

2022

**SUSTAINABILITY
REPORT**



CENTURI

Corporate Sustainability Report
2022



An aerial photograph showing a large, modern roundabout with multiple lanes, surrounded by lush green forests and fields. In the distance, a town or city is visible under a cloudy sky, with several wind turbines scattered across the horizon. The image is partially obscured by a white diagonal shape on the left side.

Building a Better Future





**Making a Positive
Impact on the People
and Places Around Us**

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Welcome



Paul M. Daily
President and Chief
Executive Officer

At the intersection of power, infrastructure, and clean energy is where you'll find Centuri. As a leader in utility infrastructure services, we're proud to play an essential role in responding to our generation's pressing question of how to fuel the future while sustaining our planet.

Through long-term partnerships, we help customers enhance the safety, reliability, and environmental sustainability of the electric and natural gas network consumers rely upon to meet their changing needs. We build, maintain, and modernize utility systems today while helping our customers prepare their infrastructure for cleaner methods of energy delivery tomorrow.

This is *what we do*, but *how we do it* is just as important.

As a strategic partner to our customers and a member of the communities where we work, we are committed to making energy infrastructure more efficient, while taking care of the people and places around us.

As we go about this work, we are continuing to advance sustainability by integrating Environmental, Social, and Governance (ESG) values in every area of our business. We are putting action behind our commitments by measuring our performance and making meaningful progress toward our goals. The culmination of these efforts is what we call BUILDING BETTER, and the result is an increase in opportunities for our employees, communities, and planet to thrive.

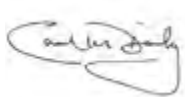
Below are highlights we're excited to share since issuing our inaugural Sustainability Report last year.

- » We kicked off work as a contractor for Offshore Wind projects that will power hundreds of thousands of homes across the Northeastern U.S.
- » We quantified Scope 1 and Scope 2 greenhouse gas emissions in support of our goal to reduce GHGs 25% by 2030.

- » We expanded our Safety & Quality function to include Environment & Health in our new Integrated Management System encompassing all areas of Safety, Health, Environment, and Quality.
- » We installed updated telematics on company vehicles and implemented a no-idling policy.
- » Our DEI Council established six employee resource groups, further delivering on our commitment to diversity, equity, and inclusion.
- » We gave back to our communities through non-profit contributions, volunteerism, and in-kind support.

Recognizing that our stakeholders evaluate us on a broad set of criteria, we are increasing transparency of our ESG efforts and reporting our performance metrics in conjunction with our parent company Southwest Gas Holdings through the standard disclosure frameworks S&P Global, SASB, and CDP.

Centuri's team of operating companies works together to put the energy infrastructure in place that will power the lives of generations to come, and we believe that our values and commitments to our employees, the communities where we work, and the world we share distinguish us among our peers as a leader in building a better, more sustainable future.



Paul M. Daily
President & CEO



BUILDING BETTER

Centuri Group, Inc.

**A strategic business partner distinguished
by exceptional values and culture**

Centuri Group is a strategic infrastructure services company that partners with utilities to build and maintain the energy network that powers millions of homes and businesses across the United States and Canada. Guided by our values and unwavering commitment to serve as long-term partners to customers and communities, Centuri's more than 11,000 employees enable our customers to safely and reliably deliver electricity and natural gas as well as achieve their goals for environmental sustainability.

Trusted Brands Working Together



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NEW ENGLAND UTILITY CONSTRUCTORS INC.

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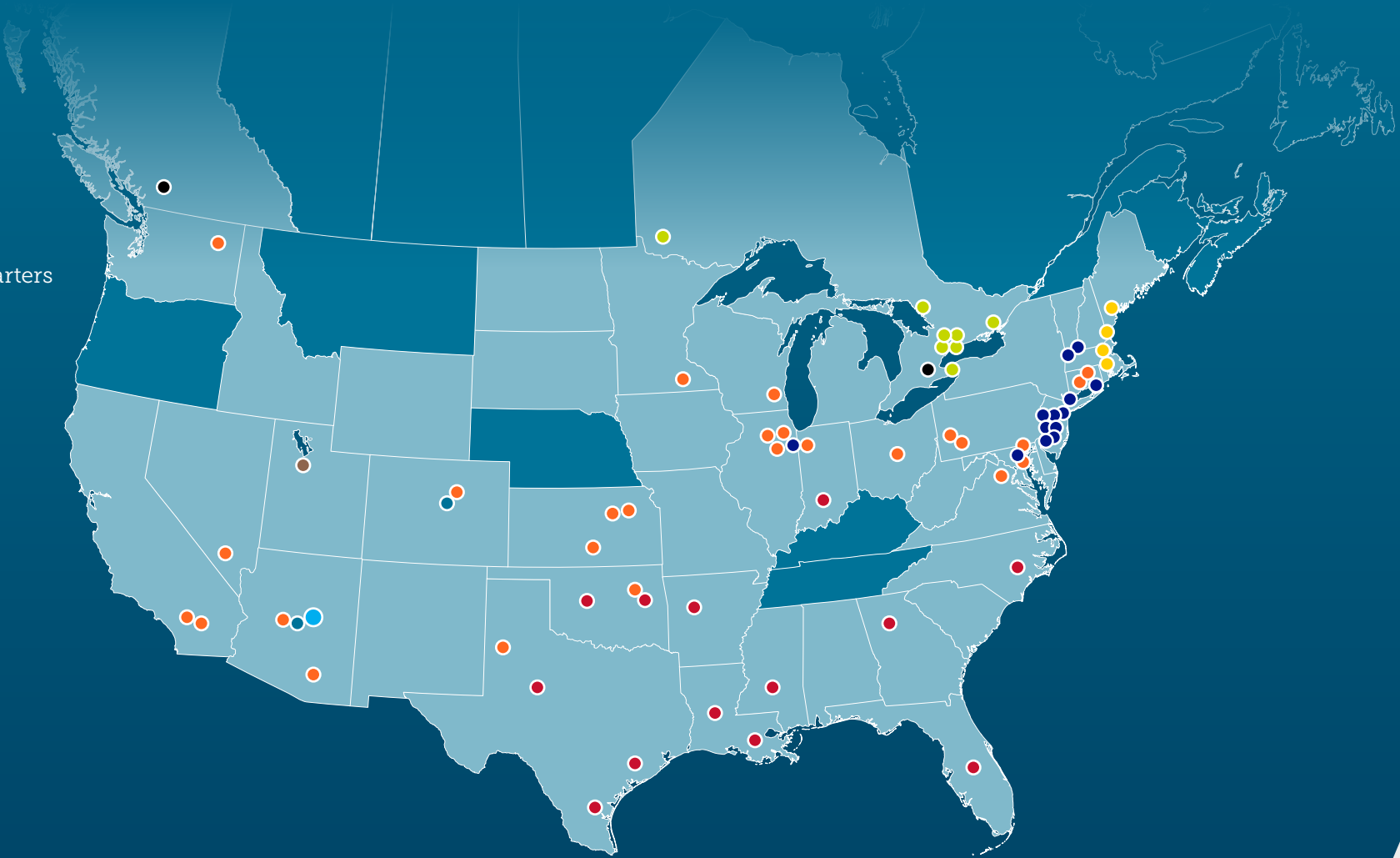
A CENTURI COMPANY



