



MICHELS®

2024

THE MICHELS FAMILY OF COMPANIES

SUSTAINABILITY REPORT

www.Michels.us

Issued June 2025

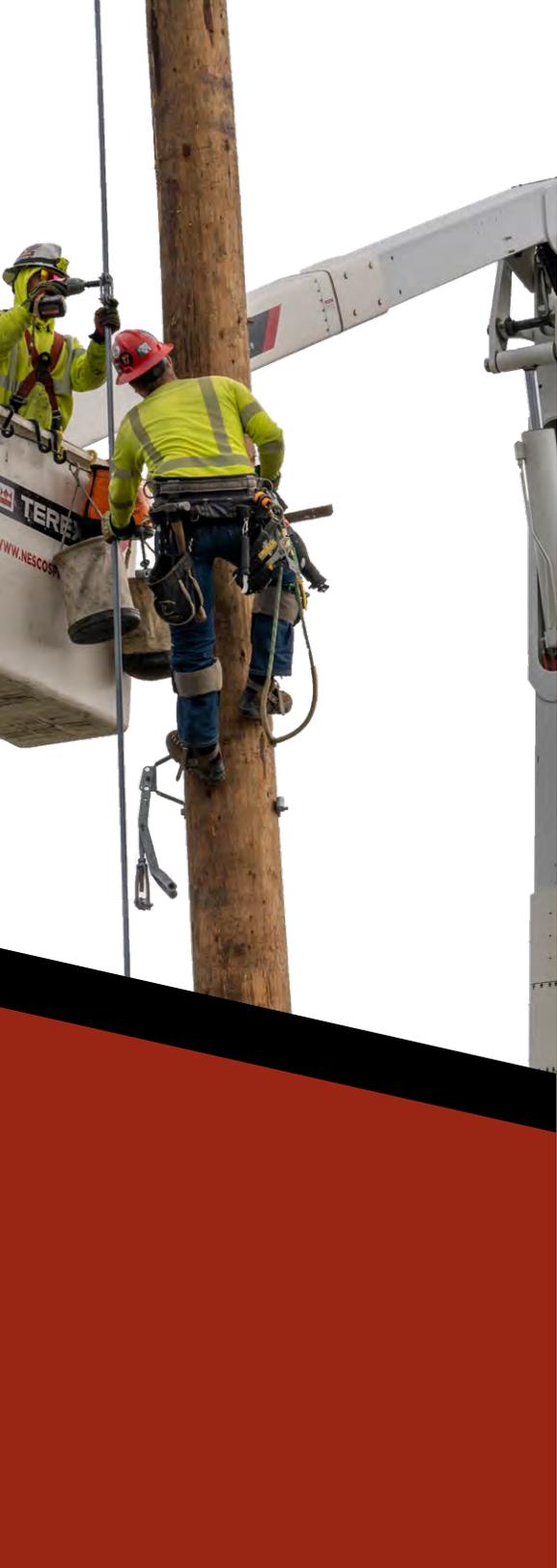


TABLE OF CONTENTS

A Message from Pat Michels	3	Safety	21
Michels Family of Companies Overview	4	Safety Statistics	22
Our History	4	Mi-Promise	23
Mission & Vision	5	Cornerstones of Health & Safety	24
Core Values & Our Approach to Sustainability	6	Safety Awards	24
Leadership & Reporting	7	Human Performance Improvement	25
Sustainability Highlights	7	CARE Program	26
Sustainable Operations	8	Social Responsibility	27
2024 by the Numbers	8	Investing in Our Communities	27
Michels Family of Companies	9	Investing in Our People & Workforce	28
Awards & Accolades	10	Investing in Businesses & Local Economies	30
Featured Projects	11	Integrity	33
Environment	15	Governance & Operations	33
Environmental Cornerstones	16	Dedication & Teamwork	35
Leading from Michels Headquarters	17	Leadership in Trade Organizations	35
Reducing Energy & Emissions	18		
Environmental Stewardship	19		



A MESSAGE FROM PAT MICHELS, PRESIDENT & CEO

Sustainable operations, as one of our six Core Values, shape our strategy and culture by driving innovation, efficiency, and responsible actions. From incorporating safety into every decision to reducing our environmental footprint, Michels focuses on actions that allow us to deliver reliable infrastructure both today and tomorrow. Our goal of continuous improvement allows Michels, our customers, and communities to thrive for years to come.

We present our 2024 Sustainability Report to show what we have done, to guide our future decisions, and to inspire us to continue advancing our sustainability initiatives. We are proud to perform work that has a positive impact on the world around us. By restoring eroding shorelines, using low-impact methods to deliver essential utilities, and implementing safe practices for people and the environment, we intentionally pursue work that focuses on future generations. As a family owned and operated company, we believe in the power of people and diligently look for ways to improve the lives of people and communities. That includes creating an award-winning safety culture, providing our people with training to advance their careers, and opening an on-site medical clinic to provide free, convenient care for our employees and their family members.

As proud as we are of our performance today, we are even more excited for the future. We provide our customers with safe, innovative infrastructure design and construction services performed by a best-in-class team.

Our Core Values guide our sustainable operations throughout the world. To our customers, thank you for trusting us to represent you on critical projects. To the communities in which we live and work, thank you for allowing us to make improvements in ethical, responsible, and innovative ways. To our people, thank you for living by our Core Values and upholding our standards.

OUR HISTORY

Dale Michels, an Army-veteran-turned-pipeline-welder, and his wife, Ruth, established Michels as a regional gas distribution company in Dale's hometown 66 years ago. Dale's desire to be the best was a constant driving force. He had an unwavering belief that his company and his people had the work ethic and grit to succeed on challenging projects.

Early in the company's history, Dale was critically injured. While he made a full recovery, the accident left a lasting impression on the Michels family and the fledgling company. To this day, we remain passionate about safety.

Michels' first jobs were installing natural gas mains and underground telephone lines and cables. As operations grew, so did Michels' reputation as a reliable construction partner. Throughout the next six decades, Michels expanded its global footprint, establishing permanent operations in Canada in 1996 and in Australia and Europe in 2022.



Michels Family of Companies Overview

The Michels Family of Companies is a collection of wholly owned infrastructure and energy companies providing construction and engineering solutions under the Michels brand flagship.

Michels was established in 1959. Through organic growth, strategic acquisitions, and an understanding of our customers' current and future needs, Michels has expanded into the civil, energy, energy transition and renewables, foundations, marine, mission critical, transportation, and water and wastewater industries.





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.

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 contributions.



