



Annual Impact Report

2022

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SBM at a Glance

SBM Management Services, LP (SBM), headquartered in McClellan, California, is a building service contractor that specializes in janitorial and soft services.

A Minority Business Enterprise (MBE), SBM is a private company committed to our diverse workforce and continually improving the communities in which we work.



Introduction

SBM Management Services, LP (SBM) is thrilled to showcase our first Annual Impact Report (AIR) publicly. We have taken a deep look at ourselves, our operations, and our goals to create a comprehensive report that highlights our accomplishments and examines our path forward. This being our first-ever AIR, we have learned along the way and feel immensely proud of what we have accomplished. Still, we have plenty of work yet to be done.

SBM recognizes the burden companies across the globe carry to properly prepare for an unknown future. It is our collective responsibility to not only adapt to an ever-changing world, but to position ourselves to lead for the better. Although much work is still needed, this report collectively tells the story of our employees, top-down and bottom-up.

Oftentimes companies find themselves always looking ahead. This report has given us the opportunity to take a step back and reflect on what we achieved in 2022, and to deeply examine our shortcomings. No company is perfect, but here at SBM, we don't want to be perfect. Instead, we seek to continually improve; to push that industry marker a little bit at a time.

This is how great changes happen: slow and steady.

Along with our partners and customers, we aim to strengthen trust and transparency while pushing for industry and internal cultural changes that best support a more stable, sustainable future for all.

As we look ahead, we invite our partners, customers, and employees to join us on this journey. Let's make great change happen, slow and steady, together.

SBM Management Services, LP reserves the right to retain confidentiality associated with several elements in this report. Should more information be needed, please follow the link to be redirected to the request form.

Path Forward

SBM Management Services, LP (SBM) is committed to continual improvement. Since our founding in 1982 in Sacramento, California, SBM has built and enhanced our core services, as well as expanded services to meet our customers' needs.

As a privately held company, SBM recognizes the need to examine and continually improve environmental, social, and governance (ESG) reporting and corresponding metrics. Not only do we want to best support our customers and employees, but we also want to ensure we are identifying areas of opportunity, understanding and reducing negative impacts, and pushing for new solutions to come to market.

We believe in taking a holistic approach and examining our overall impacts. These impacts fall under traditional ESG categories; however, SBM has a unique market position, as our product cannot be manufactured. Instead, at our core, we are a service provider. As such, many ESG models, frameworks, and audits are limited in their applicability to our operations and company.

Our people are at the core of our business. When it comes to employees, we understand it is essential they are treated well and provided with the tools they need to successfully do their jobs safely. We aim to champion a safe work environment for our employees, and by doing so hope to create safe workplaces for all.

SBM Management Services, LP

We create the safest, cleanest, healthiest, and most sustainable workplaces for all.

Our Goals

We strive to create the safest workplace for our employees and customers alike. We provide proper personal protective equipment, tools, and training to best support our services.

We believe communication is key to any company's success. We aim to continually invest in communication tools to ensure all employees have access to what they need, when they need it, in the field.

Our Mission

Our mission is to provide the highest level of quality service, the safest working environment, and the most competitive cost, all with the goal of meeting or exceeding our customers' expectations.

Our Values

We value safety, training, and communication, both with our employees and our customers.

We believe that all employees should have the opportunity to grow and learn throughout their career.

We strive to provide competitive and industry-leading wages and benefits to our employees in the field.

Our Vision

We focus on continual improvement, while recognizing and celebrating our achievements to date. We look to the future to push for innovative solutions that solve everyday challenges facing the facilities services and maintenance industries.

Our vision is to support our people and the planet, while providing the best possible customer experience.

A Letter from Our Partners

SBM Management Services, LP (SBM) is built on diversity. Since our founding, our collective diversity, dedication, and drive has put us on a path of growth and expansion. It is through this journey that we have come to know our impacts on our industry, people, customers, and the planet.

SBM has a special role to play when it comes to shifting expectations. As a privately held, Minority Business Enterprise (MBE) company, SBM is uniquely positioned to lead in the industry.

We recognize this, and we've taken the opportunity to step back, analyze our way of doing business, and push forward on a journey of continual improvement, or a sort of corporate evolution.

We are honored to showcase our first Annual Impact Report (AIR). This collaborative effort to set our goals and measure our successes demonstrates how cross-functional and mission-driven our teams are. We are proud of it. We recognize this is just the beginning, and we have plenty of work yet to be done.