A CENTURI COMPANY

With a Footprint that Spans the U.S. and Canada, We Make a Big Impact

- Operational Areas
- Corporate Headquarters
- Canyon Pipeline
- Linetec Services
- Neuco
- NPL
- NPL Canada
- National Powerline
- Riggs Distler
- WSN Construction



It's Our Responsibility to Make Sure It's a Good One



11

Business Entities



11,000

Employees



45

States/Provinces

ONE TEAM



An operating legacy of 110+ years, with long-term relationships with our top clients averaging over 23 years.



Serving nearly all the top 20 investor-owned utilities and their 100 million+ customers across the U.S. and Canada.



Exceeding \$2.5B in revenue, reflecting 100% growth organically and through acquisitions over the past 4 years.



Modernizing the energy infrastructure of today while preparing for cleaner methods of energy delivery tomorrow.



Supporting the diverse communities where our employees live and work across the continent.

Sustainability Framework

Six principles guide Centuri's strategy for building a sustainable business as a responsible citizen and neighbor.



Safety

The safety of our employees and the communities where we work is our first priority. Our world class safety culture is focused on continuous improvement to ensure the electric and gas infrastructure we build is safe and reliable for the homes and businesses that depend on it.

Community

As part of the fabric of our communities, we promote supplier diversity, cultivate a welcoming work environment, and hire locally. We believe in philanthropy – fostering positive results in the communities where we live and work.

Employees

The expertise of our diverse workforce is our most valuable asset in building long-term customer relationships and ensuring project success. Our commitment to their safety is matched only by our commitment to providing a fair and welcoming work environment where they can thrive.

Quality

Bringing our unique expertise, experience, and resources to every project, Centuri does things the right way every day to ensure projects meet or exceed our customers' requirements as well as our own stringent standards for enduring safety and quality.

Economy

Our commitment is to serve our communities for the long-term, contributing to a sustained local economy by creating jobs, growing local businesses, and contributing to the tax base. We invest in the communities where we live and work every day.

Environment

Centuri partners with customers to help them prepare their infrastructure for a lower-carbon energy future. We are dedicated to setting the standard for environmental stewardship and carry these values through all facets of our business.

An ESG Culture

Ensuring Environmental, Social, and Governance (ESG) factors are ingrained in our business operations starts with knowing our stakeholders and their priorities. With deliberate effort, we engage our customers, employees, suppliers, and communities to ensure our business processes align with their most pressing concerns. Once we determine the issues that are material to our business and our diverse set of stakeholders, we track and measure an established set of ESG performance metrics to help us understand and report our overarching impact.

Internally, ESG initiatives are prioritized with executive-level accountability through Centuri's EVP, Chief Customer Officer, and VP, Communications & Sustainability, with specific direction from the CEO.

In 2021, Centuri established an ESG Enterprise Excellence Team to develop and manage our ESG strategy. The cross-functional team has representation across all business units to ensure comprehensive input and consistent awareness and execution of initiatives throughout the entire organization. Working groups dedicated to Environmental, Social, and Governance matters develop tactical recommendations and drive execution of our priorities. Company leadership reports regularly to our Advisory Board on ESG matters, as well as to our parent company Southwest Gas Holdings (SWX) and Board of Directors.

Centuri discloses sustainability metrics in accordance with SWX through the S&P Global Corporate Sustainability Assessment and Sustainability Accounting Standards Board (SASB). We also regularly partner with our customers to share best practices and ESG performance metrics.



BUILDING BETTER

Both internally and externally, we are committed to building better. This means embracing our responsibility as an employer, a member of the community, and a steward of the environment to make a positive impact on the people and places around us. As we partner with our customers to enhance their infrastructure and support the transition to clean energy, we will provide the resources to increase opportunities, encourage inclusivity, and inspire brighter futures for our employees, our suppliers, and the communities where we work.



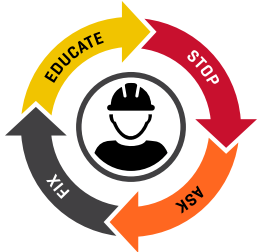


Safety First

Committed to Continuous Improvement

Crew member observations from our Think SAFE program continue to drive improvement while increasing engagement, communication between frontline employees and management, and safety ownership at all levels. Frontline employees completed over 1.35 million Think SAFE observations in 2021, a 45% increase over 2020.

