Belcan

2022 Environmental Social, and Governance (ESG) Report

9/30/2022

**Environmental, Social and Governance
Compliance Committee**

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A Message From Our Chief Executive Officer

At Belcan, corporate responsibility goes beyond a simple phrase – it is central to our identity as a company and has been for 65 years. Belcan's purpose and principles are the foundation for our Environmental, Social and Governance (ESG) program. Our purpose is to Engineer Better Outcomes for our employees, customers, shareholders, and communities, and our core principle will always be Earned Trust, with three supporting principles: People First, Performance Driven, and Passion with Purpose. Our business works within our purpose and principles and the ESG elements to build the most value for the company financially, socially, and environmentally, and to earn the trust of our customers and each other.

The year 2022 was tremendously successful for our company and our ESG initiatives. Important goals were established, and we achieved significant progress within our robust programs and strategies. Investment in the future was realized through the implementation of the Trust Program, improved processes and efficient digital workflows, enhanced training and benefits for our employees, increased employee and community engagement activities, a focus on improving data collection, and many more advancements.

I am grateful to our employees, customers, stakeholders, and communities for their support as we continue to refine and strengthen our program to generate a substantial positive impact for those around us. It is an honor to be a part of the talented team at Belcan and I look forward to continuing our outstanding progress.

Feel free to share your ideas for how we can improve by emailing **esg@belcan.com**.
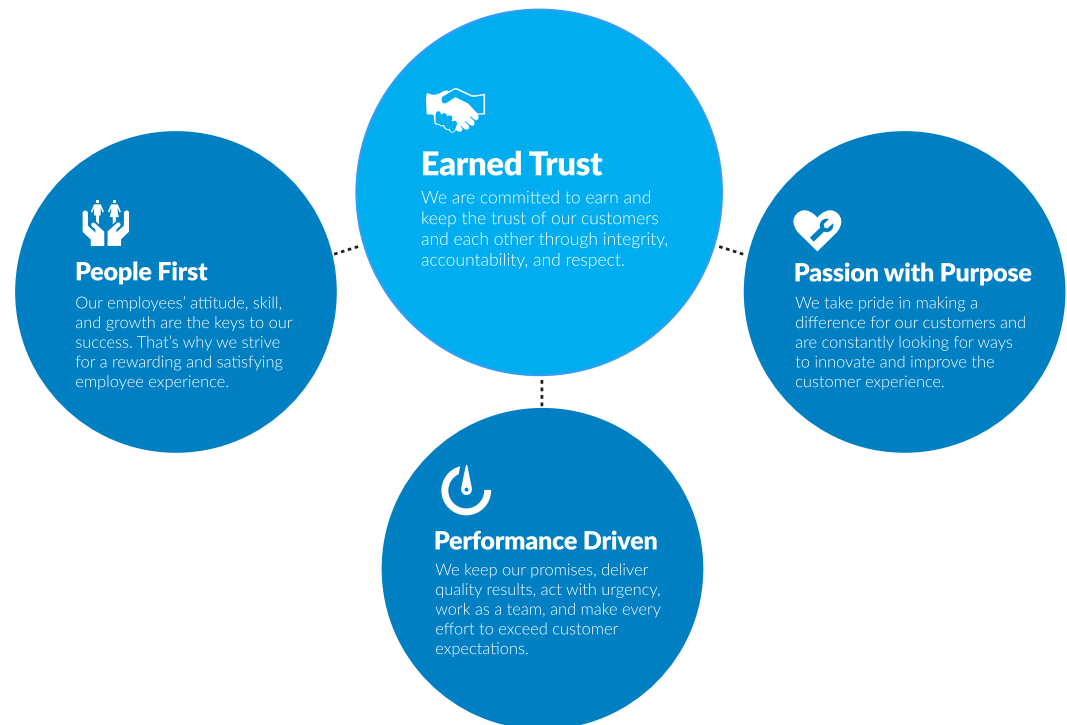
Lance Kwasniewski
Chief Executive Officer

Our Purpose & Principles

Earning trust is at the core of Belcan's identity as a company. We aim to build trust with everyone we encounter, earning a reputation as the world's most trusted services partner. Trust begins with a clear purpose statement driving our everyday behaviors throughout Belcan – **Engineering Better Outcomes**.

Engineering Better Outcomes.

- **Engineering** is an expression of our DNA and reflects our skillful ability to problem solve and deliver on commitments made in close collaboration with not just customers, but all Belcan stakeholders.

- **Better** is about continuous improvement of customer experience design and delivery through more innovative processes, tools, practices, and utilization of talent.

- **Outcomes** are expected by customers in the evolving global services market with our focus on delivering the highest value solutions. And all stakeholders deserve better outcomes from Belcan as well.

People First
Our employees' attitude, skill, and growth are the keys to our success. That's why we strive for a rewarding and satisfying employee experience.

Earned Trust
We are committed to earn and keep the trust of our customers and each other through integrity, accountability, and respect.

Passion with Purpose
We take pride in making a difference for our customers and are constantly looking for ways to innovate and improve the customer experience.

Performance Driven
We keep our promises, deliver quality results, act with urgency, work as a team, and make every effort to exceed customer expectations.

Belcan is a company with a conscience and a strong sense of obligation to the people we serve who depend on for our success. We believe we have a responsibility to make a positive impact for all our stakeholders.

Belcan's Purpose and Principles are the foundation for Belcan's customer value proposition, customer service approach, communications, training, and community relations. Our core principle is **Earned Trust** with three supporting principles: **People First, Performance Driven, and Passion with Purpose**.

Our Business

Belcan is a proven industry leader, engineering better outcomes for customers for 65 years. We consistently earn trust by taking a performance-driven, partnering approach to provide value-added solutions with speed and scalability. In 2022, we established our strategy in key areas to position our business for advancement and success, with a focus on consistency and cohesiveness across our worldwide locations.

