



3R SUSTAINABILITY REPORT

2023

Letter from the President

I am thrilled to share with you the strides 3R has made in our sustainability journey in 2023, our first full year as an independent, woman-owned business. While staying rooted in our core values, this past year has been one of profound growth.

Foremost among our accomplishments is the significant expansion of our EcoVadis and Sports and Events service lines. Our partnership with EcoVadis deepened as we have become a Strategic EcoVadis Training Partner – the first Strategic Training Partner in the United States. This underscores our commitment to collaboration and advancement of sustainability practices across industries. I am also delighted to announce that 3R has been awarded a platinum medal for our EcoVadis rating, placing us in the top 1% of global companies for corporate sustainability. On the Sports and Events side, 3R has expanded our partnership with the Green Sports Alliance (GSA) by becoming a Play to Zero Partner. With this, we are able to help GSA members realize the value of sustainability across their organization, assets, and events, supporting progress towards a net zero energy, water, and waste sports and entertainment industry.

Furthermore, in line with our commitment to diversity, equity, and inclusion (DEI), 3R completed our inaugural Vibrant Equity Index, a collaboration with Vibrant Pittsburgh and the Allegheny Conference on Community Development to benchmark our company against other Pittsburgh-area organizations working towards equitable and inclusive organizational cultures.

We also secured second place in the Workplace category of Sustainable Pittsburgh's Social Equity Sprint, a four-month competition for Pittsburgh-area organizations to jumpstart progress on advancing DEI in the workplace. These achievements highlight our unwavering dedication to advancing social equity and driving positive change within our community.

While this year's report primarily serves as an update on our data, it also serves as a testament to our value of transparency and accountability. We are dedicated to upholding the ten principles of the UN Global Compact for ourselves and our clients. As we continue to navigate the complex landscape of sustainability, I am immensely proud of the progress we have made thus far. Our journey demonstrates the devotion of our team, whose commitment to excellence drives our success.

In closing, I extend my heartfelt gratitude to our stakeholders for their support and collaboration. Together, we will continue to push the boundaries of sustainability, driving positive change for future generations.

Sincerely,

JANA LAKE
MBA, SEP, WELL AP, LEED GA
3R President and Owner



About This Report

Sustainability is our business; we integrate sustainability into our operations and company culture, and we pride ourselves on the continual improvement of our company and team. We are proud to present this annual report which showcases our progress towards our sustainability goals, our transparency on our environmental, social, and governance (ESG) impact, and our communication of progress to the United Nations Global Compact. This report describes our own actions, client engagement, and case studies.

Throughout the report, we discuss each of our material topics which were determined through our 2022 materiality assessment. In 2024, we will be conducting a refreshed materiality assessment to update the priority focus areas for our organization's sustainability strategy.

This report is approved by our leadership and prepared in accordance with the Global Reporting Initiative (GRI) Standards for the period of January 1, 2023-December 31, 2023. Additionally, this report includes Sustainability Accounting Standards Board (SASB) disclosures and contributions to the United Nations Sustainable Development Goals (SDGs).

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For questions about this report, please contact:
info@3Rsustainability.com

About 3R

3R has two independent divisions, 3R Sustainability (Consulting) and Sustainability Assurance Services, or SAS (Assurance). 3R Sustainability works at the intersection of ESG, climate, building performance, and reporting. We help our clients realize the value of sustainability across their organization and assets by identifying goals, defining prioritized action plans, reporting progress, and if desired, pursuing certification to sustainability assessments and building standards. Sustainability Assurance Services provides data validation and sustainability assurance services to frameworks, such as LEED, GRESB, TRUE, and AA1000.

3R's roots first began as part of SRI Quality System Registrar. SRI was founded in 1992 as part of an initiative to ensure quality within the steel industry. In 2007, SRI entered a partnership with Green Business Certification Inc (GBCI) in which SRI used its environmental assessment expertise to provide project review services. The team's knowledge base and success grew it into its own division dedicated to sustainability standards. Through this work, the team has reviewed more than 6,500 projects from around the world.

In 2015, 3R Sustainability was launched to offer sustainability consulting services for both the built environment and to meet the broader ESG needs of corporate clients. In 2019, 3R proudly became certified as a Women's Business Enterprise (WBE) through the Women's Business Enterprise National Council (WBENC).

In 2023, 3R completed its journey to independence. 3R has 33 full-time employees and is headquartered in Pittsburgh, Pennsylvania.



SUSTAINABILITY
ASSURANCE SERVICES

3R Sustainability

Vision

Be the partner of choice to help organizations realize the value of sustainability and create a world in which our team members and clients' employees live and work in an environment that is mutually beneficial for people, the planet, our partners, and profit, now and for generations to come.

Mission

3R Sustainability provides consulting services rooted in science, supported by data, and driven by innovation, education, and continual improvement, delivering full-service sustainability solutions to our clients to achieve material business goals. Our team of experts creates an engaging environment where all our stakeholders can thrive. We are an adaptive firm working on the global scale, with a mission to create a direct, measurable impact on the environment and the companies and communities which we serve that will make our clients ask, "Why would we work with anyone else?"

**Our team of experts creates
an engaging environment
where all our
stakeholders can
thrive.**



Sustainability Assurance Services (SAS)



SUSTAINABILITY
ASSURANCE SERVICES

Third-party validation

Given our background in auditing and assurance, and the growing need for third-party validation of sustainability-related data and reporting, Sustainability Assurance Services (SAS) was established as a separate, independent division of 3R. Backed by decades of experience and fueled by growing industry knowledge, SAS provides a level of assurance that clients and their stakeholders can feel good about.

While historically voluntary, sustainability reporting is becoming an ever-increasing expectation, and in some cases requirement, for organizations. Obtaining third-party validation and assurance of non-financial information, such as ESG-related (environmental, social, and governance) reporting, reduces risk and increases stakeholder confidence in company claims. Assessments such as EcoVadis, CDP, and others place increased value on sustainability data and reports which have been validated.

In 2023, our team began the process of achieving our ISO 17020 certification. ISO 17020 is an internationally recognized standard specifying the requirements for the competence of bodies performing inspection and for the impartiality and consistency of their inspection activities. Our growing list of SAS services includes the following:

AA1000

The AA1000 Assurance Standard is the global, industry-leading standard for sustainability professionals to validate their sustainability management, performance, and reporting. SAS works with organizations to assess the extent of organizational adherence to the AA1000 AccountAbility principles, and the reliability and quality of reported sustainability performance. As expectations for responsible business practices grow, the third-party validation of non-financial reporting has become a business necessity to ensure transparent and accurate communication to organizational stakeholders.

Second-party validation

Currently, our SAS business line supports the validation of three assessments (LEED, TRUE, and GRESB). Each review team is structured to uphold impartiality and accurate decision-making processes.

GRESB

Mission-driven and investor-led, GRESB is the environmental, social, and governance (ESG) benchmark for real assets. GRESB works in collaboration with industries to provide standardized and validated ESG data to the capital markets. Today, GRESB has become a global standard in the industry, covering 2,084 real estate entities with a USD 7.2 trillion of gross asset value (GAV) across 75 markets. In addition, GRESB covers 687 infrastructure assets and 172 funds across 72 markets for a total GAV of USD 1.6 trillion. More than 120 institutional investors, with over USD 28 trillion assets under management, use GRESB data to monitor their investments, engage with asset managers, and make decisions that lead to a more sustainable real asset industry.

GBCI

Green Business Certification Inc. (GBCI) independently verifies, certifies, and credentials global excellence in green business industry performance and practice. GBCI provides third party oversight of certification programs including but not limited to Leadership in Energy and Environmental Design (LEED) and Total Resource Use and Efficiency (TRUE). LEED is the world's most widely used green building rating system, providing a framework for healthy, efficient, high performing buildings. TRUE certification signifies sustainable resource management and waste reduction practices, with the goal of zero waste to landfill, incineration, or the environment.

Our Values

CONTINUAL IMPROVEMENT

Internal: Staying ahead of the latest thinking, refining our strengths, and growing our collective body of knowledge through research, educational sessions, and innovative thinking

External: Meeting our clients where they are on their sustainability journey and working to establish a shared vision with achievable targets and milestones



TEAMWORK

Internal: Communicating openly, honestly, effectively, and inclusively and being responsible to each other by stepping in and stepping up

External: Teaming up with our clients to exceed expectations of project outcomes via open communication pathways and integrative processes



INTEGRITY

Internal: Supporting, trusting, and relying on each other while holding one another accountable for actions

External: Providing services that reduce risk and add business value while protecting client data and information



TRANSPARENCY

Internal: Working without walls, sharing experiences and knowledge to create a workplace where all employees can contribute and reach their full potential

External: Utilizing advanced and secure communications and data sharing platforms, we collaborate with our clients in such a way that we become an extension of their internal team



