

# ESG

ENVIRONMENTAL, SOCIAL & GOVERNANCE



2022



# A MESSAGE FROM LASSE PETTERSON

## President & CEO

This year Great Lakes was faced with many challenges. After overcoming the effects of COVID-19, we entered the year with high expectations for a return to normal operations. Despite a reduced bid market, high inflation, supply chain delays, significant weather, and site conditions issues, we remained committed to ensuring that all our projects were completed safely and in keeping with the highest of environmental standards. The health and safety of our employees continues to be our top priority as we perform essential and critical infrastructure work along our nation's coastlines. Performing our projects in ways that leave the areas where we work in a better state is not only what we do, but also who we are.

Our deepening, maintenance, and coastal protection projects allow Great Lakes to help strengthen the U.S. economy and support the overall improvement and resiliency of our country's environment, coastlines, and infrastructure. We take pride in our role as environmental protectors ensuring all tasks are completed efficiently and responsibly, and that they assist in the protection of the marine environment.

In 2022, we continued with our fleet renewal program. Our new 6,500 cubic yard mid-size hopper dredge, the Galveston Island, is expected to be delivered in the middle of 2023. In addition, we are currently building the sister ship to the Galveston Island, which will be named the Amelia Island. Designing our vessels to the highest environmental standards and retrofitting our existing vessels with emissions reducing equipment, where practicable, demonstrates our commitment to improving our overall environmental impact.

We continue to move forward with our strategy to enter the U.S. offshore wind market. Our U.S.-flagged Jones Act-compliant inclined fallpipe vessel for subsea rock installation is expected to be ready for operation in first half of 2025. Great Lakes has already been awarded rock installation contracts for the Empire Wind I and II projects by Equinor and BP, with installation windows in 2025 and 2026, which are expected to power more than 1 million homes in the State of New York. We expect that offshore wind will play a crucial role in helping the U.S. meet its decarbonization and clean energy goals and help reach the current Administration's ambition of generating 30 GW of offshore wind goal by 2030.

To support the education of future dredging experts, we announced a new collaboration with the College of Engineering at Texas A&M University to provide funding and technical support for what will become the Great Lakes Dredge & Dock Laboratory of Dredging and Coastal Studies.

This report shares in more detail the initiatives we undertook and the progress we achieved in environmental protection and improvements, the safety and well-being of our employees, business partners and those we encounter performing our work, our community contributions and partnerships, fleet improvements, and governance practices.

**ESG continues to be one of Great Lakes Dredge & Dock Corporation's most valued priorities and we are appreciative and supportive of the committed team members who enable us to make a positive contribution to the areas in which we live and work. We are committed to executing all projects with robust environmental and safety standards.**



# WHO WE ARE



GREAT LAKES DREDGE & DOCK CORPORATION is the largest provider of dredging services in the United States and has a long history of performing significant international projects.

We own and operate the largest and most diverse fleet in the U.S. dredging industry, composed of approximately 200 specialized vessels.



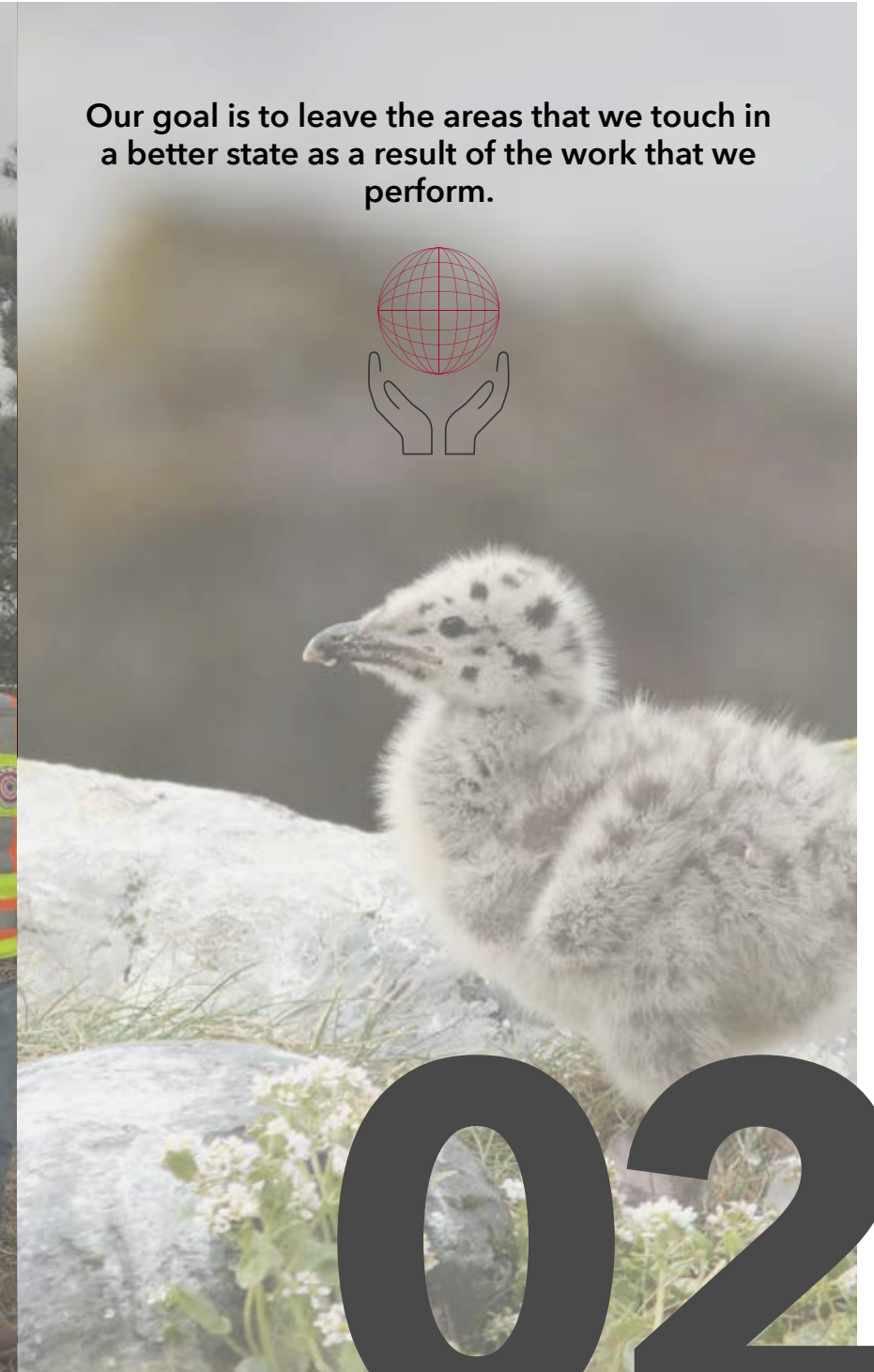
Our business is focused on ensuring that our nation's waterways are open, our shorelines are protected, and potential risks associated with storms and sea change are mitigated.

