

CORPORATE SOCIAL RESPONSIBILITY



2021 REPORT



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How to Use This Report

This report is an interactive PDF designed to be viewed with Adobe Reader.





OVERVIEW

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- ▶ Our Corporate Social Responsibility Focus: The United Nations Sustainable Development Goals
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MESSAGE FROM OUR PRESIDENT AND CEO

At PCL, we are driven by our purpose of building a better future, together. This purpose motivates and guides us every day as we build people, communities and legacies. By combining our purpose with our ongoing commitment to corporate social responsibility and environmental stewardship, we make a positive and lasting difference.

Over the last two years, we've experienced a global pandemic, extreme weather events and a greater focus on social issues and inequities. As we navigate this ever-changing world, we lean on our purpose, core values and guiding principles to make sound business decisions. We recognize that living our purpose is a journey of continual improvement and that by taking a proactive approach to safety, diversity, equity, inclusion, sustainability and innovation, we can leave a legacy we are proud of.

To support our sustainability efforts, we developed a sustainability road map to guide PCL in reducing carbon and waste, conserving water and making our facilities green. This phased multiyear strategy will improve operational efficiency in our offices and on our job sites, which will help us and our partners lessen our environmental impact.

We also recognize that as an industry we need to make better choices during design and construction. By collaborating with our clients and our design, engineering and trade partners, we can make better choices regarding embodied carbon, renewable energy, net zero and energy efficiency.

To support the shift to renewable energy, our dedicated Solar team continues to help our partners and clients meet the demand for carbon-free energy. The team is on track to power over 500,000 homes and businesses in North America and Australia by delivering 51 solar ground-mount and four battery energy storage system projects.

When building people and communities, we commit to creating a healthy and safe environment for our people and our partners. We also want our work environment to be inclusive and equitable and a place where all cultures, backgrounds and beliefs feel welcome. Plus, we strive to make a positive impact in our communities through the infrastructure we build and the community benefits and investment programs we support.

Our ongoing commitment to sustainability, along with our desire to have a positive impact, provides unsurpassed value for our clients, partners, communities and employees.

This Corporate Social Responsibility Report shares our progress in building people, communities and legacies.

DAVE FILIPCHUK
President and CEO



1,000+

active projects

30+

major centers

116 YEARS

in operation

\$8B

annual construction volume

100%

employee owned

4,200+

salary employees

ABOUT PCL

As a company that is 100% employee owned, we collaborate and innovate to help our partners thrive. Our use of advanced digital construction technologies and cutting-edge sustainable construction techniques allows us to continue to lead the industry as we have for more than 100 years. We leverage this vast experience to help our clients and partners build lasting legacies.

Environmental Stewardship

- ▶ #8 ranking on Engineering News-Record’s list of **Top Green Contractors**
- ▶ 248 **completed LEED projects** with a total value of more than \$18 billion
- ▶ 278 **LEED-credentialed staff**
- ▶ More than \$3 billion worth of completed **renewable energy projects**



Where We Work

- ▶ Canada
- ▶ United States
- ▶ Caribbean
- ▶ Australia

Sectors



BUILDINGS



CIVIL
INFRASTRUCTURE



HEAVY INDUSTRIAL

About PCL

At PCL, corporate social responsibility is rooted in our purpose, vision, core values, guiding principles and employee ownership. We model the highest standards of corporate social responsibility with an uncompromising commitment to safety, diversity, equity, inclusion, sustainability and innovation.

Building Communities

We are one of North America's largest construction companies, driven by the purpose of building a better future, together. Our Buildings, Civil Infrastructure and Heavy Industrial divisions partner with clients to carry out transformative work building hospitals, office towers, solar facilities, sports arenas, university campuses, bridges, water treatment plants and so much more. We also provide construction, shutdown and maintenance services for manufacturing, oil and gas, and mine processing facilities, chemical plants, power plants and bioenergy projects. We help our industrial clients deliver critical infrastructure that provides materials and energy that enable our communities to thrive.

Building Legacies

PCL has provided value to clients for 116 years by building lasting legacies across Canada, the United States, Australia and the Caribbean. We've built our legacy brand and reputation on our proven track record for on-time and on-budget delivery, depth of resources and bankability, and strong industry and trade relations. Across all levels of our organization, employees are experienced, passionate solution providers.

Powered by Our Culture of Ownership

At PCL, we're 100% employee owned. As owners, we have a vested interest in making a positive difference in the communities where we work, live and play. Alignment between our personal values and corporate values empowers us to build a better future, together. Diverse and broad employee ownership reflects employee confidence in our leadership and ensures that PCL is a leader in the industry.

Our Purpose

Building a better future, together.

Our Vision

Aspiring to be the most respected builder, renowned for:

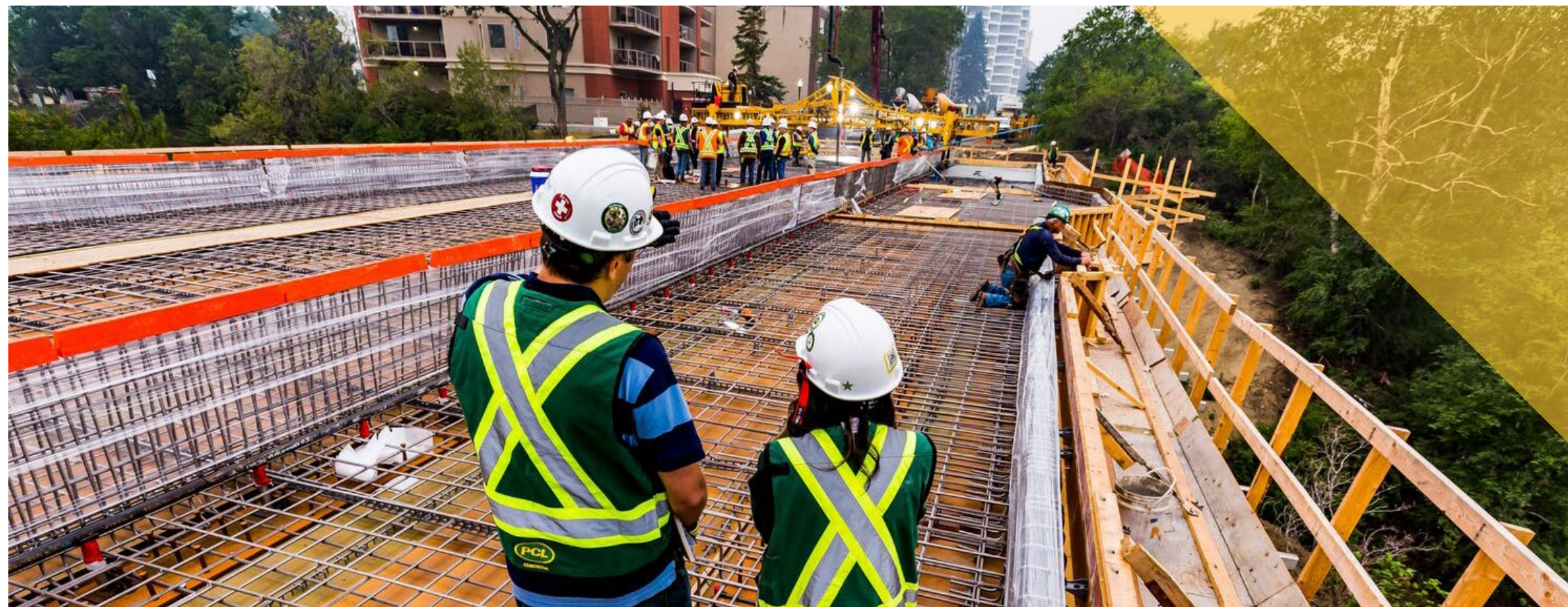
- Excellence
- Leadership
- Unsurpassed value

Our Core Values

- Honesty
- Integrity
- Respect
- Dynamic culture
- Passion

Our Guiding Principles

- Ownership
- Teamwork
- Mutual obligation
- Safety
- Effective communication
- Diversity, equity and inclusion
- Mobility
- Social responsibility



AWARDS AND RANKINGS

We strive to be an employer of choice. We are delighted to share the third-party endorsements we have received that recognize our commitment to providing our employees with a rewarding place to work.