Industry Organizations and Affiliations

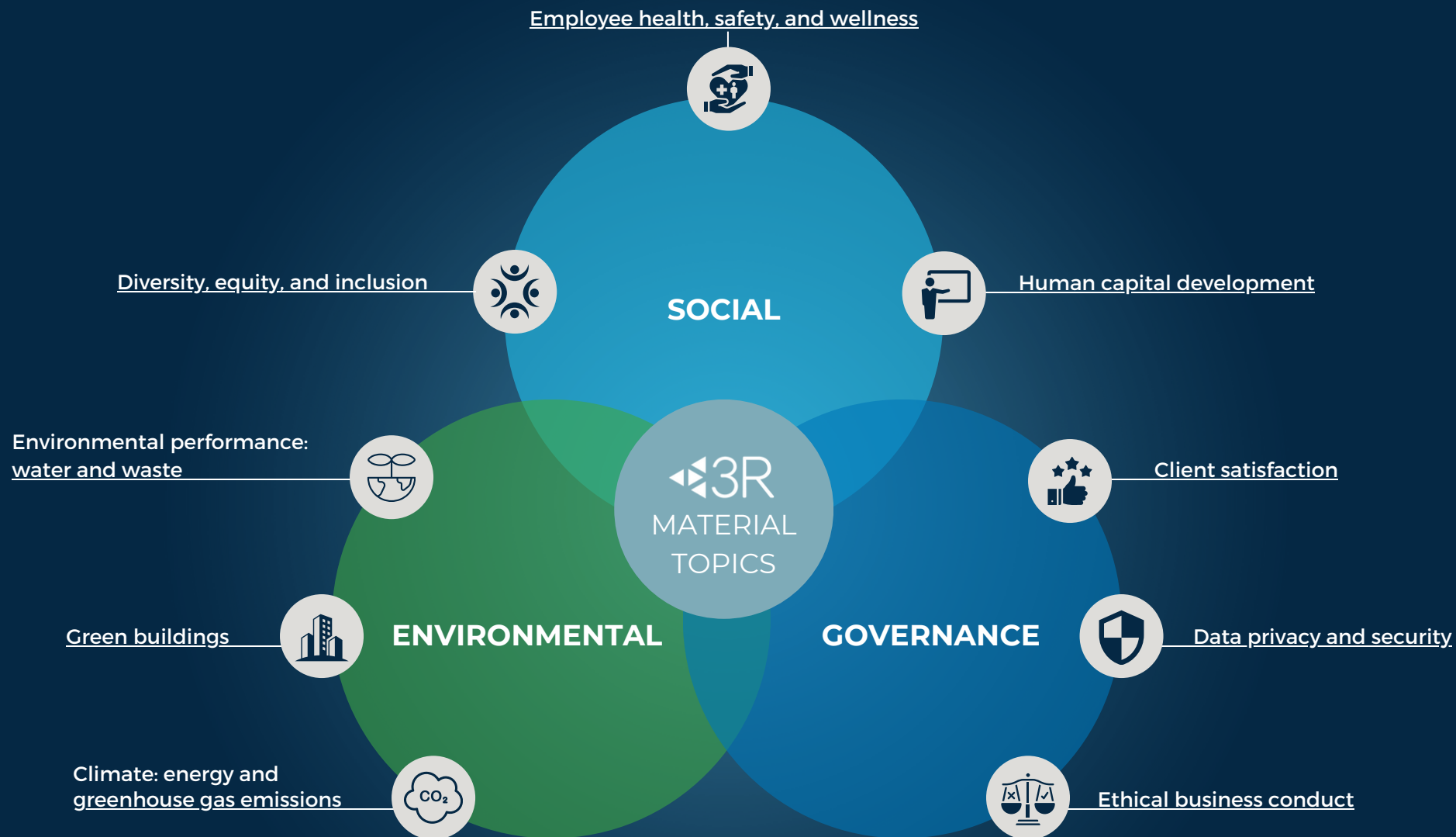
- Certified Woman-Owned Business
- Accredited CDP Solutions Provider
- Strategic EcoVadis Training Partner
- GRI Community Member
- CEOs For Sustainability Co-Chair
- Detroit 2030 District Board of Directors
- Member of the Green Building Alliance
- Member of the U.S. Green Building Council
- Signatory of CEO Action for Diversity & Inclusion™
- Signatory of the UN Global Compact
- Green Sports Alliance Play-to-Zero Partner



Materiality and Stakeholder Engagement

In 2021, 3R completed a materiality assessment to determine and assess our organizational impacts. In accordance with GRI's guidance to determine material topics, we conducted interviews and administered surveys to employees and senior leadership to gain insight into perceptions of various 3R ESG impacts. We also completed an extensive industry analysis to understand external stakeholder commitments and priorities. We prioritized our impacts using a handprint and footprint methodology, determining the extent of the impacts we have due to our operations (our footprint), as well as the extent of our impacts from our work with our customers (our handprint). While many ESG topics were reviewed throughout the materiality determination process, the most impactful topics to 3R and its stakeholders are included in this report.

In 2022, 3R reassessed and amended our material topics to better align with our evolving corporate structure and independence from our former sister company. In 2024, we will undertake a refreshed materiality assessment to reassess our significant impacts.



Sustainability Governance

As a full-service sustainability consulting and solutions provider, modeling sustainability excellence is imperative to 3R. 3R Sustainability and Sustainability Assurance Services are both registered public benefit companies in Pennsylvania, which means that we have incorporated the requirement to benefit society and the environment into our bylaws.

Our leadership team functions as our highest governance body and comprises seven cross-disciplinary members who provide strategic and operational direction to the company and oversee our commitment to sustainability and corporate responsibility. To initiate action toward reaching our sustainability goals, 3R also established a formal Sustainability Committee in 2022.

3R's Sustainability Committee is led by voluntary champions who demonstrate a passion for advancing our internal sustainability efforts. The Committee takes ownership of our sustainability initiatives through the development and implementation of our Sustainability Plan which details specific goals and targets with timebound action steps assigned to responsible parties within each material topic.

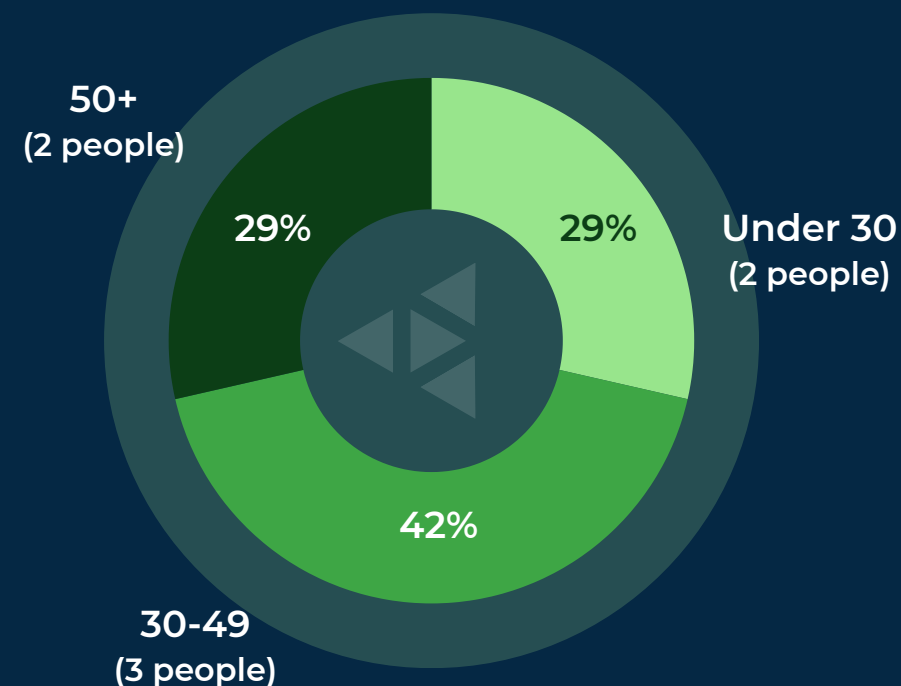
3R dedicates working hours and resources to advancing the initiatives in the Plan and improving our sustainability performance. Leadership contributes by supporting the Sustainability Committee and using their expertise to guide the Plan's strategic direction. They also play a visible role in stakeholder engagement and consider sustainability goals when making capital investments. Furthermore, 3R's entire team is composed of sustainability professionals who each have unique skills and expertise, and their insights are frequently sought out to progress our sustainability efforts. Employees receive regular updates about our initiatives and may participate in the Sustainability Committee as they wish.

Gender breakdown for leadership



5 Female
2 Male

Age breakdown for leadership



2023 Highlights



3R placed in the **top 1%** of companies rated by EcoVadis in our industry



3R is **one of only four companies** to receive the Platinum Level Sustainable Pittsburgh Workplace designation

EcoVadis – 86/100

3R was awarded a score of 86 for our EcoVadis rating, placing us in the top 1% of global companies for corporate sustainability. This accomplishment earned us a platinum medal and shows significant improvement from our initial 2022 score of 69. EcoVadis rates companies based on how well they have incorporated sustainability into their management system, through their policies, actions, and performance in the themes of Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.

Social Equity Sprint – Second Place

3R was proud to have placed second in the Social Equity Sprint hosted by Sustainable Pittsburgh, with a score of 66.7%. Sustainable Pittsburgh Sprints are short, fun competitions that enable organizations to compete against peers in earning points for actions that advance social equity, carbon emissions reduction, or another critical topic. During the Social Equity Sprint, organizations across southwestern Pennsylvania took point-earning actions in areas covering operations, hiring and promotions, accessibility, procurement, and more.

Independent B Corp Certification

As a B Corp, we're part of a global community of businesses that meet high standards of social and environmental impact. After initially certifying as a B Corp in 2019 alongside our former sister company SRI Quality System Registrar, 3R pursued our first B Corp certification as an independent organization in 2023. B Corp is presented by B Lab, a non-profit company that uses the assessment to comprehensively measure company social and environmental performance.



