

ESG Annual Report Fiscal Year 2022



hat does it mean to be a good corporate citizen? CCS Facility Services asks ourselves this question regularly.

Unified under our core values of commitment. professional integrity, accountability, continuous improvement, and excellence, we strive to demonstrate our corporate citizenship to thousands of clients and employees across the country.

In addition to delivering excellence in customer service, facility engineering, and janitorial services, we are committed to meaningful and measurable excellence.

Corporate citizenship means taking ownership for improving the foundations of our company: our people, our customers, our communities, and our planet. We pride ourselves on being a leader in the facility services industry in excellence in customer service and how we treat our people, and we take very seriously our responsibilities to the communities in which we do business.

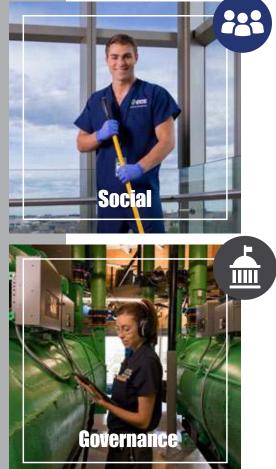
But responsibility and commitment are not just buzz words: we pledge to back up our promises with actions to move the needle on Environmental, Social, and Governance initiatives, collectively known as ESG.

ESG Commitment Statement

We act responsibly toward our teammates, our clients, our communities, and our planet through trustworthy and transparent actions.







Page 2 | CCS Facility Services ESG Annual Report, FY 2022



Environmental Goals

- Reduce per-employee GHG emissions 10% by 2025 compared to 2019 baseline
- Collect improved GHG data to conduct a more accurate inventory of branch and corporate office energy consumption

Environmental Actions

Environmental stewardship has always been central to CCS Facility Services -- so much so that we incorporated the earth surrounded by leaves into our logo!

How a vehicle is operated contributes to its individual carbon footprint. Harsh breaking and speeding are not only safety hazards, but those actions result in a less fuel-efficient vehicle. Idling for more than 10 seconds "produces more emissions that contribute to smog and climate change than stopping and starring the vehicle."1

CCS Facility Services tracks driving performance for all fleet vehicles and shares results on a weekly basis with the management group to reinforce safe and environmentally friendly driving habits.

¹ https://afdc.energy.gov/files/u/publication/idling_personal_vehicles.pdf ² https://evco.colorado.gov/

Drive Smarter

CCS has begun its evolution to an electric fleet with the purchase of our first electric van, the E Transit, arriving Q3 2023. We also are buying additional hybrid vehicles this year, and we purchased a Ford Maverick truck in California that has a hybrid engine, projected to get 37 MPG (city/highway combined).

Our team is still evaluating the long-term plan for expanding our electric fleet. Electric commercial vehicles are brand new to the industry and access is tight.

We will evaluate how the E Transit performs. We must balance the capability of this vehicle against the operational needs of the business. Availability of charging stations is growing but still not widely available, such as at branch office parks or customer sites.







Social Goals

- Increase diversity in leadership • by providing upward mobility opportunities for field staff
- Maintain an 80% internal promotion rate
- Increase employee retention rate by 10% by 2025
- Expand our focus on equity and inclusion by establishing a DEI committee
- Engage 100% of management in DEI training by 2023

Focus on Retention

The foundation of our business is our people, as our frontline staff is delivering on our value proposition every day. That's why, in 2022, we focused on efforts to drive retention.

We revisited and revised our Emotional Intelligence training for supervisors and above to create stronger communications between management and the field. CCS' "El 2.0" will go live in 2023.



Additionally, as part of our retention effort, we implemented a company-wide texting program to all staff to their personal mobile devices. Staff choose to opt-in to company communications at onboarding. This tool offers a two-way, real-time communication platform. We are using it for individual birthday and work anniversary celebrations, for important branch or state-specific news, and to promote the Employee Engagement Survey.

Employees that feel cared for and experience satisfaction in their jobs are at the heart of our brand promise to our customers. Our Social focus on employee retention was informed not only by the very challenging job market in 2022 but also by the desire to defy the stereotypes of our industry. Part of that effort was the launch of our first annual Employee Satisfaction Survey, deployed to the whole of the company through multiple channels.

Noteworthy results include:



85% said they have the supplies needed to do their jobs

of employees responded to the Employee Satisfaction Survey – far outperforming our goal of 25%

69% said they see their supervisor at every shift

Page 6 | CCS Facility Services ESG Annual Report, FY 2022



malicious attempts to infiltrate our >1_100 website have been blocked due to CCS' extensive website security



Governance Goals

- Discuss ESG topics at the Board • level quarterly
- Maintain an industry-leading cybersecurity and data privacy program
- Report on our progress by publishing an annual ESG Report starting in FY22

Our responsibility toward the privacy of our employees and protection of our customers' data is paramount. CCS Facility Services has made extensive investments in cybersecurity programs and regularly evaluates their effectiveness to protect our systems from harm.

For example, CCS implemented two-factor authentication for executives and senior leaders across multiple programs. We have regular phishing tests that go out to the entire database of employees with CCS email addresses. Employees that fail a phishing test may be directed to a resource for additional study.

Privacy Laws

Over the last five years, several states and countries have proposed and passed privacy bills that would require websites that collect personal information to have a compliant Privacy Policy. These bills all have different requirements for the disclosures that need to be made in a Privacy Policy and would impose heavy fines for failing to include those disclosures. In fact, some states are proposing to allow consumers to sue businesses directly for not having a compliant Privacy Policy.

These laws were created to protect consumers of those states and countries, not businesses. This means these laws may apply to businesses outside of those states and countries and will apply to CCS Facility Services if we were to do business there, if we were to offer goods or services there, or if we were to collect the personal information of residents of those states or countries. The ubiquitous Google Analytics falls into the latter category.

To be proactive and keep the best interests of our employees and customers in mind, we have implemented software solutions that allow us to be in compliance with the privacy laws that have been passed. These tools allow us to remain compliant with laws, such as providing GDPR and CCPA notifications, by giving our website visitors choices about how their data is used.

We also are on the leading edge of businesses that are exploring other privacy first focused analytics tools that meet the requirements of the most restrictive laws while also providing valuable marketing data for our teams.

Security & Preventing Attacks

Through proactive maintenance and regular monitoring, we have provided safe and secure access to the CCS website for over 40,000 visitors in the past 12 months. In the last four months alone, we have thwarted more than 1,000 malicious attempts to gain access to our website. We continue to proactively monitor, evaluate, and implement new technologies that are designed to keep our customers and employees safe while they visit the CCS Facility Services website.



