions

- Continue to conduct assessments at our primary yards and facilities to identify opportunities for the reduction of energy use.
- Our partnership with the U.S. Department of Energy (DOE) Better Plants Program increases understanding of our energy use with a goal to reduce energy intensity by 20% by 2028. Our DOE representative meets with us throughout the year and annually determines our intensity and evaluates our progress.
- Install lighting systems with high-efficiency light emitting diode (LED) and motion sensing switch controls at new facilities and as upgrades at existing facilities.
- In 2023, we installed a solar field for dedicated power at our corporate headquarters.
- In 2022, we purchased 30% of solar blocks as the anchor tenant at a community 1 MW solar facility in Wisconsin.



We Continue to Pilot the Use of EV Trucks for the Heavy Construction Industry

One of our successes is with our Environmental Coordinator in San Diego, CA driving one of our EV Ford Lightnings. With a charger at home, converting to an EV was easy. Over the course of one year, this one vehicle:

- Replaced 1,750 gallons of gasoline with electrical power.
- Avoided emission releases of about 15.6 metric tons of carbon dioxide (CO2) equivalent.
- Resulted in 66% savings in travel costs of fuel to electric power.

Fleet Management Strategic Actions



- Annually, about 5% of our rolling stock fleet is upgraded with EPA Tier 4 engines or better.
- In 2023, Michels issued an Idle Reduction Policy and adjusted Idle Reduction Program that began in 2015.
- We use cross-compression equipment to support our customers to avoid releases of methane and greenhouse gases traditionally done by venting during natural gas system maintenance.
- Our fleet includes 65 fully electric or hybrid vehicles and equipment.





Planted 900 Oak Trees in State Forest

More than a dozen volunteers gathered on Arbor Day to plant 900 red oak trees at the Mauthe Lake Campground in the Kettle Moraine State Forest near our corporate headquarters. Michels planted the trees to support the Wisconsin Department of Natural Resources' reforestation efforts.



ENVIRONMENTAL STEWARDSHIP

We are committed to the responsible use and protection of the natural environment through active participation in conservation efforts and sustainable practices by our people and our operations.



Preserving More than a Tree

Michels Utility Services crew members received kudos for their superior customer service from a Bloomington, MN resident. One resident described the team's efforts as the hallmark of customer service when they went above and beyond to stake around a tree planted in memory of her late son, ensuring that the tree would not be disturbed by the project. She went on to say that the team "listened, sincerely cared and helped..."

Strategic Actions



- Support environmental stewardship sponsorships and volunteer activities throughout North America.
- Initiated a new program to focus on planting trees in the communities where we operate and near our jobsites to support air quality, carbon reduction, growth of forests and biodiversity by planting trees.

Earth Month (April)

Our people at 30 offices celebrated Earth Day and Arbor Day activities throughout the month of April— from roadway cleanups and planting flowers and trees to being more mindful through energy conservation and recycling.



Expanded Plastic Film Recycling

While flexible plastic bags and wraps are recyclable, this plastic film packaging typically cannot be recycled through curbside recycling programs. Michels recycles workplace plastic film at our corporate headquarters, and we have extended this same service to our employees, inviting them to recycle their household plastic film to help divert plastic from landfills.

GOVERNANCE & OPERATIONS

Our Core Values drive Michels' ethical and sustainable business decisions. As the environments in which we operate become more varied and complex and increase in number, these values and decisions remain focused on our employees, customers, communities and business partners.

If someone suspects or becomes aware of potential misconduct, we ask everyone to use any of the following resources:

- Call our 24/7 Compliance Hotline.
- Contact Michels' Chief Compliance Officer.
- Contact Michels' Chief Legal Officer.

Reports can be made anonymously through our reporting line, and every call received is reviewed and addressed.

Human Rights Policies

Michels does not condone and strives to eliminate all forms of discrimination in our work environment and business operations. This includes our commitment to respecting human rights principles throughout our operations. Policies representing our commitment to human rights and our employees include the following:

- Equal Employment Opportunity/Affirmative Action Policy
- Human Trafficking and Forced Labor Policy
- Non-Discrimination and Anti-Harassment Policy

As a union contractor, we understand the importance of the principles of freedom of association and the right to collective bargaining.