First Vibrant Equity Index

In 2023, 3R completed our first Vibrant Equity Index as part of our ongoing commitment to diversity, equity, and inclusion (DEI). The Vibrant Index Initiative, a collaboration between Vibrant Pittsburgh and the Allegheny Conference on Community Development, drives the advancement of meaningful DEI policies and workplace practices across industries and sectors in the Pittsburgh area. The detailed feedback we received from this index has been invaluable in identifying both our DEI strengths and areas for growth. Armed with this knowledge, we are better positioned to create a more vibrant and equitable environment for our employees, clients, and community.

SME Climate Hub

The SME Climate Hub is a non-profit global initiative that empowers small to medium-sized companies to take climate action and build resilient businesses for the future. As a proud SME Climate Hub Company, 3R has publicly committed to halve our emissions by 2030 (from a 2019 baseline), achieve net zero by 2050, and report on our progress yearly.

Sustainable Pittsburgh Workplace – Platinum

Based on our 2023 sustainability performance, 3R received a Platinum Level Sustainable Pittsburgh Workplace designation. The designation program is hosted by a local non-profit organization to support responsible business practices and build community resiliency in our city. It assesses a wide array of ESG topics, covering questions about strategic sustainability, facilities, products and services, and greenhouse gas emissions, among others. 3R helped pilot this local program and is one of four companies to receive the platinum designation.



A full-page background image of a lush green forest. Tall, thin trees with vibrant green foliage are visible. Sunlight filters through the canopy, creating a series of bright, golden rays that fan out across the scene. The ground is covered in a thick layer of green grass and fallen leaves.

ENVIRONMENT

Climate: Energy and Greenhouse Gas Emissions

Management approach

3R is committed to pursuing a low-carbon economy by reducing our own greenhouse gas (GHG) emissions and helping our clients do the same. In 2022, due to increased demand for climate-specific consulting, 3R expanded its climate and GHG services to aid in client climate-related initiatives by adding a new service line to work in conjunction with our ESG and green building services. With a focused effort to build out our team of experts, 3R now provides a comprehensive suite of climate services, including GHG inventories, science-based target setting, carbon reduction strategies, climate scenario analysis, and climate-related reporting. We also became a CDP Accredited Solutions Provider in 2022, supporting organizations looking to improve their CDP disclosure and taking vital actions toward a sustainable economy.

Due to 3R's size and business model, our carbon footprint alone is minimal. We prioritize virtual meetings with our clients, unless onsite is required, and we communicate that reasoning to our clients as a way of reducing the environmental impact of our services. By engaging clients in setting and exceeding their own environmental performance goals, 3R amplifies our impact to decarbonize the economy and adapt to a changing climate. 3R proudly partners with multiple organizations to hold ourselves accountable. We are part of the SME Climate Hub, an initiative of B Corp-certified companies to address climate change. As an SME Climate Hub Company, 3R has taken a public pledge to reach net zero emissions by 2050 and is committed to reporting our progress annually.

Contributing to our goals

- ◀▶ Reduce our greenhouse gas emissions
- ◀▶ Help clients reduce their greenhouse gas emissions
- ◀▶ Minimize our environmental footprint, including energy, water, and waste production

Our purchase of RECs and carbon offsets in 2023 helped us neutralize **100%** of our scope 1, 2, and 3 emissions

Climate: Energy and Greenhouse Gas Emissions

Our Environmental Policy encourages virtual meetings as an alternative to in-person meetings to reduce business travel and employee commuting. Additionally, 3R offers full-time employees bus passes to limit emissions from employee commuting to the office. Our Sustainable Procurement Policy intends to increase the percentage of locally purchased goods and services to limit emissions resulting from transportation and distribution, and to support our local community. Employees are educated on GHG emissions through in-house training, such as lunch and learn presentations, and are given opportunities to further their knowledge through webinars and conferences.

Since 2019, 3R has completed an annual GHG inventory for scopes 1 and 2 emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard using an operational control approach. From 2022 to 2023, we saw a reduction in our scope 2 emissions, attributed to our focus on understanding and improving our operational energy efficiency. In 2022, 3R calculated our scope 3 emissions for the first time. Scope 3 emissions make up the majority of our emissions, with employee commuting being the largest contributor.

3R purchases Renewable Energy Credits (RECs) to cover 100% of our scope 2 emissions (electricity usage) and carbon offsets to neutralize 100% of our scope 1 and scope 3 emissions. Our purchase of RECs in 2022 and 2023 helped us achieve our 50% target of reduction scope 1 and 2 emissions from a 2019 base year.

Our targets



Source 100% of energy from renewables by 2025



Reach net zero emissions, covering scope 1 and 2, from a 2019 base year by 2050



Reduce scope 1 and 2 emissions by 50% from a 2019 base year by 2030



Commit to measuring and reducing scope 3 emissions from a 2022 base year¹

[1] As a SME, SBTi does not require a near-term scope 3 target to be set. Instead, SMEs are committing to measuring and reducing scope 3 emissions.

Climate: Energy and Greenhouse Gas Emissions

Data and KPIs

*Calculated from the total of scope 1, 2 (market-based), and 3.

Metric	2019	2020	2021	2022	2023
Emissions - total (MT CO ₂ e)	17.48	16.23	22.19	44.91*	118.95*
Scope 1	5.54	2.22	7.80	8.35	6.47
Scope 2 (location-based)	11.94	14.01	14.39	17.65	12.88
Scope 2 (market-based)	11.94	14.01	14.39	0	0
Scope 3	N/A	N/A	N/A	36.56	112.48

36% of 3R consulting clients had scopes of work containing climate-related deliverables

Metric	2022	2023
Energy consumption - total (kWh)	83,035.6	63,915.5
Electricity consumption (non-renewable)	36,985.0	28,242.0
Heating consumption (non-renewable)	46,050.6	35,673.5

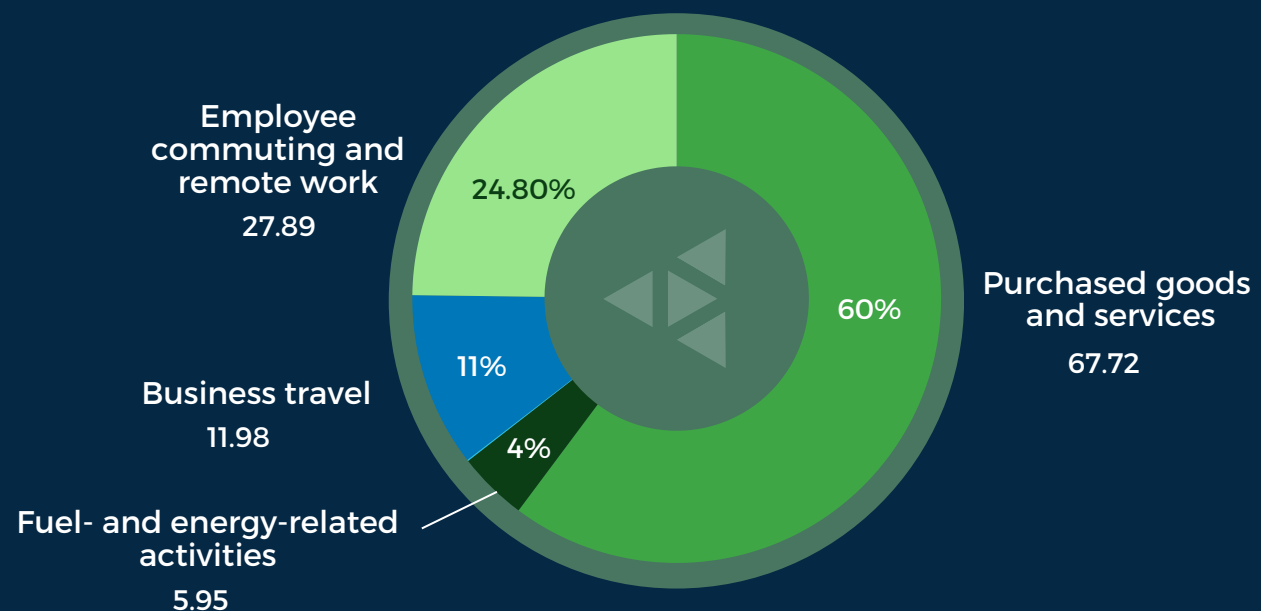
In 2023, we observed a significant rise in our total emissions, driven by an increase in Scope 3 emissions. This surge can be primarily attributed to the amplified expenditure on purchased goods and services. Notably, as a consequence of 3R's organizational expansion, our spending on services experienced a quadrupling from 2022 to 2023. Key areas of this expenditure included heightened investment in data protection and privacy, expanded resources allocated to employee healthcare, and increased business support to facilitate our daily operations. Additionally, the notable growth of our organization has led to increased business-related travel, including meetings, conferences, and client engagements, contributing to elevated travel-related emissions. Despite this increase in emissions, 3R remains dedicated to its commitment to halving organizational emissions by 2030 and achieving net-zero emissions by 2050. In order to effectively reduce emissions while sustaining organizational growth, 3R acknowledges the necessity of taking a strategic approach that encompasses clear goal-setting, targeted initiatives, and ongoing evaluation and adjustment of actions.