As we look ahead, we hope to leverage this AIR to demonstrate how privately held companies can further push environmental, social, and governance (ESG) initiatives. We hope to grow our program, strengthen our goals, and challenge ourselves to continually improve, so that we can provide a safe, happy, and healthy workplace for all.

Yours in partnership,

Charles Somers, Ron Alvarado, Don Tracy, Nick McMackins, Valerie Barnett, and Nicole Ouimet



A group of business professionals are silhouetted against a large window with horizontal blinds. They are seated around a long table, engaged in a meeting. The scene is dimly lit, with light coming from the window, creating a professional and collaborative atmosphere.

Governance

Governance

Our Leadership

Our Approach

Our business is unique. At the core of what we do everyday is our people. Unlike other companies that offer products and goods, SBM is a facilities services provider. Therefore, our approach is to focus on people. We pride ourselves on creating safe, healthy workplaces and providing our employees with the tools, education, and resources they need.

Philosophies

Our partners oversee the management of SBM's business, which includes all facets of ESG, in addition to our values, goals, mission, and corporate vision. Our partners set the tone for our employees, demonstrating leadership and initiative on a day-to-day basis. The partners set the overall expectations for departments, and as such our employees, managers, and senior leadership team understand the importance of integrating ESG into our business at every level.

Leadership Involvement

At all levels within our company, SBM's leadership and management teams have committed to collecting data, information, stories, and analysis for this report. As we continue to strengthen our sustainability management system, we seek to build our goals, key performance indicators, and vision to meet the demands of tomorrow.



Governance

Data Privacy

Data Privacy & Security

We take our responsibility to protect personal data seriously. Our Privacy Policy explains what we do with the personal information we hold and how we protect it. It explains privacy rights, as applicable, in addition to covering our partners' and employees' rights and choices. [Our Privacy Policy](#) is publicly available on our website for all to access and review.

In 2022, we had zero (0) security breaches that resulted in data loss. There were a total of five (5) reported internal incidents, which the Information Technology team was able to respond to and quickly remedy. Each incident gives us an opportunity to learn our weaknesses and we will continually seek more opportunities to strengthen our data privacy and security. We commit to maintaining the deployment of appropriate security protocols and processes to protect personal information wherever it's located, and whether it's in electronic or manual form.

Controls

SBM contracts with third parties to examine Information Technology (IT) vulnerabilities and runs systematic tests that attempt to penetrate our networks and access data. Annually, we conduct these types of tests to validate our existing security controls. We then take the results and enhance our protection based off the findings and recommendations.

Furthermore, we leverage a system that logs all our Office365 data to notify us of any potential data moves, leaks, and/or downloads. We've also established a Controls Process to help us safeguard our digital assets. As the world of cyber security continually evolves, we also evolve with it.

Privacy Guiding Principles

SBM is committed to strong data privacy and cybersecurity practices. We believe one of the cornerstones of responsible data management is having a set of systems and processes in place to ensure that all personal and company data is properly classified and securely stored. We understand that data is tied to people—our people—and we aim to protect privacy as best we can.

Our IT team communicates regularly with employees to create awareness, in addition to hosting trainings, so we can all work together to protect data. We implement controls and standards that we've created to protect the security and integrity of the data we collect and manage.

Managing Data Transparency

We maintain full transparency with our data policy, which is publicly available online. We are also upfront with how data is used and stored within that policy.

Governance

Digital Transformation

Azure Migration, aka “Chris’s Server Project”

In 2022, our Chief Information Officer, Chris White, proposed a new project: to move to a fully cloud-based computing environment. Lovingly named “Chris’s Server Project”, this initiative will allow us to modernize our technology approach through a focused migration from historically on-premises-centered infrastructure to leading public cloud providers. We want to be as cost-efficient, secure, scalable, and sustainable as possible.

We started with 151 servers, which included a blend of physical and virtual servers. From there, we rationalized down 40% of our on-premises servers to 90. We took a second pass at improving densification to take advantage of the cloud’s ability to dramatically increase utilization of servers. Our teams predict we’ll achieve an increase in utilization of eight (8) times!

At the end of the project, we aim to have 44 servers total, and end at 80% utilization once fully in the cloud.

Chris’s Server Project: Anticipated Impacts

The transition to a fully cloud-based computing environment has been a journey thus far, and it’s not complete yet. SBM’s IT team follows the Information Technology Infrastructure Library’s (ITIL) methods to support the standardization, selection, maintenance, and overall life cycle of our IT services, with the goal of being as efficient and reliable as possible.