- Recognized as one of Canada's Top 100 Employers in 2022 for the 13th consecutive year.
- Recognized as one of Canada's Greenest Employers in 2022.
- Recognized as one of Canada's Top Employers for Young People in 2022.
- Included on the LinkedIn Top Companies list for 2022.
- Recognized for 26 years in Canada's Best Managed Companies program, including 18 consecutive years as a member of the Platinum Club.
- Certified™ by Great Place to Work® in the U.S.
- Ranked first on On-Site magazine's annual list of Canada's Top Contractors in 2021.
- Ranked 14th on Engineering News-Record's Top 400 Contractors list in 2021.
- Ranked eighth on Engineering News-Record's Top 100 Green Contractors list in 2021.
- Ranked 25th for midsize companies on Puget Sound Business Journal's Washington's Best Places to Work 2021 list.
- Ranked 20th for large companies on Florida Trend's Best Companies to Work for 2021 list.
- Ranked 39th for small companies on Orlando Sentinel's Top Workplaces 2021 list.
- Included on Hawaii Business Magazine's Best Place to Work 2022 list.
- Ranked 10th on Building Design+Construction's Top Contractor 2021 list.



SUSTAINABLE
DEVELOPMENT
GOALS



OUR CORPORATE SOCIAL RESPONSIBILITY FOCUS: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals provide a blueprint for improving health and education, reducing inequality, stimulating economic growth and dealing with climate change. We’ve aligned our strategy with the SDGs that are most relevant to our business so we can demonstrate how our work addresses some of the world’s most pressing challenges.

How We Contribute



5 | Gender equality

PCL works hard to encourage more women to get involved in construction. We celebrate Women in Construction Week and International Women’s Day every March and provide guidance and opportunities for women to advance in their careers.



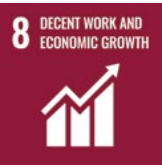
6 | Clean water and sanitation

Water and wastewater infrastructure plays a critical role in healthy, thriving communities. Our Civil Infrastructure Division develops innovative solutions to meet community water needs. Completed projects provide more than 20 billion gallons of treated water per day to local communities across North America.



7 | Affordable and clean energy

PCL helps clients deliver renewable energy sources, including solar, hydroelectric, wind, geothermal and bioenergy. Bringing renewable energy sources online provides many benefits for our clients, the environment and our communities.



8 | Decent work and economic growth

We offer rewarding career paths and growth opportunities and continually invest in technical, behavioral and leadership training and resources that help employees grow their careers. We also implement community benefits and local hiring programs during construction to create more inclusive communities and meaningful jobs.



9 | Industry, innovation and infrastructure

We embrace all aspects of innovation to build resilient critical water and transportation infrastructure and manufacturing facilities. These endeavors support economic development and the well-being of people in our communities.



11 | Sustainable cities and communities

PCL delivers the spaces that define the diverse fabric of our communities. We work with our clients to make cities, towns and other communities inclusive, safe, resilient and sustainable. Our actions include building resilient infrastructure that can withstand extreme weather events.



12 | Responsible consumption and production

Our everyday actions can have significant environmental impacts. We look for opportunities to reduce waste and use construction methods and materials that minimize harmful effects on people and the environment and help our clients achieve their goals. We share details about our sustainable practices in our Corporate Social Responsibility Report.

A COMMITMENT TO EXCELLENCE

PCL’s story began in 1906 when Ernest Poole founded E. E. Poole General Contractor in the small town of Stoughton, Saskatchewan. During our early years, Ernest hired and trained the best workers in the business, formed meaningful partnerships with local communities and focused on building brick schools, town halls, banks and general stores. Fast forward more than 100 years. We’ve grown — a lot. Today, PCL is Canada’s largest construction company and one of the largest in North America.

PCL has always taken a comprehensive view of corporate responsibility to ensure that our efforts result in positive outcomes for our partners, people, projects, practices and places. From our inception, the principles of integrity were woven into the fabric of our company. When Ernest’s sons, John and George, bought the company in 1948, their father penned “Poole’s Rules,” a set of guidelines that emphasized integrity, fairness, honesty, stewardship and ethical behavior. These guidelines created foundational qualities that continue to influence our commitment to our communities.

In 1977, the Poole family sold the company to PCL employees, adopting a unique model of corporate ownership. PCL’s employee ownership model, built upon the philosophy that fully sharing the company’s success with its employees is good

for business, demanded responsible corporate leadership and practices that employees would be proud of as owners of the organization. This reinforced PCL’s foundational qualities as employee ownership grew.

For more than 100 years, we’ve known the decisions we make today will have lasting impacts on our communities well into the future, so we place significant importance on our role. Our guiding principles — and our commitment to treating others as we wish to be treated — are embodied in our world-class approach to safety, equitable and meaningful careers, and robust community giving programs. This commitment also strengthens our operations, since focusing on our social responsibilities encourages our project teams to think beyond the basics of project delivery and consider innovative ways to deliver unsurpassed value.

Throughout this report, you’ll see how we put these principles into practice, building a legacy of corporate responsibility just as we’ve done for more than a century. As a 100% employee-owned company, each generation of employee owners is proud to build on this strong foundation and create stronger, more sustainable communities.





SUSTAINABILITY STRATEGY AND FRAMEWORK

By meaningfully contributing to our communities, we create a better world for future generations. To address some of society's most pressing concerns and increase value for our key stakeholders, we developed a robust strategy and framework to complement our long-standing commitment to corporate social responsibility.

This strategy and framework will build on the strength of our existing social and governance processes and enhance our approach to environmental stewardship.

PHASE 1 | STRATEGY

Key Activities

Engaging stakeholders

We engaged key stakeholders to better understand their areas of interest and concern.

Assessing industry approaches

We assessed global industry trends by conducting research and through peer benchmarking.

Mapping to strategic priorities

We examined our short-, medium- and long-term strategic priorities and determined how they are influenced and advanced by sustainability factors that are material to our key stakeholders.

Mapping our value chain

We mapped our value chain to gain an understanding of where we have control and ways that we can influence our business and the construction industry to drive change.

Drafting our strategy

The Office of the CEO reviewed and finalized our strategy, which builds upon our decades-long commitment to corporate social responsibility.



PHASE 2 | ACTION

Key Activities

Developing project charters and road maps

We developed road maps, detailed charters and project plans to support the implementation of the key pillars outlined in the strategy.

Governance

We determined the governance, roles and responsibilities required to oversee the strategy and charter implementation.

Monitoring the framework

We defined the key performance indicators required to monitor the success of the charters and gather the information to report on our performance.

Implementing the strategy

We continue to educate stakeholders on our strategy and advance our priorities.

Microsoft Cloud for Sustainability

We’ve been accepted into the early adopter program for the Microsoft Cloud for Sustainability. This software-as-a-service platform allows us to track energy usage and carbon emissions by flexibly connecting our various data sources into a central hub. The platform records emissions, reports on those emissions through various options and tracks our reduction efforts.

