



PEG Supplier Sustainability Work Group - Subgroup #3 Update and Actions



April 18, 2024

John Chen, Task Co-lead

Agenda



Objectives Refresher



Survey Status Update



Preliminary Analysis

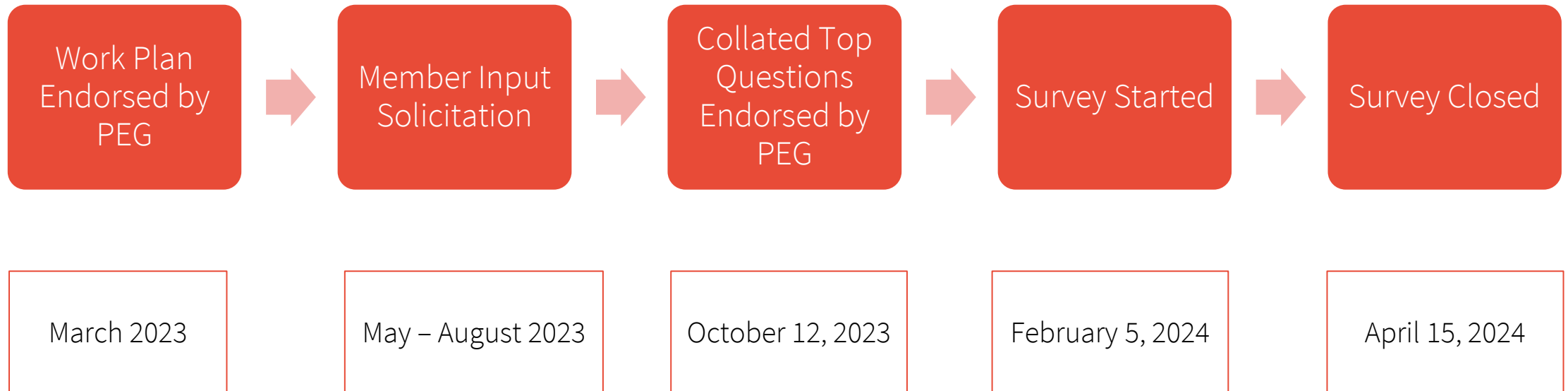


Next Steps

Subgroup 3 Objectives

- Subgroup #3 Supplier Sustainability Questionnaire Template
 - Part of the PEG Sustainability Work Group led by Corey McShannon
 - Objective is to establish an industry template that can be used to engage the supplier market in a consistent way
 - Work plan was endorsed by the PEG members in PEG Spring Conference in March 2023
 - Co-led by John Chen (Hatch) and David Turner (Zachry)

Status Update for Subgroup 3



The Survey & Status

15-Questionnaire survey Issued to 17 suppliers

| Supplier | Category | Survey Response |
|-----------------------|-------------------------|-----------------|
| Atlas Copco | Mechanical | Followed-up 3x |
| Flowserve | Mechanical | Completed |
| ITT Goulds | Mechanical | Completed |
| Siemens Energy | Mechanical & Electrical | Completed |
| Emerson | I&C | Completed |
| CTIW | Steel Fab | Declined |
| ABB | Electrical | Followed-up 3x |
| GE | Electrical | No response |
| Wesco | Electrical | Completed |
| Schneider | Electrical & Controls | Completed |
| Graybar | Contractor | Completed |
| Apache | Contractor | Called 3x |
| Cajun Industries, LLC | Contractor | Called 3x |
| Mammoet | Contractor | Completed |
| MMR | Contractor | No response |
| White Cap | Tools | Completed |
| Sunbelt Rentals | Rental | Completed |

PEG Supplier Sustainability Questionnaire

The Procurement Executives Group (PEG) serves as a forum for the executive leadership of Procurement and Supply Chain Management in the Engineering and Construction industry. We seek to represent, promote, and improve the contributions of our profession to the industry we serve. In fulfilling these objectives, PEG and our member company representatives are committed to the following Core Values:

Environment

We recognize the responsibility of Procurement and Supply Chain Leaders to identify, communicate and lead the achievement of Environmental goals applying the standards and initiatives of our industry, our member companies and our clients in making sure our suppliers and contractors show evidence of policies to achieve acceptable environmental practices.

Sustainability and Social Responsibility

We accept the significant role that we as Procurement and Supply Chain leaders have to develop new capital projects in a sustainable and social responsible manner for the benefit of present and future generations.