Climate: Energy and Greenhouse Gas Emissions

Data and KPIs

Total scope 3 in 2023 (MT CO₂e)

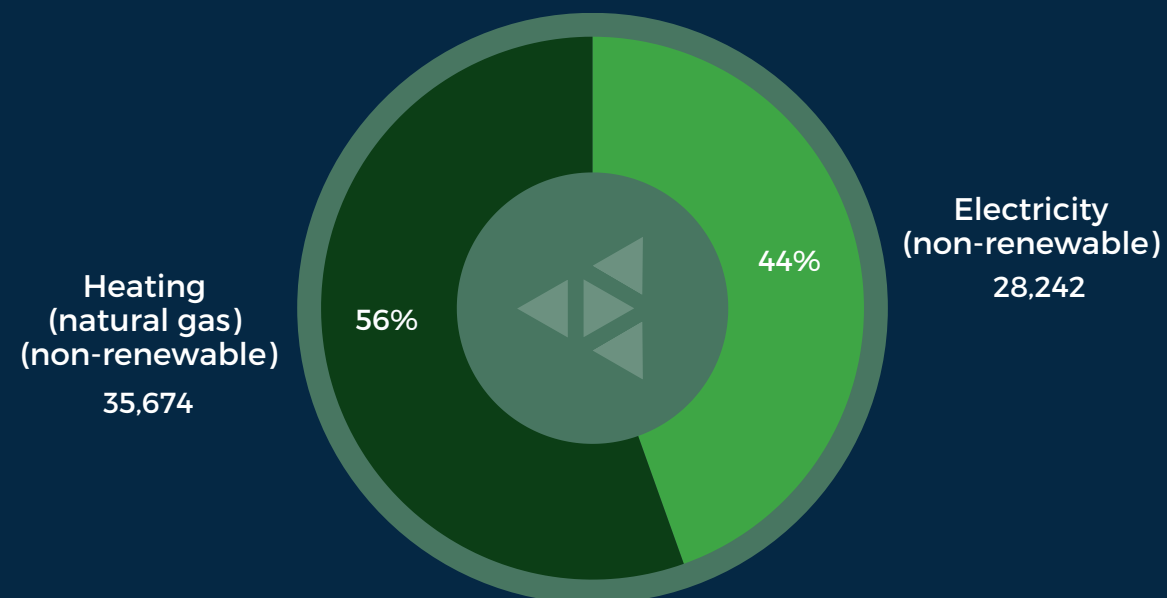
Total = 112.48 CO₂e



*Waste generated in operations generated 0.09 MT CO₂e, accounting for 0.1% of scope 3 emissions

Total energy consumption in 2023 (kWh)

Total = 63,915.5 kWh



Ask a 3R Expert: Energy Systems and Energy Efficiency Measures

Question: A key recommendation in a recent energy audit is to install a renewable energy system. What are my options? What would it take to cover my building's energy consumption?

Answer: The amount of renewables, such as solar, that it would take to cover your building's energy consumption varies based upon how much sun is available at your location as well as mitigating features, such as shading from local trees. You can estimate for yourself how much solar you can generate on your site with [this online tool](#) offered by the National Renewable Energy labs.

If you are looking into wind power, the available tools are more involved and come in the form of an excel template. Fortunately, the Department of Energy has several useful templates to start the process which you can find [here](#).

If you are unsure what is available to you in your area, there is a [geospatial energy mapper](#) that can identify cost effective alternative low emissions electricity sources available in your area. We can also perform a more formal renewable energy study which includes estimated construction cost, pay back analysis, and identify oversizing needed to meet expected future growth.



Joe Lewis, Senior Technical Specialist II, answers questions regarding energy systems and energy efficient measures.

Question: Our project is over budget, so we need to value engineer out some of the energy efficiency measures to get the project into construction. Which measures are the most important to keep?

Answer: What is your current funding strategy? We may be able to save some of these features by looking into alternative funding options.

If you don't have the time to apply and secure this funding, the most important feature is your high efficiency lighting and lighting controls (e.g daylighting and occupancy sensors). Also, the sub-metering system is key to ensure that your building operates as desired and that you can troubleshoot operational issues that develop over the life of the building. We can scale back the envelope to be code compliant; but I would recommend the unit cost of the glazing area vs. the opaque area be evaluated. Placing windows efficiently will provide just as effective a connection to the outdoor environment as having a large number of them. Key features of the HVAC include having heat recovery and for your climate zone economizer controls. If you work with 3R, we will draw up a more formal analysis with numbers in the energy model we develop for you, which can be done as part of your LEED submission.

Environmental Performance: Water and Waste

Management approach

Part of 3R's efforts to minimize our environmental impact includes taking action to limit both our clients' and our own environmental footprint from water withdrawn and waste produced. By tracking water and waste performance, we can better understand resource usage, set quantitative goals for reduction, and identify opportunities for improvement. This process is embedded in how we operate our Pittsburgh office space, engage our remote employees, and work with our clients to manage their environmental performance.

Our commitment to improve our environmental performance is detailed in several of our policies that address water and waste by prescribing practices to reduce resources, prioritizing purchases that have a lower environmental impact, and detailing procedures to monitor impact.

To reduce water consumption and withdrawal, our Environmental Policy instructs the installation and replacement of fixtures in our office, such as toilets and faucets, with low-flow fixtures that are water efficient. As a result of our policy, the installation of low-flow fixtures was completed to include all our appliances and attachments. Future endeavors to address water conservation include engaging our remote employees by providing them with educational resources for actions that they can implement at home.

Contributing to our goals

- ◀◀ Minimize our environmental footprint, including energy, water and waste production
- ◀◀ Help clients reduce their environmental impacts to meet their goals

To reduce waste, our Sustainable Procurement Policy prioritizes low-waste products, minimizes our paper use in the workplace, and ensures our events are planned with reusable and recyclable materials. Additionally, to help meet our landfill diversion goals, 3R provides separate containers for landfill waste and recycling as directed by our Environmental Policy, and utilizes zero-waste solutions from TerraCycle, a recycling company that specializes in recycling packaging that is typically not processed by local municipalities, such as granola bar and snack wrappers. Lastly, 3R reduces and recycles office e-waste through annual donations of electronic hardware which is made available for Pittsburgh-based employees to drop off their personal electronics.

In 2023, we made significant progress in measuring and managing our waste impact. This included tracking office waste and recycling activities for more accurate data assessment. We also conducted a thorough waste audit to quantify landfill diversion and explore composting options. These steps will inform specific waste reduction targets and action plans, demonstrating our commitment to improving waste diversion efforts.

Using a similar approach to how we manage our own environmental performance, 3R works with our clients to reduce their negative environmental impacts and meet their environmental performance goals. 3R's approach aims to increase efficiency through improved operations and create a competitive advantage. Clients see these efforts communicated through a variety of deliverables tailored by our consultants such as setting targets, creating sustainability plans and policies, measuring and managing performance data, implementing recommended strategies, and submitting client information to several corporate rating and certification agencies.

To continue offering our clients a best-in-class service, we ensure our employees have access to the necessary resources and trainings to provide continuous education on emerging environmental topics like target-setting, circular economy initiatives, environmental data management strategies, and other industry-specific trends and insights. We have a team of Total Resource Use and Efficiency (TRUE) Zero Waste Advisors that bring value to organizations by reducing raw material consumption, preventing operational waste, and assessing material life cycles to push toward a closed-loop system.

Environmental Performance: Water and Waste

Data and KPIs

Metric	2022	2023
Percent of waste diverted from landfill	31%	10%
Waste generated (non-hazardous)	1896 lbs	380 lbs
Waste diverted from disposal (non-hazardous, recycling)	583 lbs	38 lbs
Waste directed to disposal (Non-hazardous, landfilling)	1313 lbs	342 lbs

The notable decrease in our waste generation from 2022-2023 primarily stems from a shift in our data collection methodology. Previously, from 2020 to 2022, we estimated waste and recycling data using the Environmental Protection Agency's (EPA) guidelines on waste category densities. However, in 2023, we began actively tracking our waste through a formal, more precise data collection process that utilized actual weight averages instead of estimations. Moving forward into 2024, our waste data will rely entirely on direct waste tracking, ensuring greater accuracy and precision in our waste generation and disposal records.



Case Study: Planning and Executing a Sports Stadium Waste Audit for LEED Compliance

3R was hired by a National Football League (NFL) stadium to help plan, prepare, conduct, and analyze the results of a complete waste audit. The client's goals were to better understand the facility's waste streams to increase their landfill diversion and overall waste reduction rates, and support green building certification efforts.

3R worked closely with the client to map out where waste is generated and collected throughout the stadium and devised a plan to collect, sort, and weigh waste generated during the audit. Work instructions and communications were developed by 3R and sent out to all involved stadium housekeeping and waste management staff ahead of time to prepare. A 3R resource consultant then traveled on-site to lead a team of around 30 staff members in the audit itself, recording and documenting the results. The audit took place during a stadium event to account for the peak times of waste generation.

The results of the waste audit gave the client a clear understanding of the waste materials leaving the stadium from typical NFL game operations and highlighted areas for immediate improvement. Additionally, 3R was able to calculate the incineration rate and rate of diversion from landfill for each facility area and the stadium overall, which helps with long-term goal setting throughout the waste management hierarchy of "reduce, reuse, recycle". The audit included all stadium areas and all types of waste generated, meeting full compliance for LEED certification under v4, v4.1, or v5.

Deliverables

- 1 Waste audit plan, template data collection forms, and project management
- 2 Audit completion in partnership with the client
- 3 Results analysis and initial recommendations for improving waste diversion metrics

Green Buildings

Management approach

3R is committed to contributing to the global implementation and maintenance of green buildings to reduce the use of natural resources and related emissions, improve occupant health and productivity, and increase building asset value. Our headquarters has a Leadership in Energy and Environmental Design (LEED) certification specific to interior design and construction and a WELL Health-Safety certification. Its location is in proximity to public transportation and a variety of shopping centers, restaurants, and residential areas, and the building itself has a historical standing, scenic views, and large windows that provide natural lighting and ventilation, improving employees' health and well-being.