Chris’s Server Project will not only help us become more efficient with our technology environment, but will help us reach our environmental goals by reducing energy consumption overall.

Our teams have estimated a net power savings of 50% to 60% after the project is fully implemented. The reduction of 70% of the amount of servers needed by the end of 2023 will reduce energy costs and lessen our greenhouse gas emissions.

50%–60%
Estimated Net Power Savings
After Full Implementation

70%
Reduction in the Amount of
Servers Needed by the End
of 2023

Governance

Human Rights

Zero Tolerance

Zero tolerance applies to any instances of harassment and/or discrimination, and any instances of violence or any extreme or detrimental act. Our Prohibited Harassment and Discrimination Policy and Prohibited Violence in the Workplace Policy apply to all persons involved in the operations of our company, at all levels.

SBM does not and will not tolerate any violations of our human rights policies. We are committed to the safety and well-being of our employees at all levels within the organization. We hold our customers, suppliers, and partners to the same high standards.

All reports of incidents will be thoroughly investigated. All employees are responsible for assuring the workplace is free from prohibited harassment and discrimination. They are expected to avoid behavior or conduct that could reasonably be interpreted as a violation of our policies.

Equal Employment Opportunity

We believe in fairness and equity for all. All recruitments, placements, transfers, and promotions will be made solely on the basis of individual qualifications for the positions being filled. All allegations of discrimination are taken seriously at SBM, and all allegations are thoroughly investigated. Request our EEO Policy more information.

Americans with Disabilities Act (ADA)

SBM complies with the Americans with Disabilities Act (ADA) and prohibits discrimination against people with disabilities. SBM prohibits any discrimination within our hiring and recruiting process.

People Are at the Core of Our Business

We have built policies and procedures to ensure any human rights violations are addressed and investigated immediately. We believe that all individuals have rights, and our responsibility as a company is to protect those rights.

Zero Tolerance: Partners and Suppliers

We have a zero-tolerance policy for any child or forced labor and human trafficking. This policy is integrated into our Supplier Code of Conduct, which is set to be released to our business partners in 2023, as well as our Employee Handbook and applies to our suppliers and partners. We expect our business partners to hold themselves to the highest possible standard, and SBM is committed to working with suppliers that have robust anti-slavery, anti-child/forced labor, and anti-human trafficking policies and procedures. We expect our suppliers and business partners to comply with all federal, state, and local laws and regulations.

In addition to our Supplier Code of Conduct and corporate policies, in 2023 we aim to conduct quarterly business reviews (QBRs) with our partners and suppliers. Within the QBRs, our partners will be required to report any human rights violations. We will continue to collaborate with our partners on challenges they face across the supply chain as they arise.

Governance

Updates & Awards

Policies and Codes: 2023 Updates

In 2022, we completed an overhaul of our Employee Handbook. This included the addition of more robust processes, procedures, and policies to ensure our workplace is open, ethical, and supportive of all. The redesign and relaunch includes new and enhanced policies focused on business ethics, anti-bribery and anti-corruption, and codes of conduct around acceptable behavior in the workplace.

We hold ourselves and our employees to a high standard, which is why we're committed to reassessing our Employee Handbook on a regular basis. This ensures our policies and procedures not only meet industry standards, but support our employees in the best ways possible.

We're excited to share our progress in 2023, and look forward to creating a more safe, inclusive, and happy place to work through the launch of the new handbook!

Awards & Certifications

SBM strives to meet industry-leading standards and showcase our capabilities. We are honored to have received several awards in 2022, and we look forward to pursuing more opportunities to improve in the coming years.



Governance Oversight

SBM is focused on understanding all facets of ESG within our company. Key departments are tasked with program and initiative oversight, helping ensure we work to meet our goals. These departments work individually and cross-functionally

to validate programmatic successes and shortcomings.

Representative membership within these departments includes the VP of Global

Sustainability, General Counsel, SVP of Human Resources, Sr. Director of Procurement, Chief Information Officer, and VP of Procurement.

Each of these senior leaders has identified staff resources to support initiatives and key performance indicators (KPIs) developed as part of our approach to environmental, social, and governance topics.