Collaboration

We are committed to a culture of collaboration and openness between supply chain leaders and others as appropriate, to share non-proprietary knowledge, best practices, metrics, and innovation advances to improve the effectiveness of Procurement and Supply Chain Management in our industry.

As part of this commitment, PEG has identified the importance suppliers play in overall project sustainability performance and seek to work in partnership with industry stakeholders to reduce operational risks and create long-term value by embedding sustainability into supply chain operations.

We are asking the following questionnaire to be completed to collect help baseline information about a supplier operation and any related policies and practices they may have in place to minimize environmental impacts and promote sustainability within operations.

Our intent with this questionnaire is to offer a harmonized approach, allowing one to demonstrate the important steps you as a supplier are taking to effectively identify and manage sustainability risks and opportunities.

* Required

1. Company Name *

Enter your answer

2. Does your company have an established sustainability policy? *

Yes

No

3. Does your company calculate your gross global emissions? *

Yes

No

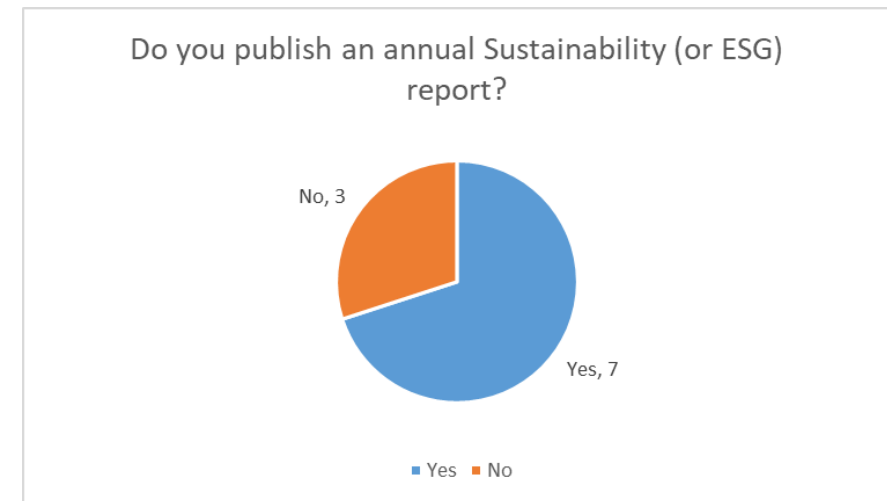
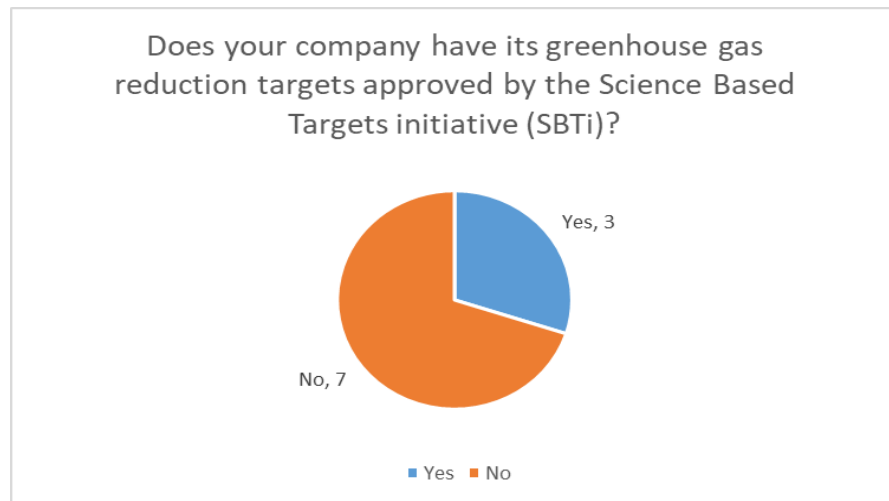
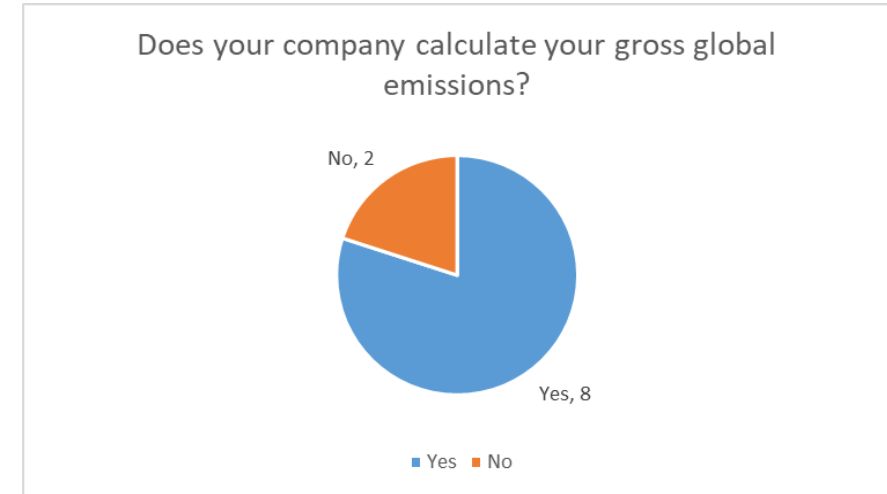
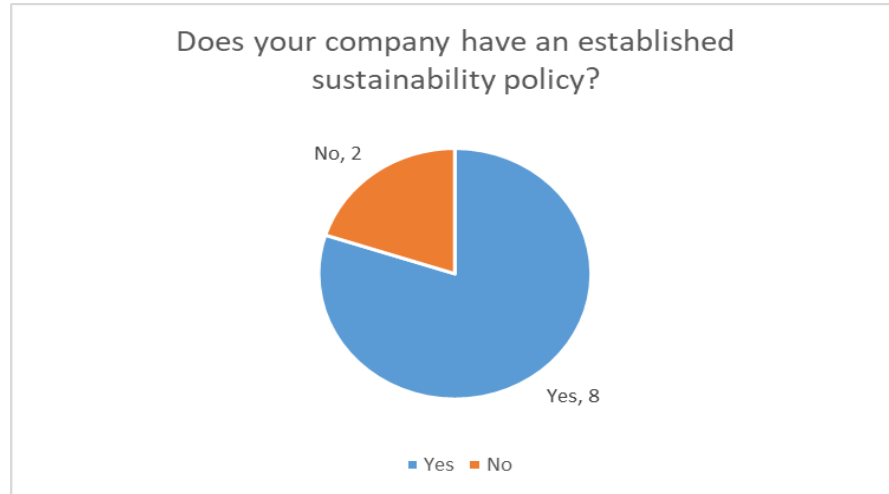
4. If yes to Question 3, what were your company's gross global emissions for Scope 1?