For our clients, we offer a number of services to improve the built environment, including energy modeling, building certifications, performance tracking, and health, safety, and wellness implementation. 3R is uniquely qualified to integrate its building design consulting with broader environmental and energy management services to deliver 360-degree solutions. Additionally, 3R is a proud and active member of the Pittsburgh Green Building Alliance, the U.S. Green Building Council, and the Detroit 2030 District.

A crucial part of fulfilling our commitment and assisting clients in their green building endeavors is ensuring that our team's knowledge and expertise with the built environment continues to stay current. Like all staff, each member of our built environment team has ten hours a month dedicated to pursuing training opportunities, conferences, and certifications that expand their skill sets. Additionally, we are exploring ways in which our subject-matter experts can foster training for others to reach a higher level of understanding across the team and understand the synergies between green buildings and our other business lines.

Some green building certifications held by our team include:

- LEED Green Associate
- LEED Accredited Professional (AP)
- LEED Certified Reviewer
- Certified Energy Manager (CEM)
- Building Research Establishment Environmental Assessment Methodology (BREEAM) International Assessor
- Professional Engineer (PE)
- Engineer in Training (EIT)
- Fitwel Ambassador
- WELL Accredited Professional (AP)

2023 Greenbuild International Conference and Expo

In 2023, eight 3R employees traveled to Washington, D.C. to attend the Greenbuild International Conference and Expo. Greenbuild, presented in partnership with the U.S. Green Building Council (USGBC), is the world's largest annual event for green building professionals where attendees learn and source solutions to improve building sustainability, resilience, and tenant quality of life. The theme for this year's conference was "Building Transformation," a vital aspect of addressing climate change that involves intentional steps to design, construct, and operate buildings that are environmentally responsible and socially equitable. Greenbuild provides our team with invaluable opportunities for professional development, networking, and staying on top of the latest trends and innovations in sustainability practices. By participating in workshops, seminars, and engaging with industry experts, our team members gained insights that are directly applicable to our work at 3R, enhancing our ability to deliver high-quality solutions to our clients. The knowledge and expertise gained from the Greenbuild conference not only enriches our team members' skill sets, but also translates into tangible benefits for our clients, supporting our efforts to continuously strive to provide innovative and sustainable solutions that drive positive impact in the built environment.

"It was fascinating to hear about how the sustainability industry and standards are evolving. Additional issues and topics will be considered for the new, upcoming LEED v5 rating, such as climate risk, decarbonization, resilience, health and well-being, equity and ecological conservation."

Bori Cross-Boda, 3R Built Environment Manager



"One of my favorite sessions was centered on the concept of regenerative design, which is about forming symbiotic, synergistic relationships and working with potential, rather than addressing problems. I think this is key to the future of sustainability."

Stephanie Fleck, 3R Built Environment Manager



"This conference gave me a unique opportunity to see so many sustainable building professionals and ideas come together in one place. My favorite session was about an LCA technology being designed to not only analyze environmental impacts of a building's life cycle, but human health and social impacts as well."

Mackenzie Pias, 3R Built Environment Consultant





SOCIAL

Diversity, Equity, and Inclusion

Management approach

During the reporting year, 3R took great strides to increase our presence in the Diversity, Equity, and Inclusion (DEI) space. We developed a DEI and Harassment Policy to formalize our commitment to DEI that recognizes and embraces our employees' differences, visible and invisible, including but not limited to age, gender identity, race, ethnicity, sexual orientation, religion, and ability. In our policy, we define diversity as the identities that make our employees unique. Our objective is to ensure that our employees know that their unique value is known and appreciated and that all employees feel a sense of belonging in our workplace. As part of our sustainability plan, 3R is focusing DEI efforts on recruitment, organizational knowledge and employee training, and purchasing decisions, both internally and with our suppliers and clients. In 2023, we set a baseline for DEI services offered to clients, and in 2024, we will set a target for expanding future DEI service lines.

3R developed a new, standardized recruitment and selection process to limit the amount of unconscious bias that can infiltrate the hiring process, creating a fair opportunity for all job applicants. The process includes evaluating job postings to ensure all language is inclusive and transparent, screening resumes using a uniform graded rubric, and conducting interviews using consistent, behavioral-based questions and a graded rubric. Our 2023 intern cohort was selected using this new process, and for 2024, we aim to take a more proactive and intentional approach to recruiting diverse talent to expand the backgrounds of our candidates.

To ensure employees are knowledgeable about DEI topics, 3R conducted a DEI training session that taught the "ABCs of DEI" and presented a variety of other DEI trainings available. Following the training, 3R used a survey to measure employee understanding and preference for future DEI training formats. At the beginning of 2023, 3R became a member of Vibrant Pittsburgh, an organization focused on advancing DEI in workplaces across Southwestern Pennsylvania. Through Vibrant Pittsburgh, the organization engaged in training such as the "ABCs of LGBTQIA+" during Pride Month. In 2023 and onward, we are aiming to set the precedent for annual DEI training and integrate them into our onboarding process.

Regarding purchasing decisions, we are working to create a streamlined approach that prioritizes social and environmental responsibility, including DEI. Our Sustainable Procurement Policy gives preference to suppliers that are women-owned, minority-owned, veteran-owned, LGBTQ+-owned, and businesses otherwise owned by traditionally underrepresented or underserved groups, where applicable. We also track our local supply chain spend; we define local suppliers as those located within a 100-mile radius of the purchasing location.

3R prohibits discrimination, harassment, and coercion of any kind, including sexual harassment, and will take appropriate and immediate action in response to complaints or knowledge of violations of our policy. We have a zero-tolerance approach to modern slavery and are fully committed to preventing slavery and human trafficking. These policies apply within our operations and to our supply chain. Our DEI and Harassment Policy outlines our procedure for lodging a complaint.

Diversity, Equity, and Inclusion

Contributing to our goals

- ◀◀ Attract a more diverse employee base
- ◀◀ Increase organizational knowledge of DEI topics
- ◀◀ Continue to support local and diverse suppliers for goods and services under operational control

10% of our clients had sustainable procurement services in 2023

Success stories

- **CEOs for Action**: By signing on to this commitment, 3R Sustainability is pledging to take action to cultivate a workplace where diverse perspectives and experiences are welcomed and respected and where employees feel encouraged to discuss diversity and inclusion.
- **B Corp**: Certified B Corporations are leaders in the global movement for an inclusive, equitable, and regenerative economy. Unlike other certifications for business, B Lab is unique in their ability to measure a company's entire social and environmental impact. Our current B Corp certification was completed in 2019 when 3R Sustainability and (then) sister company, SRI Quality System Registrar, earned an outstanding overall score of 98.3, surpassing the median score of 50.9 for ordinary businesses. While we maintain this certification, 3R submitted our inaugural B Corp assessment as an independent organization in 2023 and eagerly await the results.
- **Sustainable Pittsburgh's Social Equity Sprint**: During the Social Equity Sprint, organizations across southwestern Pennsylvania competed against peers and took point-earning DEI actions in areas covering operations, hiring and promotions, accessibility, procurement, and more. Twenty-four participating organizations took more than 1,400 actions toward advancing social equity and 3R Sustainability was the runner-up for taking the most actions within their category of workplaces.
- **Vibrant Pittsburgh's Vibrant Index**: Created out of a collaboration between Vibrant Pittsburgh and the Allegheny Conference on Community Development, the Vibrant Index identifies areas of success and opportunities for improvement within the practices, policies, and cultures of organizations in the Pittsburgh region. 3R undertook the Vibrant Index to benchmark and further move forward our internal DEI practices.

Diversity, Equity, and Inclusion

Data and KPIs

Data and KPIs	Leadership		Management		Employees			Interns		
	Male	Female	Male	Female	Male	Female	Non-binary	Male	Female	Non-binary
2023										
20-30 years old	0	2	1	3	1	12	2	11	19	0
30-49 years old	2	1	0	1	2	4	0	0	1	0
50+ years old	0	2	0	0	0	0	0	0	0	0
Total	7		5		21			31		
2022										
20-30 years old	0	2	1	2	2	9	2	9	18	1
30-49 years old	1	2	0	0	1	4	0	0	0	0
50+ years old	0	1	0	0	0	0	0	0	0	0
Total	6		3		18			28		



Employee Health, Safety, and Wellness

Management approach

At 3R, we place a high priority on the well-being of our employees and are dedicated to fostering a positive and healthy work environment. We believe that implementing effective workplace programs and policies can significantly mitigate health risks and enhance the quality of life for our valued team members. We make substantial investments in comprehensive workplace health programs that are designed to improve the physical and mental well-being of our employees, drive productivity, strengthen our recruitment and retention efforts, nurture a positive organizational culture, and elevate employee morale.

We offer our employees paid time off (PTO) that can be used for physical wellness, mental wellness, and promoting a work-life balance. We also offer a comprehensive medical plan to all full-time employees that covers mental health and substance abuse services at 100% including telehealth crisis counseling and psychotherapy with qualified mental health professionals. This year, a comprehensive benefit review was provided to all employees with an expansion of mental health resources. To encourage employees to relax, reduce stress, and build relationships, we offer social events, educational opportunities, and an Employee Assistance Program that assists employees and their eligible dependents with personal or job-related concerns. All employees, regardless of gender, are entitled to parental leave. During the reporting period, we had one employee take parental leave and return to work once leave was completed.