Our people are experienced civil, ocean and mechanical engineers. Those newly hired follow a disciplined training program that ensures experienced-based performance while advancing through Great Lake's extensive operations division. Our Incident-and Injury-Free® (IIF®) safety management program is integrated into all aspects of Great Lake's culture, promoting a work environment where employee safety is paramount.



Our people seek and develop technical innovations so that our work can be completed efficiently and responsibly.

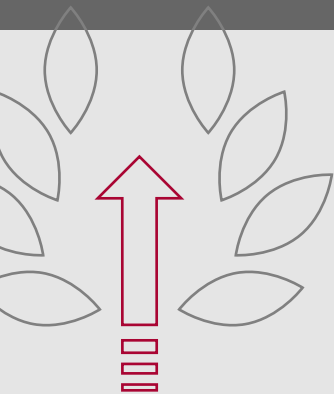
Our goal is to leave the areas that we touch in a better state as a result of the work that we perform.



# 02



SINCE  
1890



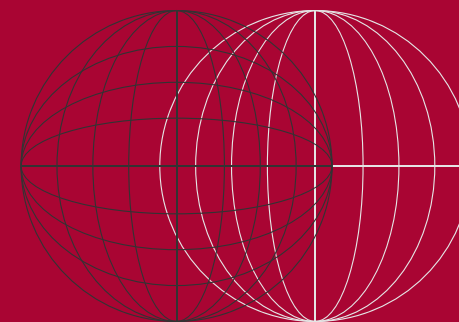
Industry-leading  
dredging firm in the U.S.



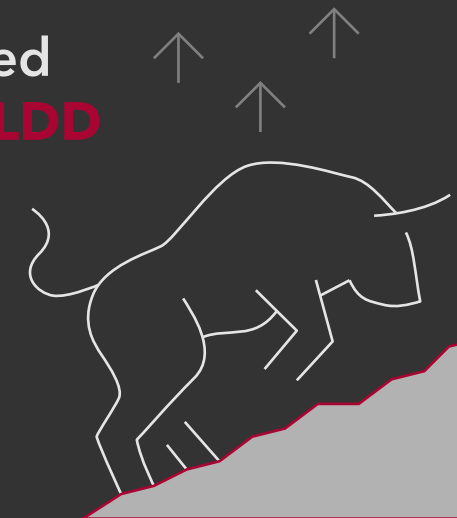
On average GLDD dredges  
51,000,000+ CY per year



Long history of performing  
significant international  
projects

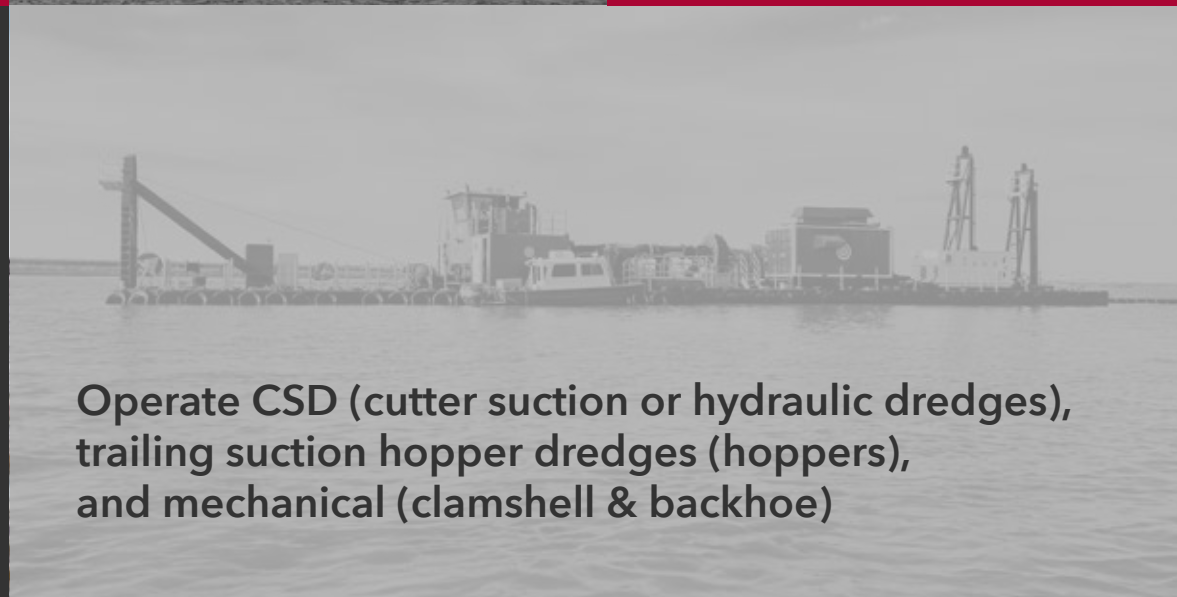


Publicly traded  
**NASDAQ: GLDD**



**1152  
EMPLOYEES\***  
\* AS OF DECEMBER 31, 2022

COMPLETED DREDGING PROJECTS  
ON SIX (6) CONTINENTS



Operate CSD (cutter suction or hydraulic dredges),  
trailing suction hopper dredges (hoppers),  
and mechanical (clamshell & backhoe)



Largest volume dredging  
contract completed  
= 104,600,000 CY

HEADQUARTERED IN  
HOUSTON, TEXAS



PORT DEEPENING & EXPANSION | HARBOR & WATERWAY MAINTENANCE | COASTAL RESTORATION & PROTECTION  
LAND RECLAMATION | RIVERS & LAKES DREDGING | PIPELINE, CABLE & TUNNEL TRENCHING  
SUBAQUEOUS ROCK DRILLING & BLASTING



# MATERIALITY ASSESSMENT

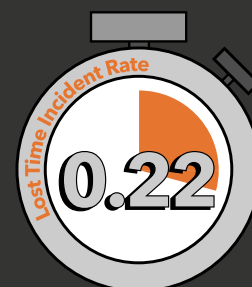
In our 2021 ESG Report, we reported on our ESG materiality assessment, which identified those areas of highest importance to both our internal and external stakeholders. During 2022, while we faced many challenges, we stood firm by our commitment to achieve positive growth in these areas.