MAKING OUR BUSINESS MORE SUSTAINABLE

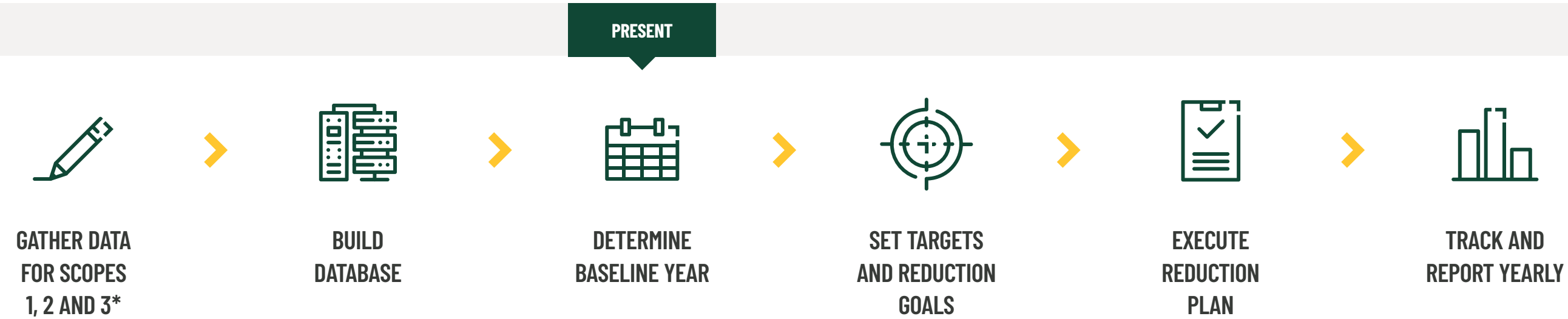
In 2021, we developed our strategy to guide PCL in reducing carbon and waste and in improving water and facility management. This phased multiyear strategy will improve operational efficiency in our offices and on our job sites and will decrease our environmental impact.

Our Emissions Journey

We gathered baseline emissions data for a portion of our Scope 1, 2 and 3 emissions for PCL-owned and PCL-leased offices and yards, and for our vehicles. After analyzing the data, we will make an educated assessment of when and how to set an emissions target and reduction goal.

Setting this emissions target and reduction goal will be another significant milestone in our sustainability journey. We must fully analyze our data and industry best practices to ensure we set realistic goals for meeting the business expectations of our clients while aligning with best practices and standards.

Where We Are



* **SCOPE 1** | Gas or other fuels to operate buildings and facilities; fuel for vehicles and equipment; refrigerants (fugitive emissions).
SCOPE 2 | Electricity to operate buildings and facilities.
SCOPE 3 | Car rental, rail and air travel for business; electricity and gas consumption for upstream leased assets.





STAKEHOLDER ENGAGEMENT

Effective communication is one of our guiding principles, and true to that principle, we provide accurate and timely information required to support good decision-making. We listen, we encourage people to express their opinions, and we use the latest technology to enhance communication with our business partners. Our commitment to effective communication ensures that we engage in ongoing conversations with our employees, clients, industry and communities on ways to align with ESG best practices.

MATERIAL ISSUES AND STAKEHOLDERS

PCL has identified key issues related to environmental, social and governance that are likely to be material in the assessment of our activities. We have also identified the key stakeholder groups that are connected to the ESG-related outcomes of our business activities. We continually engage, formally and informally, with internal and external stakeholders to gather input and perspectives on ESG topics. We have long-standing relationships with many clients; some of these relationships have lasted decades. In many instances, the level of trust we share with our clients provides the basis for open dialogue regarding our ESG progress and the ways we align our strategies with their business goals.

To build on the progress we’ve made, we will do a formal materiality assessment in 2022 to solicit additional stakeholder input.

How We Engage with Our Stakeholders

Employees

- Career development and performance reviews
- Diversity, Equity and Inclusion Councils
- Employee engagement surveys
- Employee events
- Executive communications
- Fireside Chats
- Friday Digest (weekly internal newsletter)
- Internal conferences
- PCL Connects (intranet)
- Service awards
- Social committee events
- Social media
- The Build (employee magazine)
- Yammer

Clients

- Events and presentations
- Feedback surveys
- One-on-one meetings
- PCL.com (website)

Industry

- Association participation
- Media relations
- PCL.com (website)
- Social media
- Trade publications

Public and Community

- Community events
- Conferences
- Donations and sponsorships
- Media relations
- PCL.com (website)
- Public consultation for projects
- Social media
- Trade publications
- Trade shows
- Volunteering in the community

2021 CORPORATE SOCIAL RESPONSIBILITY HIGHLIGHTS

We know the decisions we make today will have lasting impacts on our communities well into the future. Our goal is to act in a socially responsible and environmentally respectful way, and we will continually measure, evaluate and increase our efforts. The scorecard below demonstrates how we contributed to building people, communities and legacies.

PEOPLE AND COMMUNITIES

8.7%

voluntary turnover rate — better than the industry average.

0.01

lost-time frequency rate — 300 times better than the industry average.

\$7M

donated to charitable organizations.

ENVIRONMENTAL STEWARDSHIP

1st

residential retrofit in North America to achieve Passive House EnerPHit certification.

2020

we developed a sustainability road map to guide our efforts.

248

completed LEED projects with a total value of more than \$18 billion.

GOVERNANCE

Executive Sustainability Committee manages and directs PCL’s sustainability approach.

100%

of employees completed annual Code of Conduct training.

Zero-tolerance policy for corruption and bribery.



ENVIRONMENTAL STEWARDSHIP

IN THIS SECTION

- ▶ Environmental Management
- ▶ Helping Our Clients Build Sustainably

How PCL Works with Our Clients to Support Their Climate Goals

- ▶ Building retrofits
- ▶ Carbon capture
- ▶ Embodied carbon tracking and reduction
- ▶ Mass timber buildings
- ▶ Net-zero carbon buildings
- ▶ Renewable energy
- ▶ Repowering projects
- ▶ Resilient infrastructure
- ▶ Small modular reactors
- ▶ Water and wastewater infrastructure

ENVIRONMENTAL MANAGEMENT

Partnering for a Better Tomorrow

Building a more sustainable future requires teamwork. We continually strive to be a client-focused solution provider that delivers exceptional results to all stakeholders. We reduce the overall environmental impact of our day-to-day operations and the projects we build by maintaining strong and collaborative partnerships with clients, consultants, trade contractors, suppliers and industry associations.

Preparing for a Low-Carbon Future

The global impacts of climate change challenge the architecture, engineering and construction industry to help communities achieve climate and greenhouse gas reduction goals. This industry can contribute to decarbonization efforts by designing and constructing sustainable projects.

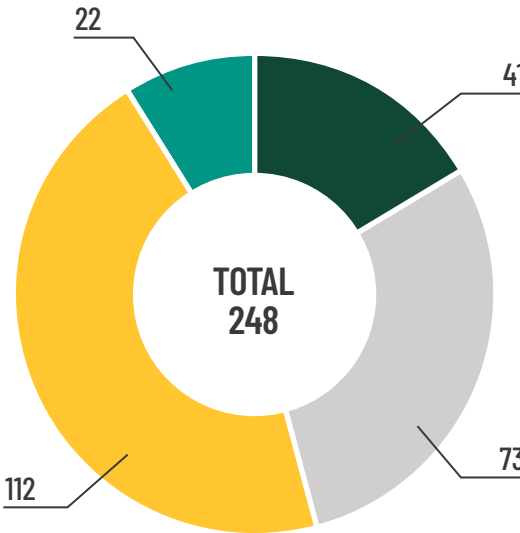
At PCL, we continue to incorporate best practices that support sustainable construction. These practices include integrating renewable energy and passive systems into projects, constructing with mass timber, using low-carbon concrete, tracking and reducing embodied carbon, and constructing net-zero buildings. We improve our methods and processes and, as a result, limit our environmental impact and positively contribute to the long-term well-being of our communities.

