

# SUSTAINABILITY

# @WILLDAN

2022 ESG REPORT



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# LETTER FROM OUR CEO

We are proud of Willdan’s ongoing reputation for high-quality work and our expertise in decarbonization, energy-efficient building design, engineering, software, and financial consulting. Our core capabilities and strategic acquisitions now provide greater benefits to our clients: public agencies (municipalities, government, K12, higher education), healthcare providers, utilities, and commercial/industrial facilities.

Willdan delivers the largest energy efficiency programs across the U.S. We also help our clients meet their sustainability and decarbonization goals and comply with regulatory-driven requirements.

Since our inaugural Sustainability Report in 2021, we have established and made progress on our own Environmental, Social, and Governance (ESG) goals.

We are committed to achieving carbon neutrality by our next sustainability reporting period and have numerous steps in place to accomplish this. We completed our first greenhouse gas (GHG) emissions inventory for Scopes 1 and 2 as described in the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. We also joined the United Nations Global Compact to formally pledge support for the environment, human rights, fair labor practices, and anti-corruption.

In 2021, we completed our first company-wide employee engagement survey, and our second in 2022. We are taking action on the top three initiatives that matter most to our people: professional development, collaboration and communication, and Willdan’s vision for the future.

Additionally, we engage with our employees and communities by supporting volunteer efforts, making donations, and investing in STEM programs.

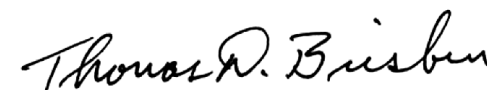
Willdan is fortunate to employ many talented professionals across multiple disciplines who understand that our growth depends on increasing diversity. We have four employee-led committees under our Diversity, Equity, and Inclusion (DEI) working group to foster a culture of belonging among people with different perspectives and backgrounds. In May 2021, Willdan’s first company-wide Employee Resource Group (ERG), Women@Willdan, was formed to support connection, collaboration, and mentorship opportunities. Since 2019, we have added 400 women to our workforce. As of 2022, two of our seven board members are women, and our Audit Committee is chaired by a woman.

To enhance our recruiting activities and expand the diversity of our candidates, we have partnered with a national leader in diversity recruitment. We can now draw from a wider pool of qualified candidates to find and hire employees to best serve our clients. We continue to collaborate with community-based organizations and diverse business enterprises through our Supplier Diversity Program.

In support of workforce development, we offer training to our employees and community members who wish to join the growing clean energy sector. In 2022, the Willdan Clean Energy Academy (WCEA) celebrated 500+ graduates.

Importantly, WCEA has a nearly 75% successful employment outcome rate for unemployed and under-employed students. Today, over 70% of those students are from disadvantaged communities and/or priority populations.

In the pages that follow, you will see specific examples of our progress and achievements. We recognize that our sustainability journey is ongoing, and we are grateful for the support of our employees, clients, and investors.



**Thomas D. Brisbin**  
Chairman and Chief Executive Officer



Tom Brisbin breaking ground for a tree planting event

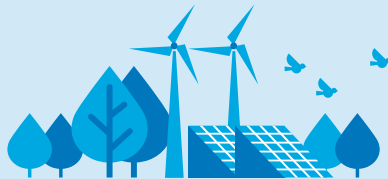


Willdan’s team after a bike build for the Fred Jordan Mission in Los Angeles

# COMPANY PROFILE

Willdan is a provider of professional, technical, and consulting services to utilities, private industry, and public agencies at all levels of government. As resource and infrastructure needs undergo continuous change, we help organizations and their communities evolve and thrive by providing a wide range of technical services for energy solutions, greenhouse gas reduction, and government infrastructure. Through engineering, program management, policy advisory, and software and data management, we plan, design, and deliver trusted, comprehensive, innovative, and proven solutions to improve efficiency, resiliency, and sustainability in energy and infrastructure to our clients.

## OUR PURPOSE



**Transition Communities to  
Clean Energy, Greenhouse Gas Reductions,  
and a Sustainable Future**

## OUR SERVICES



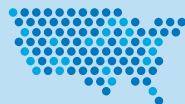
- Energy Engineering
- Civil Engineering
- Policy Advisory
- Program Management
- Performance Contracting
- EV Infrastructure
- Microgrids
- Renewable Generation
- Financial Consulting
- Software & Data Analytics
- Financing for Public Agencies

## OUR EMPLOYEES & OFFICES



**1,491**

**Full- and Part-Time  
Employees**



**52**

**Office Locations  
in North America**

## OUR CLIENT INDUSTRIES



- Commercial
- Education
- Financial
- Hospitality
- Industrial
- Public Agencies
- Real Estate
- Transportation
- Utilities

# OUR SUSTAINABLE COMMITMENTS

## ENVIRONMENTAL - CARBON NEUTRAL

Willdan is committed to minimizing our footprint and to achieving carbon neutrality. Our greenhouse gas target is for a 50% reduction in our Scope 1 and Scope 2 emissions by 2030. With our target set, we plan to more accurately measure, reduce, and then offset our remaining carbon emissions. As a professional services firm focused on the clean energy transition, we see clear actions that can improve the energy efficiency and sustainability of our operations. To achieve our near-term carbon neutral goals, we are leveraging three activities:

### *Reduce direct emissions*

- Lease more energy efficient facilities (e.g., ENERGY STAR and LEED certified buildings)
- Leverage technology and virtual efficiency tools
- Engage employees to work sustainably and use less energy

### *Support clean, renewable energy*

- Purchase renewable energy certificates (RECs)

### *Invest in high-quality carbon offsets*

- After direct reductions and purchasing RECs, buy high-quality offsets equivalent to the remaining GHG emissions associated with our operations

For our Scope 3 emissions, including business travel (e.g., airline flights and rental vehicles) and employee commuting, we plan to take inventory

of our emissions in 2023 and begin to implement emissions reduction programs.

## UN GLOBAL COMPACT

Willdan joined the United Nations Global Compact in April 2023. We are committed to making the UN's "Ten Principles" in the areas of human rights, labor, the environment, and anti-corruption a part of our corporate strategy, culture, and daily operations.