Enter your answer

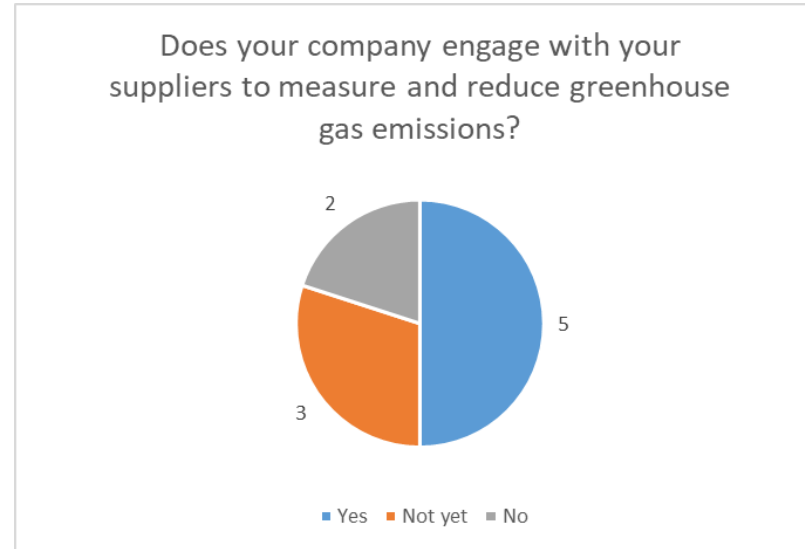
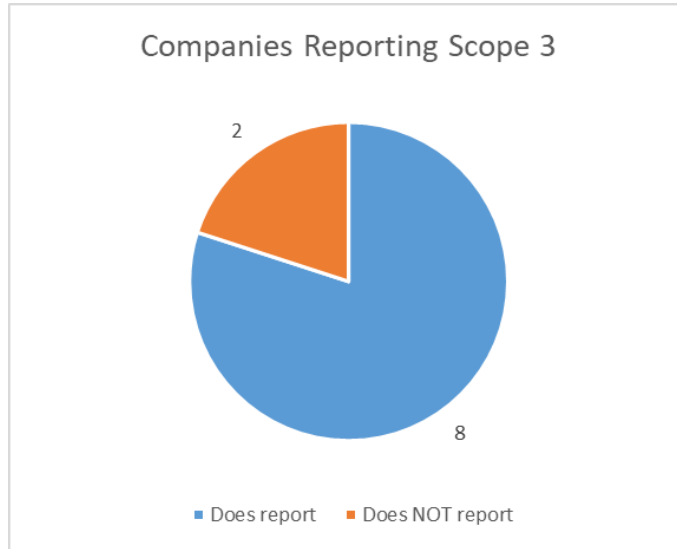
5. If yes to Question 3, what were your company's gross global emissions for Scope 2?