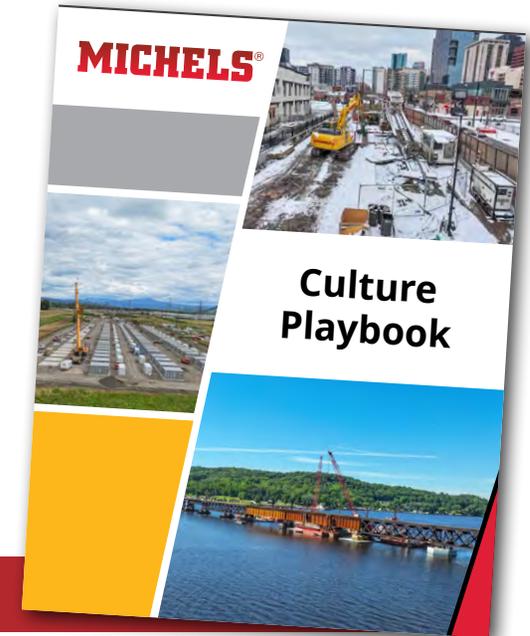
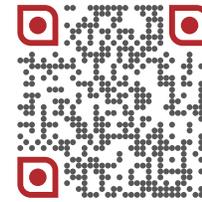
Sustainable Operations

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

CORE VALUES & 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. They 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.

Core Value	Strategy / Goal
Safety	Focus on continuous improvement and hazard mitigation to advance our safety culture and perform with a journey to zero injuries so everyone comes home safe, every day.
Environment	Advance our environmental program to reduce our footprint and increase stewardship opportunities to not only mitigate impact on areas where we work, but also preserve them.
Integrity	Ensure our people, business operations, and supply chain adhere to the laws, regulations, and policies governing our activities, including adherence to Michels' Code of Business Ethics and Vendor Code of Ethics.
Dedication & Teamwork	Build an ethical culture with commitment, collaboration, and willingness to do whatever is necessary and go above and beyond what is required.
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.
Sustainable Operations	Build and uphold a culture that continually improves how we operate so Michels, our customers, and communities thrive for generations to come.

LEADERSHIP & REPORTING

Our Sustainability Committee, led by the Director of Environment and Sustainability, identifies key strategies and deliverables and analyzes data to make informed decisions for continued progress toward sustainable actions and commitments.

This report includes details pertaining to the Michels Family of Companies. 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.



Reporting Platforms

ecovadis



2024 SUSTAINABLE ACTION HIGHLIGHTS

Reporting Period
January 1, 2024
December 31, 2024

Report Cycle
Issued annually

Michels Headquarters

- On-site solar efforts generated 445,000 kWh
- 55% waste diverted from landfills
- 66% increase in total recycling
- 4.6 metric tons of plastic were recycled, a 44% increase from last year
- Reached 18.5% of our 20% goal to reduce USA Greenhouse Gas Intensity (gCO₂e/revenue) by 2028

Michels Tree Program

- 2,000+ trees were planted through the Michels Tree Program

Safety

- TRIR reduced by 41% since 2023
- SIF reduced by 66% since 2023
- Experience Modification Rate (EMR) of 0.59 in the U.S.
- 35,000 HSE audits/inspections completed
- 74,000 HSE training courses completed

... & More

- 16,000 good catch/near miss submissions, 17.7% increase from 2023
- \$300 million spent with diverse businesses, more than \$1.1 billion since 2020
- Michels supported 291 organizations in 2024
- 1,800 Michels people participated in CARE suicide-prevention training
- Michels Clinic saw 2,350 patients during its first full year of operations
- 87,000 employee trainings were completed
- 37% interns offered full-time positions

2024 by the Numbers

GOAL: Build and uphold a culture that continually improves how we operate so Michels, our customers, and communities thrive for generations to come.

As a union contractor, we understand the importance of the principles of freedom of association and the right to collective bargaining, which contributes to a just and sustainable future.

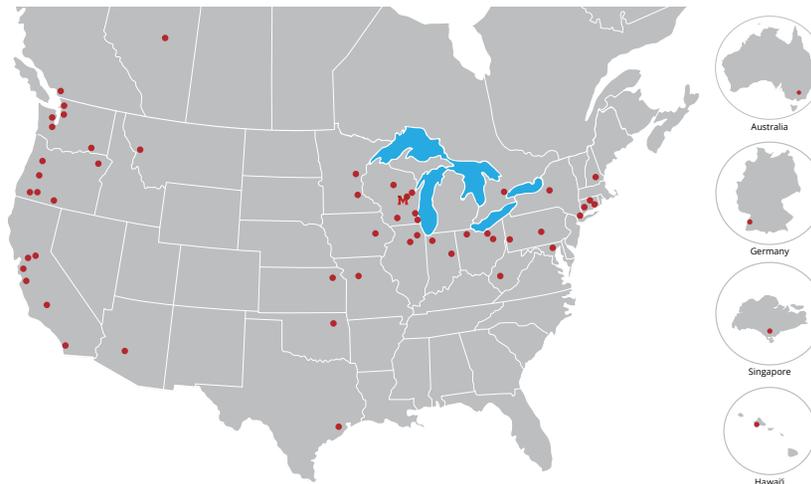
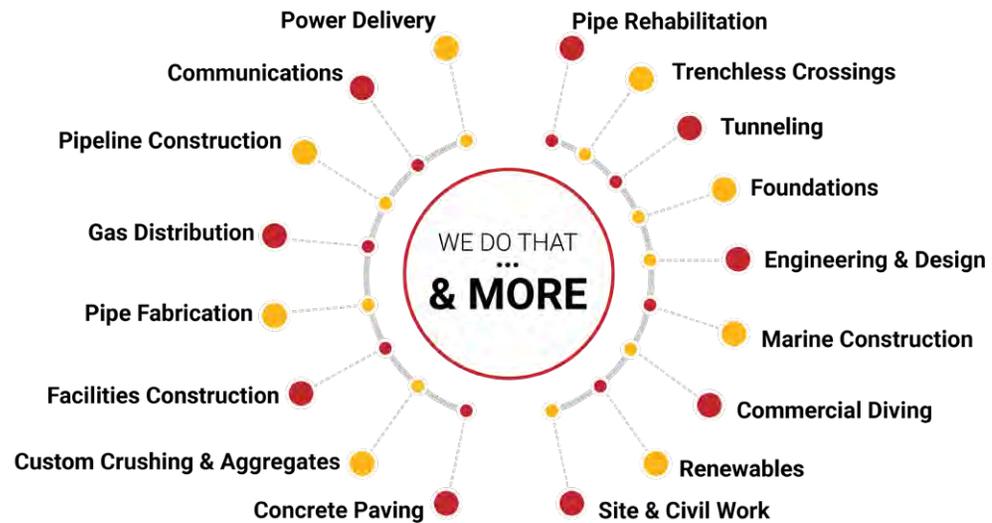
64% of our people are under collective bargaining agreements.



Our People
7,000+

Our Equipment Fleet
18,000

Capabilities



Our Locations

52 United States	3 Canada
1 Australia	2 Germany
1 Singapore	1 Hawaii

MICHELS FAMILY OF COMPANIES



MICHELS[®]

MICHELS[®]
CONSTRUCTION, INC.