Reducing Environmental Impacts

- ▶ *First residential **EnerPHit certified** project in North America*
- ▶ *20 billion gallons of **water treated** daily by PCL projects*
- ▶ *3.2 GW of **solar projects** delivered*
- ▶ *\$500+ million of **biofuel and biogas** projects delivered*

PCL'S LEED PROJECT PORTFOLIO

● Certified ● Silver ● Gold ● Platinum



Green Building Capabilities



HELPING OUR CLIENTS BUILD SUSTAINABLY

High-Performance Buildings

UNIVERSITY OF SAN DIEGO CENTER FOR COASTAL STUDIES
San Diego, California

SUSTAINABLE FEATURE: LEED Gold certified

PCL was hired to construct the Center for Coastal Studies for the University of San Diego. The project posed exceptional challenges, including an environmentally sensitive location, no possibility of enlarging the footprint and strict California Coastal Commission requirements.

Given the project’s extremely sensitive coastal location, the team carefully planned the work. The concrete structure that now houses the center was built as a saltwater storage tank in the 1940s before being converted into offices in 1962. The scope of work involved renovating the lower two floors of the concrete structure and replacing the third floor with new wood-framed construction.

The team reused the existing concrete structure and left portions of the interior structure exposed, thereby reducing the

amount of new material required. Reusing the structure also resulted in significant embodied carbon savings.

We took advantage of the area’s climate by using passive systems: natural ventilation for cooling, brise soleil on the south and west facades to reduce heat gain and glare, and improved access to natural light. When new materials were required, we selected only those products that were compliant with LEED VOC standards and took extra measures to ensure that harmful chemicals did not leech onto the coastline.

The result is a beautiful and highly functional LEED Gold-certified space that aligns with the client’s research purpose, showcases the center’s natural surroundings and connects end users to their subject of study: coastal erosion and sea-level rise as a consequence of climate change.





Zero Carbon

ROAM TRANSIT OPERATIONS AND TRAINING CENTRE *Banff, Alberta*

SUSTAINABLE FEATURES: Achieved Zero Carbon certification and targeting LEED Silver certification

The Roam Transit Operations and Training Centre sets an example for zero-carbon buildings. This centre is one of the first transit storage and maintenance buildings to achieve Zero Carbon Building Standard Design certification from the Canada Green Building Council. It integrates several low-carbon technologies: ultra-efficient mechanical systems, a super-insulated building envelope, district heating, a biomass waste-to-energy operation, solar photovoltaics and electric bus charging.

The new facility provides the Town of Banff with a beautiful, sustainable storage and training facility. The facility is considered the greenest building in the town, which is located in Banff National Park, a UNESCO World Heritage Site in the heart of Canada’s Rocky Mountains.

303 kWp
solar photovoltaic system

327,426 kWh
of electricity generated annually





Mass Timber

LIMBERLOST PLACE, GEORGE BROWN COLLEGE *Toronto, Ontario*

SUSTAINABLE FEATURES:
Mass timber structure,
net-zero carbon emissions
building

*IMAGE CREDIT: Moriyama & Teshima Architects
and Acton Ostry Architects*

Limberlost Place at George Brown College — a 10-story mass-timber, net-zero carbon emissions building — will be the first institutional building of its kind in Ontario. Sustainable features will include the following:

- A thermally efficient prefabricated facade with optimized daylighting and natural ventilation systems designed to reduce reliance on the mechanical system.
- Two solar chimneys to facilitate natural convection by drawing air from operable windows throughout the building.
- A sloped roof to accommodate the installation of photovoltaic panels.
- A building core composed of structural steel with cross-laminated timber floor panels.

Building Revitalization

KEN SOBLE TOWER *Hamilton, Ontario*

SUSTAINABLE FEATURE: Passive House EnerPHit certified

Originally built in 1967, Ken Soble Tower is an 18-story, 146-unit affordable seniors' housing complex with a three-story annex. The tower is the first retrofit of its kind in North America and the largest residential retrofit in the world to achieve certification under Passive House's internationally recognized EnerPHit program for buildings that meet ultra-low-energy standards.

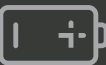
This high-performance, ultra-low-energy rehabilitated building has seen a remarkable 94% reduction in greenhouse gas emissions. Revitalized into an affordable living space for seniors, Ken Soble Tower prioritizes occupant comfort, affordability and climate resilience.



Solar and Battery Energy Storage Systems Portfolio



51 GROUND-MOUNT PROJECTS



4 BATTERY ENERGY STORAGE SYSTEMS



CONTRACTED ON MORE THAN 3.2 GW OF SOLAR PROJECTS



7.65+ MILLION PANELS ON OUR PROJECTS

Renewable Energy

Through our commitment to renewable energy, we’ve helped power close to 500,000 homes and businesses in North America and Australia. Our team of industry-leading experts specializes in all aspects of solar engineering, procurement and construction, and related energy solutions.

Across Canada, the United States and Australia, we’ve helped a diverse group of clients harness the power of the sun on projects that range from utility-scaled operations to smaller localized systems.

RAYOS DEL SOL SOLAR

Cameron County, Texas

This 241-megawatt ground-mounted solar project will generate an average of US\$1.8 million in property tax revenues to Cameron County in each of the first seven years of operation and \$1 million in each subsequent year. At peak construction, the project employed about 300 people.

WOOLLOOGA SOLAR

Woollooga, Queensland

When complete, this 214-megawatt ground-mounted solar project will provide clean renewable energy, generating an annual average of 438,000 MWh of electricity for the local community. This solar project – PCL’s largest in Australia – will employ about 300 people.

TRAVERS SOLAR

Vulcan County, Alberta

This solar project covers 3,300 acres and will generate 692 DC megawatts of electricity – enough to power about 100,000 homes annually. Travers Solar is the largest solar project in Canada and at peak construction employed about 800 people.



Power Conversion

MAXIM MILNER II REPOWER PROJECT

Grande Cache, Alberta

SUSTAINABLE FEATURE: Repowered coal to natural gas

The Maxim Milner II Repower project challenges the status quo. It's a spectacular example of repowering to reduce emissions and increase efficiency. The first phase of the project decommissioned an active coal-fired unit and replaced it with a 200-megawatt simple-cycle natural gas power unit that uses clean, low-emission, and competitively priced natural gas. The second phase added a Vogt Heat Recovery Steam Generator to provide a combined cycle operation and steam to the existing turbine. The repowered plant delivers cleaner energy to local communities and helps a power producer lower its carbon footprint.



Water Infrastructure

SALT LAKE CITY NEW WATER RECLAMATION FACILITY

Salt Lake City, Utah

SUSTAINABLE FEATURE: Targeting Envision Platinum Award

The Salt Lake City New Water Reclamation Facility — the largest public utility project in Salt Lake City's history — will take about six years to construct.

The team is working to meet the criteria required to earn the Envision Platinum Award, the highest achievable level for the project. Envision is a rating system specifically designed to evaluate, grade and recognize infrastructure projects that have incorporated or advanced sustainability, resiliency and equity.

Salt Lake City New Water Reclamation Facility Sustainability Goals

- ▶ 57,900 tons of **material** diverted from landfills through recycling*
- ▶ Aim to use 25% **recycled material** in construction
- ▶ 43,617 tons of **recycled material** used*
- ▶ Aim to reduce **construction waste** by 50%
- ▶ All **excavated materials** sourced or reused from within five miles of project site*

* as of October 2021





PEOPLE AND COMMUNITIES



IN THIS SECTION

- ▶ Safety
- ▶ Diversity, Equity and Inclusion
- ▶ Building People
- ▶ Training and Development
- ▶ Community Giving
- ▶ Building for a Better Tomorrow
- ▶ Indigenous Relations

Construction Smarts

-  OWNERSHIP
-  PLANNING
-  IDENTIFICATION
-  KNOWLEDGE

Lifesaving Absolutes

-  FALL PROTECTION / FALLING OBJECT PREVENTION
-  RIGGING AND HOISTING
-  LOCK OUT / TAG OUT
-  ROAD / SITE VEHICLES
-  HUMAN / EQUIPMENT INTERFACE
-  CONTROLLED ACCESS
-  TRENCHING AND EXCAVATION

SAFETY

Creating a healthy and safe work environment is one of our central guiding principles. We won’t compromise the health and safety of our people or our partners. Our employees look out for each other and share the goal of zero incidents. This commitment to safety extends to our trade partners.