## SOCIAL - EMPLOYEE ENGAGEMENT

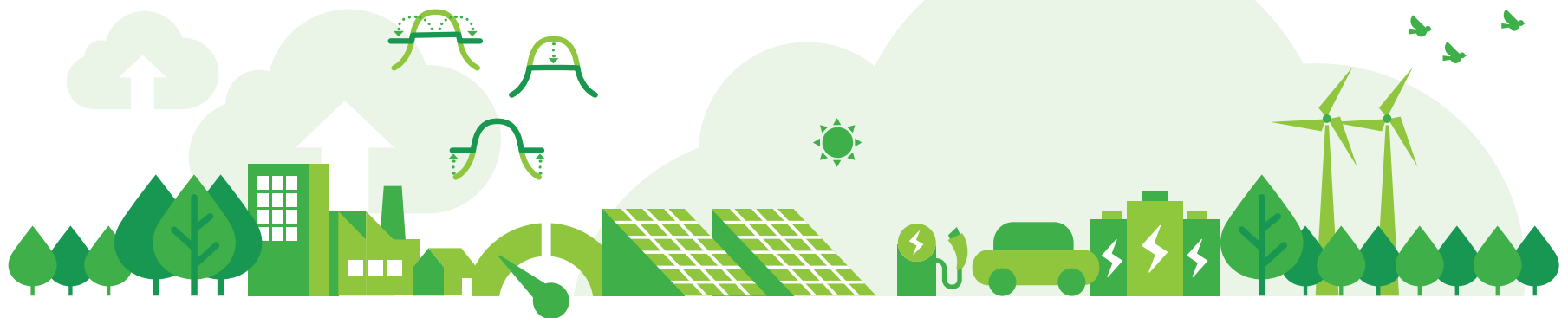
We are committed to conducting future employee engagement surveys and to the continuous implementation of the feedback received as we strive to listen to our people and take action to improve their lives and our business.

## SOCIAL - GENDER DIVERSITY

We are committed to social progress and for women to account for 50% of new hires by 2030.

## SOCIAL - MINORITIES

We are committed to increasing the percentage of our minority workforce.



# OUR ESG HIGHLIGHTS

## ENVIRONMENTAL



### Commitment to be Carbon Neutral

Designated a greenhouse gas (GHG) target of 50% reduction in our Scope 1 and Scope 2 emissions by 2030

5

### First GHG Emissions Inventory

Completed our first GHG emissions inventory establishing operational emissions (Scope 1 and Scope 2) baseline

7

### Carbon Avoidance through Customer Projects

Helped customer projects avoid over 610,000 metric tons of carbon emissions in 2022

910

## SOCIAL



### Gender Diversity

Committed to social progress and for women to account for 50% of new hires by 2030

5

### 500+ Graduates at WCEA

Increased funding for educational programs and training for priority populations and disadvantaged communities through the Willdan Clean Energy Academy

12

### Formation of First Companywide Employee Resource Group

Formed employee-led resource groups to support inclusivity and contribute to retention

15

## GOVERNANCE



### Board Gender Diversity

Two of our seven board members are women

17

### Woman-Chaired Audit Committee

Our Audit Committee is chaired by a woman

17

### Code of Ethical Conduct Update

Updated our Code of Ethical Conduct and formalized our Supplier Diversity Program

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# ENVIRONMENTAL

## ENVIRONMENTAL STEWARDSHIP

As a leading energy solutions provider and sustainability consultant, climate change mitigation is the core of our identity. We deliver comprehensive sustainable solutions to our clients to reduce their carbon intensity and facilitate their transition to a net-zero carbon future.

We are committed to measuring, disclosing, and reducing our greenhouse gas (GHG) emissions, and continue to incorporate sustainable practices in our operations. Our current research concludes that our primary contributors to environmental impact are leased office space, business travel, technology, and waste.

## UNDERSTANDING OUR IMPACT

In 2022, we completed our first GHG emissions inventory. We established an operational emissions baseline in accordance with the GHG Protocol<sup>1</sup>. Activity data available for this inaugural inventory was limited. While we did not have detailed data to quantify the exact amount of fuel and electricity consumed in our office spaces (e.g., utility bills), we used published data from the U.S. Energy Information Administration (EIA) Commercial Buildings Energy Consumption Survey (CBECS)<sup>2</sup> to approximate our Scope 1 stationary combustion emissions and Scope 2 emissions based on our office locations and square footage. We are committed to improving the accuracy and completeness of our emission inventory over time.

In 2023, we plan to conduct a survey to collect data on employee commuting and business travel, allowing us to quantify our Scope 3 emissions. We continue to leverage more flexible working models, including greater use of technology to reduce our building square footage, while simultaneously allowing our teams to continue providing high-quality services.

## TRACKING OUR PROGRESS

To track our progress on our sustainable commitments, we will continue our rigorous efforts to complete a comprehensive GHG emissions inventory each reporting period across our Scope 1, Scope 2, and Scope 3 emissions.

### CARBON FOOTPRINT IN MTCO<sub>2</sub>e

	2020	2021	2022
Scope 1	1,365	1,340	1,423
Scope 2	1,170	1,134	1,086
<b>Total Scope 1+2</b>	<b>2,535</b>	<b>2,474</b>	<b>2,509</b>
Scope 3	Willdan is committed to taking necessary steps to report on Scope 3 emissions. Scope 3 activities include employee commuting and business travel by plane and car rental.		

<sup>1</sup> The Greenhouse Gas Protocol Corporate Standard. (<https://ghgprotocol.org/corporate-standard>)

<sup>2</sup> U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey (CBECS), 2018 CBECS Survey Data. (<https://www.eia.gov/consumption/commercial/data/2018/>)

## CARBON OFFSETS FROM CUSTOMER PROJECTS

We tackle climate change each day to meet local, state, and national environmental goals. We have implemented energy-efficient upgrades at 280,000+ commercial buildings, schools, hospitals, and other public buildings. Over the past 15 years, our program management activities have yielded more than 8.1 billion kWh of electricity savings and 9.7 million therms of natural gas reductions.

## REDUCING REAL ESTATE FOOTPRINT

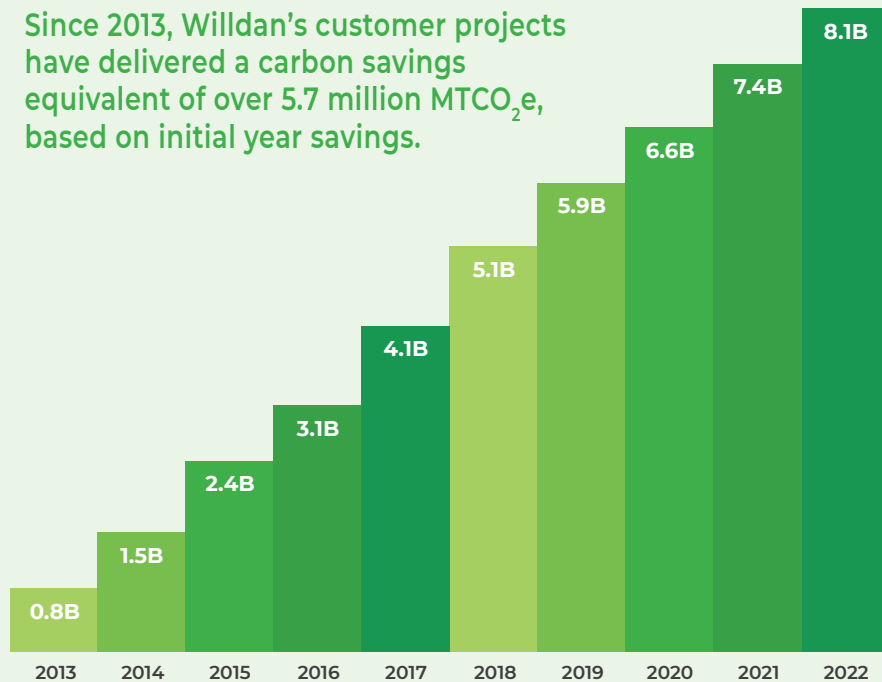
In 2022, our facility costs on a per-capita basis decreased 2% from 2021. Our goal is to reduce our real estate carbon footprint as lease terms expire, lowering our facility costs by 25% on a per-capita basis by the end of 2025. To support our GHG emissions goals, we will prioritize and seek to lease office space in more efficient facilities (e.g., ENERGY STAR and LEED certified buildings), are situated near mass transit, and provide additional benefits to support health and lifestyle.

