

The background of the cover is a photograph of blue water with gentle ripples. Overlaid on the left side are several large, semi-transparent, light blue triangles pointing towards the center. The text is centered horizontally and positioned in the middle of the frame.

# **3R SUSTAINABILITY REPORT**

## **2022**

# 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. For each material topic, the management approach, completed and planned initiatives, progress on related sustainability goals, and respective metrics are detailed.

This report is approved by our leadership and prepared in accordance with the Global Reporting Initiative (GRI) Standards for the period of January 1, 2022-December 31, 2022. Additionally, this report includes Sustainability Accounting Standards Board (SASB) disclosures and contributions to the United Nations Sustainable Development Goals (SDGs).



For questions about this report, please contact:  
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# Letter from the President

2022 was an exciting year for 3R. At the end of 2022, 3R took the final steps to transition from our parent company, SRI Quality System Registrar, and are now a completely independent, woman-owned business. We launched our assurance division, Sustainability Assurance Services, to expand the work we have done for years validating some of the sustainability industry's most recognized standards. Finally, we updated our [3R Sustainability Strategy and Plan](#), a four-phased plan outlining how we plan to mitigate and adapt to climate change in a holistic approach, upon which this report is based. Previously 3R reported as a division of SRI in their report, and now we have an opportunity to tell our own story of impact.

We recognize that performance plays a critical role in an organization's ability to thrive over a long period of time – a key tenet of sustainability. When an organization not only understands its impacts but also sets SMART goals and builds sustainability thinking into its culture and daily decision-making, it is best positioned to realize the business value that sustainability offers. It is about more than risk management. It can be about identifying opportunities to make a difference in the world, which drives employee satisfaction and company growth. As a signatory of the UN Global Compact, 3R upholds the [ten principles of the UN Global Compact](#), and we work daily with our clients to incorporate these principles into their organizations.

I am proud of the progress our team has made this year toward our goals and in the work we do every day. We earned a Gold medal for our EcoVadis submission, enabling us to be an approved EcoVadis Training Partner. We also gained certifications and designations in a variety of relevant assessments, including WELL Health & Safety, Platinum-level Workplace Designation by Sustainable Pittsburgh, and renewed our B Corp Certification. In 2023, 3R will aim to continue to make progress on our Sustainability Plan and set further ambitious targets when possible to ensure that we are continually pushing forward.

We hope you enjoy reading about our story as much as we enjoy the journey!

Sincerely,

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



# About 3R

3R has two independent divisions, 3R Sustainability (Consulting) and Sustainability Assurance Services (SAS). 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, 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 30 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.**

**Why work with anyone else?**





# 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.

### 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.

Currently our SAS business line supports the validation of three assessments: LEED, TRUE, and GRESB, and has consulted to others to provide insight and guidance on validation best practices. 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. In 2022, the real estate assessment engaged over 2,000 property companies, REITs, funds, and developers with USD 7.2 trillion in assets participated, covering 170,000+ assets across 75 countries. The coverage for infrastructure includes over 500 infrastructure funds and assets. Combined, GRESB represents USD 5.3 trillion in real asset value. More than 120 institutional investors, with over USD 28 trillion AUM, 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](#)
- [Approved 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](#)
- [Member of the Green Sports Alliance](#)



**CEO **ACT!ON** FOR DIVERSITY & INCLUSION**



# 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, interviews were conducted, and surveys were administered to employees and senior leadership to gain insight into perceptions of various 3R ESG impacts. An extensive industry analysis was also completed 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, these material topics were reassessed and amended to better align with 3R's evolving corporate structure and independence from our former sister company.





# Sustainability Governance

As a full-service sustainability consulting and solutions provider, modeling sustainability excellence is imperative to 3R. Our leadership team functions as our highest governance body and is comprised of six 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 formalized Sustainability Committee in 2022.