We partner with other companies that share our commitment to safety, and we provide coaching and training. The Construction Smarts and Lifesaving Absolutes initiative – the backbone of our safety program – offers effective reminders of the role we all play in making sure everyone goes home safe every day.

To keep all of us safe during the pandemic, our safety teams implemented safety measures such as QR codes for screening and remote site safety inspections.

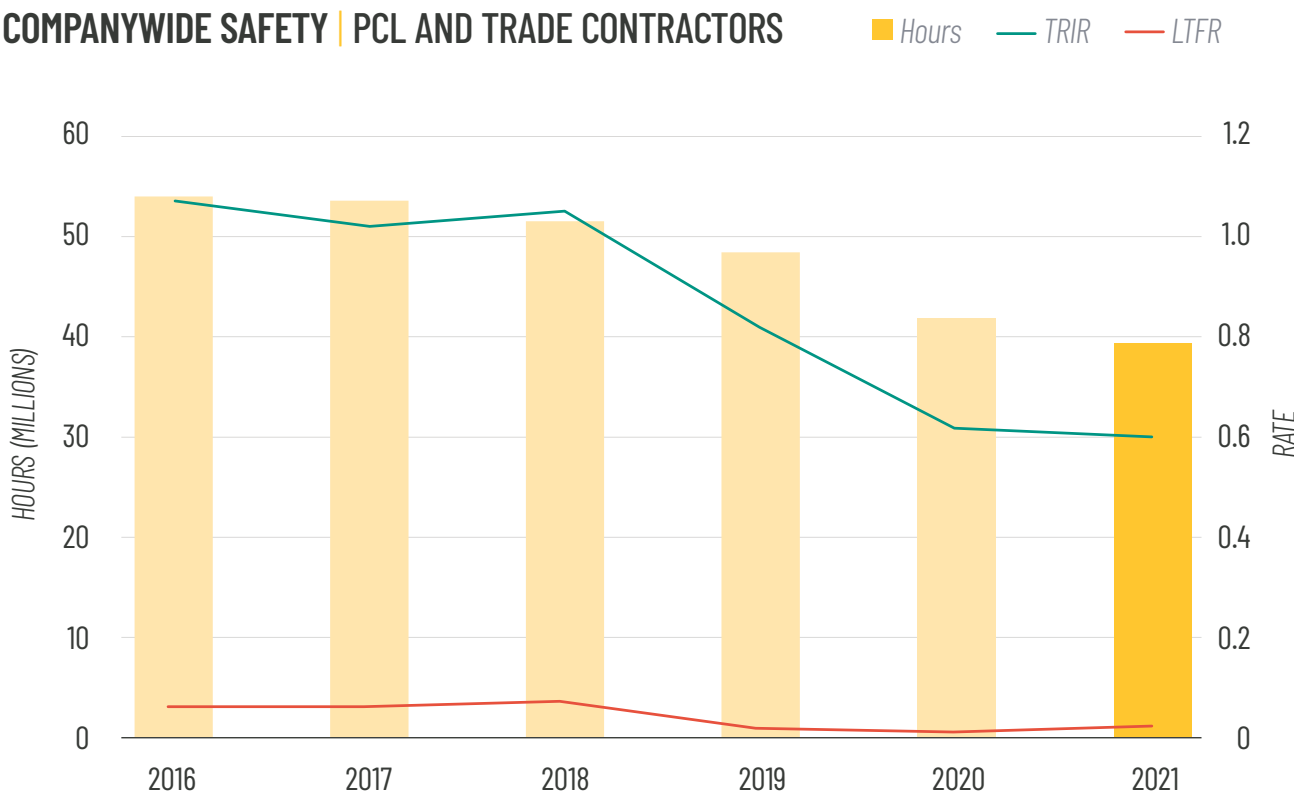
As shown in the 2021 Safety Numbers, our lost time frequency rate of 0.01 is less than 1% of the industry average. PCL continues to perform far better than the industry average, thanks to the vigilance and rigor of employees on our job sites and in our offices and of our trade partners who embraced our tenet to “see it, own it, solve it, do it.”

We will remain focused every day in this risky industry and continue to work diligently with each other and our trade contractors as we strive to reach our goal of zero incidents.

2021 Safety Numbers

PCL	Consolidated	Buildings & Civil	Industrial
Work Hours	16,180,070	11,237,850	4,942,220
TRIR	0.47	0.46	0.49
LTIs	1	1	0
LTFR	0.01	0.02	0.00
PCL and Trade Contractors			
Work Hours	39,235,170	33,942,894	5,292,276
TRIR	0.60	0.62	0.49
LTIs	3	3	0
LTFR	0.02	0.02	0.00
North American Industry Average LTFR	3.26		

TRIR: Total Recordable Incident Rate **LTI:** Lost-Time Injury **LTFR:** Lost-Time Frequency Rate
TRIR, LTI and LTFR are ratios per 100 employee full-time hours.



Industry Memberships



DIVERSITY, EQUITY AND INCLUSION

At PCL, we work in a highly technical and competitive field. Our ability to attract the most talented people relies on building an inclusive and equitable working environment where employees from all cultures, backgrounds and beliefs feel welcomed, respected and valued. Our clients benefit from the myriad perspectives, solutions and ideas that come from a diverse workforce.

We encourage and celebrate diversity by partnering with organizations representing Black, Indigenous, Hispanic and Asian entrepreneurs and tradespeople. Other diversity, equity and inclusion initiatives include providing unconscious bias training for employees, celebrating Women in Construction Week and International Women’s Day, and providing opportunities for women to advance in their careers.

We’ve also established Diversity, Equity and Inclusion Councils in every PCL sector. Supported by senior company leaders and executives, these councils collaborate with other working groups across districts, sectors and the entire company to consistently promote diversity, equity and inclusion.

PCL is a member of the Canadian Centre for Diversity and Inclusion; the U.S. Women’s Business Enterprise National Council; the Talent, Inclusion, Engagement and Diversity Leadership Roundtable; and the U.S. Forum on Workplace Inclusion.

At PCL, we choose to include.

21
Diversity, Equity and Inclusion committees

100%
of PCL employees participated in unconscious bias training

All PCL employees completed unconscious bias training. The course explored concepts of bias, reasons we have biases and ways to minimize the impacts of these biases on ourselves and others.





BUILDING PEOPLE

Together We Build Success

Inspired by our purpose, our employees deliver the best to our clients, communities and each other.

The first pillar of our purpose is building people. Providing employees with challenging work assignments and learning opportunities leads to their success. It also encourages them to support each other while building great relationships with our clients and partners.

Building people first creates the foundation for our other purpose pillars: building communities and building legacies.

Growing the Future of PCL

PCL is committed to offering rewarding career paths and growth opportunities. We welcomed 520 new hires this past year and supported the transfer of 221 employees to provide them with new career experiences.

Our voluntary turnover rate in 2021 was 8.7%, which remains consistent year over year and is better than the industry average. We continue to analyze feedback from our new hire, engagement and exit surveys so we can identify ways to increase employee satisfaction.

Engagement and Inclusion

We give employees opportunities to provide feedback, which we use to build a great workplace. Our engagement survey score was 81%. We’re using these survey results to improve all levels of the organization.