We value employees' insight, and opinions, and recognize when they go above and beyond to improve the workplace. Our employee-led groups such as the Sustainability Committee and Employee Resource Group (ERG) contribute to our increase in employee engagement by providing the opportunity for employees to take ownership of some of the processes and objectives of the company. We have gained insight into the wants and needs of our employees through our annual employee satisfaction survey and take direct action on the feedback. We are additionally working to formalize a virtual suggestion box to provide an opportunity for ongoing anonymous feedback.

In addition to promoting health, safety, and well-being within our own organization, 3R strives to do the same for our clients. That is why we have set a goal to help clients meet employee health, safety, and well-being goals within our forward-looking sustainability plan. We aim to achieve that goal by increasing the number of employees with certifications related to health, safety, and wellness, such as FitWel and WELL, to better help guide our clients on their own employee wellness journeys.

Contributing to our goals



Increase employee engagement



Provide best-in-class employee benefits

Employee Health, Safety, and Wellness

Success stories

WELL Health and Safety (H&S): 3R earned the WELL H&S Certification for our Pittsburgh Office. This building certification focuses on operational policies, maintenance protocols, and emergency plans to create an environment that is safe and supportive of employee well-being. The topics within the certification cover cleaning and sanitization, health benefits and services, engagement in health and safety efforts, emergency preparedness, and air and water quality maintenance.

New Mental Health Services: 3R recently expanded their health services offerings to better ensure that preventative mental health care was more easily accessible for all employees, including covering costs for access to Better Help and Calm, platforms that provide support services for mental health treatment, maintenance, and preventative care.

Supporting Employee-Led Initiatives: 3R wholeheartedly supports our employee engagement through our Sustainability Committee and Employee Resource Group (ERG), which play a vital role in shaping and implementing our health and safety management framework. By involving our employees directly, we ensure that their perspectives and needs are thoroughly considered in our wellness initiatives. Through periodic assessments such as needs and interest surveys, focus groups, and interviews, we can identify health topics that hold significance for our employees and management.

Friday Chats: With more than half of 3R's staff working remotely, we saw a need to make sure that employees were still able to socialize with other employees to have a stress-free break in their day. As such, 3R created the Friday lunchtime chats. These are optional meetings on Fridays where employees can join and talk about non-work-related topics with their coworkers.

Data and KPIs

- Number of days lost to work-related injuries, fatalities, and ill health – 0
- Number of work-related safety incidents – 0

Employee Engagement Survey: Our 2023 Employee Satisfaction Survey revealed that employees feel they are given opportunities to develop skills relevant to their interests, have access to the learning and development needed to do their jobs, feel recognized and valued at work, have a healthy work-life balance, and are proud to be part of 3R. These results uphold our value of continual improvement and show that our employees utilize and appreciate their ongoing education in sustainability.

Our most significant areas for improvement from this survey were improving communication to keep employees better informed about what is happening across the company and putting the systems and processes in place to support employees in getting work done effectively. We are actively working to improve in these areas and hope that recent changes to our internal systems will support employees in their work.

Sabbatical Program: In 2023, we were thrilled to launch our Sabbatical Leave Policy. Our Sabbatical Program is separate from vacation, PTO (Paid Time Off), and sick leave, and applies only to long-term employees. We offer sabbatical leave as a benefit to encourage our employees to innovate, gain knowledge, and pursue their interests. This Program is one way to reward employees who have been working with us for a long time while simultaneously providing an opportunity for employees to rejuvenate and develop their skills.

Statement	% Agree*
I am proud to be part of this company.	91%

*Response rate = 82%

Human Capital Development

Management approach

We are committed to encouraging employees to seek continuous education and training opportunities to enhance their job-related skills and knowledge for personal growth and professional development, and to best meet our growing client needs for sustainability expertise. In the ever-changing and fast-growing field of sustainability, there are always new ideas, certifications, and skills that are essential for our employees to be familiar with, and we are committed to providing the resources to help them remain as current, informed, and knowledgeable as possible.

Our Director of Business Operations collaborates with our Manager of Human Resources to create programming and development plans to ensure that our employees are adequately supported in pursuing education that keeps them up to date on the latest and greatest sustainability knowledge. These efforts are further supported by our Career Management Policy. Our employees enjoy these benefits through their 6-month performance evaluations, scheduled ten hours of training per month related to a topic area of the employees' choosing, lunch and learns created by staff for staff, and funding and time allocation for training courses, attendance at conferences, and reimbursing costs associated with earning relevant certifications.

In the future, we plan to expand on these offerings and programs to include a career progression program and formalize job descriptions and their associated performance targets.

We believe our employees' development begins on day one. Our onboarding program includes relevant training, 3R policy and procedure review, benefits review, review of IT, and defined expectations. Within an employee's first year, they are encouraged and allotted time and resources to earn a certification related to their role within the company. In 2023, we formalized our Employee Handbook and Sabbatical Policy to provide clear guidelines and resources for our employees regarding their benefits and development.

3R Summer internship program

Every year since 2019, 3R has onboarded a cohort of interns for our summer internship program. The size of the cohort and the components of the program continue to grow and evolve each year. Our interns evaluate documentation for an international sustainability benchmark assessment, receive optional weekly classes to prepare for the Sustainability Excellence Associate (SEA) certification, and upon passing, are reimbursed for their exam. The interns also participate in a mentorship program where they are partnered with 3R staff members with aligned interests in addition to a direct supervisor to provide ongoing support and development. Interns receive evaluations at the midpoint and end of their internship that cover both technical and soft skills. 3R intern alumni are encouraged to stay connected and support one another throughout their career via the 3R Alumni LinkedIn group.

Employee spotlight: TERESA STUTTS

Teresa Stutts completed the 3R Summer Internship program in 2020.

Where is she now?

3R Senior Manager, Sustainability

"Participating in the 3R Summer Internship program gave me incredible insight into the sustainability field and into the work that 3R does in a short period of time, enabling me to grow and adapt quickly as I came onboard as a full-time team member in 2021."



Human Capital Development

GreenBiz 2023

Scottsdale, Arizona

GreenBiz Group is a media and events company that works to create a network of sustainability-minded professionals to confront the challenges of climate change and other challenges of our time. Each year, GreenBiz Group hosts “GreenBiz” which convenes business leaders across sectors for panel discussions, networking, problem-solving, and open forums.

GreenBiz 2023 was the most attended GreenBiz to date, which demonstrates the continual adoption and interest of sustainable business practices across industries. Jana, Gina, Lindsey, and Preston were able to attend and participate in various sessions ranging from Supply Chain Resilience and Decarbonization to Biodiversity and ESG Assessments, Regulations, and Data.

“Attending GreenBiz is a great way to connect with like-minded individuals as well as to hear from business leaders who may be a bit more skeptical about integrating sustainability into business practices. The diverse perspectives and backgrounds of the attendees make for engaging conversations and open my mind further to the unique ways in which sustainability can be [and needs to be] communicated and thus understood by various industries and their representatives.”

Lindsey Berger, 3R Business Operations Director



Human Capital Development

Data and KPIs

Training hour breakdown	Average hrs. 2022	Average hrs. 2023
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By employee category:

Leadership	68	106
Management	55	84
Employees	48	83

By gender:

Male	46	74
Female	50	87
Non-binary	94	121

2023	Male	Female	Total
Employee turnover rate	0%	12%	4
New hires	3%	9%	4

100% of employees completed onboarding

100% of employees received performance reviews

\$54,164 allocated toward employee continuing education

2,704 hours put towards continuing education

Workforce breakdown	2019	2020	2021	2022	2023
Number of full-time permanent staff	9	10	15	27	33
Number of temporary interns	0	14	18	28	31
Percent of interns hired as full-time staff	0	14%	28%	11%	19%

Community Engagement

3R encourages giving back to the communities in which we live and work. We actively contribute time, talent, and resources through charitable contributions and volunteerism to organizations and causes that align with the values of our company and our employees. 3R encourages employees to engage in volunteer opportunities by providing paid volunteer time off (VTO). VTO can be used for company-sponsored events or charitable activities of an employee's choice. Based on employment/work status, employees are eligible for 1 VTO day per quarter, totaling 4 days per year.

During our annual holiday season, we match all employee donations to their organization of choice, totaling \$2,396 in contributions across 17 organizations in 2022. We have included in our Plan to formalize our charitable donation program and to expand volunteer opportunities and awareness for the organization and individuals.

With our headquarters located in Pittsburgh's Strip District neighborhood, 3R is a proud member of the Strip District Neighbors, a 501(c)(3) non-profit organization dedicated to promoting economic development and a high quality of life while preserving and enhancing the integrity and character of the Strip District neighborhood. Through the team's involvement, we have aided in the development of the community's Master Plan for Sustainable Development, their State of the Strip Report, monthly project reviews, and presentations at the monthly town hall meetings.

During our annual all-staff in-person meeting, the 3R team partnered with the Friends of the Riverfront to engage in cleaning our local natural recreation areas. Employees engaged in tasks such as picking up trash, removing graffiti, and general landscaping of a public trail near our headquarters.



Supporting our staff in the community

Outside of her work at 3R, Senior Sustainability Consultant, Rachel Bukowitz, also serves as the President of the Board of Directors for Communitopia, a Pittsburgh-area climate change education nonprofit. 3R was thrilled when the opportunity arose to support Rachel's work by sponsoring Communitopia's annual fundraiser, a 'ride-and-raise' bike ride along Pittsburgh's riverfront. 3R's sponsorship helped to fund Communitopia's work of educating the next generation of climate leaders in Pittsburgh. Not only did 3R sponsor the event, but several 3R staff attended the ride as well!



