

ESG POLICY



This is how we safely energize America related to Environment, Social, and Governance.

HOW WE DEFINE ESG:

Environmental – Wescom is **committed** to an energized future where we positively impact the environment. After all, Wescomers are big users of the great outdoors and are compelled to ensure we can **continue** to hunt, fish, hike, camp, and thrive in a clean and healthy environment. The core value that supports this at Wescom is Serving with Integrity.

Social – Our **people** are the most important part of our company. We believe in supporting the Wescom team through **equality of opportunity** and the communities in which we operate. The core values that support this at Wescom include Creating Opportunities and Empowering People.

Governance – Our governance describes what **protections** we have in place to ensure that our leadership team is doing what is **best** for the company, its people, and staying true to our mission. The core value that upholds this is Building Clients for Life.

WHAT WE DO:

Environmental

We'll admit that we are new to paying attention to our environmental impact as a company. Turns out we've already made a few things a priority within the company that allow us to remain committed to positively impacting the environment.

Our solar installation team, which started in March of 2021, has already completed over 12 projects. We have focused primarily on residential clients. Our efforts have helped reduce our client's energy consumption by 302.9 Megawatt Hours (MWh). Additionally, we installed solar at our Duluth office which has already reduced our grid (propane/electric) consumption by 11.6 MWh.

In addition to our efforts with solar energy we have actively and continually reduced our internal consumption of vehicle fuel by encouraging our employees to carpool to sites as much as possible. Our fuel efficiency is tracked monthly by our Asset Director and results are shared with regional managers.

Wescom is also proud to have an entire team dedicated to providing environmental services including spill cleanup and remediation, sample analysis, AVO, IR, and OGI inspections, and other technical services to the oil and gas industry. With a focus on doing the right thing in line with Serving with Integrity, a core value at Wescom, our team has successfully completed and closed out dozens of spill remediations in New Mexico and Texas.

Social

Wescom has always been fully aware that without our employees to give us a good reputation, we would be lost. Therefore, we have always channeled resources towards creating a culture where our employees are well taken care of. Additionally, the communities around us provide the support that our employees need to keep going. The approval and encouragement from the communities around us are highly important. While we have metrics that can track these efforts, the most important piece is often subjective and therefore not tracked. However, by practicing servant leadership and remaining humble we can ensure we uphold with our core values of Creating Opportunity and Empowering People.

Our employees are encouraged to attend training that will help them succeed in their current position or reach their career goals. We provide them with the time and money to attend such trainings including over \$43,000 in 2022. These trainings are agreed by leadership and employees to allow flexibility and ensure they align with safely Energizing America.

We believe in equality of opportunity and as a result, we hire, promote and manage based on skill set and not race, ethnicity, gender or other metrics. Nearly 35% of our current workforce comes from the minority communities. We employ a wide range of skill sets and are proud of our competitive wages and benefits paid to each skill set. Employees receive an annual review with their manager to provide an opportunity for a discussion on expectations and results and this review is based solely on the four core values of Wescom, along with the three identified Wescom traits: accountability, flexibility and urgency. This is also an opportunity for managers and their team members to review compensation and ensure that the compensation is competitive and rewards the employee for their efforts. A portion of each month's company-wide profit is moved to a specific bonus account that is then distributed at year end. This bonus is weighted on length of service, hours and compensation for the current year, and an assigned rating from management regarding adherence to Wescom core values and traits. Over \$1,000,000 has been paid in year-end bonuses to Wescom team members.

Additionally, we provide short-term disability which our employees can use for maternity or paternity leave, long-term disability program, life insurance program, and we match 6% of any funds put to retirement accounts.

As mentioned, Wescom is indebted to the communities around us for being our support. Therefore, we encourage all employees to become involved in community betterment activities such as highway clean-up, recreation, and park building/cleanup. For high school graduates in 2020 and 2021 we provided signage to congratulate them on their achievement, especially in such unprecedented times. Beginning in 2020 Wescom adopted a portion of the Interstate 35 near our Twin Ports region.

Governance

The most important level of governance is our safety culture and the regulations that must be followed. Safety culture comes before regulation because, at Wescom, we recognize that our employees getting home whole and well at the end of each day is more important than checking a box on a regulatory sheet. Our WINS (Wescom Invests Non-stop in Safety) program promotes safe conduct and observations of positive and less-positive safety situations.

Wescom's leadership hierarchy ensures that the CEO is doing what is best for the entire company and that Senior Leadership is supporting all levels of the organization and ensuring the company's practices are in line with the vision. The Board of Directors includes at least two individuals who are not employed by Wescom which ensures that there are different points of perspective within the Board.

A visual hierarchy of Wescom's leadership is shown here:

SHAREHOLDERS ← BOARD OF DIRECTORS ← CEO ← SENIOR LEADERSHIP ← MID-LEVEL MANAGERS (C-SUITE)

In 2022, Wescom is set to implement ISO 9001 which is being put in place to manage the quality of Wescom's products and services. As a part of the implementation, Wescom is required to create objectives, called KPIs (Key Productivity Indicators), which help employees focus on product quality and other important measurables that we at Wescom value, such as a safety culture.

In order to Build Clients for Life, Wescom understands our business needs must match those of our clients and we owe to one another a constant review of this. All clients are vetted prior to entering a relationship to ensure they are a good fit for Wescom. Such review includes credit and banking, contract stipulations, and structure of client. Through this review potential areas for doing the wrong thing are identified and provisions are put in place to ensure they are avoided. An example of this is that all field tickets generated (work completed) by our field staff are approved by their manager while a separate manager reviews and approves the subsequent invoice generated by our accounting staff. Having multiple people on the team involved in billing processes prevents fraud and internal controls ensure clients are provided value on every project.

WHAT WE CAN AND WILL DO:

Environmental

- Adopt a Bike or hiking trail to perform maintenance, creation or donation
- Electric Fleet: We will add an electric vehicle to our solar fleet before the end of 2023
- Update our web page:
 - o Why we support clean energy AND conventional energy (mining metals, O&G, etc)
 - Metals are necessary for green energy
 - Oil and gas is used in the processing and mining of metals
 - We are still transitioning and need oil and gas to get there
 - o Use video on Solar created by DangerBird related to our environmental services
- Track Recycling year over year
 - o Wire
 - o Office and other goods recycled at Twin Ports Office

Social

- Sponsor 1 day/year to talk about industry impacts on the environment organized with local schools
- 8 hrs of training expected each year by two members of board regarding economics and social impacts (economic security, track wage gap for employees, men vs women, apprentices vs. journeymen, etc)
- Focus on using local vendors, the closer the better: ESG company awareness trumps local vendors if the vendors do not have a culture we agree with; Gifts to Employees and Clients are tailored to source from local companies
- Energy Scholarship and Information Every Quarter – We sponsor families in need, so they have access to energy by donating \$1,000 each quarter to a family

Governance

- No Political Donations
- Report on Total Recordable Incident Rate by division and location
- Additional Board members from outside the company
- Board is accountable for ESG policy
- Board Member Nominated for ESG Ownership

The above items will be incorporated into our ESG policy over the next five years. This policy will be reviewed by the board annually and updated with a progress report tracking ESG metrics and comparing to previous years, starting in March of 2023.