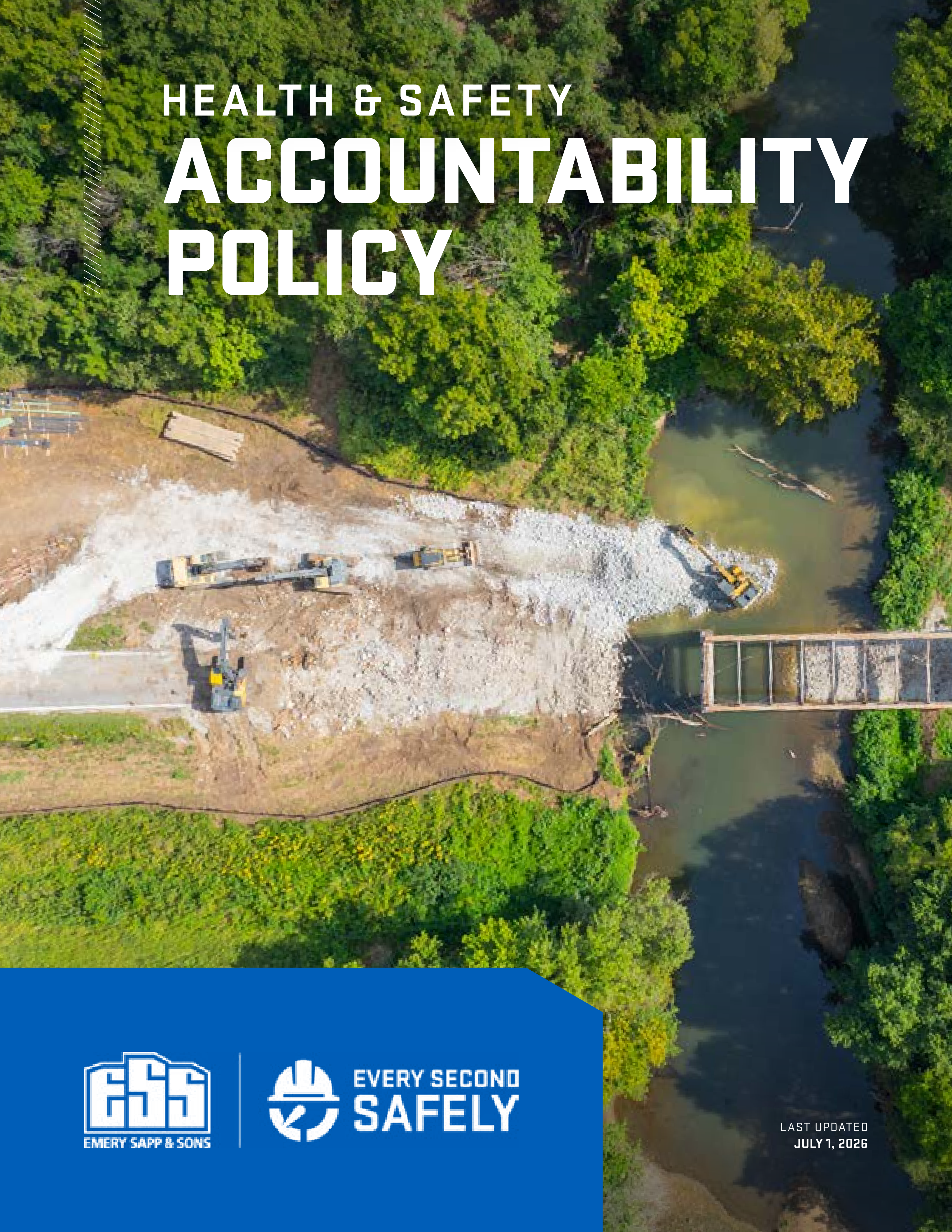
HEALTH & SAFETY

ACCOUNTABILITY POLICY



EMERY SAPP & SONS

EVERY SECOND SAFELY

LAST UPDATED
JULY 1, 2026

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SECTION 1

HEALTH & SAFETY ACCOUNTABILITY POLICY

1.1 PURPOSE

Emery Sapp & Sons ("ESS") employee-owners share a responsibility to look out for one another and the communities in which we work, every second of every day. Health and safety is not just a regulatory requirement; it's a commitment we make to each other — and why every employee-owner carries Stop Work Responsibility. Stop Work Responsibility requires every employee-owner to intervene when an Unsafe Act or condition is identified, it is a duty and not a choice.