"With encouragement from my manager at 3R to pursue my interest in serving on a nonprofit board, I felt empowered to not only join a board but also move up in the board's leadership to my current role as President. Throughout my time with Communitopia, my coworkers and leadership at 3R have been incredibly supportive. I love working for a company that deeply cares for its employees and actively encourages our involvement in community-based work."

-Senior Sustainability Consultant, Rachel Bukowitz

GOVERNANCE

Client Satisfaction

Management approach

Our clients are the reason we do what we do. To realize our vision, we take a strong collaborative approach with our clients, teaming up with them to exceed expectations of project outcomes via open communication pathways and integrative processes.

We utilize a project closeout procedure to ensure that we capture feedback for continual improvement on all projects. This process includes providing the next steps for advancing our clients' sustainability journeys, gathering feedback from clients through satisfaction surveys and open dialogue, and facilitating internal project closeout meetings. All client feedback is valued and reviewed by our Sustainability and Business Development Associate as well as other team members as deemed relevant. We use our clients' feedback to inform how we update and advance our consulting work to ensure that we continually offer best-in-class service. A fundamental aspect of our approach to consulting is to build relationships with our clients, and we are proud of the high percentage of clients who return to work with us after an initial phase of work. Looking forward, we will continue to value our collaborative approach to working with our clients and will evolve our work as needed based on our clients' feedback.

We appreciate our client referrals!

59% of 2023 revenue came from returning clients

Contributing to our goals

◀ Be the preferred choice for all our clients' sustainability needs

"Over the past several years I have had the pleasure of working with the 3R consulting team. My experience has been favorable and rewarding.. 3R consultants are a perfect example of good teamwork. Camaraderie between our team and 3R has resulted in the achievement of numerous goals and targets! We look forward to working with the team again and would highly recommend their services."

-Senior Sustainability Representative,
Arkay Packaging

"From our first conversation to finally achieving our LEED Silver designation for Liberty East, 3R provided us with exemplary knowledge, strategic information and outstanding customer communication and support in furthering of our LEED goals. We could not be more happy with 3R and we look forward to working with them again...soon!"

-LG Realty Advisors, Inc.

Data Privacy and Security

3R recognizes the vital importance of maintaining data security and protecting data privacy for our employees, clients, and other stakeholders. This is a complex topic that requires both secure, state-of-the-art technology as well as informed and trained employees to identify and prevent risks. The nature of risks and threats is also constantly evolving so both our technology and our training must evolve as well, in a proactive way wherever possible.

We have made investments in both technology and education to guard against the risks of breaches or other incidents. We use platforms with SOC2 certification to store customer information provided to 3R, and we partner with an information technology (IT) and security provider to ensure our systems are utilizing the most up-to-date best practices, guidelines, and standards.

Additionally, our service provider conducts regular training for 3R staff on IT security topics, including how to avoid phishing attacks and other related content.

On top of our risk mitigation efforts, 3R also has a Security Incident Response Plan (SIRP) which dictates the specific procedures and guidelines for detecting and containing a security incident. This includes a reporting and communications procedure for 3R staff to report any information security concerns and the immediate response and escalation steps to follow.

In 2024, we plan to evaluate specific certifications for IT security to provide third party credibility to our efforts in this critical area. We want our clients and stakeholders to have as much confidence and trust as possible in our ability to keep their data private and secure.

Data and KPIs

0 complaints received concerning breaches of customer privacy

Contributing to our goals

- ◀ Achieve certification for information security
- ◀ Train employees in data privacy and security
- ◀ Prevent information security incidents

Ethical Business Conduct

Management approach

3R's ethical business conduct is governed by our Code of Ethics and our Code of Conduct. These documents encompass topics such as information security, conflicts of interest, and fraud. To ensure that all policies are communicated and understood they are reviewed and signed by Human Resources and employees during the onboarding process. Our Human Resources Information System (HRIS) stores signed documents, making them easily accessible to employees for reference and records that they have reviewed them. We are currently taking steps to create a full in-depth training course on our ethics and business conduct policies for our employees that will launch in 2024.

Employees are responsible for appropriately communicating concerns regarding suspected unethical or illegal conduct to a supervisor, Human Resources, or the Ethics & Compliance Hotline, as outlined in our Whistleblower policy. 3R renders the services of a confidential ethics and compliance hotline provider and encourages employees to speak to their manager or communicate through the hotline if they have a confidentiality issue. 3R does not retaliate against anyone who reports suspected violations in good faith. All reports of misconduct are investigated in a timely fashion. Unless the individual chooses to remain anonymous, they receive feedback on the results of the investigation, to the extent allowed by applicable law.

We are a transparent company, which is why we are working on extending our annual financial review from an annual to a quarterly review to provide greater insight into expenses, revenues, and project-level analysis.

Contributing to our goals



Increase ethical training and financial awareness

Data and KPIs

0 critical concerns communicated to the company

100% of operations were assessed for risks related to corruption

100% of employees have been communicated to about the organizations's anti-corruption policies

0 confirmed incidents of corruption

\$0 of monetary losses as a result of legal proceedings associated with professional integrity

0 child or forced labor incidents

APPENDIX

GRI Disclosures

Statement of Use

Statement of use	3R has reported in accordance with the GRI Standards for the reporting period January 1, 2023 to December 31, 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A – No applicable GRI sector standards used.

General Disclosures

Disclosure		Answer
2-1	Organizational details	About 3R, pg. 4
2-2	Entities included in the organization's sustainability reporting	About this Report, pg. 2
2-3	Reporting period, frequency, and contact point	About this Report, pg. 2
2-4	Restatements of information	From 2022 to 2023, we refined our data collection methodology for several of our KPIs. As a result, in this report we updated our 2022 data within the diversity, equity, and inclusion and human capital development sections.
2-5	External assurance	3R has adhered to the AA1000AS v3 2020 standard and prepared this report to support a Type 2 Moderate level of assurance for reliable and quality performance data for the year ending 31 December 2023. AA1000AS v3 Assurance Statement
2-6	Activities, value chain, and other business relationships	About 3R, pg. 4
2-7	Employees	Human Capital Development, pg. 28
2-8	Workers who are not employees	Human Capital Development, pg. 28

Disclosure		Answer
2-9	Governance structure and composition	Sustainability Governance, pg. 9
2-10	Nomination and selection of the highest governance body	As a private company, there is no nomination process for the leadership team. 3R's highest governance body.
2-11	Chair of the highest governance body	The leadership team does not have a chair, but Jana Lake serves as the CEO of the company.
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, pg. 9
2-13	Delegation for responsibility of managing impacts	Sustainability Governance, pg. 9
2-14	Role of the highest governance body in sustainability reporting	Materiality and Stakeholder Engagement, pg. 8
2-15	Conflicts of interest	Ethical Business Conduct, pg. 35
2-16	Communication of critical concerns	Ethical Business Conduct, pg. 35
2-17	Collective knowledge of the highest governance body	Human Capital Development, pg. 28
2-18	Evaluation of the performance of the highest governance body	Human Capital Development, pg. 28
2-19	Remuneration policies	Reviews for salary increases are ordinarily conducted once per year. Increases, if granted, are determined through the merit budgeting process, and only occur as a result of demonstrated performance, documented by job-related performance appraisal.
2-20	Process to determine remuneration	As a private company, remuneration policies are developed, reviewed, and implemented internally.

GRI Disclosures

General Disclosures

Disclosure		Answer
2-21	Annual total compensation ratio	Due to the confidential nature of our compensation, we do not disclose this information at this time.
2-22	Statement on sustainable development strategy	Letter from the President, pg. 3
2-23	Policy commitments	Letter from the President, pg. 3 3R's Alignment to United Nations Sustainable Development Goals (SDGs), pg. 42
2-24	Embedding policy commitments	Sustainability Governance, pg. 9
2-25	Process to remediate negative impacts	Ethical Business Conduct, pg. 35
2-26	Mechanisms for seeking advice and raising concerns	Ethical Business Conduct, pg. 35
2-27	Compliance with laws and regulations	Ethical Business Conduct, pg. 35
2-28	Membership associations	Industry Organizations and Affiliations, pg. 7
2-29	Approach to stakeholder engagement	Materiality and Stakeholder Engagement, pg. 8
2-30	Collective bargaining agreements	None of 3R's employees are currently covered by collective bargaining agreements.

Material Topics Disclosures

Disclosure		Answer
3-1	Process to determine material topics	Materiality and Stakeholder Engagement, pg. 8
3-2	List of material topics	Materiality and Stakeholder Engagement, pg. 8

Anti-corruption Disclosures

Disclosure		Answer
3-3	Management of material topics	Ethical Business Conduct, pg. 35
205-1	Operations assessed for risks related to corruption	Ethical Business Conduct, pg. 35
205-2	Communication and training about anti-corruption policies and procedures	Ethical Business Conduct, pg. 35
205-3	Confirmed incidents of corruption and actions taken	Ethical Business Conduct, pg. 35

Energy Disclosures

Disclosure		Answer
3-3	Management of material topics	Climate: Energy and Greenhouse Gas Emissions, pg. 12
302-1	Energy consumption within the organization	Climate: Energy and Greenhouse Gas Emissions, pg. 12
302-2	Energy consumption outside of the organization	Due to the nature of 3R's business, this is not applicable to our reporting.
302-3	Energy intensity	We are investigating how to best measure our energy intensity and will disclose this in the future.
302-4	Reduction of energy consumption	Climate: Energy and Greenhouse Gas Emissions, pg. 12
302-5	Reductions in energy requirements of products and services	Due to the nature of 3R's business, this is not applicable to our reporting.