1.35M
Think SAFE observations



Think SAFE

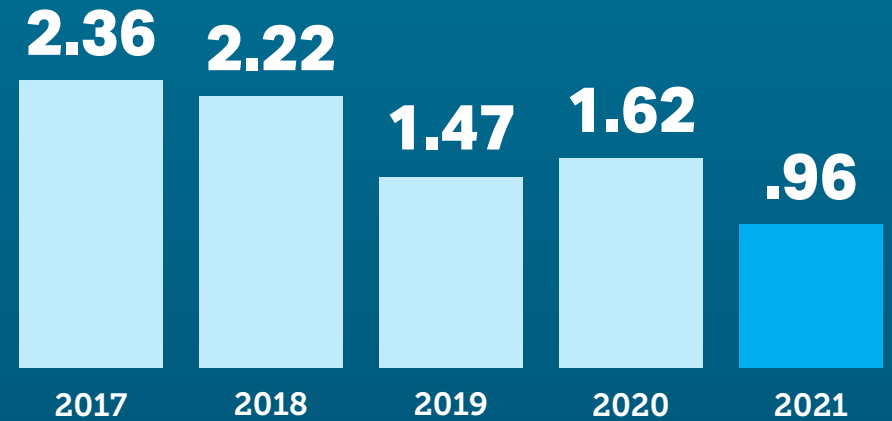
Listening to employees is a critical component to evaluating, and ultimately improving, our safety culture. In 2021, Centuri worked with an outside consultant to begin a survey process measuring employees' perception of safety to gain a deeper understanding of our strengths as well as opportunities for valuable and lasting improvements. Starting with NPL's East Region, surveys were administered to all employees, followed by focus group interviews. Over 1,100 employees participated, an unprecedented response rate of 94%. Results are now being analyzed, reported, and used to build action plans to improve areas where opportunities have been identified. This process will be expanded to include all business units.

Broadening Our Focus

Following a management system gap assessment conducted in late 2021, Centuri refined our Safety & Quality focus to include employee health and environment factors, aligning with our guiding principles in a more holistic way. Our Safety & Quality function has been expanded to now encompass all aspects of Safety, Health, Environment & Quality (SHEQ). As part of the employee Health emphasis of SHEQ, mental wellbeing is an area of emphasis. Centuri has established a mental health employee resource group tasked with advancing mental health and suicide prevention awareness, promoting company-provided mental health resources like our Employee Assistance Program, and providing a safe platform for employees to discuss mental health issues. Mental health messaging is also now integrated with safety communications such as weekly Toolbox Talks.



Lost Time Injury Frequency Rate per 1M Work Hours



59% LTIFR Improvement Over 5 Years

Compared to Prior Year*



*Safety figures do not include Riggs Distler.





Environmental

Building a Sustainable Future

The very nature of our work supports our commitment to environmental stewardship. Whether it's improving the resiliency and efficiency of energy distribution systems, reducing the environmental impact of aging systems, or enabling infrastructure for clean energy, Centuri plays a significant role in building a sustainable energy future.

In 2021, Centuri companies replaced hundreds of miles of gas pipeline and added resiliency to our customers' electric systems, reducing greenhouse gas emissions and enhancing the safety of our communities.



Reducing Emissions from Natural Gas Systems

Leaks are serious safety and environmental risks inherent to aging natural gas distribution systems.

Several of our customers have active programs in place to replace legacy pipe in their systems such as cast iron and bare steel gas mains that may be more prone to methane leaks due to their age and material composition. Centuri companies partnered with our customers on several leak mitigation projects in 2021, resulting in safer communities and reduced greenhouse gas emissions.

In support of one customer's accelerated replacement program for aging infrastructure in the Northeast, we replaced almost **11 miles of main and over 2,200 services**, allowing the company to retire old pipe and eliminate leaks. In addition, **we eliminated 453 service leaks and 1,081 from main/joint repairs** as part of their Scattered Leak program.

Supporting the Transition to Clean Energy

As our customers continue to innovate and discover cleaner, more efficient ways to deliver utility service, Centuri is there to support the transition to clean energy.

1. Offshore Wind

Centuri companies support our partners in this emerging industry with heavy civil, mechanical, and electric services centered around the onshore construction of turbine foundation components.

2. Renewable Natural Gas

As our customers develop sources of renewable natural gas (RNG), Centuri companies provide the infrastructure that enables RNG to be injected into existing distribution systems.

3. Methane Reduction

Our leak mitigation work advances customers' goals to improve safety and reduce emissions associated with aging natural gas infrastructure.

4. Electric Vehicles

In support of customer air quality programs, Centuri companies construct electric vehicle charging stations and related infrastructure.

5. Battery Storage

Our construction of battery energy storage systems (BESS) benefits electric network efficiency, resilience, and increased uptake of renewable energy.





Supporting Offshore Wind in the Northeast

Through our operating company Riggs Distler, we are playing an influential role in the emerging offshore wind industry as a contractor for several first-of-their-kind projects in the Northeast. Our teams traveled to Poland and Belgium to grow expertise with hands-on experience, putting us in the unique position to leverage our supply chain and union labor force to lead with this exciting clean energy industry.



Company representatives joined New York Lt. Governor, Brian Benjamin, in October 2021 at a press event announcing New York's largest offshore wind project, Sunrise Wind, and Riggs Distler's role as general contractor, providing local content and supply chain resources.

Sunrise Wind – New York

In October, Riggs Distler was selected as a general contractor to partner in the joint development of Ørsted and Eversource's Sunrise Wind Project, New York State's largest offshore wind supply chain contract to date. This project will have the capacity to power nearly **600,000 homes with approximately 880 Megawatts of renewable energy**.