## WASTE MANAGEMENT

From recycling bins at our workstations to construction debris, we consider the volume and impact of the waste materials we generate, including management of hazardous material streams. Our objective is to accomplish complete e-waste recycling and ensure that all offices participate in reuse and recycling initiatives.

### INITIAL YEAR ENERGY SAVINGS (kWh Delivered)

Since 2013, Willdan's customer projects have delivered a carbon savings equivalent of over 5.7 million MTCO<sub>2</sub>e, based on initial year savings.



### OUR 2022 CARBON EMISSIONS AVOIDED IS EQUAL TO\*

**1.2M**  
homes using electricity  
each year



**14.7B**  
miles driven by an average  
gasoline-powered vehicle



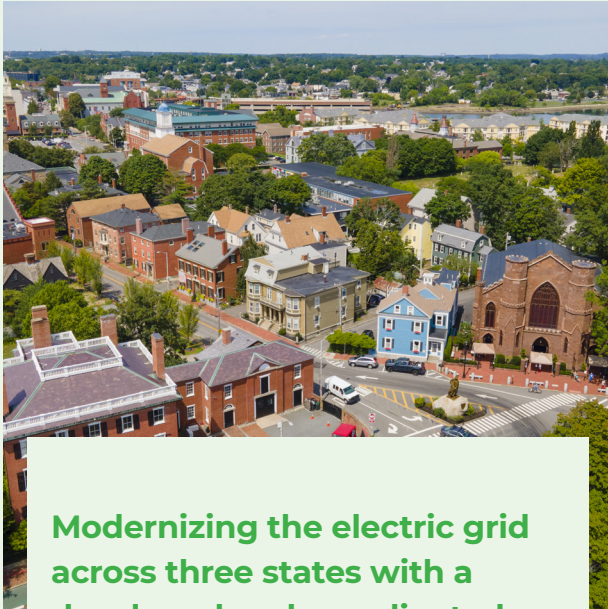
**6.8M**  
acres of U.S. forests  
in one year



\* Greenhouse Gas Equivalencies Calculator, US Environmental Protection Agency (<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results>)

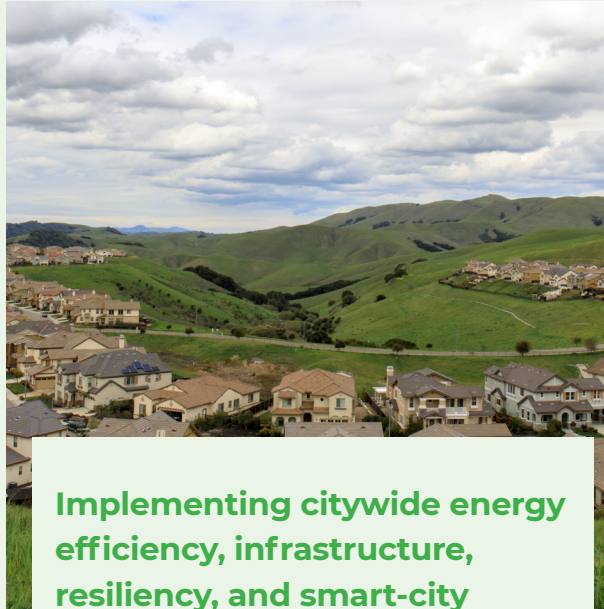


## WILLDAN IN ACTION



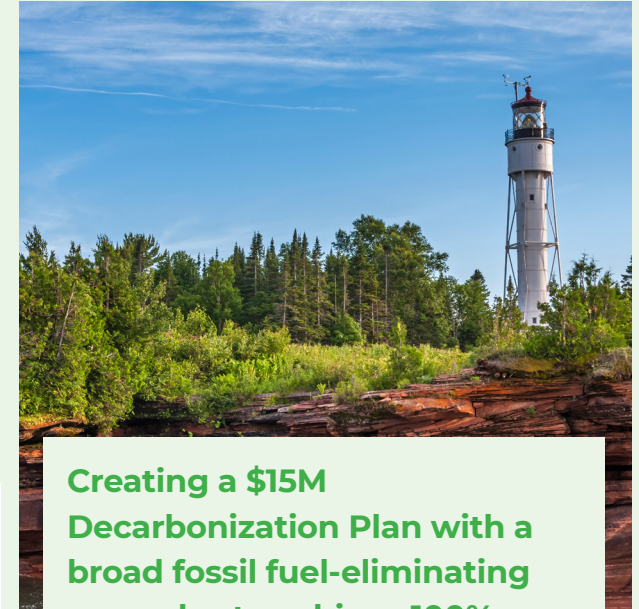
### Modernizing the electric grid across three states with a developed and coordinated plan to:

- Support National Grid's Advanced Metering Infrastructure (AMI) filing in New York, Massachusetts, and Rhode Island
- Replace 1.4M outdated meters with advanced equipment through \$487M in grid modernization investments
- Achieve National Grid's clean energy goals and elevate the customer experience



### Implementing citywide energy efficiency, infrastructure, resiliency, and smart-city upgrades for the City of Dublin Climate Action Plan to:

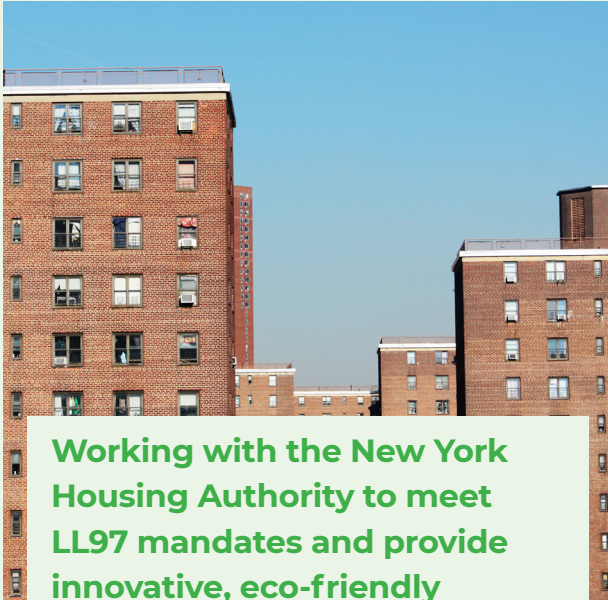
- Align DER and design-build contract with decarbonization goals
- Identify financial incentives to help offset project costs
- Install multi-site solar capacity paired with battery storage and EV chargers for public and police fleet vehicles