GRI Disclosures

Emissions Disclosures

Disclosure		Answer
3-3	Management of material topics	Climate: Energy and Greenhouse Gas Emissions, pg. 12
305-1	Direct (Scope 1) GHG emissions	Climate: Energy and Greenhouse Gas Emissions, pg. 12
305-2	Energy indirect (Scope 2) GHG emissions	Climate: Energy and Greenhouse Gas Emissions, pg. 12
305-3	Other indirect (Scope 3) GHG emissions	Climate: Energy and Greenhouse Gas Emissions, pg. 12
305-4	GHG emissions intensity	We are investigating how to best measure our emission intensity and will disclose this in the future.
305-5	Reduction of GHG emissions	Climate: Energy and Greenhouse Gas Emissions, pg. 12
305-6	Emissions of ozone-depleting substances (ODS)	Due to the nature of 3R's business, this is not applicable to our reporting.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Due to the nature of 3R's business, this is not applicable to our reporting.

Waste Disclosures

Disclosure		Answer
3-3	Management of material topics	Environmental Performance, pg. 17
306-1	Waste generation and significant waste-related impacts	Environmental Performance, pg. 17
306-2	Management of significant waste-related impacts	Environmental Performance, pg. 17
306-3	Waste generated	Environmental Performance, pg. 17
306-4	Waste diverted from disposal	Environmental Performance, pg. 17
306-5	Waste directed to disposal	Environmental Performance, pg. 17

Employment Disclosures

Disclosure		Answer
3-3	Management of material disclosure	Human Capital Development, pg. 28
401-1	New employee hires and employee turnover	Human Capital Development, pg. 28
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital Development, pg. 28
401-3	Parental leave	Human Capital Development, pg. 28

GRI Disclosures

Training and Education Disclosures

Disclosure		Answer
3-3	Management of material topics	Human Capital Development, pg. 28
404-1	Average hours of training per year per employee	Human Capital Development, pg. 28
404-2	Programs for upgrading employee skills and transition assistance programs	Human Capital Development, pg. 28
404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Development, pg. 28

Diversity and Equal Opportunity Disclosures

Disclosure		Answer
3-3	Management of material topics	Diversity, Equity, and Inclusion, pg. 23
405-1	Diversity of governance bodies and employees	Diversity, Equity, and Inclusion, pg. 23
405-2	Ratio of basic salary and remuneration of women to men	Diversity, Equity, and Inclusion, pg. 23

Non-discrimination Disclosures

Disclosure		Answer
3-3	Management of material topics	Diversity, Equity, and Inclusion, pg. 23
406-1	Incidents of discrimination and corrective actions taken	Diversity, Equity, and Inclusion, pg. 23

Local Communities Disclosures

Disclosure		Answer
3-3	Management of material topics	Community Engagement, pg. 31
413-1	Operations with local community engagement, impact assessments, and development programs	3R currently has not assessed their impact on local communities' engagement and development, however, we aim to do this in the future.
413-2	Operations with significant actual and potential negative impacts on local communities	3R currently has not assessed their impact on local communities' engagement and development, however, we aim to do this in the future.

Customer Privacy Disclosures

Disclosure		Answer
3-3	Management of material topics	Data Privacy and Security, pg. 34
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security, pg. 34

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Accounting Metric	Category	Code	2022 Response
Description of approach to identifying and addressing data security risks	Discussion and Analysis	SV-PS-230a.1	Data Privacy and Security, pg. 34
Description of policies and practices relating to collection, usage, and retention of customer information	Discussion and Analysis	SV-PS-230a.2	Data Privacy and Security, pg. 34
(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	Quantitative	SV-PS-230a.3	There were 0 data breaches during the reporting year. More information can be found within Data Privacy and Security, pg. 34.
Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Quantitative	SV-PS-330a.1	Male Leadership: 29% Female Leadership: 71% Male Employees: 15% Female Employees: 77% Non-Binary Employees: 8% More information can be found within Diversity, Equity, and Inclusion, pg. 23.
(1) Voluntary and (2) involuntary turnover rate for employees	Quantitative	SV-PS-330a.2	The turnover rate was 14% during the reporting year. More information can be found within Human Capital Development, pg. 28.
Employee engagement as a percentage	Quantitative	SV-PS-330a.3	Our satisfaction survey had a response rate of 82%. More information can be found within Employee Health, Safety, and Wellness, pg. 26.
Description of approach to ensuring professional integrity	Discussion and Analysis	SV-PS-510a.1	Ethical Business Conduct, pg. 35
Total amount of monetary losses as a result of legal proceedings associated with professional integrity	Quantitative	SV-PS-510a.2	There have been no legal proceedings within the reporting year. More information can be found within Ethical Business Conduct, pg. 35.
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	SV-PS-000.A	Full Time employees: 33 Part Time Employees: 0 Temporary Employees: 31 More information can be found within Human Capital Development, pg. 28.
Employee hours worked, percentage billable	Quantitative	SV-PS-000.B	3R employees worked a total of 61,351 hours in 2023, with 84% billable.

3R's Alignment to United Nations Sustainable Development Goals (SDGs)

Goal 3: Good Health & Well-Being

- Targets
 - 3.5: Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol
 - 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all
 - 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
- Material Topic(s)
 - Employee Health, Safety, and Wellness
- Contribution to the Goal
 - 3R contributes to targets 3.5, 3.8, and 3.9 by implementing a robust health insurance program that covers our employees for preventative care, substance abuse cessation, and time off for vaccines. We contribute to target 3.9 by actively working with our clients, where relevant and applicable, to create procedures and policies that reduce the amount of hazardous chemicals they use and ensure that they are responsibly disposed of to not harm any communities. More information about our approach to good health and well-being can be found within our [Employee Health, Safety, and Wellness section](#) on pg. 26.

Goal 8: Decent Work and Economic Growth Targets

- Targets
 - 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors
 - 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
 - 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- Material Topic(s)
 - Human Capital Development
- Contribution to the Goal
 - We make contributions to targets 8.2, 8.3, and 8.5 by creating programs that advance our employees' knowledge, providing opportunities for career development, actively recruiting from communities across the country, and innovating within our field, thereby creating more jobs. More information can be found in our [Human Capital Development section](#) on pg. 28.

Goal 9: Industry, Innovation, & Infrastructure Targets

- Targets
 - 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
 - 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
- Material Topic(s)
 - Green Buildings, Client Satisfaction
- Contribution to the Goal
 - Our continued work with LEED Certifications, along with our office's LEED Gold Certification, contributes to innovation within our industry, the industry of our clients, and the infrastructure in which we operate. More information can be found in our [Green Buildings](#) and [Client Satisfaction sections](#) on pg. 20 and pg. 33 respectively.

Goal 10: Reduced Inequalities Targets

- Targets
 - 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
 - 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard
 - 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality
- Material Topic(s)
 - Diversity, Equity, and Inclusion
- Contribution to the Goal
 - 3R has made strides this past year in reducing inequalities. Through our new policies, programming, and commitments, including our DEI policy and our endorsement of the CEO Action for Diversity and Inclusion pledge, we have contributed to targets 10.2, 10.3, 10.4 to empower and expand equality. More information can be found in our [Diversity, Equity, and Inclusion section](#) on pgs. 23 - 25.

3R's Alignment to United Nations Sustainable Development Goals (SDGs)

Goal 11: Sustainable Cities & Communities

- Targets
 - 11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
 - 11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage
 - 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
 - 11.a: Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning
- Material Topic(s)
 - Diversity, Equity, and Inclusion
- Contribution to the Goal
 - 3R's headquarters is located in the historic Strip District neighborhood within the city of Pittsburgh, PA, giving us firsthand understanding of the importance of contributing to and protecting sustainable urban areas. As such, we take preventative measures to limit our environmental impact on the local community, advocate for sustainable city planning, and engage our community to aid in sustainable development. More information can be found in our [Diversity, Equity, and Inclusion section](#) on pgs. 23-25.

Goal 12: Responsible Consumption and Production

- Target
 - 12.2: By 2030, achieve the sustainable management and efficient use of natural resources
 - 12.3: By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses
 - 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
 - 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle
 - 12.8: By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature
- Material Topic(s)
 - Environmental Performance, Client Satisfaction
- Contribution to the Goal
 - 3R recognizes that our actions, as well as the actions of our clients, can have direct and indirect impacts on our environment. We take measures to minimize our own impact, and work with clients to minimize their impact, by analyzing and taking action to reduce consumption and maximize resource efficiency where possible. More information can be found in our [Environmental Performance](#) and [Client Satisfaction](#) sections on pgs. 17-19 and pg. 33.

Goal 13: Climate Action

- Target
 - 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
 - 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
- Material Topic(s)
 - Greenhouse Gas Emissions, Green Buildings, Nature-based Solutions, Client Satisfaction
- Contribution to the Goal
 - Our Climate and GHG team make climate action their main mission, from working with clients to create climate action plans and completing analysis to mitigate impacts on climate change, to adapting to the rapidly changing environment. 3R is also taking steps to mitigate and adapt our own actions in response to climate change. More information can be found in our [Greenhouse Gas Emissions](#), [Green Buildings](#), and [Client Satisfaction](#) sections on pgs. 12, 20, and 33.