Riggs Distler will provide a broad range of onshore heavy civil, mechanical, and electrical services centered around the construction, assembly, inspection, and installation of the advanced turbine foundation components, including the external concrete platforms, suspended internal platforms, and anode cages.

With onshore construction taking place at the Port of Coeymans in New York, Riggs Distler will deploy more than **100 skilled tradesmen and women** from local labor unions to build the offshore wind components over an anticipated **277,000 work hours**. Riggs will also pursue additional opportunities for local construction, manufacturing, and transportation companies to support the procurement and supply of materials in the state.

South Fork Wind & Revolution Wind – New York, Connecticut & Rhode Island

Leveraging our newly formed Offshore Wind Group and the strong customer relationships established with the Sunrise Wind project, we are also supporting offshore wind activities in New York, Connecticut, and Rhode Island with turnkey construction of turbine foundation components.

South Fork Wind is New York State's first offshore wind farm, and, once complete, is expected to power over **70,000 homes in New York**. Revolution Wind will provide **400 MW to Rhode Island and 304 MW to Connecticut**, helping both states meet their clean energy goals.





Enabling Infrastructure for Renewable Natural Gas

NPL is supporting construction of an anaerobic digester system in Beresford, South Dakota, that uses manure from dairy cows to create renewable natural gas (RNG). Livestock anaerobic digestion systems work to reduce methane emissions from farming operations by collecting biogas from the degradation of animal manure and then refining it to be used to generate electricity, fuel boilers or furnaces, create pipeline quality gas to be injected into distribution systems, or create compressed natural gas that can be sold as a vehicle fuel. To accomplish this requires numerous underground lines of various sizes, materials, and pressures, which NPL is installing.

In addition to renewable natural gas, Centuri companies enable infrastructure for compressed natural gas (CNG). At a facility in Middleboro, Massachusetts, Neuco installed the piping to assist in transitioning the fuel source of its co-generating plant to CNG.



Building the Network for Electric Vehicles

In Maryland we are working with a major gas and electric utility to engineer, procure, and construct electric vehicle charging stations that will support the state's goal to have **300,000 zero emission vehicles on the road by 2025**. These stations will be installed on government properties as part of the EVsmart Program, a joint effort by local utilities to improve air quality.



Riggs Distler is providing turnkey construction for a battery energy storage system (BESS) in Sussex County, New Jersey. This type of system benefits electric network efficiency, resilience, and increased uptake of renewable energy.



Advancing Our Environmental Commitment

Not only is environment at the forefront of **what** we do – it’s at the forefront of **how** we do it. We are dedicated to setting the standard for environmental stewardship in the **field**, our **fleet**, and our **facilities**.

In 2021, Centuri set a company goal to reduce our greenhouse gas (GHG) emissions 25% by 2030. Using emissions data from 2019, we established a baseline for our Scope 1 and Scope 2 emissions. 2021 is the first year of emissions data that we are reporting. To account for growth of our business, we are measuring metric tons of CO₂ per mile driven for our on-road vehicles to comprise Scope 1 reporting, and energy use per sq. ft. to comprise Scope 2.

Based on our first three years of data, we have seen an 8% decrease in CO₂ related to fleet and a slight decrease in emissions from energy use at our major facilities.

Scope 1 & Scope 2 Emissions Data

	2019	2020	2021
Scope 1: Direct			
Total Fuel t/CO ₂	110,856	113,850	125,488
t/CO ₂ per Mile	0.00177	0.00139	0.00163
Scope 2: Indirect			
Total t/CO ₂	2,989	2,786	2,963
KW per Sq Ft	0.8661	0.7236	0.8283

Several Advancements Have Been Made in the Three Areas of Our Decarbonization Focus

Fleet

The effort to install enhanced telematics in our fleet began in 2021. Since then, installation has been completed on 12,500 road vehicles, construction equipment, and trailers. The data collected will help us identify opportunities to manage our fleet more efficiently and decrease CO₂ emissions.

With upgraded telematics now providing greater visibility to our vehicle performance, we implemented a no-idling policy for the 6,900 on-road vehicles in our fleet to decrease fuel use and reduce emissions.

Facilities

In 2021 we evaluated 60 of our primary facilities and identified four with the highest energy use for third-party energy audits. Following these audits, we revised our real estate strategy to establish efficiency requirements and a plan for existing and future facilities. Our agreements for future facilities now include efficiency measures such as:

- » 7-day programmable thermostats
- » No HVAC units with R-22
- » LED lighting (exterior & interior)
- » Low-flow water features

For existing facilities, we established the following action to minimize environmental impacts:

- » Maximize all opportunities to increase building efficiency, specifically energy and water usage
- » Look for all opportunities to leverage renewable energy resources
- » Ensure all Centuri facilities are equipped to provide the cleanest air quality possible
- » Partner with facilities contractors and developers that have the same high standards for environmental stewardship



Location Matters

An example of our revised real estate strategy in action is the move of our Maryland operations. After carefully examining average commute times and fuel use of crews traveling from a Maryland operations facility to their worksites, it was discovered that a new location would drastically reduce both. By moving the facility we were able to reduce crew drive times 80%. In total, we anticipate a near \$10 million savings over 10 years simply by opting for a different location. Less commute time also increased safety and quality of life for employees, while reducing vehicle emissions.



Field

Assessing environmental risk mitigation in our field operations is a critical component of our GHG reduction goal. In 2021, we performed an environmental gap assessment to determine the state of our environmental auditing function, training, and policies. As a result, we added an Environmental component in our Integrated Management System, which will allow Centuri to optimize the management of all aspects of Safety, Health, Environment, and Quality (SHEQ).

Moving forward, the Company's related SHEQ policies, commitments, and programs, including those focused on environmental matters, will be updated to reflect this new SHEQ integrated management system. This endeavor will take place in a phased approach over the next 18 to 24 months.