Company Facts

- Founded in **1958**
- Over **50 Locations** Throughout North America, Europe, & India
- Over **10,000 Professionals**
- Over **900 Active Customers**
- Annual Revenue of **~$1B**
- Adaptive & Agile Delivery Models
- Business Execution in Over **30 Countries**
- Cincinnati, Ohio Headquarters

Global Delivery Network
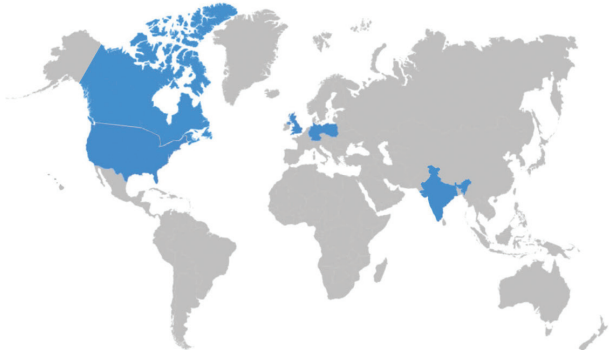
Industry Expertise

- Aerospace
- Space
- Automotive
- Government
- Defense
- Marine
- Off-Highway
- Industrial
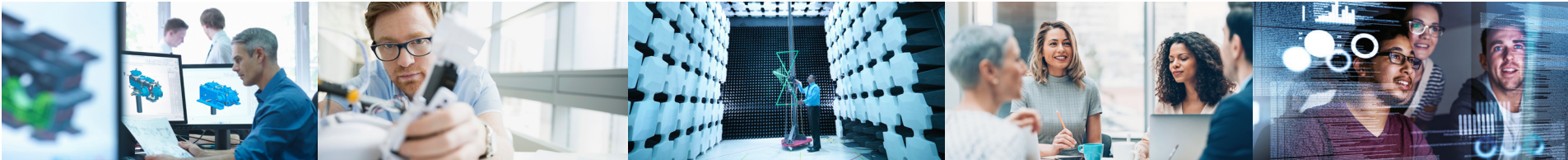
Product Engineering Solutions	Software & Digital Engineering Solutions	Manufacturing & Supply Chain Solutions	Resource & Workforce Solutions	Government Solutions
- Design & Development - Engineering Analysis - Product Definition - Sustaining & Aftermarket	- Software Development & Connectivity - Digital Integration - Secure Digital Technology - Product & Systems Engineering	- Manufacturing & Quality Engineering - Supply Chain Advisory - Digital and OT Cyber	- Engineering & IT Recruiting - Construction Project Solutions - MSP/VMS/RPO	- Cyber, Cloud & IT Modernization - C5ISR & Mission - Managed Services

The Belcan Edge

Solutions, Speed and Scalability drive The Belcan Edge.
Quality outcomes you can count on every time.

Solutions

Integrated, Collaborative, Innovative, High-Quality

Belcan takes an integrated, coactive approach to provide innovative solutions across the full product life cycle, with an unrelenting focus on the highest quality outcomes.

Speed

Responsive, Rapid Engagement

Speed matters, and Belcan delivers. Our responsive professionals rapidly engage with customers in a velocity-driven environment where productivity is key.

Scalability

Adaptive, Flexible, Agile

Belcan's experienced technical resources and agile processes adapt quickly to the changing customer requirements common in today's fast-paced market, anticipating customer needs and generating superior business outcomes.

Customer Service

Belcan's customer service philosophy is deeply rooted in our guiding principles. We prioritize earning customer trust through the fundamental pillars of integrity, accountability, and respect. We uphold the highest ethical standards, ensuring transparency and honesty in all our interactions. We take ownership of our actions and deliver on our commitments, fostering a culture of responsibility. Moreover, we treat our customers with respect, value their opinions and needs, and strive to provide better solutions.

In 2022, Belcan launched a comprehensive Trust Training Program designed to enhance the value of trust within our organization. This program equips our employees with the knowledge and skills necessary to foster trust through integrity, accountability, and respect in every aspect of their work. By investing in this initiative, we recognize the immense value that trust brings to our organization, fostering stronger relationships with customers, improving employee morale and collaboration, and enhancing overall organizational performance. Through this training program, we are committed to developing a culture of trust, reinforcing our commitment to ethical conduct, and solidifying our position as a trusted and respected industry leader

Quality Assurance

The quality of our service is essential to our business. Our promise to our customers and their end users is straightforward: We will continue to advance our workforce and processes to achieve the best value outcomes as judged by our customers. Belcan's culture of quality begins with our Quality Management System (QMS).

100% of Belcan facilities and sites that provide product and services have a certified QMS or have a plan to achieve certification.

As a service company, considerable activity within quality assurance entails the logistics involved in soliciting, routing, and acting on numerous articles of customer feedback. Belcan receives thousands of formal feedback responses that need to be routed to the applicable projects, managers, and teams. The data is then used to support the necessary elements of quality certification This process of continuous improvement has a profound impact on our company development and our service to our customers, as well as differentiates Belcan from our competitors.

Belcan's QMS includes delivery centers with certifications dating back over 25 years. Quality is at the core of everything we do, and our extensive experience allows us to consistently deliver better solutions to our customers. With a relentless commitment to continuous improvement, we regularly hone our processes, monitor KPI measurements, and drive a mindset of technical excellence throughout our workforce. This deep-rooted quality culture not only ensures customer satisfaction, but also empowers our employees to take pride in their work, driving innovation and maintaining our position as a trusted industry leader. We apply military and commercial system methods consistent with military standards and commercial aerospace recommended practices, as well as aerospace standards for quality, throughout our processes. As customer requirements and industry expectations change, we continue adjusting our registrations across the globe. Belcan upholds numerous customer certifications and maintains supporting registrations to various standards within our business units.