- TEAM MEMBER HEALTH & SAFETY
- FLEET RENEWAL AND INNOVATION
- CLIMATE CHANGE
- TALENT DEVELOPMENT



# HOW SAFETY DRIVES OUR BUSINESS

THE SAFETY OF OUR TEAM MEMBERS IS AT THE CORE OF EVERYTHING WE DO.



We published the third edition of our safety rule book, SALT (Save a Life Today), the year before and in 2022 we conducted a series of rollout workshops to our team members. Changes and updates to the third edition were highlighted and discussed, and workshop participants were tested to prove competency. The third edition of SALT included updates to our Safety Commitment Statement, Man Overboard Prevention, Energy Wheel, and other areas to heighten hazard identification and prevention.

We continuously work to improve our safety culture and resources. Continuous improvement of our safety culture extended to our participation in Construction Safety Week—safety training and exercises, Construction Suicide Prevention Week—education and resources, and Construction Inclusion Week—through company-wide conversations leading toward alignment and improved diversity and inclusion in the construction industry.



We are always proud to be recognized for our safety culture and are pleased to have received the prestigious **Signal Mutual Industry Safety Leadership Award**, presented to us in January 2022, in recognition of outstanding safety performance for two consecutive years.

\*Incident rate calculation: number of incidents x 200,000/risk hours

05



# GREAT LAKES CELEBRATES CONSTRUCTION SAFETY WEEK 2022

CONNECTED | SUPPORTED | SAFE

Safety Week 2022 took place May 2 through May 6 with the theme of connected, supported, and safe. As we say at Great Lakes, make it personal, relevant, and important.

Daily themes included:

- Remain Connected
- Be Supported
- Stay Safe
- Continue Learning



All week long, Great Lakes teams from across the nation participated in safety training and seminars. Safety week was wrapped up with the drawing for winners of the company-wide \$50,000 booster vaccination lottery. Some of the really fun parts of the week included the Dredge Carolina Safety Week crawfish cookout where the food took center stage!

The youngest Great Lakes' team members also helped celebrate construction safety week by participating in Color Me.



01

02

03

- Theo is the son of Kasey Gallegos - Theo stated that Safety Sam injured his thumb that is why it is red. (Number one above)
- Micah is the son of Charles Barrese (Number two above)
- Ella is the daughter of Charles Barrese - Ella added a few special touches to her picture that makes it Personal, Relevant and Important. (Number three above)

06



# MAN OVERBOARD PREVENTION

Man overboards (MOBs) are one of the more serious incidents within our operations and across the dredging industry. The third edition of our safety rule book SALT, Save a Life Today, includes enhanced processes and procedures for Man Overboard Prevention, in addition to our Pipeline Operations, Man Overboard Prevention, rules, guidelines, and best practices.

Man overboard prevention technology innovations include the development of a stern dredge pipe connection service platform, resulting in no relative movement between person and pipe during maintenance. Pipeline operations with pontoons also account for a number of man overboard incidents and our new multicats, Cape Hatteras and Cape Canaveral, sea ready in 2023, will assist in safe pipeline operations which will potentially eliminate MOB incidents.

# 07



**MOBILE DEEPENING PROJECT SAFETY WEEK DAY 3**  
Conducting Man Overboard Training and Exercise on board Dredge 53

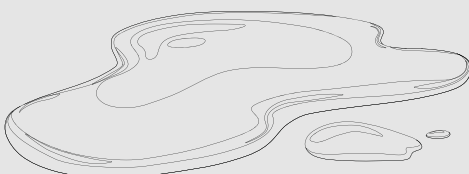




# HOW OUR COMPANY IMPACTS THE ENVIRONMENT



Much of our work has a positive impact on the environment. We rebuild storm ravaged barrier islands. We restore dunes and beaches impacted by erosion. We create natural habitats through the beneficial use of dredged materials. **We also seek to mitigate the impact our operations have on the environment through fleet renewal and the use of environmentally acceptable lubricants.**



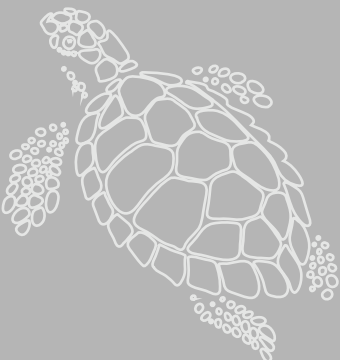
### We focus on eliminating spills.

Spills are often the result of some sort of minor equipment failure – a hose breaks, a coupling comes loose. We don’t consider any spill as minor and this is one reason that Great Lakes makes use of environmentally acceptable lubricants (EALs) on our vessels. EALs are biodegradable lubricants with minimal environmental impact. Currently, Great Lakes uses Biogrease™ HDS2, Panolin® 46, Mobile™ AW 32, and Neptune® AW 46, and we are in the process of considering EAL products for our water touching applications, trunnions, and spuds. These lubricants are expensive, and they add to the cost of our projects, but we have decided that using EALs is just the right thing to do. In 2022, we had 10 minor spills, six of which were EALs.

		ENVIRONMENTAL ACCEPTABLE LUBRICANTS (EAL)	NON EAL	DIESEL FUEL
2022	# SPILLS	6	3	1
	QTY SPILLED (GALLONS)	1437	70.02	25

But Great Lakes’ work has positive environmental impacts as well. Much of our work is in the nature of capital improvements which strengthen our national security and ensure the smooth and timely delivery of goods through our nation’s ports. But a great deal of our work is focused on creating wildlife habitats and building resilience through natural infrastructure. This directly and indirectly improves and protects the environment.

