

UN Global Compact Communication on Progress (COP)
January 2019 – December 2019

January 8, 2020

To our stakeholders:

Swinerton is dedicated to positively impacting our industry, our communities, and our employees. We believe in building better responsibly, and we do so through our commitment to economic and workforce development, philanthropy, safety, health and wellness, innovation, collaboration, and ensuring we are environmentally conscious in all our operations. We continue to support the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, and Anti-Corruption, and are committed to working together with our stakeholders to further the UN's mission to advance societal goals.

Sincerely,



Eric M. Foster
Chief Executive Officer

Description of Actions

Human Rights

On December 20, 2019, Swinerton revised its National Employee Handbook. Within it, the Company reaffirmed its commitment to diversity through its Equal Employment Opportunity (EEO) and Affirmative Action program.

Swinerton prohibits discrimination against any applicant or employee based on any legally-recognized basis, including, but not limited to: race, color, religion, sex (including pregnancy, lactation, childbirth, or related medical conditions), sexual orientation, gender identity, age (40 and over), national origin or ancestry, physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, citizenship status, or any other status protected by federal, state, or local law. In conjunction with this EEO policy, the Company has adopted an Affirmative Action Plan (AAP) to further promote diversity as a valued strategic initiative. The AAP and EEO policy are distributed and posted on an annual basis.

The Company is committed to providing a work environment that is free of prohibited harassment and bullying. As a result, the Company maintains a strict policy prohibiting sexual harassment and harassment against applicants and employees based on any legally-recognized status. The Company's anti-harassment policy applies to all persons involved in its operations, regardless of position. It also protects employees from prohibited harassment by third parties. Any applicant or employee who believes that he or she has been subjected to prohibited harassment, discrimination, or retaliation, or who believes another individual has been subject to such conduct should report it immediately. Employees are not required to make such complaints to their direct supervisor or follow any chain of command for this purpose. After a report is received, a thorough and objective investigation is undertaken.

Employees can submit their good faith questions or concerns about conduct they believe may violate Swinerton's Code, policies, or the laws and regulations under which it does business to their supervisor or manager; any Company leader; Human Resources; Ethics and Corporate Responsibility Committee; Legal/Compliance; or Swinerton's anonymous and confidential Ethics hotline.

Labor

Swinerton agrees to a workplace where employment is voluntary and only offered to persons over the age of 16; working hours are not deemed excessive by definition of the law; employees are compensated in a timely manner; and, to the extent permitted by law, respecting employees' right to freedom of association and collective bargaining.

Swinerton and its Partners are required to adhere to specific requirements to ensure a working environment free of recognized hazards, including: develop and maintain safety programs and procedures to meet or exceed federal, state, and local laws, regulations, and standards; ensure employees are properly trained and provided with the proper equipment to perform safe work; and encourage employees to stop any unsafe work, act, or condition. Swinerton employees over 50 safety professionals throughout the United States and employees complete at least 100 hours of health and safety training each year.

In accordance with the U.S. Fair Labor Standards Act, Swinerton abides by the federal minimum wage requirement, overtime pay requirement, and child labor regulations. Additionally, Swinerton abides by local and state minimum wage and prevailing wage requirements in all geographies where it does business. These pay requirements are posted in all offices and project locations.

Environment

Swinerton protects human health and the environment by meeting applicable regulatory requirements pertaining to air emissions, waste, and water. The Company encourages its Partners to favor the use of non-hazardous products and materials, and choose recycled and reclaimed materials whenever possible.

Due to insufficient resources, Swinerton was unable to create a new Environmental Policy and Green Office Guide in 2019. However, with support of the Executive team, additional resources and team members will be dedicated to updating and enforcing its Policy and Guide, ensuring the Company is environmentally conscious in all of its operations, including office locations and construction jobsites.

Anti-Corruption

Swinerton conducts its business with absolute honesty and integrity. Every Swinerton employee must adhere to Swinerton's Code of Business Ethics (the "Code"). In its Code, the Company outlines its standards of conduct pertaining to false claims and accuracy in records; gifts, gratuities, and kickbacks; and conflicts of interest.

Swinerton requires all its business partners to sign the Contractor's Code of Conduct, which is included in its Master Service Agreement. The Code of Conduct binds our subcontractors, suppliers, and vendors (collectively "Partners"), and their supply chain, to minimum standards, which are based on the Ten Principles of the UN Global Compact and the UN Sustainable Development Goals (SDGs). Swinerton expects all its Partners to act in accordance with the highest standards of business ethics and to avoid any appearance of impropriety, including, but not limited to: fraud, deception, and dishonesty; bribery and corruption; and false claims.

Swinerton employees and Partners have free, unlimited access to our third-party anonymous and confidential incident reporting system. Swinerton encourages those who know of any activity that is in violation of laws, regulations, or contracts to report such activity promptly through this service, which is available 24 hours a day, 7 days a week.