As employee-owners, we are stewards of ESS and are invested in its long-term success. The Health & Safety Accountability Policy (the "Policy") sets clear expectations for how Unsafe Acts are addressed across all operations at ESS — promptly, fairly, and consistently. Accountability is central to our safety culture, reinforcing both individual responsibility and our collective obligation to protect our people, assets, and reputation.

This Policy applies to all ESS employee-owners.

1.2 ROLES AND RESPONSIBILITIES

ESS Senior Leadership, consisting of Executive Leadership and Branch Vice Presidents, is responsible for establishing and maintaining policies that promote safe and compliant work practices throughout ESS. As employee-owners, everyone also shares responsibility for protecting their own safety and the safety of fellow employee-owners by following established procedures, identifying hazards, and exercising their Stop Work Responsibility when unsafe conditions or behaviors are encountered.

When requirements and safe work practices are not followed, ESS Senior Leadership will take timely and appropriate corrective action to prevent injuries, incidents, or damage to property.

Actions may include hazard elimination, retraining, or formal action, up to and including termination.

Health & Safety and Human Resources personnel may provide guidance or recommendations regarding the severity classification of Unsafe Acts and appropriate action but is not responsible for administering Accountability Actions. Final determination of Accountability Actions will be made by ESS Senior Leadership in accordance with this Policy.

ESS leaders and supervisors are held to the same standard as the employee-owners they lead. When failures in oversight, enforcement, direction or corrective action contribute to an Unsafe Act, comparable Accountability Action may apply.

All Accountability Actions will be documented and maintained by the Human Resources and Health & Safety departments.

1.3 POLICY ADMINISTRATION & MANAGEMENT RIGHTS

To ensure the safety of all employee-owners and the public, ESS leadership retains the authority and responsibility, in its sole discretion, to interpret, administer, and enforce this Policy in a manner consistent with company values (People, Purpose, Partnership, Passion, Performance), operational needs, and applicable federal, state, and local laws and regulations. When safety is at risk, ESS may take immediate action, including but not limited to removal from company vehicles, jobsites, or operations, as deemed necessary to safeguard persons and property.

While our goal is to correct unsafe behaviors and reinforce safe practices, ESS reserves the right, in its sole discretion and to the fullest extent permitted by law, to impose Accountability Actions, up to and including termination of employment, without prior notice, where conduct jeopardizes the safety of others or the integrity of ESS.

Any exception, waiver, or deviation from this Policy must be approved by the Senior Executive Vice President, in consultation with the Vice President of Health & Safety and the Director of Human Resources.

1.4 ACCOUNTABILITY ACTION

LEVEL 1 OR 2 SEVERITY (ACTUAL OR POTENTIAL) UNSAFE ACTS

A Level 1 or Level 2 Unsafe Act is defined as an Unsafe Act that is unlikely to result in serious physical harm or significant damage to equipment or property.

An employee-owner who commits a Level 1 or Level 2 Unsafe Act will be subject, at a minimum, to the accountability outlined within the Accountability Policy Matrix.

Unsafe Acts do not need to be identical for progressive Accountability Actions to apply.

Specific circumstances may require ESS leadership, which includes a Vice President of the Branch involved, to consult Health & Safety personnel for assistance in properly assessing the actual and potential severity of Unsafe Acts.

LEVEL 3 OR 4 SEVERITY (ACTUAL OR POTENTIAL) UNSAFE ACTS

A Level 3 or Level 4 Unsafe Act is a serious violation that presents a high risk of severe injury or fatality, significant equipment or property damage, or substantial disruption to operations.

Any employee-owner who commits a Level 3 or Level 4 Unsafe Act will be subject, at a minimum, to the action outlined within the Accountability Policy Matrix.

Leadership reserves the right to immediately terminate employment if the Unsafe Act is deemed sufficiently severe, egregious or willful.

Unsafe Acts do not need to be identical for progressive Accountability Actions to apply.

ESS reserves the right to immediately remove any individual who has committed a Level 3 or Level 4 Unsafe Act from company property or operations and to restrict future access as deemed necessary.

1.5 THE ESS "STANDARDS"

The ESS "Standards" exist for one reason: to protect our people. Safety is not something we do in addition to the work — it is how we work. As employee-owners, we each have a shared responsibility for one another, and every decision we make impacts the team.