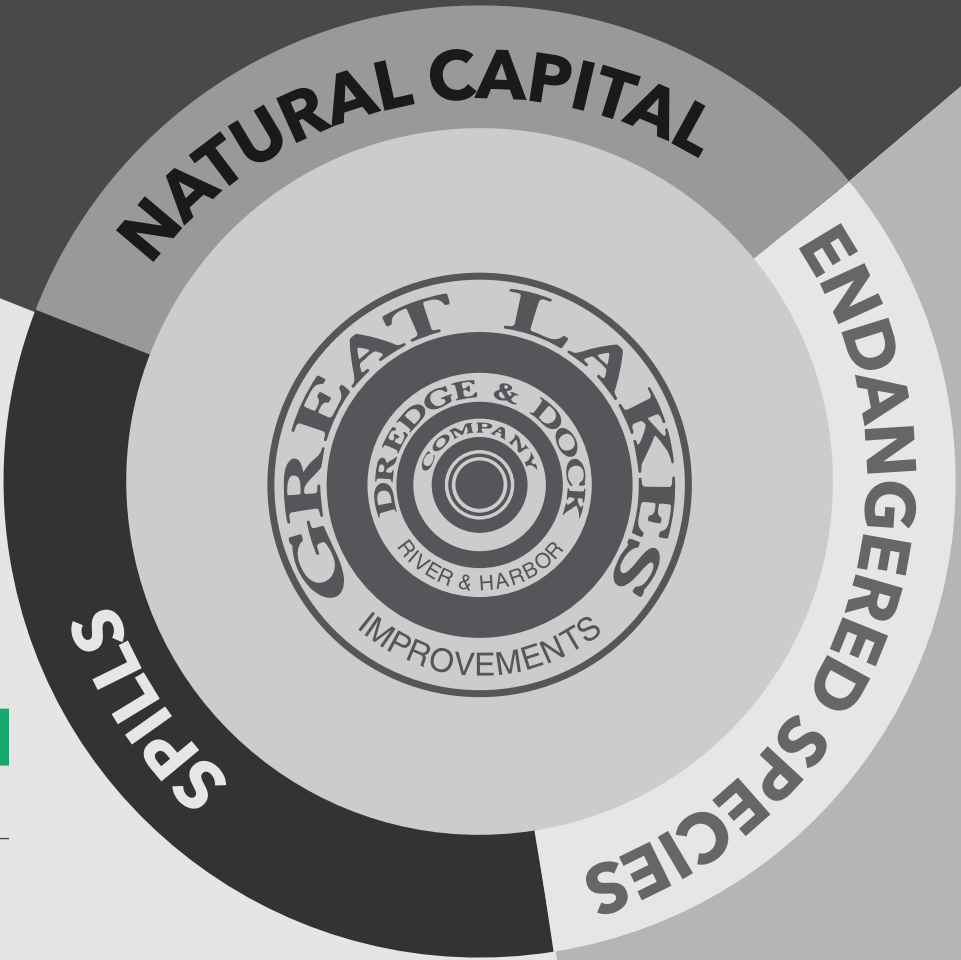
Our work in 2022 on the Houston Ship Channel Expansion project, on behalf of the Port of Houston, allowed for the creation of environmental habitat as a result of beneficial use of dredged materials.



In our work, especially during certain times of the year, we encounter endangered species and other marine and land-based animals. Accordingly, we employ a number of measures to minimize any adverse impact our operations have on the local environment.

Environmental protection measures on our projects include Endangered Species Observers, Sea Turtle Trawling, Turbidity Monitoring, North Atlantic Right Whale monitoring, and Vibration Monitoring to assure project operations do not negatively affect the local environment and the endangered species which reside on the beaches and in the waters relative to the project.

**Our employees take these responsibilities seriously.** Kelsey Lank, Production Engineer, was one employee who cared so deeply about our industry’s impact on sea turtles that she took the initiative, in addition to her duties with Great Lakes, to conduct a study on sea turtle preservation. [Meet Kelsey Lank](#)







# CLIMATE CHANGE EMISSIONS

Great Lakes recognizes the need to be prepared and responsive to the risks related to climate change, and to do what we can to minimize our contribution to the causes of climate change. We also factor climate resiliency, such as the effects of hurricanes and other extreme weather events, into our estimates and our plans for projects. We are mindful of how climate risks affect our operations and business decisions, and we consider these in our investment decisions. Some of the risks we evaluate include an increase or decrease in demand for dredging and offshore wind services, changing governmental regulations, the development of new technologies, investment decisions for new vessels, and our ability to retire aging vessels and the associated costs therewith.

Our decisions are guided by recognizing what is in our power to accomplish within sound business practices. By investing in new vessels and retrofitting some of our current vessels, we seek to reduce our NOx, SOx, and particulate output. Our carbon output is a function of running our dredges on diesel, the only commercially practical fuel used in our industry, and it is not technically or commercially possible at this time for us to reduce carbon emissions. However, our new build program is forward-looking as we explore alternative fuels as they become commercially available and technologically sound, with a view to reducing carbon emissions over time. As part of our strategy, the Acadia, our subsea rock installation vessel, will be capable of running on biofuel as well as the ability to use shore based electric power and batteries for peak sharing. Some alternative fuels we are tracking are LNG, biodiesel, methanol, ammonia, and hydrogen fuel cell technology. We believe other alternative fuels will become commercially available in the future. Additionally, we expect that our newer, cleaner engines will use less fuel, thereby reducing carbon emissions over time.



# CLIMATE CHANGE NOx, SOx, AND PARTICULATE REDUCTIONS

NOx (lb/Yr)	2021	2022	2023	2024	2025
Cutter Dredges	5,452,595	4,237,628	3,821,565	3,821,565	3,821,565
Hopper Dredges	5,110,721	5,110,721	4,173,314	4,173,314	3,689,369
Mechanical Dredges	519,086	519,086	146,517	146,517	146,517
Boosters/Unloaders/Drill Ship	2,819,493	2,819,493	2,819,493	2,438,227	2,438,227
Total	13,901,894	12,686,927	10,960,890	10,579,624	10,095,678

SOx (lb/Yr)	2021	2022	2023	2024	2025
Cutter Dredges	2,617	2,617	2,170	2,170	2,170
Hopper Dredges	3,059	3,059	2,805	2,805	3,050
Mechanical Dredges	891	891	670	670	670
Boosters/Unloaders/Drill Ship	1,146	1,146	1,146	1,146	1,146
Total	7,712	7,712	6,792	6,792	7,036

PM (lb/Yr)	2021	2022	2023	2024	2025
Cutter Dredges	92,967	76,239	71,236	71,236	71,236
Hopper Dredges	102,350	102,350	74,566	74,566	67,665
Mechanical Dredges	8,277	8,277	1,048	1,048	1,048
Boosters/Unloaders/Drill Ship	58,164	58,164	58,164	55,273	55,273
Total	261,757	245,030	205,014	202,123	195,222

The tables to the left set forth our estimated NOx, SOx, and particulate emissions for our major equipment for 2021 and 2022, as well as an estimate of those emissions in the next three years, all based on an annual estimated utilization. Annual emissions will vary depending on a number of factors, including which equipment we use, how many hours our engines run, and our ability to retire older equipment.