MICHELS[®]
ROAD & STONE, INC.

MICHELS[®]
UTILITY SERVICES, INC.

MICHELS[®]
PACIFIC ENERGY, INC.

MICHELS[®]
TRENCHLESS, INC.

 **MICHELS**[®]

MICHELS[®]
PIPELINE, INC.

MICHELS[®]
TRENCHLESS GmbH

J.D. HAIR & ASSOCIATES
ENGINEERING & DESIGN SERVICES
— A MICHELS Company —

MICHELS[®]
POWER, INC.

MICHELS[®]
TRENCHLESS PTY. LTD.

mi-TECH
— A MICHELS Company —

MICHELS[®]
PRECONSTRUCTION
SERVICES, INC.

MICHELS[®]
UNDERGROUND CABLE, INC.

2024 AWARDS & ACCOLADES

Projects

- **Top Project** (The Daily Reporter), North Leg of the Zoo Interchange, WI, USA, Michels Road & Stone
- **Top Project** (The Daily Reporter), Highway 23 Expansion, WI, USA, Michels Road & Stone
- **Project of the Year, \$25M-\$75M** (American Public Works Association, Wisconsin Chapter), County S Expansion, WI, USA, Michels Road & Stone
- **Award of Merit** (Engineering News-Record), Carlson Creek Switchyard, IN, USA, Michels Power
- **Regional America's Transportation Award** (Mid America Association of State Transportation Officials), North Leg of the Zoo Interchange, WI, USA, Michels Road & Stone
- **Best Restored Beaches** (American Shore & Beach Preservation Association), Illinois Beach State Park, IL, USA, Michels Construction
- **Excellence in Project Execution Award Runner Up** (International Pipe Line and Offshore Contractors Association), Marica Road West HDD for Snowy 2.0, Australia, Michels Trenchless Pty. Ltd.
- **Project of the Year for New Installation** (Trenchless Technology), Trans Mountain Expansion Pipeline, BC, Canada, Michels Canada
- **Project of the Year for New Installation (Runner Up)** (Trenchless Technology), Lake Ouachita Water Supply Trenchless Crossings, AR, USA, Michels Trenchless
- **Project of the Year** (Engineering News-Record), South Fork Wind, NY, Michels Trenchless and Aqueos Marine
- **Best Project (Energy/Industrial)** (Engineering News-Record), South Fork Wind, NY, USA, Michels Trenchless and Aqueos Marine



Trans Mountain Expansion Pipeline, BC, Canada

- **Excellence in Environmental Design-Build** (Chicagoland Associated General Contractors), Illinois Beach State Park, IL, USA, Michels Construction
- **Project of the Year** (The Pipeliners Association of Houston), Regional Energy Access Expansion Project, PA & NJ, USA, Michels Pipeline

... & More

- **Ranked 15th on Wisconsin 75** (Deloitte), Michels Corporation
- **Best Places to Work** (Employ Humanity), Michels Corporation
- **Community Support Award** (Greater Copper Valley Chamber of Commerce), AK, Michels Underground Cable

Our Engineering News-Record Rankings

34

Top 400 Contractors

8

Petroleum Contractors

8

Power Contractors

8

Top 100 Working Abroad

35

Top 50 by New Contracts

35

Top 50 Domestic Heavy Contractors



MARICA ROAD WEST HDD

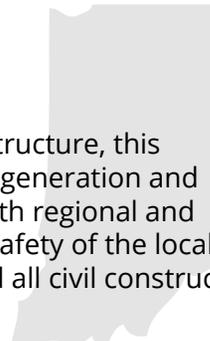
New South Wales, Australia

This horizontal directional drilling (HDD) project supports Snowy 2.0, the largest renewable energy project under construction in Australia. Michels contended with extreme elevation differences while working in an environmentally sensitive escarpment in a national park. The hydro battery megaproject will connect two existing dams through an underground tunnel and power station.

CARLSON CREEK SWITCHYARD

Indiana, USA

An essential facility for northwestern Indiana's electrical infrastructure, this switchyard serves as a point of interconnection between solar generation and a battery energy storage system (BESS) as well as a junction with regional and national power grids to provide greater control, stability, and safety of the local grid. Michels self-performed the work on the 345-kV switchyard and all civil construction, foundations, and major equipment.



COASTAL VIRGINIA OFFSHORE WIND

Virginia, USA

Michels completed nine Direct Pipe® and 10 HDD installations to provide electrical conduits for shore approaches and inland connections to support a 200-turbine wind farm located 24 nautical miles off the coast of Virginia. It is the largest wind project in the United States and will generate 2,500 to 3,000 MW of renewable energy, enough to power up to 660,000 homes.



LAKE OUACHITA WATER SUPPLY

Arkansas, USA

Michels used three different trenchless methods—Direct Pipe®, microtunneling, and float and sink—to build critical sections of a project to supply a new, much-needed source of clean water to the city of Hot Springs, AR. The creative approach of designing individual solutions for varying geology stemmed from Michels' early involvement and will provide operational cost savings over time.

SUSTAINABLE OPERATIONS



REGIONAL ENERGY ACCESS EXPANSION

Pennsylvania & New Jersey, USA

The Regional Energy Access Expansion Project was designed to maximize existing infrastructure and ease natural gas supply constraints affecting customers in Pennsylvania, New Jersey, and Maryland. Michels installed 22.3 miles of 30-inch pipeline and contributed engineering, procurement, and construction of two compressor stations in New Jersey. The project increased the region's natural gas capacity by 829,000 dekatherms per day, enough to serve approximately 4.4 million homes annually.

AUTUMN HILLS RENEWABLE NATURAL GAS (RNG) FACILITY

Michigan, USA

Michels installed a 3,000-SCFM, high-BTU landfill gas processing plant to transform raw landfill gas into pipeline quality renewable natural gas. We sourced materials locally when possible and communicated with the community to ensure a safe execution of tie-ins. The renewable energy will be used to power nearby agribusiness, replacing the landfill gas that had been used for decades, and additional RNG will be distributed to customers by SEMCO Energy.



HYDROGEN ELECTROLYZER

New York, USA

Michels set seven electrolyzers and seven rectifiers inside a building and installed all associated piping for a 35-megawatt proton exchange membrane (PEM) electrolyzer facility. Outside the green hydrogen production building, Michels set a cooling water tower, pumps,

filters, treatment skid, river water filters, water purification unit, emergency diesel generator, and a power distribution center building and ran all associated piping and electrical cables. The facility separates water molecules to create green liquid hydrogen.



RESPONSIBLE AGGREGATE MINING

Michels is among the largest construction aggregate suppliers in the USA, responsibly operating mining of aggregates since the 1970s. We are a USACE-certified provider of natural riprap and armor stone for shoreline protection and restoration.