These "Standards" provide clear expectations in the moments that matter most and empower every employee-owner to make safe choices, every time. They exist to protect our crews, our families, and each other, so everyone goes home safe at the end of the day. No task is so urgent that it cannot be done safely. Every employee-owner. Every task. Every second.

The "Standards" below address the willful disregard of our safety requirements.

TRENCHING & EXCAVATION

Entering or allowing entry into an unprotected trench or excavation without the protections required to prevent a cave-in or other serious hazard.

FALL PROTECTION

Working 6 feet or more above the next lower level without the required fall protection in place or allowing others to do so. (OSHA Subpart M)

LOCKOUT/TAGOUT

Bypassing, failing to apply, or allowing work without required lockout/tagout protections when exposure to hazardous energy exists.

CONFINED SPACE ENTRY

Entering or allowing others to enter a confined space without the required permit, hazard assessment, or other required entry controls in place.

RETALIATION

Retaliating against an employee-owner for exercising their Stop Work Responsibility or raising a good-faith health and safety concern.

Verified violations of these "Standards" will result in a minimum 20-day suspension, up to and including termination of employment.

1.6 CONCLUSION

The Policy is designed to strengthen our health and safety performance. It is a management tool used by ESS Senior Leadership to protect the health and safety of our employee-owners.

SECTION 2

ACCOUNTABILITY POLICY MATRIX

After an employee-owner commits an Unsafe Act, follow the steps and actions outlined within the Accountability Policy Matrix.

STEP #1: DETERMINE ACTUAL & POTENTIAL SEVERITY OF THE UNSAFE ACT

Using the criteria defined in the following Accountability Policy Matrix, choose the highest severity level based upon the most significant harm to people, environment/community and equipment/property.

A **Level 1 or 2 Unsafe Act** is defined as an Unsafe Act that is unlikely to result in serious physical harm or significant damage to equipment or property.

A **Level 3 or 4 Unsafe Act** is a serious Unsafe Act that presents a high risk of severe injury or fatality, significant equipment or property damage, or substantial disruption to operations.

Actual Severity: The extent or degree of real harm caused by an event.

Potential Severity: The greatest extent or degree of harm that could reasonably be foreseen to result from an event under similar circumstances.

STEP #2: DETERMINE THE UNSAFE ACT TYPE

A. Human Error: Unsafe Act is a result of a lapse, misunderstanding or a decision based on incomplete information.

B. At Risk Behavior: Unsafe Act accepted as normal behavior. Risk associated with the Unsafe Act is underestimated.

C. Willful Disregard: Willful disregard of our health & safety requirements.

STEP #3: DETERMINE RESPONSIBILITY ASSIGNMENT

Organizational Responsibility: Unsafe Act is due to insufficient training, processes, procedures, proper resources and/or supervision.

Employee-Owner Responsibility: Unsafe Act is the responsibility of an employee-owner or multiple employee-owners.

STEP #4: APPLY APPROPRIATE ACCOUNTABILITY ACTION

ACCOUNTABILITY POLICY MATRIX

EVALUATION

SEVERITY LEVEL	PEOPLE	ENVIRONMENT/COMMUNITY	EQUIPMENT/PROPERTY
1 OR 2	Injury or illness requiring first-aid treatment only *Examples: minor cuts, bruises, sprains, strains, abrasions, irritation, inflammation, object in eye via first aid treatment*	• No direct impact to air, surface/ground water, or soil • Effects restricted within buildings or containment structures	• No impact on equipment functionality • Minor, cosmetic damage • Losses not exceeding $5,000 • Repair costs easily covered by normal project operating budget
1 OR 2	Injury or illness requiring medical treatment, restricted/transferred work, lost time, or resulting in temporary disability or loss of function *Examples: deep laceration, fracture, concussion, dislocation, or injury requiring surgery*	• Temporary (up to one month) impacts to air, surface/ ground water, or soil limited to the project site • Could create exposure for potential breach of regulatory requirement or limit • Negative publicity	• Loss of equipment that can be readily replaced • Losses $5,000 - $25,000 • Minor impact on project budget and schedule
3 OR 4 HIGH SEVERITY EVENTS	Long-term, life-altering injury or illness resulting in permanent total or partial disability *Examples: amputation, severe disfigurement, paralysis, loss of limb, organ, vision, or hearing*	• Lasting (up to one year) impacts to air, surface/ground water, or soil • Offsite area/community affected • Events that are reportable to regulatory authorities • Negative publicity	• Losses of equipment or property that cannot be readily replaced • Losses $25,000 - $50,000 • Significant unplanned impact on project budget and schedule
3 OR 4 HIGH SEVERITY EVENTS	Fatality(ies)	• Long-term (multi-year) impacts to air, surface/ground water, or soil • Legal liability for related consequences • Effects widespread areas including offsite area/ community affected • Negative publicity	• Extensive losses of equipment or property greater than $50,000 • Major unplanned impact on project budget and schedule