### Creating a \$15M Decarbonization Plan with a broad fossil fuel-eliminating upgrades to achieve 100% decarbonization over 25 years for five national parks:

- Install electric air-source cold-climate heat pumps for space heating in 131 buildings
- Replace loud 70-kilowatt diesel generators to enhance tranquility of the remote wilderness
- Provide an inspirational model for other national parks and public lands to follow

## WILLDAN IN ACTION



**Working with the New York Housing Authority to meet LL97 mandates and provide innovative, eco-friendly technology to reduce GHG emissions and avoid 9,314 tons of CO2 per year to:**

- Upgrade heating and water infrastructure across two multi-family housing units
- Improve resident comfort, domestic hot water, and heating reliability
- Install new electric heat panels for in-unit/in-room temperature control



**Accelerating transportation electrification by promoting Electric Vehicle Charging Station (EVCS) across Southern California under a SCAG EVCS Study to:**

- Develop tools and methodologies cities can use to site and install electric vehicle charging stations
- Increase EV infrastructure in traditionally hard-to-reach, disadvantage communities, and multi-dwelling units
- Provide road map for 18 participating cities and the San Gabriel Valley Council of Governments through an EV Infrastructure Plan to reduce emissions and meet state goals



**Updating the King County Aquatic Center with low-carbon facility improvements through \$4.3M in energy savings performance contracts to:**

- Improve competition spaces of the main natatorium, including 20,000 sf of pool deck surface and dive tank bottom
- Replace HVAC and pool water heating equipment with a new, high-efficiency, all-electric system
- Reduce carbon footprint while upholding the facility's reputation as a preeminent national swimming center
- Build on Willdan's 20-years of supporting energy and engineering projects at this facility



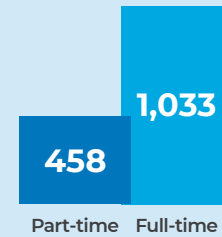
# SOCIAL

## PURPOSE-DRIVEN TEAM

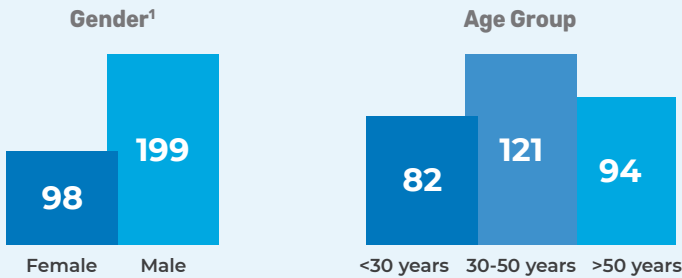
Willdan is a dynamic and purpose-driven team of experienced engineers, economists, scientists, and policy advisors who share a common goal of making a positive difference in the world. We believe in seizing opportunities for growth and innovation, and our culture reflects this commitment.

Our team’s diverse expertise allows us to solve complex challenges for our clients, particularly in the rapidly evolving energy and infrastructure sectors. We take pride in the positive impact we make in the communities where we live and work, and our clients value our ability to deliver high-quality results.

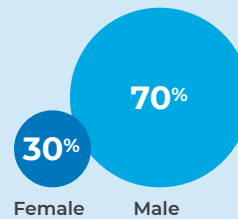
### TOTAL EMPLOYEES BY WORK STATUS



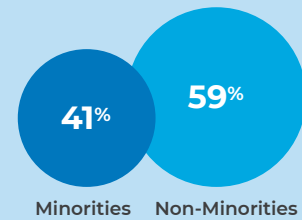
### NEW HIRES IN 2022



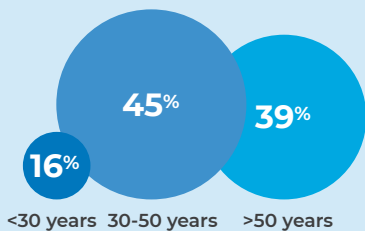
### TOTAL EMPLOYEES BY GENDER<sup>1</sup>



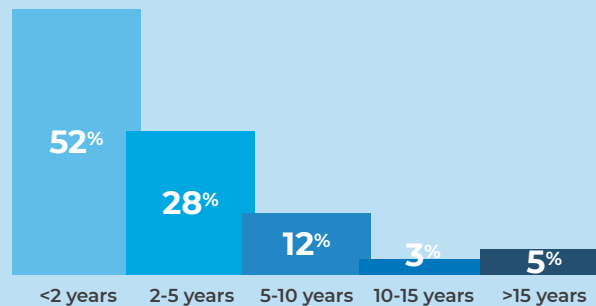
### TOTAL EMPLOYEES BY RACE/ETHNICITY



### TOTAL EMPLOYEES BY AGE GROUP



### EMPLOYEE TENURE



### TURNOVER RATE

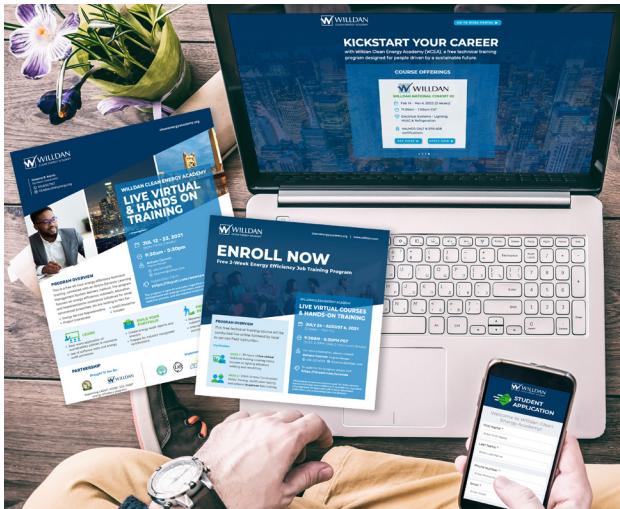


### EMPLOYEE SURVEY PARTICIPATION<sup>2</sup>

67%

<sup>1</sup> Gender identification is self-reported

<sup>2</sup> In 2022 employee survey



Marketing materials from the Willdan Clean Energy Academy

## WILLDAN CLEAN ENERGY ACADEMY

In early 2020, Willdan established and financed the Willdan Clean Energy Academy (WCEA), which offers free training and career services to disadvantaged workers in the New York City area.

In 2021, Willdan increased the funding for this outreach effort, expanding WCEA to the Los Angeles City area. In 2022, WCEA celebrated 500+ graduates and achieved a 73%+ successful employment outcome rate for unemployed and under-employed students. Today, over 70% of those students are from disadvantaged communities and/or priority populations. WCEA supports a diverse workforce and collaborates with community-based organizations (CBOs) and workforce centers to support energy efficiency workforce development.

## EMPLOYEE TRAINING AND DEVELOPMENT

Willdan supports employee training and professional development across multiple dimensions. For example, new customer-facing sales employees are comprehensively trained in sales and energy efficiency with in-person, on-demand, and mentorship programs to generate energy savings and reduce energy consumption for our customers.

