Sterling: Safety

Response to COVID-19

Emergency Response Plan. At the onset of the pandemic, we created a task force and developed our COVID-19 Emergency Response Plan (ERP) to combat the virus within our organization. Our employee response was remarkable, and without hesitation, we began implementing our plan to do our part in stopping the spread of the virus.

Safety of Our People. As we managed through the pandemic in 2020, we developed situation-based flow charts that were crucial in helping us navigate the unprecedented situation and to slow the spread of COVID-19 within our company. We trained our employees on signs and symptoms of COVID-19 and implemented practices of social distancing, temperature checks, and questionnaires.

Partnering with our Clients. With our clients, our priority has been to keep everyone safe. In order to manage the pandemic effectively, we worked as a team by communicating obstacles and worked jointly to incorporate safety requirements into our plan. Like most organizations, we are not immune to having employees contract the virus. In these instances, we keep clients informed of the situation, including contact tracing, and our testing and quarantine procedures.

Planning for the Future. Our key learnings throughout this center on teamwork and organizational flexibility. Both have been critical to our success while navigating through these challenging times. We may not know what the future holds, but we rest assured knowing that we have a great group of responsive employees.

For more about our Response to COVID-19, refer to our Proxy Statement
https://www.strlco.com/sites/default/files/SEC_Fillings/2021/2021%20Proxy%20Statement.pdf

Safety as a Cornerstone

Protecting our Employees. Promoting safety and preventing injuries has always been a cornerstone of our heritage. Safety is not about a rule or regulation, it is about protecting our employees both on job sites and in our offices. Our goal is to make sure everyone goes home safe and sound every day.

Board Oversight. Our board of directors as a whole is responsible for risk oversight. Two of our board committees assist the board in fulfilling its oversight with risk items pertaining to safety.

Safety Management. Safety is managed under our HSE function with company-wide objectives, policies, and goals set at the corporate level. Our Executive Leadership Team, comprised of corporate officers and business unit presidents, oversees HSE (including physical security). Our Vice President of HSE provides direction and guidance and has field representatives managing programs related to safety, environment, emergency response, site-specific initiatives, and OSHA compliance.

Safe & Sound. We have systems in place through our Safe and Sound program that helps safeguard our efforts of protecting our employees. The core principles of Safe and Sound are:

- Commitment from all levels of the organization
- Empowering employees to make the right decision every day
- Communicating expectations to all employees
- Sound practices planning work safety into operations
- Training employees on work environment hazards
- Accountability tracking leading indicators to measure safety

For more about our Safe and Sound program, refer to website
https://www.strlco.com/sustainability-social

Safety Performance

2020 Awards. We won the American Road and Transportation Builders 2020 National Safety Award, won the Associated General Contractors of America (AGC), California Chapter Exemplary Construction Safety (Heavy Civil) award, and were the AGC Utah Chapter's Diamond Award Winner.

Workplace Safety

Safe Work Environment. In 2020, we had the safest work environment in our company's history. We saw our recordable incident rate reduced over 40%, and our lost time incident rate (LTIR) reduced over 20% making our LTIR almost 10 times better than the industry average.

Safety KPIs	FY19	FY20	Through 6/30/21
Total Recordable Injury Rate (TRIR)	1.51	0.92	0.40
Lost Time Rate (LTR)	0.18	0.13	0
Experience Modification Rate (EMR)	0.82	0.84	0.76
Fatality Rate	0	0	0