ACCOUNTABILITY ACTION

SEVERITY LEVEL	UNSAFE ACT	1ST OFFENSE	2ND OFFENSE *Unsafe Acts within 6 months of the first offense; do not have to be related*	3RD OFFENSE *Unsafe Acts within 6 months of the first offense; do not have to be related*
1 OR 2	**A:** ***Human Error***	**Organization:** Branch EVP/VP, VP Health & Safety review **Employee-Owner:** Written warning	**Organization:** Branch EVP/VP, VP Health & Safety review **Employee-Owner:** Written warning and a minimum 1 working day suspension	**Organization:** Branch EVP/VP, VP Health & Safety review **Employee-Owner:** Written warning and a minimum 3 working day suspension
1 OR 2	**B:** ***At Risk Behavior***	**Employee-Owner:** Written warning and a minimum 1 working day suspension	**Employee-Owner:** Written warning and a minimum 1 working day suspension	**Employee-Owner:** Written warning and a 5 working day minimum suspension up to termination
1 OR 2	**C:** ***Willful Disregard***	**Employee-Owner:** Written warning and a minimum 3 working day suspension	**Employee-Owner:** Written warning and a minimum 5 working day suspension, up to termination	**Employee-Owner:** Written warning and a minimum 10 working day suspension, up to termination
3 OR 4 HIGH SEVERITY EVENTS	**A:** ***Human Error***	**Organization:** Senior EVP, Branch EVP/VP, VP Health & Safety review **Employee-Owner:** Written warning and a minimum 3 working day suspension	**Organization:** Senior EVP, Branch EVP/VP, VP Health & Safety review **Employee-Owner:** Written warning and a minimum 5 working day suspension	**Employee-Owner:** Termination
3 OR 4 HIGH SEVERITY EVENTS	**B:** ***At Risk Behavior***	**Employee-Owner:** Written warning and a minimum 5 working day suspension, up to termination	**Employee-Owner:** Written warning and a minimum 10 working day suspension, up to termination	**Employee-Owner:** Termination
3 OR 4 HIGH SEVERITY EVENTS	**C:** ***Willful Disregard***	**Employee-Owner:** Written warning and a minimum 10 working day suspension, up to termination	**Employee-Owner:** Termination	N/A

ACCOUNTABILITY RECORD

Employee-Owner Name:

Employee-Owner ID:

Date of Hire:

Job Title:

Department/Branch:

Date of Accountability Action:

Severity Level (select one):

☐ Level 1 ☐ Level 2 ☐ Level 3 ☐ Level 4

Act Type (select one):

☐ A. Human Error ☐ B. At Risk Behavior ☐ C. Willful Disregard

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The following are brief statements of the employee-owner's action(s) giving cause to this record and Accountability Action(s) taken.

What is the employee-owner being held accountable for?
What Policy/procedure or other conduct rule has been violated?

What Accountability Action is being taken?
Be specific (i.e. number of suspended working days, additional training required, etc.).

If conduct is repeated or other accountability issues develop, what additional action will be taken?
Be specific (i.e. further Accountability Action up to and including termination).

Has the employee-owner been warned about this action before? ☐ No ☐ Yes (☐ Verbal or ☐ Written)

If yes, by who:

Date of previous warning:

Supervisor's Name and Title:

Supervisor's Signature:

Date:

Second-Level's Name and Title:

Second-Level's Signature:

Date:

Branch Vice President's Name:

Branch Vice President's Signature:

Date:

Employee-Owner's Signature:

Date:

My signature hereupon does not necessarily signify my agreement with the above but attests that I have read and understand the serious nature of this report.