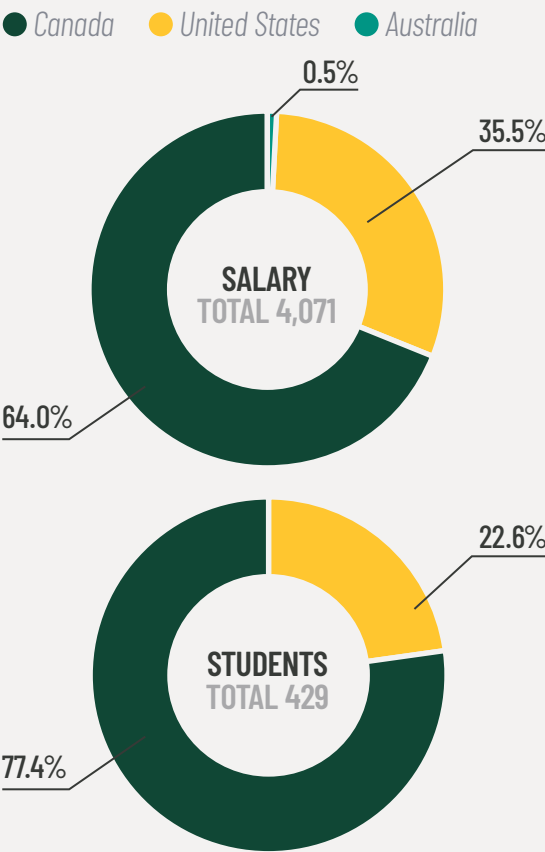
In the traditionally male-dominated construction industry, we strive to create fair and equitable opportunities for all genders. We continue to see a year-over-year increase in the number of professionals who identify as females joining PCL, and we ensure that our ratio of basic salary of women to men remains at 1:1.

Our workforce continues to move in a great direction. In 2021, 37.3% of our students and 27.2% of our current salary workforce were female-identifying.

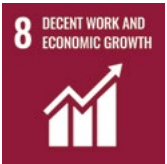
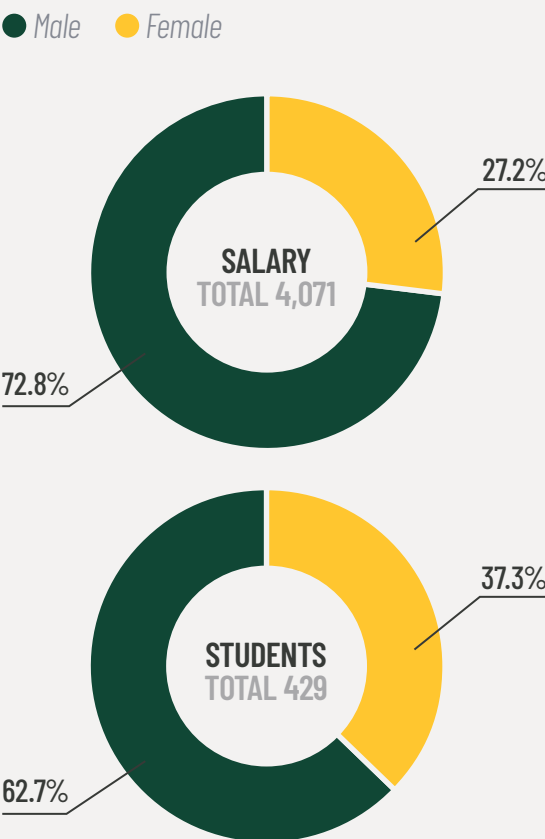
We aspire to be a workplace that represents the diverse communities in which we work and strives to promote a culture that fosters a sense of belonging, equity, mutual respect and ownership through people, processes and programs.

1:1
ratio of basic salary of
women to men

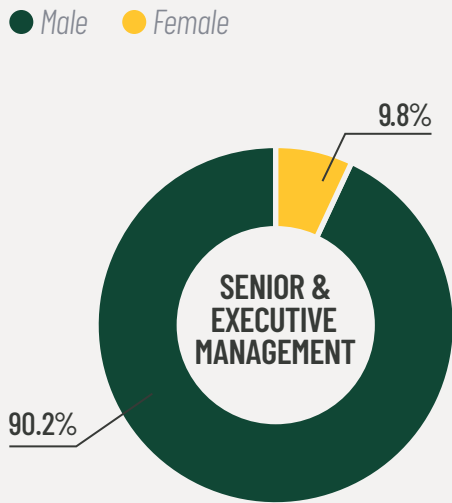
EMPLOYEE HEAD COUNT BY COUNTRY



EMPLOYEE HEAD COUNT BY GENDER



GENDER DIVERSITY
IN SENIOR LEADERSHIP ROLES



Women in Construction

We’re proud of the PCL women who pave the road to construction for the next generation of female leaders. Jennifer Jacobs, project coordinator at PCL Industrial, shares her story.

How did you get into construction?

After a few years of post-secondary, I felt somewhat unexcited about the path I was on, and I thought the best strategy would be to just work and build up my savings. So I spent a summer working in construction — that was one of the most eye-opening experiences I’ve had in my whole life, second only to becoming a parent. Every day I laughed. Every day I was challenged. Every day I learned something new.

What keeps you in construction?

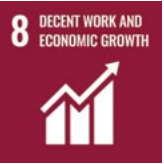
I love the teamwork and commitment necessary for what we do. Our projects are demanding and

complicated. They require monumental effort and endless innovation to be successful, and being part of that is extremely rewarding. There’s this huge sense of pride and accomplishment. And the most exciting part, for me, is that I get to do it over and over again with new challenges, new teams, new technologies and new goals.

Why do you work for PCL?

I’m proud to work for an organization that continues to support women in construction, and continues to work toward diversity, equity, equality and inclusivity in all areas of our business and at all levels, especially supervisory and leadership roles.

Women will always be crucial to our business and that’s something we should never lose sight of. There will always be new research and data around this topic that we should continue to absorb and embrace.