From our more than 60 pits and quarries across Wisconsin, we source and custom crush DOT-approved limestone, red granite, quartzite, and black granite. More than 2,500 acres have been reclaimed and restored to a natural or economically usable state under Michels' oversight.





ENVIRONMENTAL

GOAL: Advance our environmental program to reduce our footprint and increase stewardship opportunities to not only mitigate impact on areas where we work, but also preserve them.

Environmental Program >>

The primary mission of Michels' environmental program is to manage and meet our environmental responsibilities while controlling and reducing environmental impacts associated with our work and operations. Michels is committed to operating responsibly, managing our environmental risks, and continuously improving our practices.

Michels' Environmental department guides and supports our operations and jobsites with the

management of environmental regulations, trends, and customer expectations. It consists of environmental professionals from diverse environmental disciplines, including wetland delineators, Certified Professionals in Erosion and Sediment Control (CPESC), Hazardous Waste Operations & Emergency Response (HAZWOPER) professionals, biologists, and spill response, waste, and field environmental coordinators.



ENVIRONMENTAL CORNERSTONES

While there are different environmental regulations based on location, these cornerstones, developed by Michels' Environmental Resources Group, serve as foundational principles for compliance. We added three new cornerstones in 2024 to account for our expanding range of solutions, including marine work.



Invasive Species

Always inspect equipment and vessels for the presence of invasive species and aquatic vegetation upon removal from the site. Follow state procedures for equipment and vessel movement and decontamination.



Restoration

Always leave the site with pre-construction or better conditions. Return contours and seed according to applicable seeding window.



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.



Waterways, Shorelines & Wetlands

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



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.



Approved Limits of Disturbance

Always identify LOD stakes/markers and stay within approved work areas and approved access points.



Wildlife, Sensitive Species & Cultural Resources

Always avoid or minimize interference with nesting birds, wildlife, sensitive species, and marine animals, including their habitats. Follow cultural resources avoidance, reporting, and mitigation measures.



Keep Roadways Clean

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



Waste Management & Recycling

Always follow waste minimization and best practices (e.g., label containers, separate waste types). Identify recycling opportunities with local vendors.



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).



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.



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.



LEADING FROM MICHELS HEADQUARTERS

We recognize the importance of being transparent about our operations and reporting regularly on environmental initiatives through our annual sustainability report. We have actively monitored and managed our environmental footprint from our headquarters since 2016, when we entered the Wisconsin Department of Natural Resources (WDNR) Green Tier Program. This program requires us to implement an ISO14001 functionally equivalent environmental management system (EMS) to support environmental compliance, pollution prevention, and continual environmental performance improvement.

Achieved Actions

- Utilized first operational year of our solar field and optimized compressed air system to reduce Scope 2 emissions. Efficiencies in the compressed air system were gained by reducing the number of compressors running, conducting an air leak survey, and better utilizing a variable speed drive compressor. These combined actions reduced energy use from this operation by 580,000 kWh in 2024.
- Total on-site solar efforts generated 445,000 kWh in 2024, the equivalent of electricity utilization for 85 homes for 1 year.

Strategic Continual Improvement Actions

- Continue to refine processes for collecting and using environmental data to identify opportunities to reduce emissions, water, and waste from our corporate headquarters, shared yards, and facilities throughout our global footprint.
- Leverage our partnership with the U.S. Department of Energy (DOE) Better Plants Program to meet our goal of reducing energy intensity by 20% by 2028.



REDUCING ENERGY & EMISSIONS

Partnering with customers and suppliers to make communities throughout the world more resilient is a driving force of Michels' sustainability efforts. As a heavy construction company, our approach to reducing energy use and emissions is based on our ability to:

1. Improve data collection and reporting systems to quantify energy and emissions more accurately.
2. Invest in scalable technologies and practices that reduce our Scope 1 and Scope 2 emissions.

Our carbon assessment follows the Greenhouse Gas Protocol. Scope 1 emissions are primarily from our approximately 10,000 on- and off-road rolling stock fleet and natural gas consumption at our yards and offices. Scope 2 emissions include purchased electricity at our yards and offices.

Because our emissions are directly correlated to annual business growth and volumes, our approach is to compare emissions on an absolute basis as well as in relation to annual revenues. While we conducted our first inventory in 2021, we consider 2022 as our baseline following third-party assurance.

Achieved Actions

- Reached 18.5% of our 20% goal to reduce USA Greenhouse Gas Intensity (gCO₂e/revenue) by 2028 with the U.S. Department of Energy Better Plants Program.
- Provided 500,000+ kWh to the grid from Alliant Energy's Community Solar Facility that Michels supports as the anchor tenant in Fond du Lac, WI.



IMPROVING FUEL EFFICIENCY

Among Michels' largest assets in providing our first-in-class construction services is our fleet, which is also our primary source of Scope 1 emissions (at around 90%). Our efforts include investing in advanced technologies and integrating innovative practices to improve fuel efficiencies, while being mindful of the uncertainties regarding our ability to transition parts of our fleet to zero-emission alternatives.

Achieved Actions

- Completed emissions inventory for Michels Canada for 2023 and 2024.
- Michels Utility Services used cross compression equipment 335 times in 2024 to support our customers' prevention of the release of methane and greenhouse gases from traditional venting during natural gas system maintenance.
- Consumed 510,000 gallons of renewable diesel in California in 2024 in compliance with California Air Resources Board (CARB) equipment requirements.

Strategic Continual Improvement Actions

- Develop an advanced tracking and control system to better measure actual fuel consumption and emissions, including variable speed fuel use on a segment of our equipment.
- With evolving global expectations, research options to electrify trenchless equipment and jobsites.
- Utilize a platform to collect and report Scope 1, Scope 2, and limited Scope 3 emissions for global operations and future reporting.
- Continue to train and report on Michels' Idle Reduction Policy with a focus on eliminating unnecessary vehicle idling from on-road vehicles.
- Continue to use cross-compression equipment to support our customers' avoidance of the release of methane and greenhouse gases from traditional venting during natural gas system maintenance.

ENVIRONMENTAL STEWARDSHIP

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



2,000+
trees planted
in 2024

Michels Tree Program

Debuting in 2024, the Michels Tree Program delivered more than 1,000 young trees to employees at 19 Michels offices to benefit our communities across North America.

Through partnerships with Ecodrive, Michels planted 550 trees in Santiam State Forest in Oregon and 450 trees on Big Island of Hawai'i on the slopes of Mauna Loa. These efforts are verified through Ecodrive's technology, ensuring a lasting positive impact on the planet.



Earth Month

While environmental stewardship is a year-round focus at Michels, we observe Earth Day and Arbor Day throughout the month of April with annual trash cleanups and tree plantings. These endeavors have evolved over time.

Each year, as part of the Wisconsin DOT's Adopt-A-Highway Program, we pick up litter, promote responsible waste disposal, and enhance the overall appearance and safety of Highway 49 near our corporate headquarters.