People & Culture

People & Culture

Our People

Supporting our People

Our employees are the core of our business. We continue to seek ways to support, train, educate, and grow our employees at every turn, helping to create a resilient, engaged, and dedicated workforce. From day one at SBM, every new employee is onboarded and trained on our policies and procedures as outlined in our Employee Handbook. This ensures all employees are familiar with our standard operating procedures and aware of expectations.

Respect in the Workplace

We are a minority-owned company. We strive to create a workplace where people are respected and welcomed. Although our workforce is geographically dispersed at customer locations throughout the United States, we focus on creating a culture that is respectful of everyone. SBM has a zero-tolerance policy for harassment of any kind, and we enforce and investigate any violations.

Easily-Accessible Benefits

We provide benefits that cover a myriad of topics. These benefits, including our Employee Assistance Program and health care offerings, allow our employees to access care and assistance when they need it most.

Growth

We know that every person has potential, but that limited resources can constrain growth. We provide our employees with growth and educational opportunities, so they can further their careers. We also offer a Manager In Training (MIT) program, providing the tools, connections, and mentorship for younger individuals to grow themselves and realize their potential.

0

In 2022, we had zero reports related to our whistleblower procedures.

People & Culture

Company Values & Culture

We are client- and team-focused. We meet and exceed customer expectations through working together safely and efficiently. We are constantly seeking out new, creative, and innovative ways to do our job and provide the best possible service.

Our industry is fast-paced and ever-changing. With that in mind, we foster a culture of agility and flexibility, and lead with compassion.

Safety

- We are committed to a Zero Harm environment.
- We believe all harm is preventable to our employees, the environment, and the communities in which we operate.
- We believe each individual is responsible for the safety of themselves, their co-workers, and our customers.

Teamwork

- We treat each other with respect and compassion.
- We are committed to the success of others.
- We do not unfairly criticize.
- We encourage our team members.
- We move off individual positions to do what is best for the team.
- We openly identify problems and propose solutions.

Achievement

- We measure our successes based on the results we achieve.
- We respond quickly to meet our individual goals.
- We meet and exceed goals we set for our customers, employees, and organization.
- We improve our competence through intense focus, training, and development.
- We understand the difference between activity and results.

Communication

- We actively listen.
- We ask for what we want and encourage others to do so.
- We provide and accept feedback openly.
- We are open and honest in our discussions and respect our differences.

Compassion

- We think of the other person first.
- We are committed to the success of others.
- We respond instead of react.
- We focus on our strengths and coach our opportunities.
- We honor our diversity.
- We lead by example.

Integrity

- We are willing to admit and correct our mistakes.
- We believe in and practice our team values.
- At the end of the day, we are committed to doing the right thing.

Respect

- We honor the diversity of ideas within our team.
- We are open and candid about our disagreements and resolve them before they compound.
- We trust that each of us has SBM's best interest at heart.
- We deal with our problems by going directly to the source.

Work Life

- We are aware of the impact of our actions on others.
- We trust and empower others.
- We plan for appropriate resources to achieve balance.
- We are committed to creating structure.
- We are respectful of the time commitments of others.

People & Culture

Recruiting Talent

At SBM, we believe that providing access to tools, resources, support, mentorship, and education is what creates an incredible and successful employee.

Therefore, we seek to recruit individuals who have the drive, dedication, focus, and vision to push themselves to be the best they can be. While recruiting talent, we look for people who want to grow and learn, and we're committed to providing them with the tools and skills development they need to be the best version of themselves.

We not only want to recruit the best possible candidate for the job, but we want applicants to get to know SBM, our business, and our values. Our Human Resources Recruiting Department is comprised of talented individuals who are bilingual, giving applicants the opportunity to connect with those who speak their native language.

No Higher Education Degree Required

We believe higher education, although extremely valuable and important, is not required to thrive. Therefore, we do not require higher-education degrees. This opens up more opportunities to a diverse set of individuals.

On-the-Job Training

We provide our employees on-the-job training. Trainings can be specific to a role or responsibility, but also include a focus on our policies, workplace ethics and behavior, and more.

Manager in Training Program (MIT, S-MIT)/ Recent Grad Program

We've created Manager and Senior Manager in Training programs to help set new managers up for success. The comprehensive program sets a foundation for success for managers who are beginning their journey at SBM. We also implemented a recent graduate program, which seeks to help provide entry-level individuals graduating college with the foundation they need to thrive in our industry and in their future.