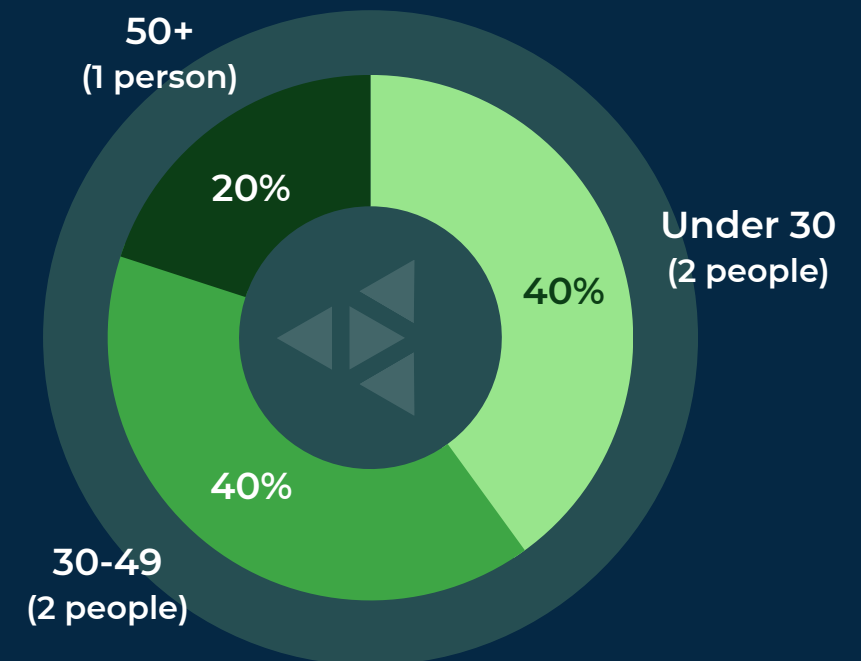
3R's Sustainability Committee is led by voluntary champions who demonstrate a passion for advancing our internal sustainability efforts. The Committee takes ownership of our sustainability initiatives through the development and implementation of our Sustainability Plan which details specific goals and 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 comprised 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



## Age breakdown for leadership



# 2022 Highlights

## B Corp Certification

In 2022, 3R completed its B Impact Assessment (BIA) recertification as a Certified B Corporation, having initially certified in 2019. The certification is presented by B Lab, a non-profit company that uses the assessment to comprehensively measure company social and environmental performance. This certification is important to 3R because it recognizes entities that are leaders in the movement for an inclusive, equitable, and regenerative economy, and requires legal and transparent commitment.

## WELL Health-Safety Rating

3R prepared throughout 2022 to achieve our first WELL Health-Safety Rating for Facility Operations and Management. The Health-Safety Rating signifies the steps we have taken to prioritize the health of our employees, visitors, and other stakeholders. The rating covers a variety of health and safety matters, such as air and water quality management, health service resources, emergency preparedness programs, and stakeholder engagement and communication. 3R achieved the rating in March 2023.

## Sustainable Pittsburgh Workplace – Platinum

Based on our 2022 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 three companies to receive the platinum designation so far.



3R placed in the **top 4%** of companies rated by EcoVadis in our industry



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

## EcoVadis – Gold

3R was awarded a score of 69, earning a gold medal for our EcoVadis rating, and placing 3R in the top 4% of companies rated by EcoVadis in our industry. EcoVadis rates companies based on their policies, actions, and performance in the themes of Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.

## Carbon Neutral

3R was carbon neutral again in 2022, showing our dedication to combating our climate impact. While we are actively pursuing ways to reduce our emissions, our neutrality comes in part through the purchase of carbon offsets and Renewable Energy Credits (RECs) that we source regionally.



A full-page background image of a lush green forest. Sunlight filters through the dense canopy of tall trees, creating a bright, dappled light effect. The trees are mostly deciduous with vibrant green 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 business 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 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 and are currently developing our near-term GHG reduction targets to submit to the Science-Based Targets Initiative (SBTi) for official validation. 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.

[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.

## Our targets



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



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



Source 100% of energy from renewables by 2025



Commit to measuring and reducing scope 3 emissions from a 2022 base year<sup>1</sup>

## 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

# 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 in lieu of parking permits to support using public transportation and limiting emissions. 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. 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.