In 2022, our global quality teams worked hard to integrate acquisitions and standardize QMS processes across delivery centers. The identification of best practices through this process has led to successful completion of more than 20 external registrar and customer audits with no major nonconformances.

Belcan's Quality Policy Belcan will continue to advance our workforce and processes to achieve best value outcomes as judged by our customers.	**Quality Objectives**
	Deliver Projects — On Time — On Budget — With Technical Excellence

Belcan Registered Sites

Customer Certs

Airbus (ESCCA)
Bristol UK (Sitec)

Boeing (DPD)
Cincinnati OH
Phoenix AZ

GE (S506 / S1000)
Cincinnati OH
Lynn MA

Honeywell (AS9115A)
Oldsmar FL
Phoenix AZ

Rolls-Royce (SABRe)
East Kilbride UK
Indianapolis IN

RTX – Collins, P&W, P&WC (Performance+)
Lexington KY
North Berwick ME
Rockford IL
West Palm Beach FL
Windsor CT

Supporting Registrations

AS 9100-D (14)	ISO 9001 : 2015 (15)
Bellevue WA	Blantyre UK
Bristol UK (Sitec)	Bristol UK (Technical Recruitment)
Cheltenham UK	Cincinnati OH - Central Cert*
Cincinnati OH	Derby UK (Technical Recruitment)
Derby UK	Grand Rapids MI*
East Kilbride UK	London UK
Hyderabad India	Lynn MA*
Indianapolis IN	McLean (Telesis) VA
Lexington KY	Peoria IL – HEQ*
Oldsmar FL	Peoria IL – Wire Harness
Phoenix AZ	Raleigh NC*
Platteville WI	Rockford IL*
Rzeszow Poland	Romsey UK (Technical Recruitment)
West Palm Beach FL	Runcorn UK
	Windsor CT*

CMMi L3 – Project Maturity	ISO 20000 – IT Service Management
McLean VA – SVC and DEV	McLean VA
Platteville WI	

ISO 14001 – Environmental	ISO 27001 – Information Security
Cheltenham UK	McLean VA

Belcan utilizes the QMS to successfully manage all projects (thousands annually) – from first contact, to performing work, to completion of the final deliverable and customer feedback. A trained project manager is assigned to each work package to manage and ensure project success. In consideration of the importance of increased risk management for improved product safety, quality, and transparency, in 2022 the Quality Management Team enhanced the common Project Portfolio Management Suite at Belcan to automate assignment of risk categories to projects in context to internal and external issues. These enhancements help target risk analysis and improve the overall level of risk mitigation and subject matter expert assignment, as well as thoroughness and consistency.

Voice of the Customer (VoC) Metrics
Delivering exceptional customer service requires continuous monitoring of the customers' perception of Belcan while seeking opportunities to deliver better outcomes both internally and externally. Customer feedback is collected periodically through various means. Collectively, the feedback helps determine what we are doing right, where improvement is needed, and what immediate and long-term actions are necessary to correct nonconformities.

In 2022, we continued to demonstrate our principle of Earned Trust, with incredibly high customer retention and customer satisfaction scores.

Productivity & Savings
With our well-established QMS and a steadfast commitment to innovation and enhancing productivity, we deliver significant advantages to our customers in terms of efficiency and cost-effectiveness. Belcan provided our clients with millions of dollars in productivity savings in 2022.

Technology Initiatives and Innovation
Belcan collaborates closely with customers to tackle complex engineering and technology problems, aiming to deliver enhanced engineering solutions that directly influence their outcomes. Our efforts encompass leveraging technology, engineering breakthroughs, patents, software tools, and the establishment of standardized processes, among other approaches, to enhance the overall customer experience. Our strong culture of innovation has led to the recognition of Belcan's achievements through numerous customer awards, national industry accolades, and individual employee acknowledgments received from customers via their internal programs.

Belcan tracks and promotes the technical accomplishments and innovation successes of individuals and teams. These come in various forms of technology advancements, resolution to complex technical issues, customer IP creation in the form of patents, discipline capability advancement, engineering standard work improvements, and Belcan innovative culture toward Engineering Better Outcomes. In recognition of Engineers Week in 2022, Belcan offices celebrated individuals through employee engagement events and sponsoring awards ceremonies at national banquets.

Environment

As a global company, Belcan understands that we can lead the way to a sustainable future for generations to come. Our commitment to sustainable operations is demonstrated throughout our business, from our actions to reduce emissions to engaging our employees in helping to identify where we can improve. We monitor our performance as part of our ESG Program to ensure our business continuously improves its impact to the environment.

Risk Mitigation

Belcan operations around the globe are primarily conducted in an office space that is leased, therefore the property owner controls the facility environment. We collaborate with the property owners to continuously improve the facility impact on the environment, when possible and where appropriate. In 2022, Belcan continued to use a third party's tool to calculate energy usage data to monitor emissions at our leased facilities. It was determined that our primary emissions are related to fuel combustion (process and operation) and electricity.

Two Belcan locations, Cheltenham, and Bristol in the United Kingdom, are certified to the ISO 14001 Environmental Management System standard. In addition, our Belcan International team made a commitment in December 2022 to setting near-term science-based emissions reductions targets with the Science Based Targets initiative (SBTi).

Emission Metrics

Belcan's US Operations calculated their total annual [Scope 1 + Scope 2] greenhouse gas emissions equivalent to 976 metric-tons of CO2 per year. It was determined that 6% of the emissions are represented by Scope 1 emissions (57 mt CO2e), and 94% by Scope 2 emissions (919 mt CO2e), from the purchase of electricity for its operations. The Scope 1 emissions primarily consist of fuel combustion (combustion of natural gas accounts for all the Scope 1 emissions). No significant fugitive emissions or emissions from transportation were recorded. Compared to 2021, US operations show a 2% reduction in greenhouse gas emissions primarily due to office consolidations.