Opportunities for Special Needs Hiring

We are seeking to create a more inclusive and diverse workforce. Therefore, in 2022, we began to identify opportunities for those with special needs to join our workforce. The program, which is still being developed, helps demonstrate how strong we can be when we work together.

Benefits

We offer a comprehensive benefits program to all SBM employees, in addition to an Employee Assistance Program. Our Benefits Department supports employees through all of life's challenges.

People & Culture

Pay & Promotion

When taking a deeper look at wages, we want to not only attract excellent talent, but also seek to promote our best internal candidates. At SBM, we invest in our people in every way, including promoting individuals that properly qualify and are driven to pursue growth. Still, to verify we are aligned with market conditions and compensating people fairly, we have a multi-pronged approach that includes the following:

- Using a third-party tool to conduct market analysis by key factors, including but not limited to region and title.
- Examining current pay based on location, customer, and city and/or region, among other factors.
- Training our teams to identify pay disparity so we can adjust accordingly.
- Leveraging competitor and market pay.

Our compensation team works diligently to create pay equity across the board for all roles. These subject matter experts are passionate about what they do and acutely aware of the significance and impact of their work.

Pay Equity

SBM's HR and Recruiting teams collect and analyze data on wages to align with job responsibilities, duties, and overall role. SBM's team of HR analysts execute full compensation evaluations to ensure we are on par with market conditions based on several key factors. We also comply with all state requirements to make wages transparent on job postings.

Pay gap analysis includes strategically examining pay for similar roles. A few essential components are also considered, including but not limited to:

- Geographic location
- Customer contracts
- Collective Bargaining Agreements
- Job function
- Education/certification requirements
- Management level
- Roles and responsibilities

Pay Disparity

Pay disparity is everywhere. As we grow as a company, we are constantly working to address it. Our goal is to align pay and wages throughout SBM, creating equity. We believe in equal pay for equal work. To do this, we start with a few important factors which include job title, scope of work being performed at the client site, the client, industry, job responsibilities, and more. We work with our teams in the field to understand expectations and verify that pay is appropriate for the work being performed. We seek to strengthen our annual analysis so we can best assess pay and wage gaps as soon as they are identified.

People & Culture

Our People

Living Wages

We believe in paying living wages. On average, our front-line staff are paid 47% above the average federal minimum wage in 2022. We continue to work with our customers to provide living wages that allow our employees to support their families and enjoy life outside work.

Hiring

In an ever-changing facilities services world, jobs are constantly created to support workloads. So, we hire a lot, and we love finding new talent. Our recruiting and hiring team works hard to help us support local economies and create jobs in all demographic areas, supporting local communities, families, and individuals alike.

All of Us

In 2022, SBM employed over 7,260 individuals across the United States. That's over 7,260 unique, diverse, creative and dedicated individuals support our customers in different geographic locations, with different jobs, roles, responsibilities, and talents. We're proud of our employees' accomplishments – both as individuals and teams.



7,267
SBM Employees
in 2022*

47%
Employees'
pay was 47%
above the
average federal
minimum wage
in 2022

*This report has been generated for SBM Management Services, LP only, and does not incorporate employee data from our affiliated companies.



People & Culture

Our Commitment to People

Protecting People

We believe in protecting our people as best we can. With that in mind, we have created several policies that have been incorporated into our new comprehensive Employee Handbook that is set to launch in 2023. Our handbook's scope applies to all employees, regardless of their role within our company. This also includes any interns and/or trainees at any level within SBM.

Our [Anti Human Trafficking, Forced Labor, and Child Labor Policy](#) is available publicly on our website. Within that policy we outline that SBM, and its employees, do not tolerate, engage in or support Human Trafficking, Forced Labor, or Child Labor of any kind through SBM's activities, including in its supply chain and we do not assist our clients or any other party in doing so. Further, SBM does not hire anyone under the age of 18.

SBM's [Prohibition on Recruitment Fees Policy](#) is also publicly available on our website. We do not charge any applicant or employee any recruitment fees, whether exemplary or direct, related to or arising from the recruitment and hiring process for employment at SBM. Charging applicants or employees recruitment fees is strictly prohibited.

SBM continues to be in compliance with all federal, state, and local regulatory mandates, as applicable.

People & Culture

Employee Benefits

SBM offers all our employees industry-competitive benefits. Our goal is to offer comprehensive benefits and every year, we work with our partners to identify opportunities to lower employee costs.