2022 was focused on strengthening our base year calculations, providing us with a more accurate year-over-year analysis and comparison for future years. Additionally, we conducted an energy audit within our office to determine how our energy usage can be reduced. 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 helped us achieve our 50% target of reduction scope 1 and 2 emissions from a 2019 base year.



Our purchase of RECs and carbon offsets in 2022 helped us neutralize **100%** of our scope 1, 2, and 3 emissions



# Case Study: Greenhouse Gas Inventory and Report

3R was hired by a client to calculate their scope 1, 2, and 3 emissions inventory, including calculation of the client's base year emissions (2019) and most recent year emissions (2022).

To best assist the client with understanding their impact, the 3R team gathered the necessary data to calculate their GHG inventory, which included natural gas and electricity usage via utility bills, spend data on purchased goods and services, flight information and the number of nights spent in hotels, employee commuting distances and transportation type, and employee zip codes. After the completion of the GHG inventory, 3R was able to help the client identify opportunities to further improve data collection and reduce GHG emissions. Once the inventory was completed, 3R worked with the client to complete a customer service-level emissions request, which entailed quantifying the portion of emissions per service type for that specific customer. The deliverables for this project were the GHG inventory report, which included the key findings, methodology, emissions factors, and opportunities for improvement, and the customer service-level emissions template.

## Client testimonial

“3R was amazing to work with. The team assigned to my project were personable, knowledgeable, and did a great job of making very complex processes simple to understand.”

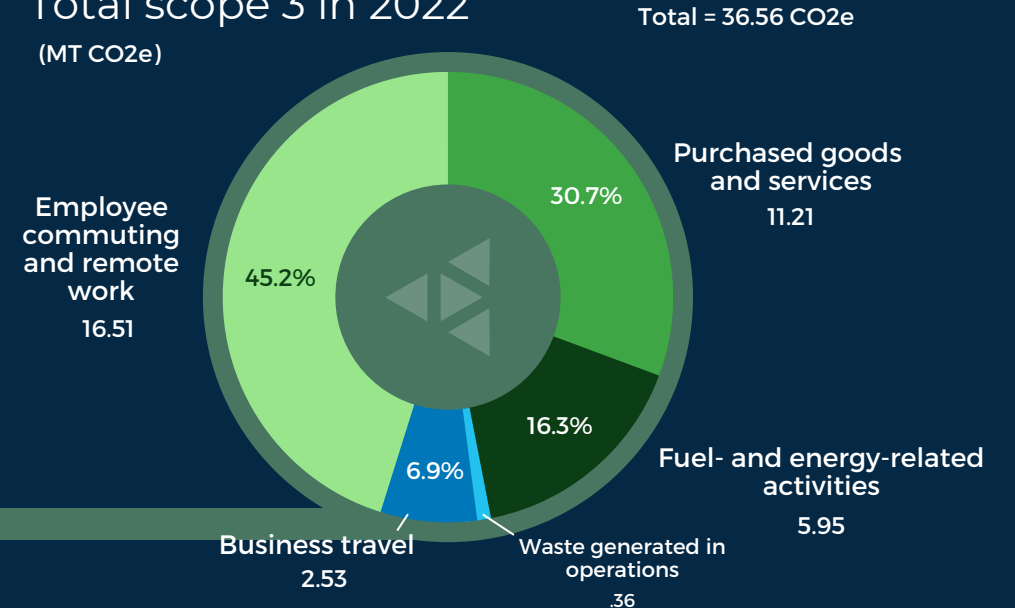
# Climate: Energy and Greenhouse Gas Emissions