Technology to Reduce Our Footprint, While Increasing Productivity

We're always looking for ways to innovate in our field operations. NPL modeled this when we recently joined long-time partner Vermeer in field demonstrating new state-of-the-art hydrovac technology that siphons water out of the dirt on site. With the water removed, the mud dries and can be used for backfill once work has been completed, rather than being hauled offsite and disposed of.

This technology has the potential to transform the industry by reducing trucking and hauling of construction spoils by over 60%, reducing landfill waste, and reducing traffic and pollution in local communities. And with little to no disposal costs, it's estimated this machine will increase production on-site by 40%.







CANYON
A CENTURY COMPANY

npl
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RIGGS DISTLER
A CENTURY COMPANY



Social

Empowering People and Our Communities

We are part of the communities we serve, and the work we do is essential for powering the lives of those around us. As a responsible corporate citizen, employer of choice, and good neighbor, we are proud of the many ways we go beyond our work to give back, build better opportunities, and ensure our community impact is a positive one.

Commitment to Diversity, Equity, and Inclusion

To build a company-wide culture where diversity, equity, and inclusion are fundamental values in the everyday business practices throughout the workplace environment. We envision a workplace that is diverse and welcoming to all individuals that is supported with a framework that demonstrates our commitment to these values through words and actions.

- » Foster a workplace that is welcoming, inclusive, and representative of the communities we serve
- » Engage our workforce to listen, promote open dialogue, and confront challenging conversations about DEI
- » Provide the resources for training and education that creates a model for how we have those conversations
- » Share best practices and create opportunities for our associates to express their thoughts on how we can be better
- » Be transparent about our plans on DEI with our employees and Board members

Meaningful Action Behind Our Commitments

Our journey to strengthen diversity, equity, and inclusion (DEI) across our organization started with listening to our employees and putting an organizational structure in place through the establishment of our DEI Council last year. This enabled meaningful action, particularly the recent rollout of several training programs and Employee Resource Groups.

2021 Workforce Diversity Metrics

Veterans	»	239 Hired	8% of All Hires
Women	»	7% of Total Workforce	9% of All Leaders
Ethnic/ Racial Minorities	»	24% of Total Workforce	17% of All Leaders



The DEI Council met at NPL's Las Vegas office in Q2, 2022, continuing their work to advance a culture that is inclusive and welcoming for everyone.

Encouraging Cultural Competency through Training

We rolled out several training courses to both our entire population and management groups to enhance DEI and cultural competency in workplace conduct and hiring practices.

- » Treating All People with Respect
- » Microaggressions in the Workplace
- » Workplace Diversity Inclusion and Sensitivity
- » Unconscious Bias

Employee Resource Groups

Over the last year, Centuri launched six Employee Resource Groups (ERGs), providing a platform for the diverse communities within our workforce, while advancing a diverse, equitable, and inclusive company culture. These employee-led groups are comprised of volunteers and open to all Centuri companies. Each ERG has an executive sponsor and one or more chairpeople who report to the DEI Council, which is led by Centuri's Chief Human Resources Officer, Veronica Delgado. Our all-employee communications tool ONE Connect, which can be accessed by any employee regardless of location or position, is a platform for employees to engage with our ERGs.

Employee Resource Groups



Mental Health

Information and resources focused on mental health and suicide prevention



CommUNITY

Enhancing social, cultural, and civic engagement activities within the communities where we work



Canadian Diversity Network

Strengthening the connection between Canada- and US-based workforces while advancing outreach to diverse communities



WE-VETS

Supporting current and former military service members



WELD

Inspiring and supporting women to achieve professional success



Pride

Providing opportunities for the LGBTQ+ community and their allies to be successful in the infrastructure services industry

Prioritizing Mental Health

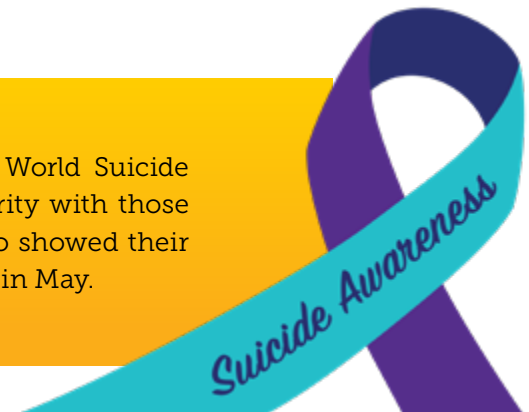
With mental health issues disproportionately impacting the construction industry, our Mental Health ERG is leading the way with an emphasis on mental wellbeing. The group coordinated participation of all our operating companies during Mental Health Month and provided a robust collection of resources to employees. They have been instrumental in making mental health a component of our safety culture.

// Safety has always been a top priority for the company, and now we are working toward an equally important focus on mental wellbeing and psychological safety. Centuri's Mental Health ERG recognizes the importance of employee mental health and creating a culture of support for our employees' wellbeing and mental health needs. It is our goal to develop and disseminate resources to assist employees and their families who are working to overcome life challenges. This resource group serves as a network and support system for employees to have a safe place to reach out for help without fear of employment repercussions and without the stigma of mental health illness.

Excerpt from an article featured in Manage HR magazine written by Nicole Thunich, Chief Safety, Health, Environmental & Quality Officer, and Joyce LePage, Director, Human Resources.



Our Mental Health ERG provided t-shirts for all employees to wear on World Suicide Prevention Day (9/10) in support of our commitment and to show solidarity with those who may be suffering. Many employees from across the organization also showed their support by contributing to a video during Mental Health Awareness Month in May.



Investing in Diverse Suppliers

Our DEI commitment includes economic inclusion of local and diverse suppliers throughout our supply chain. We invest in outreach, mentorship, and networking so that our supplier partners can grow along with us.

