

Environmental Impacts of Project Development

IF-EN-160a.2. Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction

1. The entity shall discuss the processes it employs to assess and manage the environmental risks associated with project siting, design and construction.

The bulk of Centuri's work is project-based in a competitive bidding environment. During the RFP process we evaluate the scope of the project and the relevant safety and environmental laws and requirements, along with necessary equipment, personal protective equipment (PPE) and processes required to follow. Once the project starts, our Operations Safety function conducts field audits to ensure compliance, including environmental regulations as specified by the customer.

2. The entity shall discuss the due diligence practices it employs to assess the environmental risks of projects, where relevant due diligence practices include environmental impact assessments and stakeholder engagement practices.

As an extension of our utility customers, we operate under the environmental procedure manual provided by the utility owner. Most environmental due diligence and any necessary permits required are obtained prior to our engagement with the project. All environmental practices are regularly audited by Centuri's Operations Safety function and the utility owner.

3. The entity shall discuss the operational practices it employs to the minimize environmental impacts during project siting, design, and construction, which may include, but are not limited to: waste management, reducing biodiversity impacts, emissions to air, discharges to water, natural resource consumption, and hazardous chemical usage.

From the Centuri Code of Business Conduct and Ethics: "The company is committed to protecting and conserving the environment. Employees are required to fully comply with all state and federal laws relating to the environment in the conduct of its business. All hazardous materials must be used, stored and disposed of properly and in accordance with applicable regulations. Employees must report, in accordance with company policies, all circumstances under which hazardous materials or wastes come in contact with the environment, are improperly handled or disposed of, or when a potential violation of law may exist."

4. The entity shall describe its approach to operating in compliance with all applicable environmental regulations and permits.

Centuri's Operations Safety function regularly conducts jobsite audits, which include a review of environmental compliance. This process is formalized in Centuri's Safety & Quality Audit Assurance Program.

Centuri's Operations Safety and Quality function provides employee training, which includes relevant environmental procedures via a Learning Management System. Examples of environmental trainings include: storm water prevention; sandblasting training; proper personal protective equipment (PPE); etc.

5. The entity shall describe its approach to managing projects that have heightened environmental and/or social due diligence requirements or are expected to have significant adverse environmental and/or social impacts, including additional measures or policies it employs.

In most cases of heightened environmental requirements, Centuri assigns a full-time safety representative to the jobsite. For these projects, the accountable Centuri Business Unit works closely with the utility customer to communicate any anticipated disruption or impact to the surrounding community or site, and coordinate with any other contractors on-site—for example, archeological expert, asbestos removal, etc. When necessary, Centuri would also establish a unique set of construction plans to preserve the environment or surrounding native wildlife.

6. Where applicable and relevant, the entity shall describe differences between policies and practices for its different operating regions, project types, and business segments.

The major differences in policy for Centuri companies are between U.S. and Canadian governmental requirements.

IF-EN-510a.3. Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes

Centuri policies and practices for prevention of bribery, corruption and anti-competitive behavior are outlined in our Code of Business Conduct and Ethics in the sections listed below. The Code of Business Conduct and Ethics is updated and distributed on an annual basis to all employees and made available electronically and by hard copy upon request.

Anti-Corruption – Working with the Government: Company policy prohibits corrupt payments or promises to pay (a bribe) anything of value in order to influence, induce or secure an improper advantage in obtaining or retaining business. The use of company funds, facilities or property for any illegal purpose is strictly prohibited.

More specifically, the company prohibits its employees or agents from bribing or attempting to bribe any local, state, federal or foreign government official, as we seek to strictly adhere to the United States Foreign Corrupt Practices Act and Canada’s Corruption of Foreign Officials Act.

Accordingly, no company employee or agent is permitted to offer, give or cause others to give any payments or anything of value in conducting their job duties or company business for the purpose of influencing the recipient’s decision or conduct.

“Anything of value” includes, but is not limited to: cash or cash equivalents; drinks or meals; entertainment; gifts; lodging; promise of future employment; transportation; and use of materials, facilities or equipment.

Business Relationships: The company seeks to outperform its competition fairly and honestly and to gain competitive advantages through superior performance and customer service. Each employee should deal fairly with the company’s customers, suppliers, contractors, vendors, competitors and other employees when conducting company business. No employee should take unfair advantage of anyone through concealment, abuse of privileged information, misrepresentation of material facts or any unfair-dealing practice when conducting company business.

Fair Competition: Fair competition laws, including antitrust rules in the U.S. and Canada, limit what the company can do with another company and what the company can do on its own. Generally, the laws are designed to prevent agreements or actions that reduce competition and harm consumers. Employees may not enter into agreements or discussions with competitors that violate fair competition laws, such as having the effect of fixing or controlling prices, dividing and allocating markets or territories, or boycotting suppliers, contractors, vendors or customers.

Confidential Information: Employees have a duty to protect the confidentiality of financial and other proprietary business information entrusted to them by the company, its customers or third parties, unless release of the information is authorized or legally required. Confidential information includes all non-public, proprietary business or financial information, including any material that might be of use to competitors, or competitively harmful to the company, its customers or third parties if revealed.

Some examples of confidential information that may be labeled “Restricted” or “Confidential” include: customer personal data (such as name, address or government-issued identification; bank account information, debit card or credit card numbers, social security numbers, dates of birth and any other information protected by law from unauthorized disclosure; technical business information, customer lists, terms, conditions or pricing offered to customers; pricing policies; budgets; marketing and strategic plans; and intellectual property.