## Data and KPIs

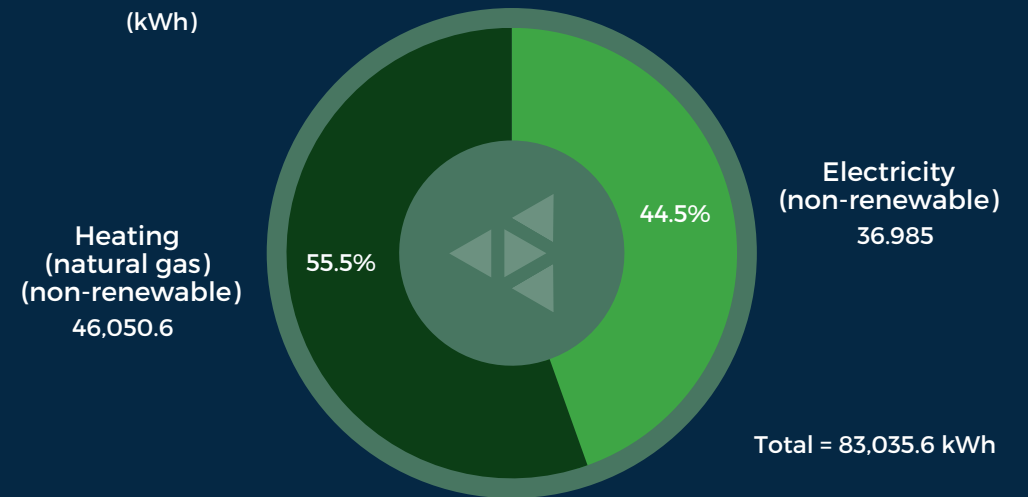
Metric	2019	2020	2021	2022
Emissions - total (MT CO2e)	17.48	16.23	22.19	44.91*
Scope 1	5.54	2.22	7.80	8.35
Scope 2 (location-based)	11.94	14.01	14.39	17.65
Scope 2 (market-based)	11.94	14.01	14.39	0
Scope 3	Unknown	Unknown	Unknown	36.56

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

Total scope 3 in 2022  
(MT CO2e)



Total energy consumption in 2022  
(kWh)



**40%** of 3R ESG consulting clients had scopes of work relating to a GHG inventory, carbon reduction strategy, and/or SBTi targets

# 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.

Since 2020, 3R's waste and recycling data has been estimated for the organization's activities based on the EPA's guidance on waste category densities. This year we set a goal to calculate our diversion from landfills in 2023 by completing a waste audit. From this, we will be able to better assess our waste-related impacts, establish a quantitative reduction target, and develop a more detailed action plan to address waste within the company.

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
Percent of waste diverted from landfill	30.7%
Waste generated (non-hazardous)	1896* lbs
Waste diverted from disposal (non-hazardous, recycling)	583 lbs
Waste directed to disposal (Non-hazardous, landfilling)	1313 lbs

Since 2020, 3R's waste and recycling data has been estimated for the organization's activities based on the EPA's guidance on waste category densities. 3R will conduct a waste audit in 2024 to have better data and identify opportunities for greater diversion.



# Case Study:

## Implementing Ring Container Technologies' Sustainability Plan

3R conducted a waste and water audit for one of Ring Container Technologies (Ring)'s manufacturing locations and used the results to develop an internal, actionable, company-wide Waste Reduction Plan. The Internal Waste Reduction Plan defined procedures for ongoing waste data tracking and opportunities for increasing diversion from landfill.

The water audit quantified Ring's facility water use and the Internal Water Reduction Plan provided recommendations for reducing water consumption across the company. 3R also created a ten-year, Internal Energy Reduction Plan identifying best practices for Ring to improve energy efficiency and reduce energy consumption. The Internal Energy Reduction Plan included expected savings and simple payback for the best practices.

While the internal reduction plans were designed to highlight future opportunities, 3R also worked to improve Ring's visibility into their real-time and historic ESG performance. 3R built Ring a customized Power BI ESG Data Management Dashboard to track and visualize their ESG metrics. The dashboard provides insights into data trends, enhancing Ring's ability to monitor their progress toward meeting their sustainability goals.

The three Internal Resource Reduction Plans (Water, Waste, and Energy) and the ESG Dashboard help Ring define and prioritize their next steps to continue advancing their ESG commitments and realizing their sustainability goals.