10



# NEW BUILD PROGRAM

In addition to our entry in renewable energy, 2022 was a year of significant development of our new build program, one benefit of which is emissions reductions. In 2022, we continued our fleet renewal program to improve our emissions profile through new, modern engines. Our new 6,500 cubic yard mid-size hopper dredge, the Galveston Island, remains on schedule and on budget and is expected to be delivered and on contract in the middle of 2023. In addition, we are currently building the sister ship to the Galveston Island, which will be named the Amelia Island. These highly automated new hopper dredges are expected to increase the capabilities of our hopper fleet. We expect that our two new multicats, the Cape Hatteras and the Cape Canaveral, will be operational in 2023, and we have already taken delivery of three new scows. Our fleet renewal program will allow us to be well positioned to meet future market demands as we continue to see government support to fund much needed infrastructure improvements.

In addition to our new build program, during 2022 we invested millions of dollars to reduce emissions from the cutter suction dredge Carolina and the Company's largest booster station Buster, by installing selective catalytic reduction (SCR) systems. The SCRs are designed to treat the exhaust of the engines to reduce NOx and particulate matter emissions. Retrofitting our equipment supports our goal of reducing our overall environmental impact as we strive to leave the areas we work in a better state than when we started. This aligns with our commitment to protect the environment by recognizing and mitigating environmental risks associated with our operations and our vessels.



# CLIMATE CHANGE

## RENEWABLE ENERGY

Great Lakes has made a commitment to support renewable energy by building the first U.S.-flagged Jones Act-compliant, inclined fallpipe vessel for subsea rock installation. Currently under construction in the United States, this vessel, the Acadia, will service America's growing offshore wind energy industry and help reach the Biden administration's ambitious 30 GW of offshore wind goal by 2030.

The Acadia will have best-in-class safety and low emissions standards (LEV, Sustain2), EPA Tier 4 engines and plug-in capability to obtain power from the shore while loading, and offshore when available. The vessel will be able to run on biofuel which reduces the ship's CO2 footprint and it will be equipped with advanced active emissions control technology to reduce NOx emissions to a minimum. The installed battery pack will shave peak loads to reduce fuel consumption and corresponding emissions. The vessel is expected to be sea-ready to coincide with major offshore wind project construction timelines.

# 12





# OFFSHORE WIND

**We greeted 2022 with the goal of advancing our offshore wind initiative, and the year saw us achieve many of our initiatives.**

Under the leadership of our SVP, Offshore Wind, Dr. Eleni Beyko, our offshore wind team grew from five members to twelve by year end. We made significant progress building our Jones Act compliant vessel for subsea rock installation, the Acadia.

The Acadia will be U.S. built, U.S. owned, and U.S. crewed. 2022 was also the year that saw us secure our first offshore wind contract.



In May of 2022, Great Lakes Dredge & Dock Company was selected to perform the subsea rock installation work for the Empire Wind I and II wind farms in the East Coast of the United States. Empire Wind I and II are expected to provide over 2 Gigawatts (GW) of renewable energy to the State of New York.

**Great Lakes will use the Acadia to install rocks to protect and stabilize monopile foundations, electrical substructures, and export cables at the offshore wind site.**

# 13



On November 17, 2022, at the Ventus Gala in Washington, DC, Great Lakes received the prestigious **Supply Chain Advancement Award** for building the first U.S. flagged rock installation vessel and developing the U.S. supply chains required for building the vessel, procuring, transporting, and installing scour protection in the U.S.

"The Ventus Awards are the Business Network for Offshore Wind's highest level of professional recognition, celebrating the trailblazing people, companies, organizations, and work worldwide ushering in the global adoption of offshore wind energy. This award shines a spotlight on those who are making a difference in the world through their talent, drive, and commitment to advancing the offshore wind industry and improving the environment."\*

\* [www.offshorewindus.org/ventusawards](http://www.offshorewindus.org/ventusawards)



# CELEBRATING & PROTECTING RIGHT WHALES

According to NOAA Fisheries, "The North Atlantic right whale is one of the world's most endangered large whale species; the latest preliminary estimate suggests there are fewer than 350 remaining."

Great Lakes Southeast Region families came together for the 2022 Right Whale Festival at Fernandina Beach, FL, which Great Lakes helped sponsor. The festival is a celebration of the right whales' annual return to the Florida coast and also educates the public about efforts to protect the whales from extinction.

The United States Department of Commerce, National Oceanic and Atmospheric Administration, (NOAA) monitors vessels transiting NOAA's Stellwagen Bank National Marine Sanctuary, portions of which overlap the Cape Cod Bay and/or OffRace Point Seasonal Management Areas, promulgated under NOAA's Final Rule to Implement Speed Restrictions to Reduce the Threat of Ship Collision With North Atlantic Right Whales.

We are pleased to report that Great Lakes was presented with **THE CERTIFICATE OF CORPORATE RESPONSIBILITY**, with an A+ Grade, 100% compliance in recognition of our achievement to protect the North Atlantic right whale through commitment to speed restrictions in seasonal management areas transiting NOAA's Stellwagen Bank National Marine Sanctuary between January 1, 2022, and May 15, 2022. The A+ grade was bestowed upon three of our vessels transiting the area.





**HOW OUR COMPANY IMPACTS PEOPLE AND COMMUNITIES**

# 2022 MARITIME RESCUES



15





Great Lakes team members spring into action to **save lives**

*We will never know whether it was experience, safety training, or the heart of a hero that drove Great Lakes vessel captains and crews to go over and above the call of duty June 7, 2022.*

A small local cruise ship “Spirit of Norfolk” caught fire with over a hundred passengers on board, the vast majority of them school children out on a field trip. Great Lakes’ Will Kennedy, operating the Ohio River, took part in the rescue operation to remove crew from the burning vessel.

He, along with a larger naval vessel, were some of the first vessels to arrive on scene. Captain Kennedy coordinated with the larger vessel to allow it to first get alongside to get all the children off the ship. Once the children were safely off, Captain Kennedy stayed with the Spirit and helped disembark the remaining crew.

During the Virginia Maritime Association (VMA) International Trade Symposium banquet on September 29, 2022, the Coast Guard awards for Distinguished Public Service, Meritorious Public Service, and VMA Resolutions of Appreciation were presented to Great Lakes Captain Will Kennedy and his crew members for their individual actions to rescue 108 passengers and crew from the June 7, 2022, fire aboard the Spirit of Norfolk.

“Congratulations Will Kennedy,” said Jason Campbell, GLDD Vice President of Health, Safety, Environmental. “Will did not hesitate to jump in and help others in need. In the maritime industry the captain and crew look out for the safety of one another and there is also an unwritten code in maritime to protect those that are in distress at sea.”