Outside of the US, our operations calculated their total annual [Scope 1 + Scope 2] greenhouse gas emissions equivalent to 254 metric-tons of CO2 per year. It was determined that 40% of the emissions are represented by Scope 1 emissions (101 mt CO2e) including fuel used in transportation, and 60% by Scope 2 emissions (153 mt CO2e), from the purchase of electricity/gas for its operations. Most operations have employees primarily working remote in 2022. Compared to 2021, the Belcan International operations show a 26% increase in greenhouse gas emissions. The increase is attributed to better tracking of transportation emissions and more employees returning to the office.

Location	Scope 1 (mt CO2e/y)	Scope 2 (mt CO2e/y)	Scope 3 (mt CO2e/y)
Belcan	158,235	1,072,439	N/A

Scope 1: On-site, direct GHG emissions; includes fossil fuel combustion (heating, cooling, HVAC), fleet fuel consumption, fugitive emissions (e.g., refrigerants).

- Belcan leases office space for all facilities and therefore emissions from fuel is not our direct responsibility.
- Belcan leases office space for all facilities and therefore emissions from bioenergy is not our direct responsibility.
- Belcan leases office space for all facilities and therefore emissions from refrigerants and other process gases with a GWP is not our direct responsibility.
- Belcan does not own or lease company vehicles.

Scope 2: Indirect emissions from the generation of purchased energy (e.g., electricity); relevant for tech companies that own data centers and use a large quantity of electricity.

- Belcan leases office space for all facilities; therefore, heat and steam are not our direct responsibility.
- Belcan consumes energy from the landlord's equipment. Third-party services manage and pay our electricity bills.
- Belcan continues to collaborate with property owners to replace HVAC systems with high-efficiency HVAC systems and install LED lights with heat sensing control systems to automatically turn on and off lights.
- Belcan continues to consolidate operations into fewer facilities, due the fact that 54% of employees are working remote. This reduces commuting time between local offices and results in less electric and HVAC usage.
- Belcan does not own or lease company vehicles.

Scope 3: All other indirect emissions that occur in an organization's value/supply chain; includes purchased materials, services, commuting or business travel, and/or emissions related to waste disposal.

- Emissions (tC02e) = N/A

Sustainable Facility Operations

Common practices in our facilities are:

- Using environmentally friendly cleaning products.
- Implementing chemical safety practices – storage, use, and disposal.
- Installing more efficient HVAC systems, when applicable. Controls on the HVAC system allow less use when the building is not occupied.
- Upgrading to LED lighting and implementing motion sensors to turn lights on and off.

Environment Initiatives

Other initiatives having a positive impact on the environment are:

- Continue to allow a hybrid work model which reduces emissions related to commuting.
- Continue to consolidate, reduce square footage, and close facilities with low utilization.
- Recycling of all computer equipment and peripherals.
- Teleconferencing in lieu of travel. Use of collaboration tools for conferencing is encouraged.
- Reducing water use – restrooms are fitted with water saving fixtures, where practicable.
- Filtered water bottle refilling stations to reduce use of plastic bottles.
- Conserving energy – powering off computers, placing printers/copiers on standby mode, reducing lighting in areas not occupied.
- Purchasing eco-friendly supplies.

Belcan has implemented recycling at all facilities, which includes paper, plastic, cans, computer equipment, computer peripherals, and media material. We are beginning to collect data related to waste diverted from landfills to gain an understanding of the impact of our recycling programs on the environment.

Below is an example of the data collected.

Trees Saved	Landfill Saved (m3)	KwH Saved	Co2 Saved (kg)	Water Saved (L)	Barrels of Oil	Number of Computer, Peripherals, Media Equipment Recycled)
323.77	39	8,820	1,259	464,230	30	616

Hard drives are destroyed in accordance with applicable standards, such as NIST SP 800-88, NAID, and DoD destruction standards.

Social

Our Employees

Our employees are our greatest asset, and they continue to add value by delivering exceptional quality, impressing customers with their expertise, and sharing ideas for improving the business. In 2022, the volume of work grew significantly with both existing and new customers. This resulted in an increase in hiring as well as promotion opportunities for existing employees.

We are proud to have celebrated the many successes of our team members, presenting over 1,500 Wings of Success Awards to our employees in 2022 in recognition of their outstanding commitment to excellence. In addition to Wings of Success Awards, the Belcan Eagle Awards Program was reinstated, which is conducted annually to offer a higher level of appreciation for employees who exemplify exceptional performance. This program rewards recipients for focus and commitment to achieving strategic goals: to advance our operations, enhance customer satisfaction, build a culture of community, solidify the financial foundation, and become a leader in accountability and transparency. Employees who make significant strides towards reaching these goals serve as models within the company and deserve special recognition. In 2022, over 190 employees were nominated and 8 employees were selected as winners by the CEO.

Operations placed an increased focus on employee engagement and provided opportunities for employees to socialize and support each other and the community. Over 150 engagement activities brought employees together, such as team spirit days, various tournaments, ice cream socials, craft fairs, golf scrambles, after work cookouts, rocket launch parties, holiday parties, and more.

Learning & Development

In 2022, Belcan updated career ladders to provide a clear path for employees seeking promotion. Belcan continues to support employee learning and development on the first day of employment and throughout the employee's career. Learning and development at Belcan includes orientation, technical, leadership, and skills training. Mentoring, external training, and tuition reimbursement are also available.

Employees with Belcan network credentials have access to Belcan University, our e-learning portal that includes required training for all employees, along with a library of optional, self-paced, e-learning courses, digital books, audio books, and videos to enhance their skills. Employees and managers working in states that require Harassment Prevention Training are assigned to the applicable training that meets the specific state's requirements within Belcan University.