SBM benchmarks thousands of other companies in our industry to ensure we are keeping in line with coverage and costs. Further, we aim to continually educate our employees on the importance of health care coverage and keeping healthy and active.

Benefits Offerings Include:

- Dental
- Vision
- Health
- Life insurance
- Critical illness coverage
- Short-term disability
- Home and audit insurance
- Legal assistance plan
- And more

Employee Assistance Program

SBM offers a comprehensive Employee Assistance Program (EAP), aimed at helping with all of life's challenges. Our EAP is available to all employees, free of cost, 24 hours a day, seven (7) days a week. Our EAP's website is available to all employees and is designed to help individuals get the help they need when they need it. The website contains a multitude of information and resources, encompassing everything from financial information to dealing with a loss of a loved one and more.

We want to take care of our employees and offer them the support they need to not only to help them through tough times, but to ensure that they are also able to focus on safety at work.

Key services offered through our EAP:

- Confidential short-term counseling
- 24/7 access to a certified counselor, who can be reached by phone
- Six (6) free 30-minute in-person sessions with a certified counselor
- This is also free to anyone who lives in the employee's household.

People & Culture

Training

We want our people to grow and learn with us.

Our training department is focused on supporting and strengthening the core of our operations: our frontline staff. Our approach to training is simple: We aim to give our employees the skills, knowledge, and tools they need to work safely and sustainably while creating a welcoming and supportive workplace for all.

SBM also provides a specialized training program for managers who are new to our industry and/or the workforce, such as recent graduates. The Manager in Training (MIT) Program is a two-phase process consisting of a training phase and a practicum phase. This approach allows trainees to build a foundation of manager skills, and then apply those skills directly to their work in the field. We create an open, supportive environment for MIT participants to practice their skills, allowing them to grow more confident in themselves, their roles, and their responsibilities.

Our MIT program leverages the mentor/mentee system, providing new managers with an experienced individual who can help as they acclimate to their new role. This gives new managers an opportunity to learn SBM’s culture, get up to speed on our world-class safety program, and better understand our industry overall. Mentors are also set up for success, having gone through a robust mentorship program, and helping these individuals become comfortable coaching new managers.

Manager in Training Program

Engage. Connect. Empower.

SBM’s Manager in Training (MIT) Program is focused on giving managers hands-on experience in our industry. MIT participants leverage SBM’s technology, tools, and resources to set them up for success as operations leaders. They’re given the opportunity to develop skills needed to be excellent decision makers and to deliver best-in-class service to our customers.

The program covers quality management, safety, budget, and relationship management. The 12-week program helps prepare individuals for a successful career and provides them with the mentorship and support structure they need to help guide them through the learning process. The program does not require individuals to have higher education but rather focuses on providing them with the skills needed to thrive in a management role.

After an MIT candidate has completed the program, they graduate. We hold a graduation ceremony, where these individuals complete a final summit and then are sent into the field to put their new knowledge to work at client sites.

79%

Graduate Retention Rate

54%

Graduate Promotions Rate

4.6/5.0

Average Graduate Survey Score

32%

Of Current Senior Leaders
Graduated from the MIT Program

People & Culture

Training

SBM is constantly seeking new ways to enhance training. We know that skills development is the key to the continued success of our people and our operations.

Through the utilization of a third-party mobile application, 4insite, our Training Department ensures that our teams out in the field are up-to-date on essential trainings. These trainings range from safety, sustainability, SBM policies, diversity, respect, and more. Depending upon the employee's role, managers may be trained in specific soft skills that include coaching, giving effective feedback, understanding communication and learning styles, finance, leading with purpose, keys to being a successful manager, and more.

We've leveraged 4insite's mobile platform to give our teams access to over 380 trainings, in addition to support channels and direct messaging ability with supervisors in real-time. The mobile app also allows us to track key performance metrics for sites, ensuring all pertinent and valuable information on site performance is in one, centralized, easily accessible location.