# THE HEART OF A **HERO**



**Will Kennedy** – Captain of the Ohio River assists in removing passengers to safety from a burning cruise ship.



# HOUSTON SHIP CHANNEL PROJECT TEAM MEMBERS RESCUE THREE MEN FROM BURNING SHIP

Houston Ship Channel (HSC) Project team members jumped into action to assist a civilian boat that was on fire **the morning of November 6, 2022**. The crew safely removed all three people from the water and put out the fire.

The three men were fatigued and unable to help get themselves on board the crew boat. Our team found a rigging strap on the deck of the crew boat and utilized it as an assist strap to pull the men onto the boat. Once on the boat, it was obvious that one of the men had a severely fractured leg. A pallet that was on a separate civilian boat nearby was broken apart and the wood was used to fabricate a splint to immobilize the leg. All three men had suffered burns and were in shock. Great Lakes team members retrieved blankets and burn cream and began administering first aid.

While the men were being treated, Great Lakes team members took charge of the firefighting. The fire was extinguished but the crew noticed that the vessel was capsizing. They tied a Norwegian buoy to mark the sinking vessel. When they noticed a sheen on the water the crew cleaned the area with the materials from the spill kit.



Great Lakes team members reported the incident to the Coast Guard immediately and maintained communication with them throughout. The Coast Guard helicopter was on site within 25 minutes and the rescue boat was on scene approximately 40 minutes after first communication. “The actions of the project team were an incredible display of care and compassion for their fellow mariners. Without hesitation they sprang into action using their life saving, first aid, man overboard recovery, and firefighting training. At Great Lakes, we know that keeping ourselves, our co-workers, our families, and others safe is a core value,” said David Johanson, Senior Vice President - Project Acquisition & Operations.

In January of 2023, the team was presented with the Coast Guard Certificate of Merit in recognition of the heroic efforts of HSC project team members in rescuing three men from a burning ship. “We are very proud of our crew members who showed outstanding character in responding to this emergency,” said Garrett Gibson, Vice President Project Sponsor & Gulf of Mexico Region Manager.

## GREAT LAKES TEAM MEMBERS INVOLVED IN THIS HEROIC EVENT

### CREW BOAT KITTY BELLE

Captain Mike Fountain  
Site Manager Keith Pearse  
Captain Javier Diaz  
Captain Igor Shlyapnikov  
APE Nathaniel Summerlin

### TUG MISS KERRILYN/AB 120

Deck Captain Francisco Arredondo  
Mate Tyler Miller  
Deckhand Brandon Gonzales

### RAMP BARGE

Operator Jose Luis Flores  
Operator Gregorio Flores



# STRATEGIC PARTNERSHIPS



We partner with a number of universities in providing funding, technical support, research, and participation in dredging courses including Louisiana State University, Texas A&M University, and the University of North Florida, and Florida Atlantic University.

In 2022, we announced a new collaboration with the College of Engineering at Texas A&M University to provide funding and technical support for what will become the Great Lakes Dredge & Dock Laboratory of Dredging and Coastal Studies.

Great Lakes is also supporting Florida Atlantic University Coastal Studies Lab in their "Evaluating impacts of water quality and coastal restoration on blacktip sharks" research. The proposed research will provide data on interactions between dredging projects and shark migration in an effort to improve best management and safety decisions in the areas where beach renourishment projects occur.





## GREAT LAKES IS COMMITTED TO THE HIGHEST STANDARDS OF EMPLOYEE TRAINING.

### Development @ GLDD

In today's fast paced construction environment, development of decentralized employees remains paramount in attaining GLDD's safety and production goals. In early 2022 GLDD's senior management team approved the acquisition, build out and launch of a new world class Learning Management System. The launch of this new system provides GLDD employees with access to development tools via phone, tablet, or computers. Our people are our most important asset, and the company has made this investment to help grow talent for the future.

GLDD Academy was launched as a resource for training, knowledge sharing, collaboration, and reporting. This new learning management system (LMS) is customized for GLDD training and designed for employee development and growth within the company.

### WHAT IS GLDD ACADEMY?

GLDD Academy provides a central portal for training, certification records, knowledge sharing, scheduling, and attending instructor led training, along with a catalogue of online and instructor led courses. We designed this new online resource for field or office access.

GLDD Academy supports the delivery of safety, professional, personnel, and technical training throughout the organization and gives just in time training to specific groups as needed.

We will continue to use this interactive web-based system available anytime and anywhere to access employee personnel training records, learning resources and tools, and to interact with subject matter experts on posted content. We will develop our system features including dashboards, reports, certification records, and badges based on user interaction.

### Training Statistics

Our training is bucketed in three categories, Developmental, Company Required, and Regulatory Required. In 2022, we provided approximately 29,000 hours of training at vessel, site, office locations and online training events in various safety and operational topics. We continued our safety training with our Safety Without Compromise training for crew safety in operations.

These hours also include training for our technical positions and field-safety training including eLearning and face-to-face delivery methods performed throughout the year. We launched GLDD Academy in the fourth quarter and delivered compliance training which included Code of Conduct, Avoiding Insider Trading, Foreign Corrupt Practices Act (FCPA), and Anti-Boycott Regulations

We will continue our training delivery into 2023 and look for new and creative ways to develop our personnel for safe and efficient operations.

### Onboarding

Onboarding top talent in 2022 presented many challenges as the competition for talent continued. We recruit top talent for our field and office locations and provide onboarding training and support throughout the process.

Our field onboarding provides site-specific orientation training and mentorship to new and returning employees. As part of the onboarding process new hires learn systems, procedures, and familiarization to the vessel and site for which they are assigned. This training is critical to continuing GLDD's Incident and Injury Free (IIF) safety culture.





# DIVERSITY

Great Lakes believes in the value of diverse teams working within the company, and continues to focus on recruiting, retaining, and developing staff. We support the participation of and identify opportunities for all employees. Great Lakes remains steadfast in our commitment to enhancing representation and development of key talent throughout the company.

According to the Bureau of Labor Statistics, (BLS) in 2022, 10.9% of workers in the general construction industry were female and 43% were minority.

TOTAL EMPLOYEES 2022		FEMALE	MINORITY
SALARY	426	21%	23%
HOURLY	726	4%	41%
TOTAL	1,152	10%	34%
NEW HIRES 2022		FEMALE	MINORITY
SALARY	114	21%	40%
HOURLY	371	8%	61%
TOTAL	485	11%	56%

\* AS OF DECEMBER 31, 2022

# 20



The highest ethics are at the core of what we do. We seek to treat our clients and our communities with honesty and integrity. But our employees deserve the same consideration. All members of the Great Lakes team have the right to work in a fair and ethical workplace and must be treated with dignity and respect. To that end, we have instituted a number of policies outlining our position that Great Lakes will not tolerate unfair business practices, harassment, or discrimination. You can see our policy on employee welfare and human rights on this page. Additional policies are available on our website at [www.gldd.com](http://www.gldd.com).