Compliance training continued to be a primary focus to ensure adherence to our policies and procedures, export control requirements, customer-specific requirements, and state requirements. Many employees underwent training to support their professional development and took advantage of the training content available in Belcan University.

The activity in Belcan University nearly tripled in 2022 compared to 2021; Nearly 200 new pieces of content were developed internally by employees with subject matter expertise and added to the library. Employee training interests in 2022 mimic the previous year's topics, but now include content related to digital transformation, sales & marketing, and customer service.

With the rise in new employees, as well as an increase in internal promotions to management positions, Belcan University is playing a pivotal role in ensuring that new employees are successful from the start of employment and throughout their career at Belcan. Human Resources is hyper-focused on minimizing the learning curve for new hires and providing new manager training for recent promotions. Additionally, the Quality organization within each business unit ensures employees and managers are trained on quality assurance processes applicable

to the work they perform. Lastly, managers establish training paths and coaching for their direct reports to equip employees with the tools and knowledge needed to succeed.

The Engineering Technical Training Program (ETTP) was re-established in September 2022. The ETTP offers a variety of training opportunities, tailored to meet the needs of the engineering community with the objective of enhancing domain knowledge, sharing experiences, and expanding awareness of our organization and capability. Topics include technical, program, and operations-specific subjects of interest to the Design Engineering, Systems and Software, and Manufacturing and Supply Chain communities.

Employee Communication Engagement

Belcan's philosophy on employee engagement is to provide consistent, accurate, and timely information in both emergency and non-emergency situations that best serves the company's mission, goals, reputation, and image. Our communications strategies are constantly evolving to best meet the needs of our employees; methods in 2022 continued to include town halls, newsletters, intranet, lunch and learns, surveys, and emails. An increased number of town halls were held at all levels of the organization, both in-person and virtual, to communicate relevant business updates. Regular use of our intranet, called Belcan Connecting Communities, has also continued. Introduced in 2021, Belcan Connecting Communities is a modern, user-friendly, collaborative site that enhances company-wide communication and the overall employee experience. Convenient tools allow for increased interaction and correspondence amongst the entire Belcan team to spark engagement, innovation, and enjoyment.

Within the intranet, employees can post a story, obtain key documents, and access business tools. They can also communicate directly through the Contact Us feature, which includes the Belcan Hotline for anonymous reporting. Employees are also invited to participate in other forms of communication.

Employee Satisfaction

In alignment with our principle of People First, collecting feedback from our employees is essential in reaching our goal to be an employer of choice with happy employees. We aim for our employees to feel engaged with their team and customers, experience challenging and exciting assignments, and have fun at work. Employee feedback is collected through an annual company-wide survey. We are pleased to share that 96% of our survey respondents enjoy working at Belcan and 89% of the employees indicated Belcan provides a flexible work environment. The data gathered from this survey provides key insights which enable the company to improve in areas such as professional development, promotion opportunities, engagement opportunities, and more.

Employee Health & Safety

Belcan is committed to maintaining a healthy, safe, injury-free, and illness-free workplace. This includes complying with all applicable health and safety regulations; establishing policies, procedures, and training to minimize risk; providing an avenue for employees to report concerns and/or incidents; analyzing incident data to identify systematic improvements to our Health and Safety Program; and continuing to assess the impact of our operations on our employee's health and safety.

The Corporate Environmental, Health & Safety (EHS) Committee continued to improve the EHS program in 2022. Operations in the United Kingdom have committed to operate in accordance with the ISO 45001 Health and Safety Standard. EHS incident investigations and tracking has improved, and managers appreciate the enhanced structure implemented by the Corporate EHS Committee. The construction management team created ten new health and safety procedures. An EHS Overview training module was developed for new managers, providing them with the tools needed to effectively implement EHS procedures in their operation. The committee reviewed various work environments and updated associated risks per work environment. They created a EHS Program Communication Roadmap that will be the framework used to raise awareness about the EHS Program at all levels in the organization. Lastly, Belcan hired a Human Resources Data Manager to focus on accurate data reporting, including data points related to Insurance Experience Modification Rates (EMR), injury tracking, and more.

Employee Access to Benefits

Benefit enrollment details are provided to employees during their first week of employment and annually during the annual benefit enrollment period. Benefits include healthcare, wellness program, employee assistance program, hybrid work arrangements, retirement savings, access to legal services, and more.
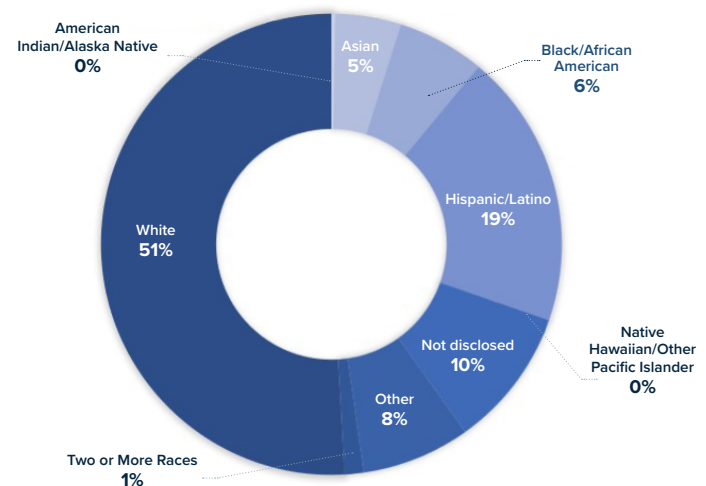
Employee Performance Reviews

Annual employee performance reviews are an important communication tool for employees to share their strengths, discuss opportunities, and review their goals with their manager. In 2022, the vast majority of our workforce completed a performance review with their manager (formal performance reviews are not completed for employees working less than 30 hours per week).

Diversity & Inclusion

Diversity and Inclusion are fundamental to the success of our company because innovation requires breakthrough ideas that can only be obtained from a diverse workforce empowered to challenge conventional thinking.