\$184M

Spent with Diverse Suppliers

21%

Total U.S. Spend with Diverse Suppliers

NPL's Partner Alliance in the Great Lakes Region is the gold standard of our diverse supplier program. The cohort of NPL operations leaders and select partner suppliers meet quarterly to discuss advancement of diverse supplier initiatives through business education, mentorship, networking, and advocacy. NPL's efforts were recognized with supplier awards from the Federation of Women Contractors as well as key customers.

25

Partner Alliance Members

90

Total Volunteer Hours in 2021

Centuri is a member of:

- » National Minority Supplier Development Council
- » Hispanic American Construction Industry Association
- » National Association of Women in Construction
- » Pacific Southwest Minority Supplier Development Council
- » Illinois Hispanic Chamber of Commerce
- » Quad County Urban League



NPL and Partner Alliance members host the Not Before My Parents organization for an anti-violence activity with local children called "Chess Moves Against Violence".



NPL accepts the Outstanding Corporate Partner of the Year award from the Federation of Women Contractors at the Women Rock Awards in Chicago, IL.

Corporate Philanthropy Spotlight: Helping Hands

The newest addition to the Centuri family, Riggs Distler's employee-led Helping Hands committee coordinates philanthropic activities across our northeast operating area. Together the group donated 244 volunteer hours benefiting nine nonprofits including Ronald McDonald House, American Red Cross, St. Jude, and other local organizations.



RIGGS DISTLER'S
HELPING HANDS
GENERATING CHANGE



Local Donations

Helping Hands also coordinates near-monthly efforts like clothing and food drives. Ahead of Thanksgiving, the Cherry Hill, Brookhaven, and Upper Darby offices supported the Philabundance Food Bank in Philadelphia with carloads of food and a donation, while Rocky Hill office supported their local food bank in Connecticut.



St. Jude Walk/Run

Riggs Distler was a Champion Sponsor of the St. Jude Walk/Run in New Jersey. The team of 40 members from multiple locations was the highest fundraising team with \$43,000, after a \$20,000 company match. Over the last three years, Riggs Distler has donated over \$100,000 to this event.

Maximizing Our Impact

2021 Metrics

\$540,658 Total Philanthropic Contributions

1,063 Total Employee Volunteer Hours

Giving Back

Neuco donated a total of \$52,000 to 12 organizations in 2021, with \$20,000 from the generosity of employees. Their holiday fundraiser alone raised \$40,000 to benefit three local food banks, Boys and Girls club of Lawrence, MA, Dana-Farber Cancer Institute, The Jimmy Fund in Boston, and the Boston Children's Hospital.



They also brightened the season for children through Toys for Tots contributions and donated \$20,000, which was matched dollar for dollar by the company.

Riding to Conquer Cancer

In addition to \$15,000 in donations to United Way and Ronald McDonald House, NPL Canada also raised nearly \$146,000 for the Princess Margaret Ride to Conquer Cancer.



Supporting STEM Education

NPL sponsored a local high school's robotics team in Minnesota to help the team outfit their workshop and attend the state competition, which they won. NPL also made sure that these future scientists, engineers, and builders had all the necessary personal protective equipment to stay safe.



Building Better Communities

Employees of Linetec Services and WSN Construction volunteered with Habitat for Humanity on home building projects in their respective areas. Linetec's build was also part of a veterans community project.



ERG Philanthropy Emphasis

Our newly launched Employee Resource Groups also focused on making an impact in the local community.

Members of the WELD (Women Engaged in Leadership Development) ERG volunteered at a Habitat for Humanity Central Arizona home building event. This home, once complete, will help to provide a safe, affordable living environment for a local family of eight.



CommUNITY worked with United Way to benefit needy senior citizens in Chicagoland by building kits of essential hygiene products, snacks, and other items to keep them entertained and comfortable. To amplify their efforts, CommUNITY teamed up with NPL's Partner Alliance, who also prioritize local engagement. Together, CommUNITY and the Partner Alliance assembled 100 baskets that were donated to Housing Forward, a Chicagoland nonprofit with a mission to transition people from housing crisis to housing stability, in time for Easter.



Frontline Heroes

Our frontline employees do more than keep power flowing to homes and businesses. We often go above and beyond to help when our customers and communities need us. Linetec employees alone, performed above and beyond for those in six emergency situations.



Quick Action to Save a Life

A Linetec crew rescued a man in Central Texas who was being electrocuted by safely pulling him clear of the hazard, performing CPR, and directing emergency medical personnel to the scene.



Care For Crash Victim

Coming upon a recent traffic accident in Arkansas, a Linetec crew came to the aid of the unconscious and badly injured driver with their AED and first aid kit and secured the area until EMTs and the police arrived.

Supporting Our Customers with Emergency Response

While emergency response is an important service Centuri performs to help communities recover from storms and other severe weather events, we also come to the aid of our customers in fire emergencies.



NPL crews in California and Arizona answered the call for help from our customers to make impacted areas safe and to help homeowners recover. During the Coastal Fire in California, crews worked for 32 hours straight to abandon gas service lines in damaged or destroyed homes. After the Tunnel Fire in Arizona, NPL took part in a one-day, all-hands-on-deck effort to restore service to customers by going door to door to make pipeline repairs and relight homes.



Wildlife Rescue

It's not just people that Centuri employees help in times of need. When an NPL employee in Wisconsin discovered an injured great horned owl near a jobsite after a strong storm, he called Wildlife Wisconsin and assisted in the rescue. Having become too weak to fly or hunt, the owl would likely have perished without his intervention.



Expanding Our Inclusive Workforce Development Programs

Inclusion is a primary driver in our recruiting and workforce development efforts. Through strategic partnership with our customers, educational institutions, and government agencies, we are increasing opportunities for military service members and the diverse communities we serve.