- **Quarterly three-day leadership training conferences** unite employees from different regions, levels, and disciplines for workshops to develop community, connection, and leadership skills
- **Continuing education with tuition reimbursement** for advanced degrees and support of certification programs

- **Sponsorship** for professional organizations, affiliations, boards, and committees
- **Bonuses and incentives** for employees who present at industry conferences
- **Training** for high-risk roles and periodic training for all employees on critical topics, such as prevention of harassment and discrimination
- **Competitive benefits**, including a comprehensive suite of benefits and related programs to promote employee health, wellness, and financial security



Willdan Leadership Training Conference participants developing community, connection, and leadership skills



## COMMUNITY INVOLVEMENT AND INVESTMENT

At Willdan, we measure our success by the positive impact we make in our local communities. We work to make our communities more equitable, just, healthy, and resilient – building a shared future where everyone can thrive.

Willdan's employees impact our communities through a workplace culture of volunteerism. Collectively, our employees support multiple organizations through education and training, volunteering, fundraising events, and charity.



Participants in CBO-led events, including tree plantings and neighborhood clean-ups

## COMMUNITY-BASED ORGANIZATIONS

Willdan has collaborated with and supported community-based organizations (CBOs) since 2013. Our goal is to raise their awareness of utility energy efficiency offerings and benefits. Each CBO is a trusted local voice within its

community, providing an unique ability to reach customers.

We provide CBOs with training for entry-level, on-site positions focusing on energy efficiency, environmental awareness, and sustainability. Training includes customer communication lessons, computer skills, and in-depth coverage of efficiency measure identification. For Willdan and our utility clients, our work with CBOs increases program uptake, accelerating energy savings and carbon reduction. In 2022, Willdan employees volunteered and participated in several CBO-led events, including tree plantings and neighborhood clean-ups.

## SUPPLIER DIVERSITY

Willdan's Supplier Diversity Program is founded on our commitment to partnering with diverse businesses. This allows us to bring more diverse and talented people to our team. We proactively identify and recruit diverse suppliers for Willdan projects ranging from engineering and construction implementation to utility energy efficiency programs. Willdan partners with professional organizations that represent and support these diverse applicants. We seek out and hire minority-owned subcontractors and regularly use minority-owned suppliers. We recognize that supplier diversity is not only a critical element to our success, but also a pillar of our policy to support social and economic equity while strengthening the communities we serve.

Several of our contracts include specific goals for diverse suppliers. All of our opportunities, including active contracts and programs, are reviewed to identify potential business opportunities for them. To help us meet our goals, we conduct significant due diligence to ensure that our partners are capable, competent, reliable, and cost-effective. Willdan's commitment is not only to meet or exceed program/contract requirements and goals for diverse suppliers, but also to support and mentor these businesses so they can grow and thrive in their communities.

Our Supplier Diversity Program and Supplier Code of Conduct are located at [willdan.com/vendor.aspx](https://willdan.com/vendor.aspx).

## EMPLOYEE VOLUNTEERS IN ACTION



### FRED JORDAN MISSION

Willdan staff, family, and friends volunteered to build over 400 youth bikes for the holiday outreach of the Fred Jordan Mission, one of the longest-serving hunger-relief organizations for Los Angeles families in need.



### LIGHT THE NIGHT

Willdan sponsored the Leukemia & Lymphoma Society (LLS) Light the Night walkathon at Waterfront Park, San Diego. LLS is the world's largest nonprofit dedicated to funding groundbreaking research to advance cancer cures.



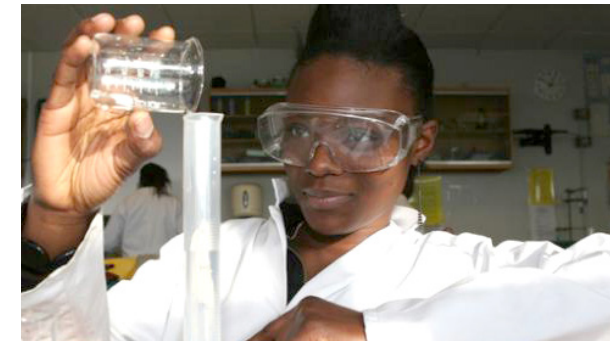
### VIRTUAL FOOD DRIVE

Led by our Minnetonka office and as part of DEI initiative, Willdan held a virtual food drive to raise money to support Feeding America, the nation's largest domestic hunger-relief organization.

### VOLUNTEER TREE PLANTING

Employees of The Weidt Group, a business unit of Willdan, donate money to plant trees equivalent to the tons of CO<sub>2</sub> emissions avoided through energy efficiency programs. Each quarter, TWG elects tree species and geographic locations where the trees are planted in partnership with One Tree Planted.

In 2021, trees were planted in California, Minnesota, Montana, and Washington. In Los Angeles, Willdan partners with City Plants, which works with six nonprofit partners and City of Los Angeles departments to transform neighborhoods.



### STEM 54

For high school and junior college students in Los Angeles, Willdan offers continuous learning opportunities in engineering, math, and science. In partnership with Michael Batie, PhD, Willdan provides a bootcamp course and corporate internships.



Some of our DEI Team Leads attending a DEI Vision Workshop in January 2023

## DIVERSITY, EQUITY, AND INCLUSION

Willdan has long had a culture of acceptance, where all employees feel respected, included, and encouraged to bring their unique perspectives and innovative ideas to work each day. We value the richness that diversity brings to our workforce, where the contributions of all stakeholders are valued and respected.

We take pride in and celebrate the diversity of our employees. Willdan's Diversity, Equity, and Inclusion (DEI) Working Group is comprised of four employee-led committees:

- Business Partnerships
- Community Outreach and Engagement
- Inclusive Culture
- Recruitment

Each committee is led by a chair or co-chairpersons championing the needs and well-being of stakeholders, including employees. Collectively, the committees positively impact

professional development, community outreach and business by creating and embracing cultural initiatives.

In 2021 and 2022, our "Recruitment" committee made efforts to expand our recruitment activities and reach a wider range of potential candidates by adding more universities and job fairs to our roster. Our goal is to promote diversity in our candidate pool to attract a wider range of qualified applicants from a variety of backgrounds. Moving forward, we will continue to explore new ways to expand our outreach efforts and create a more inclusive hiring process.

Our "Business Partnerships" and "Community Outreach Engagement" committees work in our communities to support organizations and events that strive for greater representation of women and underrepresented minorities in engineering. Near-term, our "Inclusive Culture" committee is advancing professional development opportunities for the underrepresented communities by curating training content around six categories: meaningful conversations, advocating for yourself, career growth, unconscious bias, dimensions of diversity, and microaggressions.

The committees finished 2022 strong by planning Willdan's first Annual DEI Vision Workshop where they identified metrics to track for key performance initiatives and met with an external consultant.

Willdan employees lead the formation of Employee Resource Groups (ERGs), fostering a greater sense of community while increasing employee

engagement, inclusiveness, representation, and collaboration. All employees have the opportunity to initiate, join, and lead ERGs. Willdan's initial company-wide ERG, Women@Willdan, was formed in 2021 and joined several other ERGs already in place across Willdan business units.