100%

new employees received training & signed Code of Business Ethics

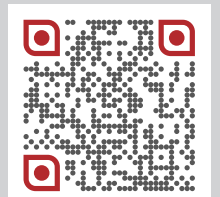
67%

of staff are under collective bargaining agreement

Code of Business Conduct and Ethics

The Michels Code of Business Ethics & Vendor Code of Ethics are entrenched in our values of integrity, trust and respect. We devote ongoing effort to enhance our business ethics through continual education and reinforcement of the Michels culture. All Michels employees are expected to:

- Be honest, fair, and trustworthy in all your Michels activities and relationships.
- Treat coworkers 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.



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 and driven by our Health, Safety, Environment and Quality (HSEQ) Department, which consists of more than 225 professionals. This team provides technical support, training, audits and assessments, and oversight for our operations from an HSE perspective at our facilities and jobsites.



HSEQ Council

Michels' HSEQ Council advances our culture of HSEQ excellence through learning from lessons, sharing those learnings, and the development of improvement initiatives and policies. This council drives our commitment to minimize injuries, incidents, quality issues, and environmental concerns through continual risk analysis and mitigation. The council reports to the Board of Directors twice a year. Items discussed at the meetings include regulatory matters (new and in process), company policies and procedures, and other items related to regulatory compliance, ethics and our Core Values.



Strategic Continual Improvement Actions

- Promote a strong HSEQ culture through intentional/visible actions, decisions, integrity and accountability.
- Support executives and Michels' operational teams in effective management of our HSEQ programs.
- Implement and review HSEQ programs and policies in support of continuous improvement.
- Utilize HSEQ trends and lessons learned to drive continuous improvements.



Health Safety and Environment

Michels Health & Safety 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 jobsites. Safety professionals with expertise in OSHA

requirements, hazard assessment and mitigation, and safety plan implementation are layered throughout operational levels to create an overlapping matrix of safety leadership, tools, and support that ensures work is highly effective and safe for workers as well as the public. With safety as the cornerstone of our culture, all employees are empowered to work safely.



Environmental Resources Group

To proactively navigate important and potentially complicated environmental requirements, we created the Michels Environmental Resource Group (MERG). This group is composed of environmental professionals from

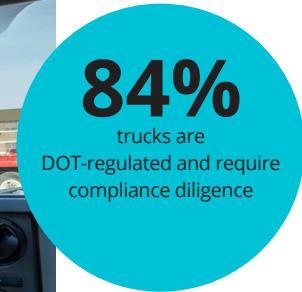
diverse environmental disciplines, including Certified Wetland Delineators (CWD), Certified Professionals in Erosion and Sediment Control (CPESC), and Hazardous Waste Operations & Emergency Response (HAZWOPER) trained individuals, biologists, Federal Energy Regulatory Commission (FERC) subject matter experts, spill response managers, waste experts, construction environmental and inspectors/compliance monitors.

Quality Management

Michels' Quality Management Program requires consistency, which is why it is represented in our Core Value of dedication and teamwork. This dedication is evident from the quality of our work and the care our people apply to their job responsibilities. Our Quality Management Program is established and overseen by a dedicated Quality Department that works to assure we meet or exceed our customers' 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.

Transportation Safety Resource

Michels transports equipment and materials all across the U.S. As such, 84% of our trucks are Department of Transportation (DOT) regulated and require compliance diligence. Our dedicated Transportation Safety Resource Team (TSRT) works to ensure all Michels companies are compliant with DOT regulations. The team provides DOT regulatory and compliance training to employees, keeping them aware of compliance requirements. The team consists of experts in DOT audits, DOT inspections, CSA reporting, heavy vehicle operation, CDL training, driver qualifications, highway use tax reporting and all other DOT-related topics.



IFTA Sticker Collaboration

Michels recently assisted the Wisconsin DOT in its efforts to upgrade the International Fuel Tax Agreement (IFTA) stickers used in the state. Those stickers displayed on trucks are important: they make sure fuel taxes are reported and collected accurately.