As our partnerships deepen, Centuri companies are replicating job-readiness programs that benefit our capability to meet our customers' needs while aligning with our DEI values. Our work with Job Corps to develop a Natural Gas Pipeline Academy, for example, grew in 2021 from its inaugural offering in Phoenix to additional cohorts in California and Illinois. We also partnered with a key customer and Goodwill to provide mentors for a training program to bring people into the energy industry. Expanding our reach into post-secondary education, we shared the curriculum from a gas utility program at Northeast Wisconsin Technical College with another community college in Illinois.

Partnerships Provide Skills and Opportunities



Increasing Opportunities for Indigenous Communities

In both the U.S. and Canada, providing employment opportunities in Indigenous communities is an important component of how we support our customers. In addition to Community Expansion projects in First Nation communities, including the Saugeen First Nation in Ontario, we recently employed an Indigenous Liaison at NPL Canada to help establish and maintain positive working relationships with the three communities they are working with on the Geraldton Ontario Project.

As part of our commitment to Aboriginal business development and employment, NPL Canada belongs to the Canadian Council of Aboriginal Business and is working toward a Progressive Aboriginal Relations designation to increase their impact. NPL Canada currently employs Indigenous peoples, actively recruits in Indigenous communities, and seeks to partner with qualified Indigenous suppliers.

In Arizona, National Powerline partnered with the Navajo Tribal Utility Authority to replace critically-aged electric infrastructure and construct additional projects that will deliver electricity to members of the Navajo community who have never had power before. As a component of this partnership, National Powerline coordinated outreach and training to include local residents, setting a goal that 50% of the workforce for the project be of Navajo descent.





Supporting Our Military Service Members

Our Operation Solid Ground initiative supports the military community and their families by removing barriers to meaningful civilian careers and dual service. In addition to the mentorship and resources we provide through this program to the many service members we welcome to our own team, we are making a big impact to help the thousands of transitioning service members across several industries.

2021 Metrics

239 **>>>** **8%**

**Service Members
Hired**

All New Hires

Our influence as the national chair of the Reserve Organization of America's (ROA) Citizen-Warrior Coalition grew. This organization's mission is to give U.S. Reserve members a path where they can continue their military service while also pursuing a civilian career. Centuri is also working with the ROA to support government policies that will incentivize small businesses to hire Reservists. With our participation in the P3 (Public - Private - Partnership) Alliance, we are working with the Chief of the Army Reserve to increase the visibility of our operating companies at training events at the Reserve Center and with their recruiters.

U.S. Department of Defense SkillBridge Program Expands

Centuri's partnership with U.S. Department of Defense SkillBridge program continues to grow. As an official DOD-approved partner, Centuri companies offer fellowships to transitioning military service members during the final phase of their active-duty military career. While Centuri has hired SkillBridge participants at our corporate office, this year we expanded the program to our first operating company. This program provides an ideal opportunity for service members to apply their skills for meaningful employment, and it will continue to be a growing component of our Operation Solid Ground service member support initiative.

Tarn Sanger, 26-year veteran of the U.S. Air Force, is part of NPL's HR team in Arizona. He is the first SkillBridge participant to join one of our operating companies. "SkillBridge is an opportunity to get the most out of one's military service. With research and planning, every bridging service member can find their dream role in the civilian workforce. SkillBridge works!"



Tarn Sanger, HR Business Partner



Centuri's SkillBridge alumni: Andy Ranson, Lawrence Carlas



Taking Care of Employees

Our network of resources to support our team members and their families in times of need continues to grow. Building on our robust Employee Assistance Program, which includes free counseling to employees and their families, we have emphasized the importance of mental health and the resources available to support those who may be struggling.

Employee Care Fund

\$380,000

Total Provided
to Employees

\$85,000

Provided to Employees
in 2021

Centuri Scholarship Program

Centuri's scholarship program continues to brighten the futures of our employees' eligible dependents who plan to attend two- or four-year colleges, vocational schools, and other post-secondary educational institutions.

30 Scholarships Awarded Since 2020

\$125,000 Awarded

50% Awarded to Ethnic/Racially Diverse Applicants

Careers Built on Solid Ground

With our goal to be the employer of choice for current and prospective employees, we know the importance of providing a foundation where employees can build their careers in a fair and welcoming environment. That's what Solid Ground means to us. At Centuri, employees are part of well-established and growing teams, working in a stable industry, with access to training and resources to advance.

775

Promotions in 2021

330

Promotions to Management and Leadership Positions

36%

of All Promotions to Women and Individuals from Racially/Ethnically Diverse Backgrounds

Our promote from within culture is backed by leadership training programs like Foreman in Training, LEAD, and a variety of other apprenticeship and mentoring opportunities, including access to LinkedIn Learning and other online training in our Learning Management System, that encourage individuals to enter management ranks. In addition, we continue to increase the visibility of internal job postings for all employees.

LinkedIn Learning Highlights

822

Course Completions

16,153

Video Completions

*Jun 9, 2021 – Dec 31, 2021



**SOLID
GROUND**
SOLIDGROUND CAREERS.COM







Governance

Sustainable and Ethical Business Operations

We are committed to sustainable and ethical business operations and have a framework in place to support sound and transparent leadership as well as established expectations for employee conduct and those in our supply chain.

Governance Framework

Centuri's management structure, internal policies, procedures, and practices are in place to ensure the highest level of ethics and responsibility exist throughout the organization. Our Executive Leadership Team is led by our Chief Executive Officer whose goals and performance are reviewed and approved by our parent company leadership and reported to the Board of Directors. We review, update, and communicate our strategic plan on an annual basis and align individual goals to ensure focused execution of the plan. Executive compensation is tied to the achievement of key financial and strategic performance objectives.