As part of our effort and commitment to the marine environment, Michels partnered through Ecodrive with 4ocean to remove 1 metric ton of plastic from our oceans—the equivalent of 44,100 plastic bottles, 220,500 plastic forks, or 2,205,000 plastic straws.

Plastic Film Recycling

Plastic film is often received in the packing of the materials we receive, but it is also used in the homes of our employees. Michels’ recycling program includes the collection of plastic film from two of our corporate facilities and from our employees that participate. This includes industrial and household plastic film and packaging, such as flexible plastic bags and wraps, to help divert plastic from landfills.

Strategic Continual Improvement Actions >>

- Support environmental stewardship sponsorships and volunteer activities throughout our global footprint to support air quality, carbon reduction, growth of forests, and biodiversity.
- Continue our annual commitment to the Michels Tree Program to plant trees in the communities where we operate and near our jobsites.

CORE VALUES IN ACTION

Environmental Win at the Track

Typically, when the belts used on conveyors in aggregate crushing spreads wear down, they become waste and are discarded. Michels Road & Stone found an innovative and environmentally friendly way to keep them out of landfills: donating the worn-out belts to Road America, a motorsport road course in Plymouth, WI that hosts auto racing competitions.

The repurposed belts are wrapped around safety barriers—the stacks of tires that line the track—preventing the tires from flying apart in the event of a collision, making this creative use of the belts a win-win for Michels’ Core Values of environment and safety.



4.6
metric tons of
plastic film
recycled in 2024
*(44% increase
from last year)*



SAFETY



SAFETY

GOAL: Focus on continuous improvement and hazard mitigation to advance our safety culture and perform with a journey to zero injuries so everyone comes home safe, every day.

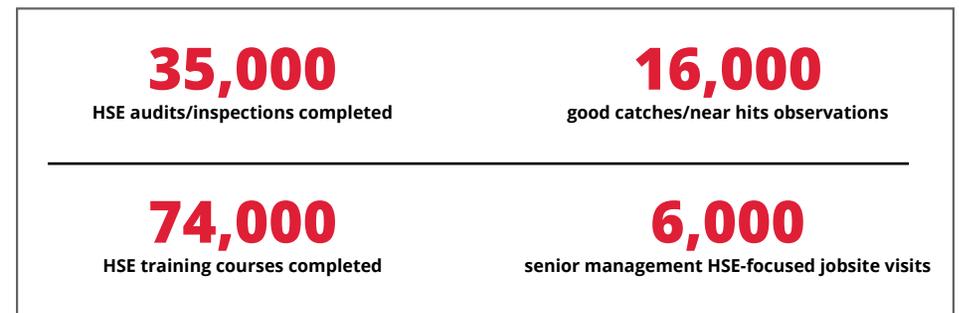
Health & Safety

Safety is the cornerstone of everything we do for our people, our subcontractors, our customers, the environment, and the communities in which we work. Our commitment to safety and our culture of continuous improvement is evident in our declining injury rates, our leading indicator performance, and our safety statistics that are below industry averages.

Our projects are supported by a team of more than 250 trained Health, Safety, and Environment (HSE) professionals who work with project management and our crews to provide training, conduct audits, and oversee activities to ensure a safe working environment. Additionally, each Michels employee, regardless of title or role, makes a Stop Work Promise to refuse or stop work that is unsafe or appears to be unsafe without fear of repercussion.

Strategic Continual Improvement Actions >>

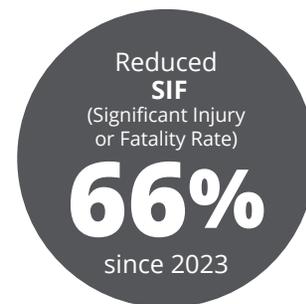
- Continue to identify and remove human error through our Human Performance Improvement program, which is focused on preventing and reducing significant injuries and fatalities.
- Expand energy-based safety throughout our safety programs with a focus on identifying and mitigating potential sources of energy that could cause harm.
- Build upon our policies and procedures through the improvement of our safety programs with integrated real-time HSE reporting to track trends and performance.



Safety is the cornerstone of our culture.



2024 Michels Safety Statistics



MI-PROMISE

Mi-Promise is a multifaceted campaign focused on ensuring our people are personally invested and committed to their safety and the safety of those around them, whether at work or at home.



- **Stop Work Promise:** All Michels people are asked to make a promise to themselves and to their loved ones to stop work that they feel is unsafe, they feel unqualified to perform, or they feel others are unqualified to perform. Every employee receives a Mi-Promise challenge coin to carry with them each day as a reminder of this essential commitment.
- **Video Campaigns:** Our “Promise Me” video contains emotional pleas from our people’s spouses and children, asking them to promise not to conduct unsafe activities. Conversely, our “Mi-Promise” video features our people conveying what they will always do to ensure they make it home to their loved ones safely.



CORNERSTONES OF HEALTH & SAFETY

Our HSE team developed these Cornerstones of Health & Safety as foundational principles all Michels' employees should live by. They are displayed at our jobsites, yards, and offices. We added two new cornerstones in 2024 to account for our growth and commitment to marine services:



Dropped Objects

Always ensure drop zones are established and free of personnel and ensure tools, equipment, and debris are secured from falling to lower levels.



Excavation Work

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



Ground Disturbance

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



Incident Reporting

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



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).



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.



Vessel Transfer

Always wear a personal flotation device (PFD), maintain three points of contact, and ensure your hands are free of tools or equipment when transferring to or from a vessel.



Working at Heights

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



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.



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.



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.

SAFETY AWARDS

- **Arthur T. Everham Safety Award** (Distribution Contractors Association), Michels Pacific Energy
- **Arthur T. Everham Safety Award** (Distribution Contractors Association), Michels Utility Services
- **Workplace Safety Award** (LIUNA and LECET), Micon Group
- **Workplace Safety Award** (LIUNA and LECET), Michels Energy Group
- **REAL Safety Award** (United Contractors), Michels Pacific Energy
- **Achievement in Safety Excellence** (National Electrical Contractors Association), Michels Power
- **Zero Harm Safety Club, 138,000 hours** (American Electric Power), Michels Power
- **Zero Injury Member** (Northern Indiana Public Service Company), Michels Power



SAFETY

16,000
good catch/near miss submissions were made, a 17.7% increase from 2023

HPI program participation increased by more than **4X** since 2018

Environmental categories were added in 2024, encompassing **1,350** submissions

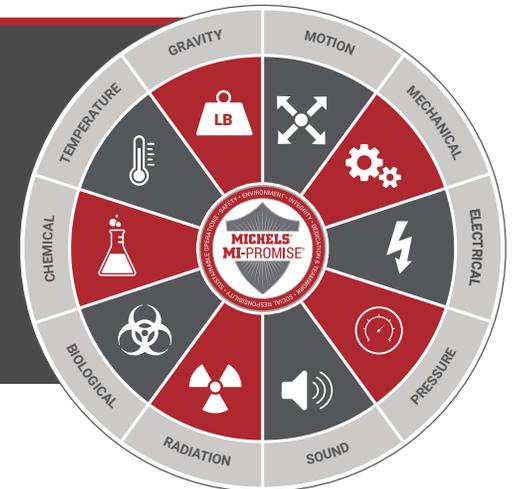
HUMAN PERFORMANCE IMPROVEMENT



Our people operate in dynamic working environments with constantly changing conditions. We understand humans make errors, and so we continue to build Human Performance Improvement (HPI) into our daily work to better understand how normal human behavior plays out on our jobsites and facilities. With program growth, we are better able to learn and analyze data to assess leading indicators, track trends, and determine our capacity to fail safely (without SIFs).