## HUMAN RIGHTS

We are deeply committed to upholding fundamental human rights. We affirm to our employees, customers, shareholders, and the public that we will conduct all of our business activities with the utmost respect for human rights and strive to create better standards of life and freedom for individuals. We recognize that respecting human rights is not only a moral imperative, but also essential to the long-term sustainability of our organization and to building strong relationships with the communities in which we operate. Therefore, we will continually assess and improve our policies, practices, and partnerships to ensure that we respect human rights in all aspects of our operations, supply chain, and stakeholder engagements.

## HEALTH AND SAFETY

The health and safety of our employees is a core value, and we continuously strive to provide a working environment that is reflective of that belief. We also recognize the important role that every employee plays in preventing work-related injuries. At Willdan, our leadership understands and supports the mission-critical efforts required to drive the proactive management of risk and the elevation of our safety culture to ensure future success.

Training is an integral part of our Health and Safety Program. All employees receive the relevant safety training for their assigned tasks. For those working on project sites, this includes a project safety orientation prior to beginning work on the site, participation in weekly tailgate meetings, and additional in-depth safety training for those supervising or conducting job site observations. Safety orientations also extend to our subcontractors and visitors who must access Willdan project sites.

### HEALTH AND SAFETY PLATFORM

In January 2023, Willdan launched a more robust cloud-based environmental, health, and safety (EH&S) platform in support of our risk management efforts. This enhanced system now allows us to report incidents, document investigations, perform pre-mobilization inspections, conduct safety observations, record corrective actions, and publish dashboard management information for use in real time. The system also includes a learning management system module that administers a broad library of safety-related material, tracks assigned training, and verifies course completion, as well as an oversight module to monitor key requirements of our subcontractors' safety

compliance efforts. This system coupled with our continuous improvement strategy helps Willdan support safe and compliant working environments for all concerned.



Through Willdan WorkSafe, a company-wide monthly newsletter, we continue to enhance our employee engagement and collaboration to build a safety culture.

### WILLDAN WORKSAFE NEWSLETTER

In 2022, we initiated a company-wide monthly newsletter, "Willdan WorkSafe" to better inform our workforce and elevate our corporate safety culture by sharing safety tips and reminders, spotlighting Willdan "Safety Star" employees, and increasing knowledge by presenting real-world examples in the form of a find-the-hazard "safety challenge." Combined with other learning and development offerings, including in-person and on-the-job training, we continue to enhance our employees' safety awareness through increased engagement and collaboration.

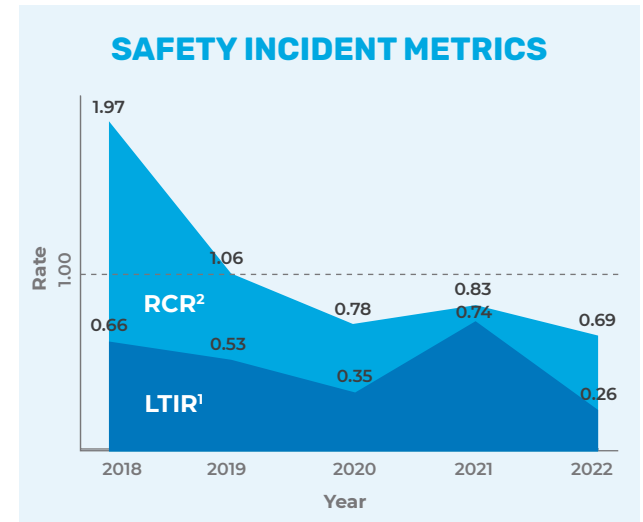
### HEALTH AND SAFETY COUNCIL

To better communicate and market our safety objectives, Willdan's corporate safety council meets monthly and engages member representatives across the organization, bringing practical and timely information forward to share with our workforce. Minutes from each meeting along with topic-related

materials are then published on our intranet platform "The Grid." In early 2022, Willdan also appointed a VP / Director of Safety. This individual, credentialed through the Board of Certified Safety Professionals, represents a new key leadership role for Willdan.

## HEALTH AND SAFETY PERFORMANCE

We track and report all safety incidents. A snapshot of our safety incident metrics for 2018-2022 is provided below. For context, lost-time injuries are those occurring in the workplace and resulting in an employee's inability to work the next full workday. Willdan has achieved strong, industry-leading safety results in our pursuit of zero injuries. Both the lost-time incident rate (LTIR) and recordable case rate (RCR) decreased in 2022 versus 2021 and was below 2020 rates despite the added health risks of approximately 40% of our services having been deemed "essential" by government authorities during the pandemic.



<sup>1</sup> The LTIR is the number of lost-time injuries that occurred in a given period, relative to the total number of hours worked in the same period.

<sup>2</sup> A RCR describes the number of employees per 100 full-time employees that have been involved in an OSHA-recordable injury or illness.





# GOVERNANCE

## CORPORATE GOVERNANCE

Under the direction of our Board of Directors (“Board”), we have designed our corporate governance program to ensure compliance with applicable laws and regulations, the rules of the Securities and Exchange Commission, and the listing standards of the Nasdaq Stock Market (“Nasdaq Rules”). Our corporate governance practices set clear expectations and responsibilities for leaders, employees, and partners to create long-term, competitive returns for shareholders and lasting value for all stakeholders. Our most recent proxy includes information about our corporate governance, directors, and executive compensation.

We are committed to operating with honesty and integrity, and maintaining the highest level of ethical conduct. With our commitment to corporate governance principles, we have adopted, among other measures, a Corporate Governance Guidelines and Board Charter, as well as charters for the four committees of the Board. We encourage stakeholders to visit the Corporate Governance section on our website at [ir.willdangroup.com/corporate-governance](http://ir.willdangroup.com/corporate-governance), for our corporate governance documents.

- Code of Ethical Conduct
- Charters for our Board’s four standing committees
- Insider Trading Policy
- Management Stock Ownership Guidelines for Executives and Non-Employee Directors

## THE BOARD

Willdan is managed under the direction of the Board. The Board, which is currently composed of seven directors, is led by our Chairman and CEO. The Board has determined six directors are independent under the rules of the listing standards for the Nasdaq Global Market and the Securities Exchange Act of 1934, as amended, except for our CEO. As the director most familiar with our business and industry, we believe our CEO is best suited to serve as Chairman of our Board. Our CEO works in collaboration with our Lead Independent Director, who is appointed biannually by the Board. We have always taken and continue to take meaningful steps to refresh our Board and have sought to create an effective mix of experience, skill, and diversity.

Annually, the Board works with Willdan’s senior management team on a detailed, multi-year strategic plan, reviewing goal progress each

### SOUND PRINCIPLES OF CORPORATE GOVERNANCE

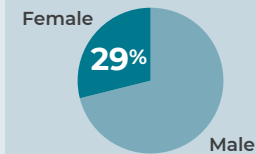
- Directors are elected individually and annually
- Majority voting policy for election of our directors
- Lead Independent Director serves on the Board
- Annual Board performance evaluation policy includes individual director and each of the Board’s four standing committees
- Robust risk management program related to compensation
- Board is dedicated to risk oversight
- Regular executive sessions involving only independent directors

quarter. The Board also oversees our senior management team, which is responsible for managing environmental and social risks and opportunities, as well as succession plans for key executives.