3R continues to work with Ring, facilitating ongoing ESG Committee meetings with dedicated staff at Ring to promote continual improvement of their sustainability performance.

### Key outcomes

- Developed an internal, actionable, company-wide **Waste Reduction Plan**
- Created an internal ten-year **Energy Reduction Plan** and an internal **Water Reduction Plan**
- Built a customized **Data Management Dashboard** to track and visualize ESG metrics



**ABOUT RING:** Ring is a privately held, multinational corporation that is focused on finding sustainable solutions for the consumer packaging industry.

# Case Study:

## Waste Reduction Playbook

Using the results of a post-event waste audit at a sport stadium, and information gained from interviews with facility operators and other stakeholders, TRUE Zero Waste experts at 3R developed a phased playbook, which was structured to be implemented over the course of 5 years.

The playbook was created to achieve at least a 90% waste diversion rate and make a positive impact towards achieving other ESG goals, including visitor and employee health and safety, resource reduction, and sustainable procurement. Quick wins (i.e., actions with little to no capital expense or organizational restructuring) were identified for the client to implement immediately. Additionally, the 3R team set up the foundation for larger, more intensive initiatives. The first step included organizing data collection to establish a baseline and a system to monitor waste reduction progress. The team created a waterfall chart to visualize the path to 90% diversion and estimated the impact on the diversion rate of each recommended strategy. The playbook detailed policies and programs for the client to implement a sustainable ongoing zero waste program, as well as provided information and potential make, model, and installation layout of infrastructure required to achieve 90% or greater diversion.

### Playbook summary

- 1 Phase 1:** Create foundational strategies and policies to build out the program.
- 2 Phase 2:** Invest in strategies such as bins/signage, equipment, compostables, and sorting to improve landfill diversion rate. Identify partners to offset some of the costs.
- 3 Phase 3:** Implement innovative strategies and unique waste streams to get across the finish line to zero waste.





# 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)

# Case Study:

## LEED and BREEAM Consulting

3R has been providing ongoing construction support for a general contractor in their effort to obtain LEED Gold and Building Research Establishment Environmental Assessment Method (BREEAM) Outstanding certifications. The project is in Elmont, NY, and consists of a 31,500 m<sup>2</sup> gross floor area of an outdoor retail mall. The construction project started in May 2022 and is expected to be finished in 2024.

3R has been providing valuable insight to the client and design team about the different sustainability features of the project. All aspects of construction are being tracked, including monthly utility consumption (water, fuel, and electricity), waste recycling efforts, erosion and sedimentation, site assessment (according to the BREEAM A1 checklist), and ecological features. In addition, emphasis has been placed on material selection to ensure that all the sustainability requirements of LEED and BREEAM certifications are met.

### What is LEED?

LEED provides a framework for healthy, efficient, carbon and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement and leadership.

#### The goal of LEED is to create better buildings that:

- Reduce contribution to global climate change
- Enhance individual human health
- Protect and restore water resources
- Protect and enhance biodiversity and ecosystem services
- Promote sustainable and regenerative material cycles
- Build a green economy
- Enhance community quality of life







# 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, internally and with our suppliers and clients. In 2023, we will set a baseline for DEI services offered to clients and 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.

Through our Sustainable Procurement Policy and our Procurement Checklist, we are working to create a streamlined approach that prioritizes social and environmental responsibility in our purchasing decisions. Alignment with this policy will broaden 3R's reach and impact beyond traditional sustainable practices, better positioning us to respond to the strategic and operational implications involved in the procurement process. The policy and Checklist work together to prioritize entities that contribute to their local community's development and respect the cultural, social, and political rights of their communities (e.g., traditional or indigenous). Preference of suppliers is given to women-owned, minority-owned, veteran-owned, LGBTQ+-owned, and businesses otherwise owned by traditionally underrepresented or underserved groups, and/or local vendors which are defined as vendors who are within a 100-mile radius of the purchasing location. We review potential suppliers on their commitment to uphold freedom of association and the effective recognition of the right to collective bargaining. In 2022, 3R baselined its procurement diversity to set actionable and impactful goals surrounding supplier diversity.