FOCUS ON ENERGY-BASED SAFETY

In 2024, Michels Power incorporated energy-based safety into its safety program. The team focused on hazard identification of potential energies and controls to avoid potentially significant injuries. The Energy Wheel is a tool designed to improve hazard recognition by reminding workers daily to consider various types of energy sources, including commonly overlooked energy sources that could pose hazards.



FOCUS ON REDUCING MOTOR VEHICLE ACCIDENTS



Given our large fleet of on-road vehicles with employees traveling to and from our offices, yards, and jobsites throughout the U.S., we recognize the importance of minimizing vehicle incidents to keep our employees and communities safe. Since 2022, we have invested in and implemented a program that includes the installation of dash cams in more than 50% of our on-road vehicles. The overall goal of the program is to assist in improving driving behavior, ensuring compliance with safety regulations, and providing valuable data for coaching and incident investigation.



CARE PROGRAM

Since physical safety and mental safety go hand in hand, we have created a suicide prevention and awareness training program called Concern, Ask, Resources, Empower (CARE), which complements our Mind Matters Program and Michels EAP. CARE training helps our people to become gatekeepers, reduces stigma surrounding suicide, and teaches how to talk with someone who is struggling with thoughts of suicide.

1,800 Michels people

participated in CARE training in 2024.

We held our 1st online

CARE training in 2024.

CARE hard hat stickers

were rolled out in 2024.



Strategic Actions

- Continue regular employee education of mental health topics through Stress Awareness Month, Mental Health Awareness Month, and National Suicide Prevention Month.
- Increase awareness and advocacy through CARE training and access to resources so mental health services are easily accessible for all employees.



CORE VALUES IN ACTION

The Power to Save a Life

While a Michels Power crew was pulling wire on a jobsite in Fairfield, CT, they spotted a member of the public on one of the poles. The man had apparently used an extension ladder to gain access to the rungs in a possible attempt to harm himself.

The crew immediately notified the general foreman, and all work was stopped. The crew asked the man to come down. When that failed, two of the workers climbed the pole and belted off the area around the man to protect him. Meanwhile, two other crew members used a bucket truck to approach the man, calm him, and eventually bring him safely back to the ground, where he was attended to by the police and taken to the hospital for treatment.

GOAL: 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.

INVESTING IN OUR COMMUNITIES

Michels demonstrates our responsibility as a strong corporate citizen by investing in the communities in which we work and live. We create jobs, provide training opportunities, work with local suppliers, and support local, regional, and national causes through donations, sponsorships, and volunteer support.

Hurricane Relief

In addition to the work our Storm Response Team performed in the wake of Hurricanes Helene and Milton, which left more than 4 million people without power across several states, Michels donated \$78,000 to organizations that played a crucial role in providing relief to those impacted by the storms.

The donation was made up of \$50,000 from Michels, \$14,000 raised through employee contributions, and an additional \$14,000 match from Michels.

291
organizations supported in 2024



Heart Center Expansion

As the need for life-saving heart care services continues to grow, the Michels family donated \$3 million toward the \$8.5 million expansion of the Dale Michels Heart & Vascular Care facility at SSM Health St. Agnes Hospital in Fond du Lac, WI.

This was the second-largest donation supporting heart care made by the Michels family. A \$1.5 million gift in 2006 helped launch the facility. Dale Michels, the founder of Michels, passed away in 1998 from a heart issue. The family remains passionate about bringing first-class cardiac care to the area.

2,400+

TAT trainings completed in 2024

National Human Trafficking Awareness Month

Our industry is uniquely positioned to serve as watchdogs for human trafficking. Because our people work across the U.S. and beyond, we have made it our mission, as part of Michels' social and ethical responsibility, to educate our people to identify and report suspected human trafficking.

Throughout National Human Trafficking Awareness Month, we provided information about this worldwide problem that affects people of all ages, races, gender identities, sexes, ethnicities, nationalities, and socioeconomic classes. Creating awareness and providing training is a key step in driving our Human Trafficking and Forced Labor Policy that applies to all Michels employees and our supply chain. Annually, we sponsor Truckers Against Trafficking, a nonprofit organization at the forefront of this cause, which also provides annual training materials for our people.

INVESTING IN OUR PEOPLE & WORKFORCE

Michels' success for more than 65 years is a testament to the talent and quality of our people, from project managers to skilled craft professionals and construction experts. We seek people who are eager to overcome challenges, are empowered by the complexity of building infrastructure around the globe, and possess a desire to make a difference.

Talent Attraction & Education

We are committed to communicating construction career opportunities, including providing education at the elementary school level, internships for high school and college students, apprenticeships, and professional positions. We also partner with unions to enhance our training opportunities and joint apprenticeship training committees for all individuals in the union workforce with whom we partner.

Michels Clinic

Located at our corporate headquarters, the Michels Clinic is open on weekdays to allow our people and their families to receive health and wellness care at convenient times. The clinic also assists with drug screenings, Department of Transportation physicals, and annual audiogram screenings for our yard employees to evaluate and prevent hearing loss. In 2024, the clinic hosted a dermatologist twice to provide skin checks for our employees.

Michels Scholarship Fund

In its 15-year history, the Michels Scholarship Fund has distributed nearly \$600,000 in scholarships to our people and their dependents in North America. In 2024 alone, 25 students received \$107,500 in scholarships.

Supported by donations and contributions from Michels employees, the Michels Scholarship Fund represents our belief in the importance of continuing education in university, trade, and technical programs.



Michels Clinic saw
2,350
patients
during its first
full year of operations
in 2024.



SOCIAL RESPONSIBILITY

Internships

Michels Internship Program is a key element of our talent strategy and part of our commitment to the growth of Michels and the construction industry. This program allows us to 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. It also brings fresh perspectives to our operations and jobsite.

Ambassador Program

Our people are our number one asset, so in an industry where we are continuously growing, it is important to set our newest team members up for success. In that spirit, we rolled out our new Ambassador Program in 2024. The program pairs each new employee with an existing employee. The two meet at various times throughout the first year of employment to share Michels resources and build genuine connections.