## EMPLOYEE WELFARE AND HUMAN RIGHTS

Great Lakes cares about its team members and understands that everyone has the right to work in a fair and ethical workplace. We emphasize the importance of everyone respecting co-workers and human rights. You can see our policy here. [Great Lakes Dredge & Dock Corporation's Employee Welfare & Human Rights Policy](#).

## ANTI-DISCRIMINATION

Great Lakes prohibits any type of discrimination against any worker based upon race, color, gender, sexual orientation, gender identity, religion, national origin, age, veteran status, disability, genetic information, or other characteristic protected by law, and deals with customers and prospective customers on a non-discriminatory basis. All new hires are trained on key policies including anti-discrimination and anti-harassment, and managers receive updated training on these critical topics annually.

## ANTI-HARASSMENT AND ABUSE

All Great Lakes employees have the right to work in an environment which promotes equal employment opportunities and is free of unlawful discrimination in any form, including harassment based upon race, color, gender, sexual orientation, gender identity, religion, national origin, age, veteran status, disability, genetic information, or other protected characteristics. Great Lakes is committed to a workplace free of harassment and abuse.



## GRIEVANCE SYSTEMS

Great Lakes has an open-door policy where employees may report any issue or concern to their manager, next level of supervision, Compliance, or Human Resources. In addition, the company has a confidential Compliance Line available to team members who may report any violations of this or other Great Lakes policies.

## EMPLOYEE HEALTH & WELLNESS

Great Lakes has an open-door policy where our team members are provided wages and benefits that are competitive with the market, including programs to assist with planning for retirement. We encourage Great Lakes employees to aim for optimal health through wellness programs and activities, including biometric screening, fitness challenges, and resources for healthy eating programs. All employees have access to an Employee Assistance Program to assist with personal or professional issues that may arise, and we routinely communicate with team members on topics related to wellness (rest, diet, exercise, work-life balance) and mental health issues (depression, anxiety, stress, suicide prevention). All employee information is kept safe and confidential to encourage outreach.





# GREAT LAKES SUPPLIER DIVERSITY EFFORTS

Great Lakes gives maximum practical opportunity to Small Business and those with the subcategories Small Disadvantaged Businesses (SDB), Women Business Enterprise (WBE), Women Owned Small Business (WOSB), HubZone, Veteran Owned Small Business (VOSB), Small Disadvantaged Veteran Owned Small Business (SDVOSB), Minority Owned Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE), and Small Business Enterprise (SBE) to participate on our federal, state, local, and quasi-governmental contracts.

We attract these Small Businesses by attending and conducting various outreach events. These events include the following: client industry days, small business conferences, matchmaker events, vendor lunch-and-learns or meet and greets, vendor presentations, association events, Chamber of Commerce events, and social media marketing. We also host webinars that revolve around doing business with our company and other prime contractors. We conduct 12 - 16 of these outreaches per year.

Great Lakes strives to meet or exceed its Small Business goals on its contracts. Great Lakes Small Businesses are an extension of our business. Attracting qualified Small Businesses helps such businesses gain experience with our company and within their niche industries which ultimately allows them to grow and strengthen their products and services.







# GREAT LAKES COMMUNITY ENGAGEMENT IN ACTION







**Volunteering at community Food Banks (Quarterly 2022)**

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**School supplies back to school drive in collaboration with the Boys and Girls Club (August 2022)**

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**Cooking a hot meal for children and families staying in the Ronald McDonald House (September 2022)**

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**Beach cleanups (April and September 2022)**

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**Company wide knowledge sharing sessions and webinars (October 17-21, 2022)**

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**Holiday Toys for Tots toy drive (December 2022)**

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**Blood drives with partner Vitalant Midwest blood drive (July 2022)**

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# BOTTLE CAPS TO BENCHES

Our Great Lakes teams take part in many important community impact activities. We clean beaches, we cook meals at the Ronald McDonald House, host holiday toy drives and back to school drives, lend a hand at community food banks, host blood drives, and participate in many more fundraisers and projects to benefit our local communities.

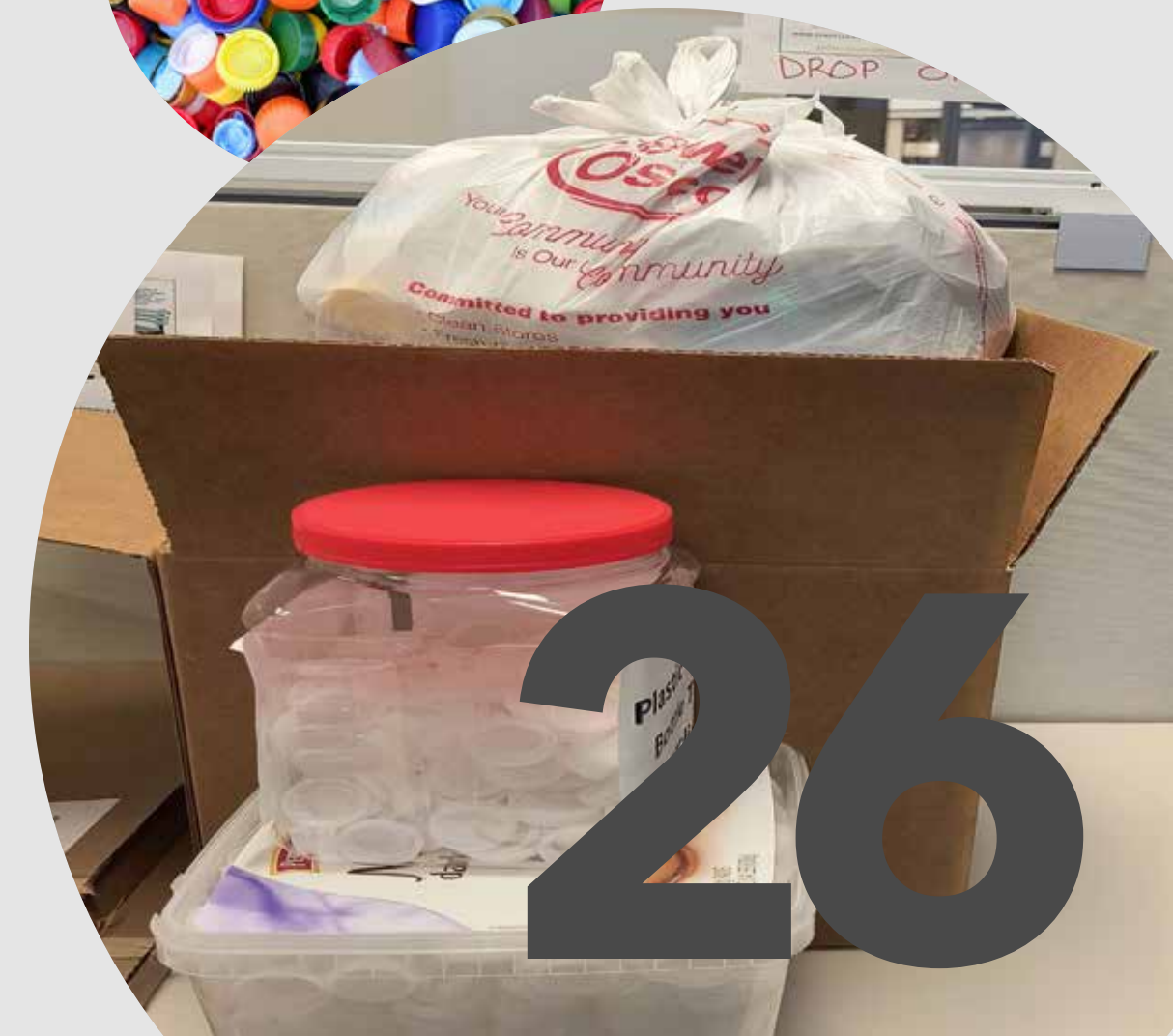
Did you know that saving your plastic bottle caps could ultimately provide a park bench for people to enjoy?