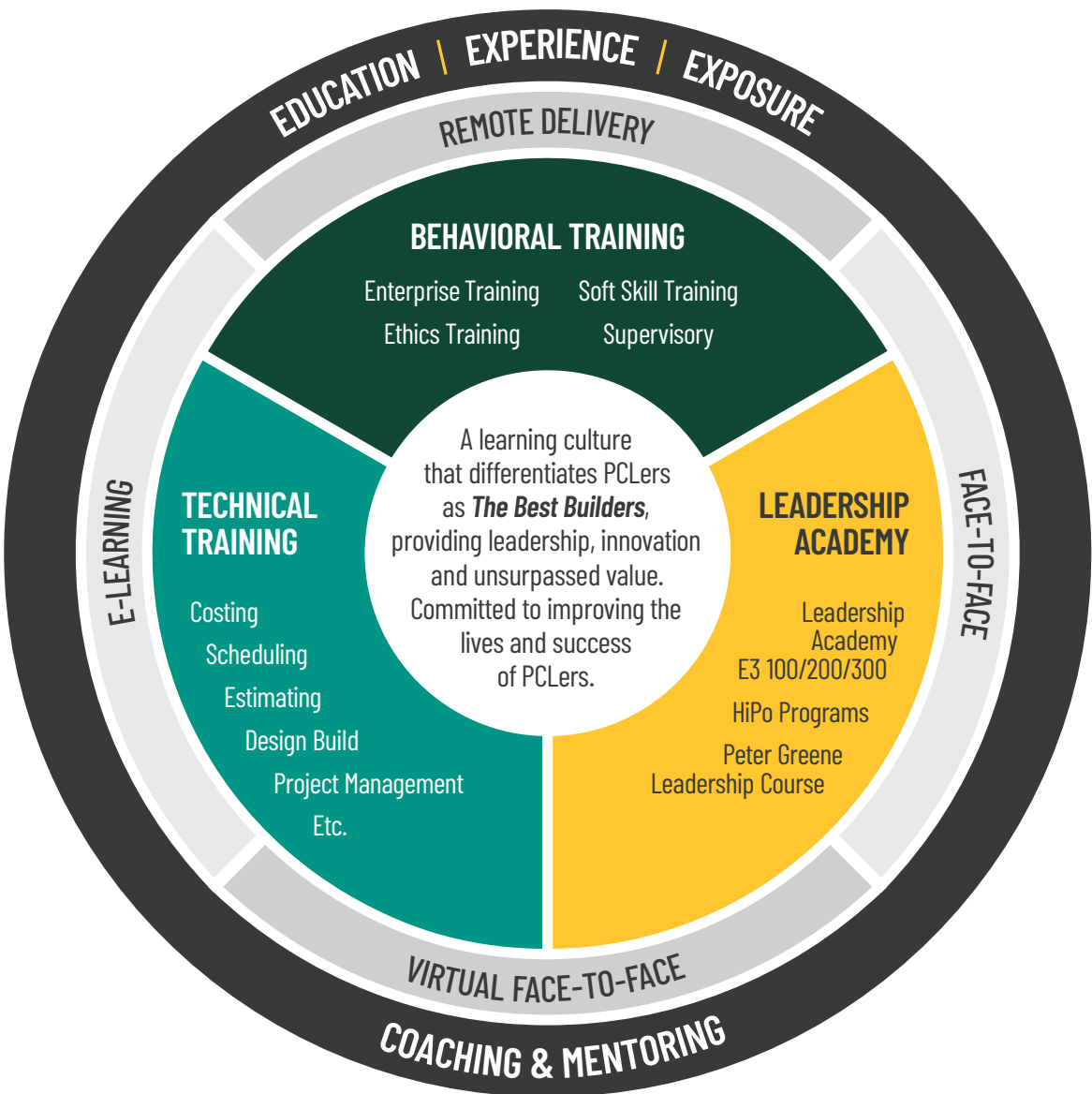




TRAINING AND DEVELOPMENT

Our employee owners are committed to shaping the future of construction. PCL continually invests in technical, behavioral and leadership training and resources that help employees strengthen their skill sets and grow their careers.

PCL is more than just a place to work — it’s a place where employees develop meaningful and fulfilling careers. One hundred percent of salary employees go through an annual review to ensure a fair salary increase and bonus based on current performance. We also discuss career development to ensure that all employees have education, experience and exposure opportunities. PCL’s College of Construction and the PCL Leadership Academy offer educational programs, courses and resources to employees at every stage of their careers and are catalysts for developing strong leaders.



PCL’s College of Construction

PCL supports employee growth by offering education, experience and exposure that enhances skills, increases knowledge and improves career satisfaction.

For more than 25 years, our in-house College of Construction has offered custom-designed courses ranging from basic to expert levels. We offer courses through instructor-led classroom delivery, instructor-led virtual delivery, online delivery, and blended formats. Our online, virtual, mobile and microlearning courses are accessible to our employees anywhere, anytime and on any device.

In response to the pandemic, our professional development team adapted instructor-led programs to go virtual and put technology-based learning programs and resources in place. During this time we managed changing work environments and maintained our philosophy of continual learning.

Using our centralized learning management system, PCL Learn, employees across the organization can view and select training sessions based on their needs and interests.

2021 Contributions
to Our Communities

\$7M

donated to charitable
organizations in 2021 by
PCL and our employees.

- ▶ \$5.1M donated to **United Way**
- ▶ 226 backpacks with over 3,000 **school supplies donated** to children in need in Ottawa
- ▶ \$175K raised at the PCL Toronto Annual Charity Golf Event supporting **Canadian Commonwealth athletes**
- ▶ 6,422 pounds of **food donated** during the Oil Can Do It food bank event in Bakersfield
- ▶ \$45K donated to **Universal Foundation** in Orlando

COMMUNITY GIVING

True to our purpose of building communities, we are driven by a desire to give back and improve the quality of life in their communities. In 2021, PCL and our employees donated \$7 million to charitable organizations and participated in many local events and initiatives across our footprint. We contributed to organizations and activities that support health and wellness, athletics, education and literacy, the environment, the arts, community development, veterans and students.

United Way

For more than 50 years, PCL has supported United Way to give back to local communities and create pathways out of poverty. Through this partnership, we change lives by funding the programs and services that address the needs of struggling people and families. During our companywide 2021 fundraising campaigns, employee donations (together with matching contributions from PCL) provided \$5.1 million to United Way.

Red Cross

Every year since 2011, PCL has provided financial support for Red Cross Disaster Management programs in Canada and the United States. Through these programs, the Red Cross can proactively manage funds and respond to disasters at a moment’s notice, providing support and hope to families affected by disaster. In 2021, PCL donated \$75,000 to both the Canadian and American Red Cross.

Local Support

For our employees, giving is personal. In 2021, we collected toys for shelters in Bakersfield, helped kids in need at Christmas in Houston, took mile-long walks in high heels in Regina to raise money for the YMCA, and participated in numerous food bank drives across our districts to provide meals to families in need.

Scholarships and Student Programs

Since 2017, PCL has donated over \$1 million to post-secondary institutions across Canada and the United States. Each year, PCL hires more than 500 interns from 94 colleges and universities to provide students with real-world experience.

Veterans and Military

PCL values the attributes of discipline, loyalty and resiliency that come with being a service member. PCL provides continuous support to veterans, transitioning military, service members and their families by participating in local, national and North America-wide outreach programs.

In Edmonton, PCL completed ATCO Veteran’s Village, a Homes for Heroes Foundation project. The project involved constructing 20 tiny homes for homeless veterans, an amenity building and an office for Homes for Heroes.



BUILDING FOR A BETTER TOMORROW

We positively impact the communities where we operate through the infrastructure we build and the programs we put in place. During construction, we implement community benefits and local hiring programs to create more inclusive communities and meaningful jobs for people living there.

Our programs support inclusive workforce development and create economic opportunities for underrepresented labor groups. Our programs consist of clear and achievable goals that we communicate to our clients and other stakeholders. These goals include promoting diversity, equity and inclusion; meaningfully engaging with internal and external stakeholders; and achieving accountability through tracking and measuring.



Providing Opportunities for Local Residents

For **Breana Weaver** and **Anthony Fagan**, the Destination Crenshaw project in South Los Angeles really hits home.

Breana, assistant manager of diversity and inclusion, and Anthony, assistant superintendent, grew up in the neighborhood where the project is being built. When completed, Destination Crenshaw will be a 1.3-mile-long outdoor museum along Crenshaw Boulevard celebrating Black culture in Los Angeles.

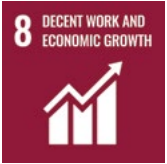
“It’s a full-circle moment for me,” Breana says. “As a young kid, I walked Crenshaw every day. To see and be a part of this cultural marker in the community is awesome.”

Destination Crenshaw is a community-driven construction project with a clear vision to leverage the opportunity to invest in the economic development of residents and local businesses, elevate Black voices and engage the community at every turn.

Leveraging the project to reinvest in the community was a top priority from day one. The project has ambitious local hire goals and a comprehensive diversity, equity and inclusion plan. Our California Buildings team works closely with workforce partners, K-12 schools and other community stakeholders to create pathways to new, high-paying construction careers.

Some workers are referred by 2nd Call, an organization that helps high-risk offenders gain new career and life skills. This mission speaks directly to Anthony’s heart. “I was once part of the problem and now I’m a major part of the solution,” he says. “By sharing my story, I can serve as a role model to individuals who come from the same struggles as I did. Perhaps if they can relate to me, they can envision themselves in a world that once seemed out of reach.”

“This project was designed to create lasting impact,” says Breana. “I hope folks will see construction and development more positively and they’ll have a better understanding of how they can become involved.”





| Melloy Industrial coordinated with an Alberta Métis woman and a company to source the procurement of 168 orange shirts to celebrate National Day for Truth and Reconciliation.



| Melloy Industrial designed, fabricated and delivered six firepits to provide students with the tools to learn about food preparation and cooking techniques.



| In partnership with Treaty One Development Corporation and Scatliff + Miller + Murray, PCL helped construct a symbolic thunderbird to act as a warming shelter for the Centennial Trail at the Forks.