## Our targets



Increase the percentage of our procurement budget spent on locally purchased materials, goods, and services to 35% by 2025



Increase the percentage of our procurement budget spent on diverse suppliers to 20% by 2025

# Diversity, Equity, and Inclusion

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.

## Contributing to our goals

- Attract a more diverse employee base
- Increase organizational knowledge of DEI topics
- Help clients meet their DEI Goals
- Increase supplier diversity

## 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. Based on the B Impact assessment, SRI Quality System Registrar and 3R Sustainability earned an overall score of 98.3. The median score for ordinary businesses who complete the assessment is currently 50.9.
- 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

2022	Leadership		Management		Employees			Interns		
	Male	Female	Male	Female	Male	Female	Non-binary	Male	Female	Non-binary
20-30 years old	0	2	0	0	2	9	2	9	18	1
30-49 years old	1	1	1	2	1	5	0	0	0	0
50+ years old	0	1	0	0	0	0	0	0	0	0

Metric	2022
The percentage of the procurement budget spent on suppliers local to 3R Headquarters (within 100 miles of purchase)	17%
The percentage of the procurement budget spent on diverse suppliers	14%





# 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. 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



Help clients meet their employee health, safety, and well-being goals

# 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 Employee Resource Group (ERG). The ERG plays 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 child or forced labor incidents – 0
- Number of days lost to work-related injuries, fatalities, and ill health – 0
- Number of work-related safety incidents – 0

**Employee Engagement Survey:** Our 2022 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.

Statement	% Agree*
I am given the opportunity to develop skills relevant to my interests.	96%
I am proud to be part of this company.	93%
I am recognized for my good work.	89%
I have a healthy work-life balance.	85%

\*Response rate = 80%

# 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 Sustainability and 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. In 2022, we formalized our onboarding program to include 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.

## 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

## Success stories

**CDP Workshop** – 3R Sustainability Senior Manager, Joshua Knupp, proudly represented 3R at CDP’s flagship US workshop in New York City to gain insight into updates to the CDP platform and learn more about how the economy can move toward a net-zero future. As an Accredited CDP Solutions Provider, this workshop helped the 3R team to better understand our organization’s role in the world’s environmental journey. Knupp reported that a major takeaway from the workshop is that society needs to prioritize nature and biodiversity in order to fight climate change. This means that it is necessary for companies to understand how and where they are dependent on nature and how climate change will affect their business.

**Living Future 23: Advocacy and Belonging** – 3R Sustainability Consultant, Taylor Pelow, attended the International Living Future Institute’s (ILFI) conference in Washington, D.C. to learn about addressing climate change, health, and social justice. The conference brought together stakeholders in regenerative building who are dedicated to a built environment that is socially just, culturally rich, and ecologically restorative. The conference addressed how to bring the ILFI’s values to buildings, supply chains, and communities.

“The CDP workshop **enlightened me** to the importance that nature has in my work and how I can best support our clients to understand all of their impacts and dependencies on nature.”



Joshua Knupp

“The conference **gave me insight** and a stronger understanding of the resources and methods to better measure and address social justice within the sustainability field.”



Taylor Pelow

## Contributing to our goals

Define a personalized employee development plan for every employee

Expand the employee onboarding process

# Human Capital Development

## Data and KPIs

Training hour breakdown	Average hrs.
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By employee category:

Leadership	68
Management	55
Employees	48

By gender:

Male	46
Female	50
Non-binary	94

	Male	Female	Total
Employee turnover rate	0%	14%	3
New hires	5%	36%	8

**100%** of employees completed onboarding

**100%** of employees received performance reviews

**\$16,717** allocated toward employee continuing education

**1,422** hours put towards continuing education

	2019	2020	2021	2022
Full-time permanent staff	9	10	15	27
Temporary interns	0	14	18	28
Percent of interns hired as full-time staff	0	14%	28%	14%