In 2022, Oak Brook Terrace office team members collected plastic bottle caps to help the Kendall County Fair Grounds with getting new benches

and six- or eight-foot picnic tables made from the recycled bottle tops. The tops were collected, sorted, weighed, and taken to a facility for recycling.

It takes approximately 200 pounds of plastic and \$250 to make a bench from the recycled bottle caps. Four hundred pounds of plastic and \$400 for a picnic table.

Shown right is a picture of the plastic caps collected at the Oak Brook Terrace offices. In 2022 they collected a total weight of approximately 20-25 pounds.

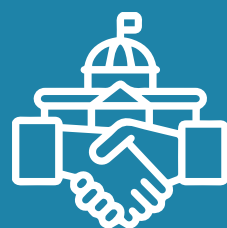




# HOW ETHICS GUIDES OUR DECISIONS

Great Lakes has vigorous processes in place to ensure that all activities are carried out in a manner that complies with all legal requirements and corporate governance best practices. Great Lakes' Board of Directors is an independent body led by an independent Chairman. All Chairpersons of Committees, as well as seven out of eight of the members of the Board, are independent and no employees serve on any Board Committees. The Chairperson of the Audit Committee is a "financial expert" in accordance with the rules promulgated by the Securities Act of 1933. The Board is composed of distinguished professionals with diverse expertise in corporate governance, audit, executive compensation, finance, dredging and infrastructure, health, safety and environmental, sustainability, and general management.

[Meet a Director](#)



## CODE OF BUSINESS CONDUCT AND ETHICS

Great Lakes is committed to and believes that conducting our business with a strong sense of ethics, honesty, and integrity is critical to maintaining trust and credibility with customers, suppliers, employees, communities, owners, and business partners. Every Great Lakes employee plays a crucial role in continuing this long-standing tradition. It is Great Lake's policy to comply with all applicable laws everywhere we do business. All new hires are trained on our key policies including anti-discrimination and anti-harassment, and every employee receives updated training on these critical topics annually. The company has a confidential hot line for employees to report any issues and prohibits retaliation against anyone who reports a potential violation. [Great Lakes Dredge & Dock Corporation's Code of Business Conduct and Ethics](#).

## SUPPLIER CODE OF CONDUCT

Great Lake's Supplier Code of Conduct includes a focus on Environmental, Health and Safety, Labor and Human Rights, Ethical Behavior, and Compliance with Laws. Collectively, we expect our suppliers to partner with us and be committed to proper business ethics, safety, and integrity in the workplace and to comply with the intent of these policy statements. [Great Lakes Dredge & Dock Corporation's Supplier Code of Conduct](#).

## ENTERPRISE RISK MANAGEMENT

As part of our enterprise risk management (ERM) process, senior management discusses and identifies major areas of risk to ensure that appropriate mitigation plans are in place to reduce impact to the company, our stakeholders, and the environment, and periodically reviews these risks with the Board. Our ERM process includes the following:

- Ranking the likelihood of any of the risks manifesting and also the impact of the risks, if they were to manifest, including safety, level of business disruption, and dollars metrics
- Assessing new or emerging risks for inclusion in the risk register since the risk landscape is constantly changing
- Prioritizing risks and assigning critical risks to an executive owner to oversee actions to address and reduce or eliminate the risk
- Obtaining input from other key management positions to ensure management charged with day-to-day operations of Great Lakes have similar views of the risks

Our process employs a framework for identifying and assessing key strategic, operational, financial, and compliance risks based upon 2017 guidelines of the Committee of Sponsoring Organizations of the Treadway Commission for Enterprise Risk Management. The ERM process is discussed with Great Lake's Audit Committee quarterly. As part of the Audit Committee's regular oversight of the ERM framework, the Audit

Committee reviews risks relating to financial controls, operational processes, cyber security and other information technology risks, and controls and procedures as well as the company's plans to mitigate such risks. On a regular basis, but not less than once a year, the Board, our SES Committee, and our Audit Committee receive a report from management on the major types of environmental risks related to our project operations as well as the company's processes to reduce, mitigate, or eliminate such hazards.

## EXECUTIVE COMPENSATION PRACTICES

Our executive compensation program is designed to support our financial and strategic goals, align executive pay with stockholder value creation, and discourage unnecessary and excessive risk-taking. Our Compensation Committee regularly reviews our executive compensation program to incorporate commonly viewed best practices as it deems appropriate. Select examples include:

- Executive compensation is variable and linked to meeting financial and strategic goals and stock price performance
- All senior executives have stock retention requirements
- There are no tax gross-ups for excess parachute payments
- We have a compensation recoupment (i.e., clawback) policy
- The Compensation Committee engages an independent compensation consultant
- The compensation consultant performs an annual risk assessment of our executive compensation program
- Annual incentive compensation and long-term compensation are based on a variety of performance metrics
- Directors, officers, and all other employees are prohibited from hedging or pledging company securities