We reached
58
colleges and
universities in
2024.

37%
of our interns
were offered
full-time positions
in 2024.

PROFESSIONAL DEVELOPMENT

To foster the growth of our team members, Michels University provides individual and career development plans. Additionally, we collaborate with groups to create Team Development Plans aimed at enhancing overall team performance and providing team-building opportunities and have started to introduce departmental career pathing.

Michels University provides centralized training in these key areas:

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

Employee Developmental Feedback Program

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.



87,000+
employee trainings
were completed
in 2024.

4,300+
employees
completed professional
development
trainings in 2024.

Strategic Continual Improvement Actions >>

- Continue to review our internal and external training programs for new opportunities to better prepare Michels and our employees for success.
- Develop a new learning experience platform focused on an enhanced learning experience while supporting administration, documentation, tracking, and delivery of training programs.
- Leverage our internship program to build connections with schools and universities and to maintain a pipeline of skilled talent for future recruitment.

INVESTING IN BUSINESSES & LOCAL ECONOMIES

Through Michels' extensive spending with other businesses and hiring of our global workforce, we contribute to the economic development of the communities in which we work. Our operations and jobs generate millions of dollars per year by purchasing materials, equipment, and services from local businesses, including diverse businesses.



CORE VALUES IN ACTION

Construction Management Degree

Our ongoing support of Marian University's Construction Management Program opens doors for students interested in construction-related careers and cultivates a skilled workforce for our industry.

Michels personnel not only provided guidance at the earliest stages of the initiative, but continue to serve as guest lecturers and coordinators of field trips. Additionally, Michels has donated construction instruments and tools to the program and provided internship opportunities for the University.

“Our involvement in Michels’ projects has been extensive, covering drilling, foundations, and concrete work. Working with Michels has been instrumental in our journey, enabling us to contribute significantly to major infrastructure developments while adhering to high standards of quality and sustainability.”

*—Wendell Stemley, CMAA,
President & CEO, Black IPO, Inc.*

SUPPLIER DIVERSITY PROGRAM

While Michels self-performs most construction activities, we recognize the importance of operating in a socially responsible manner. Our Supplier Diversity program provides diverse businesses, including disadvantaged and small, Indigenous, veteran, women, and minority-owned businesses, with opportunities to participate in projects wherever possible.

We host, sponsor, and attend events to foster connections and broaden our network and have formed strong partnerships with key organizations, including the National Minority Supplier Development Councils (NMSDC), National Association of Minority Contractors (NAMC), and the Women’s Business Development Center (WBDC).

- Our commitment to supplier diversity has resulted in 8%–40% utilization of diverse businesses on specific projects and more than \$1.1 billion in spend with diverse companies since 2020.
- In 2024, we spent more than \$300+ million with diverse businesses.
- Diverse spend increased by 18% from 2023.
- We attended more than 115 diverse business outreach events since 2023.
- For the past 3 years, Michels has sponsored and supported the planning and execution of the WBDC Midwest Virtual Utility Conference & Business Matchmaker.
- In 2024, our Supplier Diversity team was pivotal in developing the first EmPOWERing Sustainability & Innovation in Energy conference, and our Michels Energy Group President presented during the conference.



Disadvantaged Business Enterprise WISDOT Opportunities

In 2024, Michels Road & Stone launched a new webpage showcasing opportunities for Disadvantaged Business Enterprises (DBE) to partner with us on Wisconsin Department of Transportation (WisDOT) projects. The site highlights diverse-spend goals and features a form through which DBEs can send a quote for working with us.

Since 2018, Michels Canada has provided
\$650+
 million
 in Indigenous business and community support.

INDIGENOUS RELATIONS

Guided by our past and inspired by the opportunity to create a safer, cleaner, sustainable world, our Indigenous Relations team implements Michels Canada’s Indigenous Strategic Plan at Michels Canada’s head office, regional offices, and project sites. Fully dedicated to Indigenous Relations, the team builds authentic relationships with the communities of Indigenous Peoples (First Nation and Metis) across Canada.

We are a proud member of the Canadian Council for Indigenous Business.



Strategic Continual Improvement Actions >>

- Continue to build economic inclusivity and growth of qualified diverse organizations, including Indigenous businesses, in our supply chain through mentoring and support.



CORE VALUES IN ACTION

Rural Broadband in Remote Alaska

Michels Underground Cable crews have been building fiber optic networks and fiber-to-the-home (FTTH) connections in Alaska to bring high-speed communication networks to remote businesses and residents since 2007. In 2024, crews built 23 miles of fiber optic transmission line and 285 FTTH connections from Glennallen to Nelchina in Alaska’s Copper Valley.

We were honored to receive the Greater Copper Valley Chamber of Commerce’s 2024 Community Support Award, recognizing the quality of our work, support of local businesses, and hiring of local talent.

GOAL: Ensure our people, business operations, and supply chain adhere to the laws, regulations, and policies governing our activities, including adherence to Michels' Code of Business Ethics and Vendor Code

GOVERNANCE & OPERATIONS

Everyone at Michels, starting with our CEO and executive leadership team, is responsible for good governance and ethical decision-making. As the global environments in which we operate become more varied and complex, we remain focused, evolving our approach to governance to align with Michels' and our stakeholders' values and expectations. While there is a systematic process to governance, we believe the interaction of our people and the delivery of our work is the strongest reflection of our operations.



Our key indicators of governance success are as follows:

- Diversity of our services to compete and expand in domestic and global markets
- A culture of continuous improvement of the programs that affect our people and our stakeholders, including management of our reputation through Michels culture and our Core Values
- Focus on profitability for sustainable, long-term growth

Code of Business Ethics

The Michels Code of Business Ethics & Vendor Code of Ethics are entrenched in our values of integrity, trust, and respect. All Michels employees are expected to:

- Be honest, fair, and trustworthy in all their Michels activities and relationships.
- Treat coworkers with respect and take pride in their work; everyone is an important member of the Michels team, and teamwork is critical.
- Strive to maintain a safe workplace and embrace environmental stewardship.
- Follow the law and make sure others—from suppliers and subcontractors to peers and 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

Continuous improvement initiatives are built into Michels' culture and are guided by our Health, Safety,



Environment, and Quality (HSEQ) department, which consists of 300 qualified professionals. This team provides technical support, training, audits and hazard assessments, and oversight for our global facilities and jobsites.

HSEQ Council

Michels' HSEQ Council advances our global culture of HSEQ excellence through analyzing performance, learning from successes and struggles, sharing those findings, and developing improvement initiatives and policies. This council drives our commitment to uphold our best-in-class safety, quality, and environmental programs. The council meets as part of our continual improvement process to discuss regulatory matters (new and in process), company policies and procedures, and other tactics related to regulatory compliance, ethics, and our Core Values.