INDIGENOUS RELATIONS

PCL is committed to establishing mutually beneficial partnerships with Indigenous communities and stakeholders. Through these partnerships, we collaboratively develop community-based infrastructure projects that support economic and social development.

Because each Indigenous community is unique, we’re constantly learning from our partners and adapting to the needs and goals of the communities we work within. Through dialogue and engagement, we seek to build long-term relationships that positively impact everyone.

Our partnerships help us create inclusive, culturally aware and diverse workplaces in our offices and on our job sites. They help develop a diverse workforce representative of the communities in which we work.

Employment programs are built to create a lasting impact for Indigenous communities and are based on three pillars:

- 1. Employment opportunities
- 2. Business opportunities
- 3. Training and mentoring programs

Continuous on-the-job training, coupled with targeted training opportunities, will ensure employees gain marketable skills and experience that will initiate lifelong career opportunities.



Willow Lake Métis Nation

In 2021, Willow Lake Métis Group and Melloy Industrial formed a strategic partnership to increase support for heavy industrial maintenance, capital projects, turnarounds and emergency outages in the Wood Buffalo Region while generating economic opportunities for the Willow Lake Métis Nation.

We collaborated with Justin Bourque, CEO of the Willow Lake Métis Nation, and the Fort McMurray School Division to create an elective course for high school students. This land-based learning course offers four core subjects — traditional hunting, trapping, survival and fishing. The course incorporates science, technology, engineering and mathematics teachings. This course is offered through a partnership with Actua, a national charity that builds employment skills and confidence through STEM-based learning.

We supported these initiatives by designing, fabricating and then donating six firepits to the Fort McMurray School Division. These firepits provide students with tools to learn about food preparation and cooking techniques. When designing the grill of the firepits, we applied the Métis infinity symbol to recognize our partnership with and commitment to contributing to the communities in which we work.

Matawa First Nations

PCL has been developing a partnership with the Matawa First Nations. Matawa signed a memorandum of understanding between PCL, EPCOR, OPG and Enterprise Canada to create a consortium that will give Matawa the resources and capacity to take control of developing and delivering their own critical infrastructure. Work between the partners will assist Matawa in taking control of its economic future and improve the lives of First Nations people in Northern Ontario.

GOVERNANCE

IN THIS SECTION

- ▶ Governance Structure
- ▶ Ethics at PCL
- ▶ Cybersecurity and Data Confidentiality
- ▶ Innovation and Technology

GOVERNANCE STRUCTURE

PCL’s corporate governance structure at the board, committee and officer levels is designed to achieve and maintain sound stewardship and to provide an appropriate forum to address stakeholder interests.

The Office of the CEO — comprising six senior corporate executives and the CEO — was established in 2013 to create a strategic forum to support company operations. PCL leaders, operating within the framework of the Office of the CEO, provide overall leadership and guide organizational strategy. This leadership structure continually enhances our ability to add value for employees, clients and the community.

The PCL Board of Directors is responsible for the overall stewardship and governance of the company, including strategic planning, management succession, and safety and environmental procedures and performance.

Our director of sustainability leads the company’s sustainability efforts while the Executive Sustainability Committee, comprising the four chief operating officers, provides support and guidance on the execution of sustainability efforts.

Governance Committees

SUSTAINABILITY STEERING COMMITTEE	AUDIT COMMITTEE	ETHICAL CONDUCT COMPLIANCE COMMITTEE
<div><div>▶ Climate Change</div><div>▶ Sustainability</div></div>	<div><div>▶ Ethics</div><div>▶ Risk</div></div>	<div><div>▶ Code of Conduct</div><div>▶ Ethics</div></div>

Office of the CEO





ETHICS AT PCL

Through strength and dedication, we strive to be the best, a builder renowned for excellence, leadership and unsurpassed value. Our employee ownership model drives a culture committed to upholding a rigorous approach to ethics throughout all levels of the organization.

Our Ethical Conduct Compliance Committee is responsible for establishing policies, training programs and enforcement procedures to ensure that all PCL companies and PCL

personnel act ethically and in accordance with all applicable laws. Committee membership comprises senior executives, including our president and CEO, chief financial officer, general counsel and four chief operating officers.

Our ethics program is supported by a robust framework and best practice system. All ethical reporting systems and disciplinary procedures are reviewed by the committee.

Our Code of Conduct and its accompanying ethics policies contribute to the effectiveness of our program. Our annual Code of Conduct training, a combination of online and instructor-led courses, is mandatory for all salary employees. The courses reinforce the importance of professionalism and ethical conduct within PCL and in our dealings within our industry and the community. Mandatory training program requirements ensure that PCL meets its goal of universal compliance among employees.

100%
of salary employees
completed Code of
Conduct training in 2021.

100%
of ethics complaints
have been investigated
or otherwise resolved.

CYBERSECURITY AND DATA CONFIDENTIALITY

We take the utmost care to protect client and company data. Our Business Technology group regularly engages with internal stakeholders and external experts to evaluate PCL’s cybersecurity readiness and identify risks.

PCL’s Corporate Services Executive Committee and Business Technology Security Subcommittee are responsible for reviewing our cybersecurity needs, developing standards and policies and leading action to mitigate cyber threats.

Companywide cybersecurity education is included as part of our mandatory employee

training. The Business Technology group also engages with other business groups throughout the organization to understand their cybersecurity needs and offer solutions that keep PCL data, people and resources safe.

We have an established cybersecurity program to mitigate cyberattacks on PCL’s network and digital information and have engaged third-party experts to develop incident response plans and respond to security threats.

PCL has cyber insurance coverage for liability to third parties arising from a breach in cybersecurity. This insurance also provides

coverage for first-party costs associated with a breach, business income loss and dependent business income loss due to interruptions to computer service, digital asset replacement expenses, and costs or damages associated with a cyber extortion threat.

PCL’s cyber insurance portfolio covers social engineering and phishing. The coverage provided includes the value lost due to the fraudulent transaction as well as the costs of any assessment or quantification analysis.

10,670
phishing simulations
were sent to
employees in 2021.

43%
of simulations were
reported in 2021,
a **20% increase**
over 2020.

INNOVATION AND TECHNOLOGY

Demand is growing among construction clients for net-zero energy, low-carbon and resilient buildings. Societal trends, government regulations and clients are driving this demand. We continue to use innovative construction technology to meet client needs and limit environmental impacts during construction. PCL is firmly at the forefront of construction innovation, from award-winning digital dashboards to BIM turnover models and virtual collaboration. We bring the full power of tested technologies to maximize schedule and cost savings for our clients.

Lowering Our Carbon Footprint

Job Sites Insights®, a cloud-based smart construction platform, provides trend monitoring of potential issues on our projects. This is done by using sensors that monitor and measure temperature, humidity, water/flooding, vibration and sound. JSI® provides a real-time sensor tracking model accessible from any device.

The insights gained from deploying JSI on over 63 projects have proven that the platform reduces energy use, rework and insurance costs and supports capture of valuable data for future analytics. Real-time tracking allows us to reduce our carbon footprint during construction.

Reducing Rework with Flood Protection

Flooding and water damage are costly building risks. That's why we partnered with Eddy Solutions to integrate Eddy's smart water monitoring and leak mitigation technologies into JSI. With Eddy, JSI can monitor, control and conserve water usage, protecting a building and critical systems against the risk of water damage during construction. Preventing water damage reduces the potential for rework.

Leveraging the Power of Data to Improve Building Efficiency

The CopperTree Analytics' data and energy analytics platform turns raw data from building automation and mechanical systems into actionable insights that improve commissioning and building management.

CopperTree reads all data points from building management systems. The data can be used to provide deep analysis of all mechanical systems against design specifications. Armed with actionable data, building managers can make informed and strategic decisions to reduce energy consumption, target maintenance efforts and increase efficiency.





CONSTRUCTION