Enter your answer

Preliminary Analysis

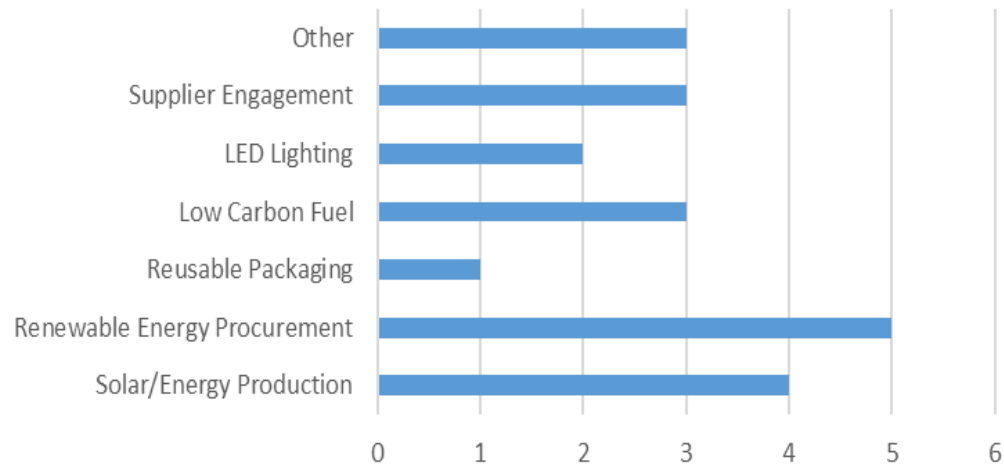


Preliminary Analysis

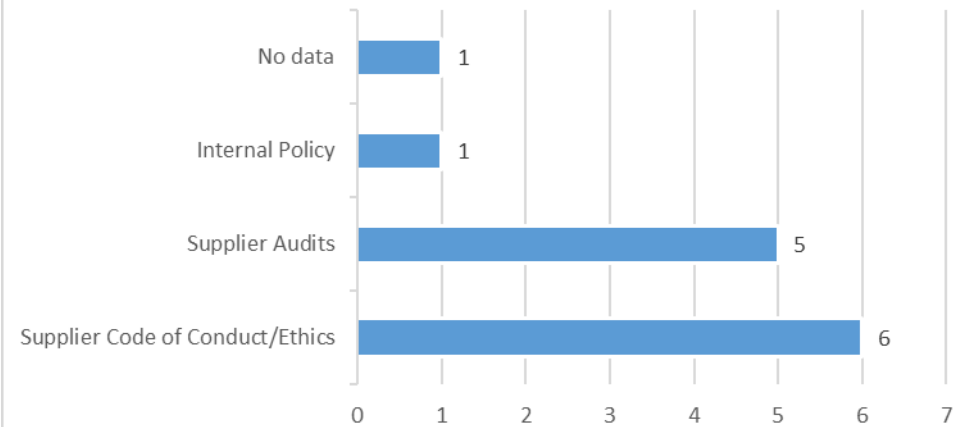


Preliminary Analysis

What green energy do you use, what green products do you provide, and how do you survey your supply chain for green materials?



How is your company engaging your suppliers to ensure against human trafficking, forced labor (i.e., modern slavery), child labor, unsafe/unsanitary/inhumane working conditions, and non-living wages?



Next Steps

- Do we continue to follow up with other suppliers?
- More detailed analysis required?
- Responses to be shared on PEG site
- How do we go from here as an industry group?

+

Thank you.

For more information,
please visit www.hatch.com