As a top motor carrier in Wisconsin, our team actively tested various IFTA sticker options, offering valuable insights into performance and durability under real-world conditions. Michels consistently strives to take a proactive approach to problem solving in all aspects of our workday, and we were thrilled to work to address the challenges of fading IFTA stickers. Wisconsin has now adopted the new, improved stickers, contributing to smoother travel and a brighter driving experience. This success story is a testament to the positive outcomes achievable through collaborative teamwork between our industry and government.

INFORMATION TECHNOLOGY & CYBERSECURITY

We continue to expand our focus on safety from physical spaces to cyberspace. Advancements in technology have increased the opportunity for cyber threats. This elevated risk has caused the construction industry to take proper measures to ensure our people and information remain secure. **In observance of Cybersecurity Awareness Month, throughout October we shared videos and tips with employees to increase our cyber safety savvy to meet customers' needs and protect ourselves.**



15,000 cybersecurity training courses completed



Michels implements protections against cyber threats for reasons beyond the company and our people.

Many of our customers contractually require us to help protect them from supply chain attacks. This is especially true for customers that the U.S. Department of Homeland Security defines as critical infrastructure, such as those in communications, energy and transportation systems.

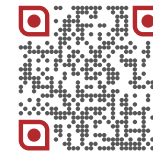
SUPPLY CHAIN MANAGEMENT

Michels' Procurement and Subcontractor Teams manage our supply chain for the goods and services necessary for our operations and jobsites, ranging from custom equipment to office supplies. As Michels grows, so do our supplier management programs. This includes our 2023 commitment to enhance these programs with systems that will remove barriers for suppliers, not only in terms of fees, but with support by Michels to ensure our supply chain is operating to their best capabilities.

While Michels takes pride in its ability to self-perform most construction activities on our jobs, we are also proud of our partnerships with thousands of specialized, qualified subcontractors each year. It remains Michels' highest priority to work with safe, quality and reputable companies. Through our robust subcontractor management process, we maintain consistency in our quality and standards.



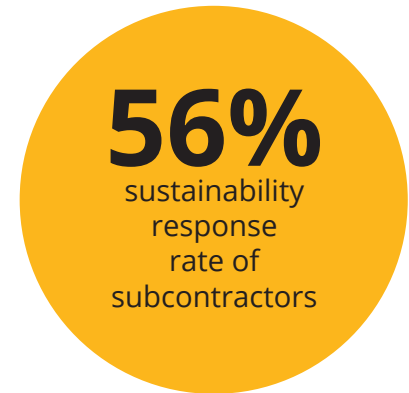
The Michels Vendor Code of Conduct outlines the expectations for vendors, suppliers and subcontractors of all tiers; their respective employees; and any other third parties involved with the execution of Michels' work.



Strategic Actions

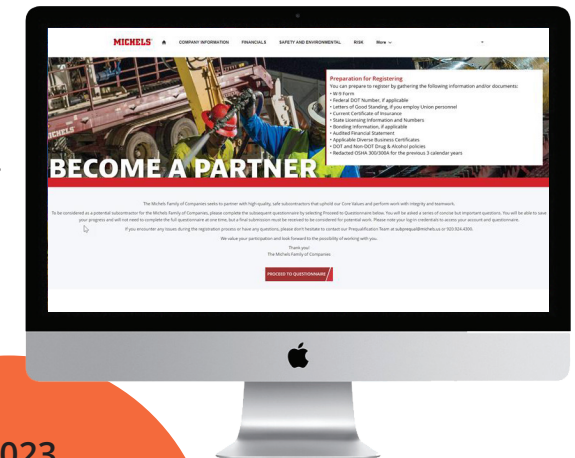


- Execute new supply chain management systems to remove barriers for suppliers, while ensuring we are all operating to the best of our collective capabilities.
- Develop a database of suppliers offering sustainable driven services, materials and other solutions.
- Drive Michels and customer expectations in accordance with our Vendor Code of Conduct.



Subcontractors are vetted in several areas:

- HSEQ training and performance
- HSEQ improvement plans
- Licensing and status
- Work experience
- Equipment fleet
- Sustainable actions
- Financial security
- Insurance



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