

YEAR IN REVIEW

THE SPIRIT OF SUSTAINABILITY

2020

A Letter From Our CEO

2020 was hands-down one of the most challenging years for Spirit, our employees, and the people and companies we serve. Facing a completely new aspect of business functionality in 2020, Spirit took actions to protect the health and safety of our employees and quickly moved to enact a work-from-home policy. We also used 2020 to improve upon our budding sustainability program, including growing our Safety Team and formalizing more robust safety policies as well as establishing a formal D&I Program.

If there is a silver lining associated with the COVID-19 pandemic, it is reduced time spent traveling for work, which played a significant factor in reducing our environmental footprint from business operations. We realized that our 2020 emissions, while on one hand an anomaly, can provide a realistic long-term target for future years. Touching on a few highlights regarding our 2020 emissions:

- Remote work may have some slight emissions shifting effect due to greater energy use at home during the day, but those emissions have been greatly offset by the reduction in commuting emissions.
- Our air quality monitors showed a number of patterns, even increases in CO₂, that we did not anticipate happening with empty offices, that will allow us to calibrate background effects moving forward.
- While our office energy use is relatively hard to influence, this data gives us a greater basis for communicating with our building owners and facility staff to work with them on ways they can actively reduce energy use when we are absent.

In summary, I am proud of the progress we made in 2020 towards building our Sustainability Management System. After evaluating our 2020 impacts we believe we have a better understanding of our environmental footprint which can be used to establish future reductions and targets. We will continue to support our people, our clients, and our planet as we strive to become a more sustainable company.

Sincerely,



Brad Herrin, CEO



Sustainability in Action

Overview

2020 was a strange year for an office-based Sustainability Management System (“SMS”). COVID-19 led to huge commuting emissions reductions, significant office energy and emissions reductions, and nullified the need to perform a waste audit or other direct measurements of some of our company impacts. On the bright side, it provided a good baseline of how low our office impacts can be and identified some areas where there is continued room for improvement.

Commitment to Corporate Leadership

In 2020, Spirit continued to work on B Impact Assessment items with an eye towards improvement across all categories. The Denver office achieved Silver level designation in the State of Colorado Environmental Leadership Program (now the Green Business Network CO) committing to:

- Developing an Environmental Management System in 3 years
- Implementing a compost program
- Offsetting all business-related GHG emissions

Spirit by the Numbers

Spirit prides itself on developing an SMS it can not only be proud of but can commit to implementing. In 2020, Spirit continued advancing the SMS, hitting some major milestones that are detailed on page 3.

100% Business-Related GHG Emissions Offset

44% Reduction in Total Business Travel

15% Reduction in Office Energy Consumption



Spirit's Values

1

Corporate Leadership

Responsible corporate management is at the heart of our business model, including fair hiring and compensation to provide a safe and welcoming workplace, and a commitment to holistic sustainability.

2

Environmental Stewardship

As an environmental consulting company, Spirit considers environmental stewardship (also referred to as environmental sustainability) essential to our business model.

3

Community Sustainability

Community sustainability recognizes that the way we interact on issues relating to the wider society are critical and necessary parts of living sustainable lifestyles.

Tracking SMP Progress

Carbon

In 2020, Spirit generated total business-related GHG emissions of 154 metric tons of carbon dioxide equivalent (mT CO₂e). In a new commitment for 2020, Spirit decided to offset all business-related emissions for both 2019 and 2020 with a total offset purchase of 400 metric tons. Business-related emissions include scope 1 emissions from natural gas use and fleet, scope 2 emissions from electricity use, and scope 3 emissions from business-related travel including airline trips, reimbursed mileage, and rental car mileage. We did not offset employee commuting in 2020, but did calculate and match employees that wished to offset these emissions as well. In addition, the Denver Sustainability Committee offset an additional 32.6 mT CO₂e with high value Colorado Carbon Fund offsets.

Energy

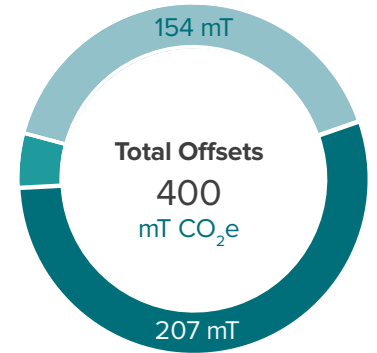
There was a 15% decrease in total energy consumption (kWh) and a similar 15% drop in GHG emissions from 2019 to 2020.

Office	Percent Emission Decrease
Austin	20%
Denver	26%
Houston	14%
Totals/Averages	15%

Transportation

Our transportation data collection methodology for 2020 varied by necessity, but estimates we use show an overall 74% emissions reduction in commuting and a 50% reduction in business travel emissions for an overall 68% travel related emissions reduction. COVID-19 telecommuting demonstrated significant emissions decreases as evidenced by the clearer skies and reduced traffic on the highways. The net emissions reduction is assumed to be significantly positive, and will factor into considerations to extend flexible working conditions moving forward.

39
metric tons
offset beyond Spirit's
2019 and 2020 emissions



Air

Though COVID-19 challenged the validity of this metric, we were able to get a full year of data for all the indoor air quality (IAQ) monitors, and see that based on a single location, the Houston office was the clear top performer from an overall IAQ perspective. We also moved to testing individual spaces and using the monitors to do more investigative work to troubleshoot issues.

Community

In 2020, our Wellness Committees hosted a trash pick-up event, where 20 pounds of trash and debris was collected along the South Platte River, and a step challenge, where over 3,726,100 steps were logged over one month. Our Sustainability Committees hosted an eco-friendly park hangout, sponsored office composting, and held an energy consumption challenge where more than 1,027 kWh were conserved. Our Humanitarian Committees focused on helping the greater community as COVID-19 progressed throughout the year by providing a variety of donations and driving initiatives, such as hosting a blood drive and providing relief funds.

Culture

In 2020, Spirit introduced our formal safety policy and manual, identified safety leaders and points of contact in each office, and incorporated safety moments into weekly project meetings and any fieldwork. Late 2020 also saw the formal launch of a new Diversity and Inclusion Advisory Committee.



Client Profiles

01



Partner Feature / The City of Westminster

The City of Westminster is committed to redeveloping the site of a former mall into a sustainable and vibrant new downtown. The City hired Spirit to help ensure individual developers continue to meet LEED certification goals and that the sustainable aspirations of Downtown Westminster are achieved in ways that make the most sense for all stakeholders.

Partner Feature / Finish Line (JD Sports)

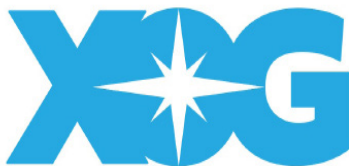
The Finish Line digital sales team based in Boulder hired Spirit to help them develop and implement an office sustainability plan prior to the Covid pandemic. By partnering with local programs such as Boulder County's partner's for a Clean Environment and building a sustainability tracking platform, Finish Line was able to set clear goals and start making improvements to their environmental bottom line immediately.

02



NORTH AMERICA

03



EXTRACTION OIL & GAS

Partner Feature / Extraction Oil & Gas

Spirit built on ongoing air permitting work to help Extraction Oil and Gas develop a full set of ESG metrics using the SASB standards. By collecting information on a variety of ESG topics deemed relevant by industry experts, Extraction was able to align their best practices and establish a benchmark to use going forward.



SPIRIT
ENVIRONMENTAL CONSULTANTS