Belcan's Diversity Philosophy is to build an inclusive work environment to attract and retain talented people, encourage innovation, and inspire top performance from employees to achieve superior business results by putting people first.

American Indian/Alaska Native 0%
Asian 5%
Black/African American 6%
Hispanic/Latino 19%
Native Hawaiian/Other Pacific Islander 0%
Not disclosed 10%
Other 8%
Two or More Races 1%
White 51%

- Belcan is an Equal Employment Opportunity/Affirmative Action Employer who extends employment opportunities based on individual merit and qualifications.
- Belcan is committed to the practice of Equal Employment to ensure that all employees are recruited, hired, selected for training, transferred, promoted, granted privileges of employment, laid off, demoted, or discharged without regard to their race, color, religion, sex, disability, national origin, age, genetic information, or any other protected status covered by U.S. federal, state, or host nation laws.
- Belcan has a written Affirmative Action Plan and will make a conscious effort to provide special programs designed to recruit, hire, and ensure the upward mobility of qualified minority group members, women, disabled individuals, and veterans.

It is the policy of Belcan not to discriminate against any employee or applicant for employment because of race, color, religion, sex, gender identity or sexual orientation, national origin, age, marital status, genetic information, disability, or because he or she is a protected veteran. It is also the policy of Belcan to take affirmative action to employ and to advance in employment, all persons regardless of race, color, religion, sex, gender identity or sexual orientation, national origin, age, marital status, genetic information, disability, or protected veteran status, and to base all employment decisions only on valid job requirements. This policy shall apply to all employment actions, including but not limited to recruitment, hiring, upgrading, promotion, transfer, demotion, layoff, recall, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship, at all levels of employment.

Belcan is committed to the principles of Affirmative Action and Equal Employment Opportunity. To ensure dissemination and implementation of Equal Employment Opportunity and affirmative action throughout all levels of the company, Belcan has established and maintains an internal audit and reporting system to allow for effective measurement of Belcan's programs. In furtherance of the company's policy regarding Affirmative Action and Equal Employment Opportunity, Belcan has developed a written Affirmative Action Program which sets forth the policies, practices, and procedures to ensure that the company's policy of nondiscrimination and affirmative action is accomplished.

Belcan communicates its equal employment opportunity policy internally via:

- Posting federal and state non-discrimination posters as well as Belcan's policy statement in locations in all facilities where notices to employees and applicants for employment are customarily placed and on Belcan intranet/ employee sites.
- Including the policy in management handbooks and supervisory manuals.
- Explaining the policy thoroughly in new employee orientation and management training programs.
- Conducting periodic meetings with executive, management, and supervisory personnel to explain the intent of the policy, SVP & General Counsel's commitment, and individual responsibilities for effective implementation.
- Training management and other employees engaged in employment, placement, training and transfer or promotion processing in the applicable local, state, and federal equal employment opportunity laws, our Affirmative Action Program, and their individual responsibility in assisting Belcan to meet its equal opportunity objectives.

Belcan meets its commitment to diversity by analyzing all major job groups in its operation to ascertain whether incumbency of minority group persons and females is sufficient based on comparison with estimated availability. Belcan routinely self-evaluates its workforce taking into consideration such matters as human resource needs, available training, and the availability of females and minorities in the company's recruiting area possessing the required skills. Belcan also has an applicant tracking system to monitor and analyze the pool of diverse candidates applying for employment with Belcan. Belcan has established a plan to address any under-utilization of diverse employees.

We are committed to gender equality and pay. Human Resources regularly reviews and reports on gender pay and works to address any gaps that exist.

Diversity and inclusion training content is available on our global Belcan University portal. The content supports employee awareness and provides best practices for managers to build teams that support diversity and inclusion. The content is promoted periodically within Belcan University and on our global intranet.

We regularly participate in events and job fairs to promote Science, Technology, Engineering, and Mathematics (STEM) development among women and minorities. Examples of 2022 events include:

- 34th Annual Diversity & Inclusion Career Fair
- UCF Black Tech Expo at the University of Central Florida
- Fall Advisory Board Meeting for Women in EMS at the University of Wisconsin
- Panel discussion about engineering as a minority for the Office of Inclusive Excellence and Community Engagement (division in the College of Engineering and Applied Science)
- Girls Who Code Annual Expo
- Girls in Aerospace Day
- Midwest Black Family Reunion All Professions Cincinnati
- Discussed opportunities in Aerospace Engineering/STEM career paths with K-12 students at the RISE STEM Academy for Girls
- Women in Tech Reception - IUPUI Career Fair / Networking Event at Indiana University-Purdue University Employee Performance Reviews

Our Community

Belcan's purpose is to Engineer Better Outcomes and this extends to the communities in which we live and work. We are proud to have participated in many charitable and community relations activities at Belcan locations around the globe, improving communities in meaningful ways. In 2022, Belcan provided generous contributions directly to charitable organizations, K-12 STEM student programs and initiatives, and universities in the form of capstone project support, sponsorship of engineering programs, and mentoring to students.

We empower and encourage our employees to engage in the communities where they live and work by actively volunteering, looking for opportunities for Belcan to help support the charities they are enthusiastic about, and inviting other team members to join their causes. Numerous employees coordinated charitable activities and volunteered their time to support students and improve the quality of life for many community members. Examples of organizations and events that Belcan employees supported in 2022 include:

- Leukemia and Lymphoma Society
- Multiple blood drives at blood centers
- St. Vincent DePaul
- St. Jude
- Matthew 25 Ministries
- Multiple food pantries – one Belcan team packed over 12,000 pounds of bread and 2,270 pounds of frozen meat at the Connecticut Food Share.
- Fostering for Hope – one team collected 332 diapers, infant clothing, 92 pairs of socks, and 55 pairs of underwear for foster children.
- Salvation Army – Backpack / School Supply Drives
- Treats for Troops
- Girls Who Code – mentoring team attended the expo
- Women in Engineering – Sponsored the Women in STEM banquet
- Multiple pet food and supplies drives
- Multiple toy drives for organizations such as Toys for Tots
- Volunteered time for an Honored American Veterans Afield event
- Paint Your Heart Out, House Painting for Veterans

Late in 2022, employee feedback reflected there was a general lack of awareness related to how employees are contributing to the community. This led to the creation a committee of employees from various business units with responsibility for refreshing Belcan's Community Relations Program's purpose, defining success, and sparking employee interest in the program. We look forward to continued program enhancements in 2023.