We continue to implement sustainable business practices throughout our operations, with a goal of refining these practices over time. The Nominating and Corporate Governance Committee of the Southwest Gas Holdings Board of Directors oversees the Company's policies and performance on sustainability, climate change, diversity, equity and inclusion, human rights, and other ESG topics, while Centuri's ESG Excellence team drives our company ESG strategy and plan. The committee and management, including Centuri leadership, provide regular updates to the full Board on a regular basis.

Governance Policies

Our Employee Code of Business Conduct and Ethics summarizes Centuri's expectations for employees in the workplace. Instances when the Code of Conduct is violated are met with immediate action. Code of Conduct training, as well as training on our Discrimination and Harassment Policy, are required annually for all employees. We hold similar expectations for our suppliers and require our partners to sign and adhere to our Vendor Code of Conduct.

We encourage our employees to report any instances of misconduct in the workplace through the Centuri Ethics Helpline. The helpline provides resources and avenues for reporting inappropriate workplace behavior. Administered by a third-party with oversight by the Southwest Gas Holdings Board of Directors, every report is confidential and treated with the utmost sincerity.

Centuri's Discrimination and Harassment Policy and Human Rights commitments are available on the Governance tab on our website. These policies help us create and maintain an environment free of unlawful discrimination, harassment, and retaliation. Additional policies – including corruption, anti-bribery, and privacy policies – are contained in the Employee Code of Business Conduct and Ethics.

Drug & Alcohol Compliance

Centuri companies operate with the highest degree of care for the safety of our employees, customers, and the general public. We are committed to maintaining a safe, productive, drug- and alcohol-free workplace by taking all reasonable precautions to prevent injury, loss of life, and/or loss of property that may result from the abuse or misuse of drugs and alcohol. In accordance with the U.S. Department of Transportation and the Construction Owners of Alberta, and Energy Safety Canada, we devote substantial resources to the management of our robust drug and alcohol testing program, including training of our employees.

We operate in compliance with the following regulating authorities:

- » DOT – 49 CFR Part 40
- » Pipeline and Hazardous Materials Safety Administration – 49 CFR Part 199
- » Federal Motor Carrier Safety Administration – 49 CFR Part 382
- » COAA and Energy Safety Canada – the Canadian Model for Providing a Safe Workplace

Managing Risk

Centuri established its Enterprise Risk Management (ERM) process in 2014 using the guidance of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM Framework. Centuri's ERM function provides a framework for the identification, assessment, mitigation, and monitoring of risks to the achievement of Centuri's strategy and goals, while coordinating efforts to develop a more risk-aware culture.

Centuri annually reviews and monitors regulatory, environmental, financial, and operational risks to ensure appropriate mitigation and controls are in place to effectively reduce inherent risks. Our integrated management system (IMS) assists in managing risks related to workforce health and safety, quality, and environment.

The following are notable risks Centuri mitigates through our risk management process and IMS:

- » Emerging cybersecurity threats
- » Regulatory and environmental compliance
- » Labor shortages
- » Climate risk



Keeping Digital Systems and Data Safe

As responsible stewards of our employee privacy, customer data, and the digital systems that enable us to work on critical energy infrastructure, Centuri invests in comprehensive cybersecurity tools and practices. In 2021, we implemented a defense strategy that leverages the globally-recognized MITRE ATT&CK framework combined with a formalized incident response program that's ever evolving through real-world testing and close monitoring of the threat landscape. We also implemented a robust User and Entity Behavior Analytics platform to enhance visibility and prevention of information security incidents, and regularly conduct threat hunting activities to ensure that Indicators of Compromise are not present in the environment.



HR Diversity Training

Our goal is to build a culture where diversity, equity, and inclusion are fundamental values throughout the workplace environment. Training at all levels of the organization is a key component to this effort. All employees must complete a Treating All People with Respect course. In addition, select levels of supervisors and hiring managers also complete Microaggressions in the Workplace and Workplace Diversity Inclusion and Sensitivity training courses.

550

Supervisors and Hiring Managers Completed Training in Diversity, Inclusion and Sensitivity, Unconscious Bias, and Microaggressions

Responsible Sourcing

We consider our suppliers an extension of our business, and we hold them to the same high standards that we hold ourselves. In addition to safety and quality requirements, we also consider ESG factors in our screening and require that all suppliers adhere to our Vendor Code of Conduct.

We are also committed to and encourage in others the fair treatment of workers and to abide by standard labor practices in accordance with federal, state, and local laws. We strictly oppose any practice of human trafficking, child labor, and the exploitation of vulnerable populations.



Advisory Board

The Centuri Advisory Board has been an important part of our growth over the years. This six-member board comprised of active and retired industry leaders with a wide and deep range of executive experience and diverse perspectives has helped to guide our vision and strategy with a recent emphasis on bolstering our ESG focus. Members are appointed by Centuri's CEO and the CEO of Southwest Gas Holdings, who is also the Advisory Board's chairperson.



Karen S. Haller

President & Chief Executive Officer, Southwest Gas Holdings, Inc.



Paul M. Daily

President & Chief Executive Officer, Centuri Group, Inc.



Paul J. Caudill

Retired Chief Executive Officer, NV Energy



Julie A. Dill

Executive Chair, Southern Star Central Gas Pipeline



Charles R. Patton

Executive Vice President-External Affairs, American Electric Power



Robert C. Skaggs, Jr.

Executive Chairman, DT Midstream

A Sustainable Future

As part of the value chain that connects people to power across North America, Centuri has a more vital role than ever in helping to meet tomorrow's energy needs. As we transition to cleaner power sources and delivery methods, we commit to working safely, responsibly, and sustainably with the long-term in mind. In doing so, we will continue to develop and care for our workforce, build better opportunities for our suppliers and those in our communities, and steward our planet with care and respect.





CENTURI

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