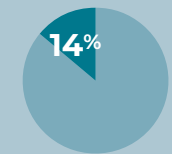
### WILLDAN BOARD METRICS

(Per April 2022 Willdan Proxy Statement)

#### Gender Diversity



#### Racial/Ethnic Diversity



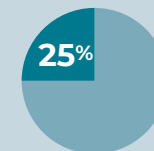
#### Average Age



#### Average Tenure



#### Woman-Chaired Committees



#### Independence<sup>1</sup>



<sup>1</sup> Dr. Thomas D. Brisbin is the only non-independent director as he serves as CEO

## ENVIRONMENTAL, SOCIAL, AND GOVERNANCE OVERSIGHT

Willdan's robust governance practices extend to ESG risks and opportunities. Through our various board committees, Willdan's Board has direct oversight of ESG-related topics. ESG topics are embedded into each committee's responsibilities, which are highlighted on this page. The full scope of each committee's areas of oversight are described in more detail in our 2022 Proxy Statement.

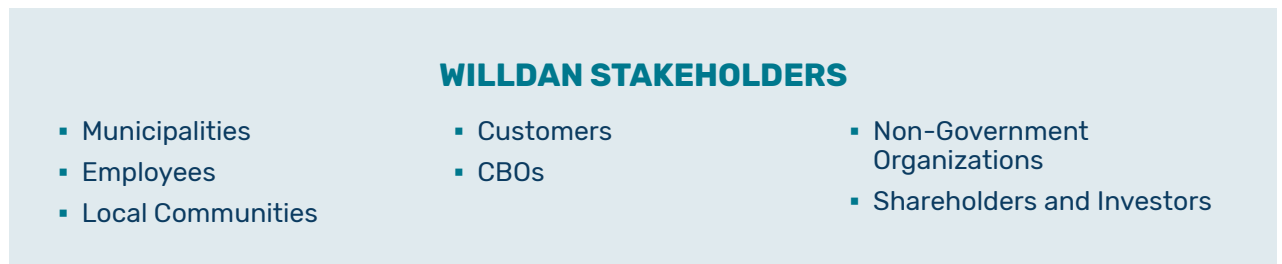
Our Nominating and Governance Committee recognizes the benefits associated with a diverse group of directors and reviews diversity considerations when identifying candidates. The Nominating and Governance Committee and the Board seek a broad range of perspectives, considering both the personal characteristics and experience of prospective nominees, to equip the Board with the appropriate skills and expertise to oversee Willdan.

BOARD'S STANDING COMMITTEES	ROLES & RESPONSIBILITIES
<b>Audit</b>	Assists the Board in overseeing the integrity of Willdan's financial statements and financial reporting; compliance with legal and regulatory requirements; the qualifications and independence of Willdan's independent registered public accounting firm; performance of internal reporting and audit functions; and disclosure controls and procedures and system of internal controls regarding finance, accounting, legal compliance, and ethics.
<b>Compensation</b>	Establishes and governs the compensation and benefit practices of Willdan. The Compensation Committee assists the Board in determining the compensation of executive officers and senior management and recommends to the Board annual and long-term compensation for the executive officers and senior management.
<b>Nominating &amp; Governance</b>	Works with the Board to determine the appropriate qualifications, skills, and experience for the Board as a whole, and its individual members. Establishes procedures for the nomination process and may recommend candidates for election to the Board.
<b>Strategy, Mergers, &amp; Acquisition</b>	Assists the Board by reviewing and making recommendations to the Board or taking actions on behalf of the Board relating to Willdan's financial and strategic plans. Responsibilities include reviewing with management, on a timely basis, significant financial matters of Willdan and its subsidiaries, including matters relating to Willdan's capitalization, dividend policy and practices, credit ratings, cash flows, borrowing activities, investment strategies, potential acquisitions, and risk oversight.

## STAKEHOLDER ENGAGEMENT

We believe that engaging with investors is fundamental to our commitment to good governance. Our CEO, President, CFO, and VP of Investor Relations regularly seek opportunities to engage with our investors to gain and share valuable insights into current and emerging business and governance trends that our shareholders tell us matter most to them. In addition, we seek opportunities to connect with our investors to increase their understanding of our business, long-term growth strategy, executive compensation philosophy and program, risk management, and our commitment to ESG issues. In addition to senior management, members of our Compensation Committee are available for consultation with our major shareholders when requested.

We also communicate with stakeholders and other interested parties through conferences, community events, various media, including our annual and quarterly reports, proxy statement and other SEC securities filings, press releases, and website. Our stakeholder outreach and engagement methods are summarized in the graphic on the right.



## CODE OF ETHICAL CONDUCT

We expect that all of Willdan's directors, officers, and employees will maintain a high level of integrity in their dealings with and on behalf of Willdan and will act in Willdan's best interests. We have in place a Code of Ethical Conduct, which provides principles of conduct and ethics for the Company's directors, officers, and employees, including employees of Willdan's subsidiaries.

This Code complies with the requirements of the Sarbanes-Oxley Act of 2002 and Nasdaq Rules.

This Code of Ethical Conduct is available on our website at [www.willdan.com](http://www.willdan.com) under "Investors—Corporate Governance—Governance Documents."

To the extent required by rules adopted by the SEC and the Nasdaq Stock Market, we intend to promptly disclose future amendments to certain provisions of the code, or waivers of such provisions granted to executive officers and directors on our website at [www.willdan.com](http://www.willdan.com) under "Investors—Corporate Governance." In 2021, we updated our Code of Ethical Conduct whereby all employees must review and sign on an annual basis.

Our 24-hour hotline ("Whistleblower Policy") is managed by an outside party and is available to all employees for the anonymous submission of complaints by telephone and internet. All complaints received from our 24-hour hotline go directly to our Audit Committee and Compensation Committee chairs. During fiscal 2022, we did not receive any complaints relating to accounting, internal controls, or auditing matters.

We conduct Willdan's business on the basis of the quality of our services and the integrity of our association with clients and others. Our Code of

Ethical Conduct demonstrates our commitment to ascribing to the highest standards of ethical conduct in the pursuit of our business and applies to all of our directors, officers, and employees. Our employees are trained on and affirm their commitment to complying with the policies when they first join Willdan and regularly thereafter.

### WILLDAN COMMITMENT

We are committed to conducting business in a legal, ethical, and trustworthy manner; strictly upholding our regulatory obligations everywhere we operate; and complying with both the letter and spirit of our business policies and values. We are committed to accountability for our actions and goals.

## DATA PRIVACY AND INFORMATION SECURITY

We understand our responsibility to protect the personal data we collect and manage from our workforce, suppliers, customers, and other stakeholders. Given the ever-increasing role of technology in our work with utilities and their customers, Willdan has implemented procedures to comply with applicable data privacy laws.