Engineering Better Careers Program

Belcan's Engineering Better Careers Program was launched in the second quarter of 2022. This program formalizes early career development activities to create consistency and communication across all business units. Our philosophy is to build relationships and programs that attract and engage top talent candidates, fuel an inclusive workforce, and put people first by engineering better careers. Employee participation is key to the success of these programs and our strategic partnerships. Below you will find a summary of each major aspect of the program.

The Apprentice Program

Belcan's Apprentice Program offers a viable career pathway for individuals who are seeking alternatives to college, as well as those seeking a career transition without prior formal training in the specific field of the apprenticeship. The program is designed to provide comprehensive mentorship and guidance to apprentices as they acquire fundamental skills in their chosen technical area. This initiative has played a crucial role in cultivating talented and dedicated employees, including many individuals who would have otherwise been unable to pursue a career change or obtain the necessary training to secure an entry-level position in their desired field.

In 2022, a total of 8 students were enrolled in the program and 8 students graduated.

A2I Program

Belcan continues to partner with universities and industry-leading customers for the Academic to Industry (A2I) program, which creates opportunities for students including real-world application of learning, on-the-job training / mentorship by subject matter experts, and proactive relationship development. The A2I program was launched in 2019, partnering with a defense, space, and security OEM to pilot the program.

Unlike the traditional summer internship and co-op programs, Belcan structures teams of three to four A2I students selected from universities based on background and experience, and teams them with senior Belcan technical lead engineers. After an initial week of Belcan-related training, the teams are assigned to work simple-to-medium complexity tasks which are needed by the customer. The Belcan senior technical leads serve as both mentors and focal points, supporting the teams in their activities and providing one-on-one mentoring.

During 2022, a combined team of co-op participants and Belcan technical leads actively contributed to the successful execution customer programs. As a result of their exceptional performance, multiple participants were offered employment opportunities by both Belcan and the respective customers involved in these programs.

University Relations Program

The University Relations Program actively involves universities and students in their pre-graduation phase, aligning their journey with business and industry objectives while fostering their learning and growth. This program focuses on cultivating and strengthening partnerships with local universities that serve as primary sources for our recruitment of talented individuals, encompassing both co-op participants and graduates. By establishing effective relationships, the awareness of Belcan within the university student community is enhanced, thereby boosting the quantity and quality of potential candidates for future employment opportunities.

In 2022, dedicated relationship managers actively connected with over 30 universities, actively engaging in career fairs, advisory boards, senior/capstone projects, and additional university events. These efforts resulted in a remarkable number of hires from the primary universities who were successfully onboarded into various roles within the organization.

K-12 STEM Program

Belcan's core community relations focus is to promote the study of Science, Technology, Engineering, and Math (STEM) to help shape and empower the next generation of scientific problem solvers. STEM outreach exposes students to the wonders of technology and the breadth of career options available. Belcan's STEM program provides an opportunity to introduce Belcan's mission, provide role models, and encourage STEM paths to help expand the future talent pipeline. By sharing our collective knowledge and experience, we demonstrate Belcan's guiding principles of People First and Passion with Purpose.

In 2022, several STEM Engagement Managers were carefully selected and trained across our delivery centers. These individuals actively participated in university engagements, along with involvement in non-university events and direct sponsorships. Their contribution played a crucial role in expanding our reach, effectively engaging with diverse audiences, and strengthening our commitment to STEM initiatives.

Belcan Cyber Academy

Belcan has a long and rich history of investing in the development of technical talent in our communities. This legacy, in combination with our advanced technology initiatives, has given rise to a program that provides a much-needed talent source for the growing cyber demand. Belcan founded the Belcan Cyber Academy in 2018, which brings Cyber Security and IT certifications to high school students in the Cincinnati area. This three-year program begins sophomore year with foundational coursework focused on information and cyber security. The program was launched at Robert A. Taft Information Technology High School, a Title I funded school. Belcan's goal with the Cyber Academy is that all students, no matter where they live, have a pathway to the three "E's" — Employment, Enrollment, or Enlistment. Belcan expanded the program to include Lakota in 2019. In 2022, Belcan relaunched a post-pandemic program with Taft and Walnut Hills High Schools. Belcan also continues to support the Lakota Cyber Academy program.

Governance

Belcan's formal ESG Steering Groups oversee our reporting requirements and ESG Program initiatives. They are tasked with formally documenting policies and procedures, continually improving implementation, and reporting progress on ESG Program performance to the executive sponsors. The Steering Groups meet on a consistent basis. Senior leadership maintains regular dialogue with our owners through formal Board meetings, ad hoc meetings, and calls.

The Belcan Environmental, Social and Governance (ESG) Policy is accessible on the Belcan Intranet and is the framework for managing our ESG Program. Belcan operations around the world have access to the policy.

In 2022, our owners introduced the first ESG Internal Scorecard. The scorecard provides an annual snapshot of our performance as it relates to the topics of reducing emissions, increasing energy efficiency, promoting occupational health and safety, improving data security, and ensuring product safety.

Corporate Governance Policies

Our purpose and principles form the underlying basis for our corporate governance policies and procedures, which are listed below.