Community

Swinerton believes that, as a corporate family and community members, we have the duty to participate in the betterment of our communities and to invest in the world around us. The Company endorses and encourages employee volunteer efforts, especially in causes also supported by the Company. Time off during the workday to participate in volunteer efforts is generally encouraged if it is part of a Company-sponsored event.

Swinerton is committed to the UN Sustainable Development Goals and our Corporate Social Responsibility programs enable our employees to support initiatives that advance these goals.

#4 Quality Education: Swinerton believes that as an industry, it is a shared responsibility to introduce young people to the art and science of construction, develop their leadership talents, and inspire their ingenuity so the workforce of tomorrow is as enthusiastic and driven as the workforce of today. In 2019, the Company supported construction management programs at universities across the United States, as well as local non-profit organizations, such as ACE Mentor and AGC Education Foundation.

#8 Decent Work and Economic Growth: Swinerton will continue to abide by labor standards and regulations and invest in the communities in which it does business. Swinerton believes in providing economic opportunity to all, including non-traditional workers, underrepresented minorities, and underserved populations. The Company will maximize any opportunity to obtain minority, women-owned, and disabled veteran business enterprise (MBE/WBE/DVBE) participation in all purchasing and contract business.

#11 Sustainable Cities and Communities: As a preferred builder and trusted partner, Swinerton's construction expertise and drive for excellence is a valuable asset to its operations and to its neighborhoods. By utilizing employee skills, experience, and talent through volunteerism with local non-profit partners, Swinerton helps build better communities that will be resilient through economic hardship and natural disasters. In 2019, Swinerton partnered with Rebuilding Together affiliates in more than five cities, providing home repairs to community members and non-profit organizations who would otherwise be unable to afford it.

#15 Life on Land: Swinerton supports and encourages all efforts to reduce the environmental impact of its projects. The Company has established green building practices and continually educates its clients, subcontractors, and consultants about methods that can mitigate the impact its work has on the environment. Swinerton provided training on green building rating systems at three of its locations in 2019.

Communication

Swinerton will communicate its progress to support the UN’s Global Compact by posting its annual COP on the Company website and publishing it within the Company’s Annual CSR Report. Due to a delay in publication, Swinerton was unable to publish its 2018 CSR Report; however, a 2019 Report is scheduled to be published by June 2020.

Measurement of Outcomes

In order to determine success, Swinerton will set Global Compact goals and measure the outcomes of its initiatives towards those goals.

Healthy and Safe Workplace

Goal: Zero lost time and recordable incidents.

Frequency of reporting: Monthly.

2019 Progress (as of October 2019):

	Swinerton	General Building Industry Average
Recordable Rate	1.72	3.10
Lost Time Rate	0.36	1.20

This statistic measures the duration of restricted and loss time work days per 100 workers. The calculation is as follows:

$$\frac{(Number\ of\ Restricted\ and\ Loss\ Time\ Days) \times 100 \times 2,000\ Man\ Hours}{Total\ Number\ of\ Man\ Hours\ Performed}$$

Swinerton’s overall Experience Modification Rating (EMR) as of August 2019 is 0.50 in California, 0.60 in Washington, and 0.46 in all other states.

Small Business and Minority, Woman-Owned, Veteran, and Disadvantaged Business Enterprise (SBE/MBE/WBE/VBE/DBE) Participation

Goal: 20% of contracting dollars to be given to small and SBE/MBE/WBE/VBE/DBE businesses.

Frequency of reporting: Annually.

2019 Progress: 2019 reporting will occur in April 2020. In 2018, Swinerton spent a total of 27% of its subcontractors/supplier spend on small and local businesses. For purposes of the below, it is possible that the same subcontractor/supplier may hold more than one classification. Swinerton does not currently separate subcontractor from supplier.

Employee Diversity and Inclusion

Goal: Swinerton has decided to partner with an organization in 2020 to evaluate and monitor the Company's teams and employees' inclusion experience. The Company will also gather data as it pertains to recruitment and retention of diverse talent.

Frequency of reporting: Annually.

2019 Progress: Reporting will occur in August 2020.

Environmental Sustainability

Goal: The Company will identify key stakeholders needed to collect environmental data as it pertains to materials, energy, emissions and waste, water, and biodiversity. This data will then be used to benchmark against our peers, and will be reported to all stakeholders.

Frequency of reporting: Annually.

2019 Progress: Unable to fulfill commitment in 2019 due to lack of resources.

Support for the Sustainable Development Goals

Goal: Invest 1% of the Company's net income in communities to support the UN's Sustainable Development Goals (SDGs).

Frequency of reporting: Annually.



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2019 Progress: As of September, Swinerton had spent a total of \$1,167,873 in corporate charitable giving (0.83% of projected net income). The Company is projected to meet its 1% goal. A final report will be published in February 2020.