Willdan has implemented the basic components of compliance with the California Consumer Privacy Act (CCPA) and the California Consumer Privacy Rights Act (CPRA).

All employees at Willdan participate in this commitment and have completed mandatory training on Security Awareness and data privacy. Team members and suppliers must understand all internal procedures and comply with requirements of our security policies and procedures outlined in our Security Overview document and Acceptable Use Policy. Third-party vendors are vetted

through the Security Compliance Team to ensure up-to-date and effective security programs are implemented by each vendor before sharing of information. We are currently developing a more comprehensive plan addressing compliance with CCPA and CPRA. Willdan will take a similar approach to General Data Protection Regulation (GDPR) standards and emerging regulations when new policies are developed or when Willdan's business footprint expands to areas with additional requirements.

In 2022, Willdan completed its third year of certification for ISO/IEC 27001:2013 (ISO 27001 Certification) and is now certified for its corporate IT and Subcontractor Management and Reporting Tool operations. Willdan has also obtained SOC 2 Type 2 certification in 2022 and continues to work on expanding the scope of its SOC 2 and ISO certifications to additional operations.

Approximately 65% of Willdan's worker applications use SaaS. Similar to Willdan worker applications, approximately 65% of IaaS and PaaS are via the public cloud. The IT Risk and Compliance team has implemented an Information Security Policy to conform security standards of Willdan's operations with applicable laws and regulations. The team also analyzes and communicates any changes in the regulatory environment, such as the CCPA and CPRA, that may impose additional compliance requirements for the collection, use, processing, transfer, disclosure, and retention of personal information.

To protect against cyberthreats, we use a multi-layered strategy combining comprehensive governance structure; a robust cyber training and awareness program; and world-class technologies, products, and processes.

## WILLDAN'S GREENHOUSE GAS (GHG) EMISSIONS CALCULATIONS METHODOLOGY

	SCOPE 1 STATIONARY COMBUSTION AND SCOPE 2 EMISSIONS	SCOPE 1 MOBILE COMBUSTION EMISSIONS
DATA AND INPUT ASSUMPTIONS	<ul style="list-style-type: none"> <li>▪ Our Scope 1 stationary combustion and Scope 2 emissions were estimated based on data compiled for all of the leased office spaces, including the size (square footage), lease dates, and location of each space.</li> <li>▪ Detailed data on the electricity purchased and the fuel combusted were not available. Instead, electricity consumption and fuel combustion were estimated for each office location based on published values per square foot of floor area from the U.S. Energy Information's Commercial Building Consumption Survey<sup>1</sup>.</li> <li>▪ Emission factors for electricity were obtained based on the EPA eGrid2020 subregions<sup>2</sup>.</li> <li>▪ Emission factors for fossil fuels were obtained from the 2022 EPA Emission Factors for Greenhouse Gas Inventories document<sup>3</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Our Scope 1 mobile combustion emissions were estimated based on data compiled for our fleet of owned and leased vehicles. Data included vehicle class and distance traveled for each vehicle.</li> <li>▪ Emission factors per vehicle mile were obtained from the 2022 EPA Emission Factors for Greenhouse Gas Inventories document<sup>3</sup>.</li> </ul>
CALCULATION	<p>Annual Carbon Footprint (MTCO<sub>2</sub>e)</p> <p>=</p> <p>Estimated Annual Consumption per Square Foot<sup>1</sup></p> <p>×</p> <p>Office Square Footage</p> <p>×</p> <p>Emission Factor<sup>2,3</sup></p>	<p>Annual Carbon Footprint (MTCO<sub>2</sub>e)</p> <p>=</p> <p>Total Annual Vehicle Miles Traveled</p> <p>×</p> <p>Weighted Average Emission Factor per Vehicle Miles Traveled<sup>3</sup></p>

<sup>1</sup> U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey (CBECS), 2018 CBECS Survey Data. (<https://www.eia.gov/consumption/commercial/data/2018/>)

<sup>2</sup> EPA eGrid Subregions (2019 and 2020 eGrid Summary Data). (<https://www.epa.gov/egrid/summary-data>)

<sup>3</sup> EPA Emission Factors for Greenhouse Gas Inventories 2022. ([https://www.epa.gov/system/files/documents/2022-04/ghg\\_emission\\_factors\\_hub.pdf](https://www.epa.gov/system/files/documents/2022-04/ghg_emission_factors_hub.pdf))

## WILLDAN'S BASELINE REPORTING PROCESS

Willdan's greenhouse gas (GHG) emissions calculations were completed internally by energy consultants that work with organizations on energy policy matters. The structure of Willdan's emissions calculations was on the Greenhouse Gas Protocol's Corporate Standard Revised Edition. As this was Willdan's first time assessing its GHG inventory, several types of activity data were not readily available. As such, Willdan's GHG calculations were limited to minimum recommended inclusions for professional services office-based environments.

	SCOPE 1	SCOPE 2
DEFINITION	Direct GHG emissions occur from sources that are owned or controlled by Willdan <sup>1</sup>	GHG emissions that are from the generation of purchased electricity consumed by Willdan <sup>1</sup>
DESCRIPTION	Willdan's reported Scope 1 emissions include emissions from mobile combustion from Willdan's owned and leased vehicles, as well as an estimate of emissions from fuel combusted in office spaces based on square footage <sup>2</sup> .	While utility bill data was not available to quantify the exact amount of electricity purchased by Willdan, an estimate of Willdan's Scope 2 emissions was calculated using an estimate of electricity consumption based on office space square footage and climate regions <sup>2</sup> .

<sup>1</sup> The Greenhouse Gas Protocol Corporate Standard. (<https://ghgprotocol.org/corporate-standard>)

<sup>2</sup> See the Willdan's GHG Emissions Calculations Methodology table in the previous page for detailed methodology.

## ABOUT THIS REPORT

Considering our nationwide operations, this report's scope focuses on our internal operations, extending to our supply chain, business partners, and our communities who both support and benefit from our services. All data has been collected by Willdan employees. The data has been revised, with estimations clearly denominated. Any assumptions in the description have been specified in the content or throughout this report. We accept the responsibility presented, including the main challenges and drawbacks we must overcome in order to ensure the quality of information presented. We continue to work on improving our data gathering, especially from business partners and clients.

## FORWARD LOOKING STATEMENTS

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSES OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. All written and oral forward-looking statements attributable to Willdan, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements and risk factors disclosed from time to time in Willdan's reports filed with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K filed for the year ended December 30, 2022, as such disclosures may be amended, supplemented or superseded from time to time by other reports Willdan files with the Securities and Exchange Commission, including subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. Willdan cautions investors not to place undue reliance on the forward-looking statements contained in this report. Willdan disclaims any obligation to, and does not undertake to, update or revise any forward-looking statements in this report unless required by law.

## ANY CONCERNS OR FEEDBACK?

If you have any questions or would like further information about our latest work in sustainability, please contact:

 [sustainability@willdan.com](mailto:sustainability@willdan.com)

 [www.willdan.com](http://www.willdan.com)

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