- Code of Conduct
- Complying with Antitrust Laws
- Conflict of Interest
- Harassment Policy
- Human Rights, Child and Forced Labor, Human Trafficking and Slavery Policy
- Disability and Reasonable Accommodation Policy
- Environmental, Social, and Governance Policy
- Environmental Health and Safety Policy
- Equal Employment Opportunity and Affirmative Action Policy
- International Trade and Export Compliance Policy
- Proprietary Information Policy
- Workforce Information Security Policy
- Multiple Information Technology (IT) Policies that address data protection and cyber security subjects
- Multiple employment polices that address a wide range of subjects

Each business adheres to a standard operating system, which prescribes a systematic approach for operating the business utilizing four key processes: Trust, Operation, People, and Strategy. The Belcan Operating System is extremely important to our business and the imperatives contained within are prevalent throughout the company. The documented system creates alignment regarding the philosophy behind our daily activities, standardization of approach, and a rhythm for the business. These repeatable processes are understood and used throughout the organization to achieve a successful business which functions at its highest performance both now and in the future.

Belcan's Business Continuity Plan (BCP) identifies the processes and procedures to mitigate the impact of business disruptions, including those caused by man-made or environmental disasters. A primary focus of the plan is Disaster Recovery, meaning restoration of essential computer services to all offices and the recovery of project data. The time required for activation of this plan is dependent upon the operational areas affected and the severity of the disruptive event.

Anonymous Reporting

Belcan has several avenues whereby employees, customers, and suppliers may report real or perceived instances of misconduct anonymously:

- Belcan Hotline – Available to all employees through the company intranet and Belcan website to report compliance complaints and concerns related to safety, harassment, discrimination, insider threat, whistleblower, or other statutory compliance areas.
- Belcan's Government Solutions security officer promotes the DoD Defense Hotline telephone number on all email communications to employees.

Cybersecurity and Risk Management

Belcan is socially conscious of the need to protect the confidentiality and integrity of data for the customers and individuals. Our cyber strategy includes the development of a cohesive and globally spread internal cyber program using the latest and advanced security toolset. Belcan continues to emphasize and invest in technologies and processes to protect ourselves and our clients from potential breaches and cyber vulnerabilities. Working within the government space and being entrusted with critical sensitive information, Belcan ensures adequate cyber and security practices are being followed across the enterprise with a qualified and dedicated team of cybersecurity personnel led by the Chief Security & Data Officer. This team ensures all cyber security and privacy regulations required to run the business are being considered globally.

Belcan's cyber program is robust and has all aspects needed to protect confidential and sensitive information such as Information Security and Privacy Policies, Threat protection and vulnerability management, incident response, data backup, continuous monitoring of the effectiveness of controls within the organization.

Belcan employees receive comprehensive training that includes Security Awareness Training, Phishing Training, Simulation and Reinforcement Education, Controlled Unclassified Information Overview and Labeling Training, Insider Threat Training and Export Control Training.

The Belcan Leadership is well entrenched in cybersecurity efforts and risk management. There is ongoing assessment of the risk appetite globally with a regular cadence of meetings to determine any exposure to the organization. Risks identified are prioritized and addressed to ensure the improvements are made to the cyber posture of the organization. The Technology group at Belcan and the data governance group oversee the risks as it relates to IT.

Belcan's efforts for cyber risk management incorporate frameworks like the global ISO 27001, European Union General Data Protection Regulation (GDPR) and the US NIST series and Cybersecurity Maturity Model Certification (CMMC). Belcan was an early adopter of NIST 800-171 and DFARS 252.204-7012 compliance regulation technology and capability requirements. Belcan has achieved Cyber Essentials certification in all UK locations. UK systems performing government work require and adhere to HMG standards 1 & 2. NISPOM requirements are applied and in effect for all classified areas within Belcan. Belcan can adhere to any additional customer security requirements, as required. Periodic third-party assessments are conducted to ensure our security controls are validated, continuity of operations is tested and policy, and procedures are reviewed.

Data Protection

Belcan continues to make significant investments to ensure intellectual property (IP) and private information receives the industry's best level of protection. Cyber security and IP protection are core competencies within Belcan. Belcan has a team of dedicated, highly skilled, IP protection analysts responsible for 24/7/365 monitoring of global IT cyber theft threats. Belcan employs the very best cyber mitigation technique subject matter experts in the industry, who are solely focused on proactive avoidance of IP leakage and cyber threat breaches.

Belcan deploys and operates a combination of best-in-class cyber and IP protection technology tools and exclusive custom-developed platforms to form a formidable barrier preventing IP leakage. Belcan has invested millions of dollars and hours over the past 5 years to ensure we are keeping pace with new and highly sophisticated global IP theft threats. A combination of artificial intelligence, analytics, and human intellect / insight is used to ensure we maintain a proactive capability posture, as well as behavioral analytics to eliminate the threat of IP leakage.

Supply Chain Management

Belcan does not provide services, nor conducts manufacturing or production operations that results in increased risk to the environment. We engage suppliers to support internal business needs and necessary customer requirements. We expect our supply chain to:

- Conduct business ethically and with integrity
- Uphold internationally recognized human and employment rights of workers and treat their employees with dignity and respect
- Maintain a healthy and safe work environment
- Operate in an environmentally responsible and sustainable manner to minimize their impact on the environment
- Maintain business continuity and compliance
- Facilitate continuous improvement

A formal supplier sustainability program is currently in development. In the meantime, we continue to collaborate with suppliers on sustainability efforts, such as purchasing office supplies made from recycled material and ensuring computer hardware and peripherals are recycled.

When engaging a new supplier as part of a customer contract, our QMS requires the supplier to complete the Purchasing New Supplier Assessment Application, which includes questions and input related to ESG. Suppliers are evaluated and selected based on their demonstrated capabilities, as well as their alignment to our expectations and customer requirements.