# 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.







# 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!

**61.55%** of 2022 revenue came from returning clients

## Contributing to our goals



Be the preferred choice for all our clients' sustainability needs

## Case Study: Amplifying Koppers' Sustainability Efforts



Koppers is a global provider of wood preservation technologies and carbon compounds primarily used for railroad crossties, utility poles, and outdoor wooden structures. Koppers came to 3R Sustainability to review and report sustainability efforts, help develop a sustainability plan, and engage Koppers employees in the company's sustainability work. Since the initial contract in 2021, Koppers has returned to 3R year after year to aid in the growth of its sustainability efforts and notes 3R's excellent communication and deep sustainability knowledge as reasons for the continued collaboration. Key outcomes for Koppers include:



Delivering a [sustainability report](#) that highlighted Kopper's commitment to people, planet, and performance



Continuing to work with Koppers to support the company's growing sustainability programs by maintaining their Sustainability Plan, supporting the various Sustainability Committees, and working to create a more robust data management system



# Data Privacy and Security

3R maintains a secure hub for all data we work with, including clients, stakeholders, and our own data. We have additional measures in place to prevent security incidents such as a Security Incident Response Policy and a Multi-Factor Authentication system. We make every data decision with security at the forefront of our minds.

Our employees are engaged and educated on how to prevent security incidents through phishing prevention training. Information security training is rolled out annually to employees and presented by our third-party IT support. We are actively building the foundation to support an ISO 27001 management system and certification.

## Contributing to our goals

- ▶▶ Achieve ISO 27001 certification
- ▶▶ Train employees in data privacy and security
- ▶▶ Prevent information security incidents

## Data and KPIs

**0** complaints received concerning breaches of customer privacy

**100%** of employees trained in data privacy and security





# 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 fully transparent company, which is why we are working on extending our annual financial review from an annual to a quarterly review to provide 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, 2022 to December 31, 2022.
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 There are no restatements for this report.
2-5	External assurance 3R has adhered to the AA1000AS v3 2018 standard and prepared this report to support a Moderate level of assurance for reliable and quality performance data for the year ending 31 December 2022. <a href="#">AA1000AS v3 Assurance Statement</a>
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
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.

Disclosure	Answer
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	CEO Letter, pg. 3
2-23	Policy commitments	CEO Letter, pg. 3 3R's Alignment to United Nations Sustainable Development Goals (SDGs), pg. 3
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

## Procurement Practices Disclosures

Disclosure		Answer
3-3	Management of material topics	Supplier Diversity, pg. 23
204-1	Proportion of spending on local suppliers	Supplier Diversity, pg. 23

## 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	Greenhouse Gas Emissions, pg. 12
302-1	Energy consumption within the organization	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	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	Greenhouse Gas Emissions, pg. 12
305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions, pg. 12
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions, pg. 12
305-3	Other indirect (Scope 3) GHG emissions	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	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), sulfure 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. 16
306-1	Waste generation and significant waste-related impacts	Environmental Performance, pg. 16
306-2	Management of significant waste-related impacts	Environmental Performance, pg. 16
306-3	Waste generated	Environmental Performance, pg. 16
306-4	Waste diverted from disposal	Environmental Performance, pg. 16
306-5	Wasted directed to disposal	Environmental Performance, pg. 16

### 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.

### Supplier Social Assessment Disclosures

Disclosure		Answer
3-3	Management of material topic	Supplier Diversity, pg. 23
414-1	New suppliers that were screened using social criteria	Supplier Diversity, pg. 23
414-2	Negative social impacts in the supply chain and actions taken	Supplier Diversity, pg. 23

### 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



## SASB Index

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: 20% Female Leadership: 80% Male Employees: 18% Female Employees: 73% Non-Binary Employees: 9% 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 80%. 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: 22 Part Time Employees: 0 Temporary Employees: 28 More information can be found within Ethical Business Conduct, pg. 35.
Employee hours worked, percentage billable	Quantitative	SV-PS-000.B	3R employees worked a total of 38,059 hours in 2022, with 81% 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. 16-19 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.