Strategic Continual Improvement Actions >>

- In 2024, Michels International Holdings, Inc., Michels Trenchless GmbH in Germany, and Michels Trenchless Pty. Ltd. in Australia achieved certification by the International Organization for Standardization (ISO) for quality under ISO 9001:2015, environment under ISO 14001:2015, and health and safety under ISO 45001:2018. With this strategic action we will implement our HSEQ management system to improve performance, meet customer expectations, and demonstrate our commitment to quality, environmental objectives, and the occupational health and safety of our workforce.
- Implement and review domestic and internal standards, along with the experience of our global HSEQ staff, in support of compliance and continuous improvement.
- Provide effective tools and clear communication to support our executives and Michels' operational teams in effective management of our global HSEQ programs.

Supply Chain Management

Michels' suppliers and subcontractors are crucial to our success. As we continue to grow, our supply chains are becoming more complex and geographically vast, representing millions of dollars in annual spending on goods and services around the world.



52%

increase in cybersecurity training hours



Cybersecurity

Advancements in technology, including the use of artificial intelligence (AI) and machine learning (ML), continue to increase cyber threats around the

world. To enhance our security in 2024, we upgraded our monitoring system to proactively identify and remediate cybersecurity threats throughout our operations 24/7/365. And we remain diligent in the training and education of our workforce on evolving cybersecurity risks, identification of threats, best practices, and everyone's role in protecting the security of themselves, Michels operations, and our customers.

Michels is committed to conducting business with the highest integrity and in compliance with applicable domestic and international laws. To that end, we set high standards as a basis to build trustworthy and honest relationships with our supply chains. All suppliers and their employees are required to comply with our Vendor Code of Ethics as a condition of doing business with Michels.

In 2024, we fully executed a new subcontractor management system to remove barriers for suppliers during our new and annual qualification process. The system supports both Michels and our subcontractor, allowing us to operate to the best of our collective capabilities.

Strategic Continual Improvement Actions >>

- Develop long-term strategies to create more resilience in the management of our supply chains with processes to uphold Michels' policies and exceed our customers' expectations.

GOAL: Build an ethical culture with commitment, collaboration, and willingness to do whatever is necessary and go above and beyond what is required.

LEADERSHIP IN TRADE ORGANIZATIONS

Each year our people dedicate their time and talent to more than 50 trade organizations representing the industries we serve, lending their expertise to improve and facilitate reliable and safe infrastructure construction and operations throughout the industries we support. Here are some examples of how our people are making a difference:



American Society of Civil Engineers

Luke Bever, P.E., a Project Manager with J.D. Hair & Associates, Inc., and Tim McGuire, a Senior Advisor with Michels, collaborated on the American Society of Civil Engineers (ASCE) Manual of Practice (MOP) 108, Pipeline Design for Installation by Horizontal Directional Drilling. MOPs present in-depth technical information on specific topics and provide detailed analyses of the limitations and applications of the described methods and technologies.



Pipeliners Association of Houston

Tim LeVrier, Vice President of Business Development, is currently serving as president and chairman of the board of the Pipeliners Association of Houston. He has been a member since 2017 and has chaired the Membership Committee Chair and held various roles, including secretary, treasurer, and vice president, during his tenure.



North American Society for Trenchless Technology

In 2024, Tucker Toelke, Director of Alternative Delivery, Michels Preconstruction Services, was honored with the North American Society for Trenchless Technology (NASTT) Ralston Young Trenchless Achievement Award, which recognizes NASTT members under the age of 36 who have demonstrated excellence and made valuable contributions to the trenchless technology industry. He regularly presents at NASTT's No-Dig show, sharing his deep, forward-focused knowledge of the industry.



International Pipeline & Offshore Contractors Association

Dean Cowling, President, Michels International Holdings, is serving as the Director, North America on the IPLOCA Board of Directors.

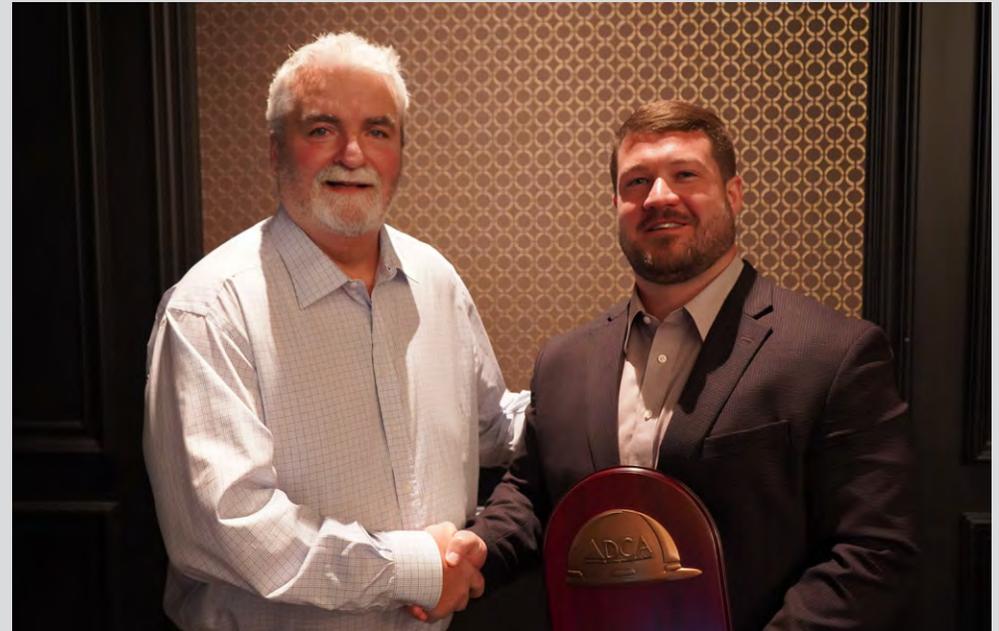


CORE VALUES IN ACTION

DCA Safety Director of the Year

Tim Schmitt, Director of HSE, Michels Energy Group, Inc., was recognized as Safety Director of the Year by the Distribution Contractors Association (DCA).

Tim played an instrumental role in developing and implementing our Preventable Motor Vehicle Incident (MVI) Accountability Plan, which details the response and communication expectations following preventable MVIs. Beyond his safety accomplishments at Michels, Tim participates in several industry organizations, including the DCA Safety Congress and INGAA's Pipeline Construction Safety Roundtable.



Trenchless Person of the Year

Craig Vandaele, President, Michels Preconstruction Services, Inc., was named the 2024 Trenchless Technology Person of the Year by Trenchless Technology Magazine.

Craig is an enthusiastic and knowledgeable advocate for the trenchless construction industry and the benefits of Early Contractor Involvement and Alternative Delivery contract models. He is actively involved in the North American Society for Trenchless Technology (NASTT) at the national and chapter levels, serving in volunteer and leadership positions since 2010.

MICHELS[®]

PO Box 128
Brownsville, WI 53006
920.583.3132

www.michels.us