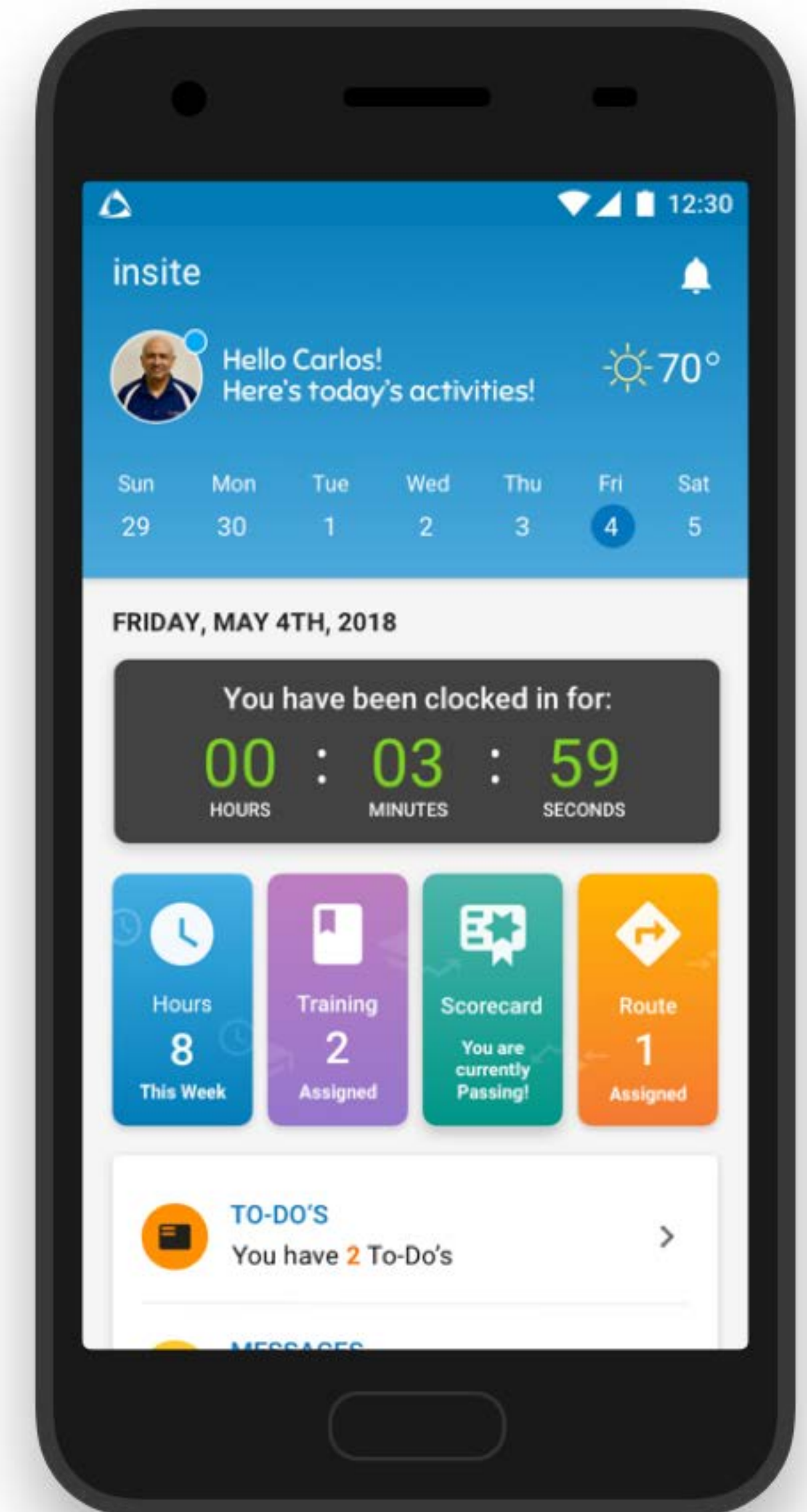
As part of our commitment to diversity and inclusion, we've partnered with 4insite to create a mobile application that is capable of translations in over 109 languages, helping to bridge the communication barrier between languages.

380

Trainings available via
mobile application 4insite

109

Languages



People & Culture

4insite Training

Through our partnership with 4insite, SBM has built a comprehensive mobile training program accessible to all employees issued an SBM cell phone.

This not only helps to close the digital divide but also provides employees with training at the touch of their fingertips – in their native language.

We offer 383 training courses customized to SBM’s operations, jobs, scope of work, and customers.

- Total subjects covered: 21
- Total skills-focused trainings: 56
- Total additional EHS training courses assigned annually: 53

Employees are awarded certificates on all trainings completed, and they can follow along on their training journey directly in the 4insite application. Topics covered in 4insite range from submitting timecards and clocking in to managing people and improving communication skills.



People & Culture

4insite Training

Training at SBM is essential to protecting people and the planet. Our comprehensive training program is designed to continually provide employees with information and skills needed to work safely and efficiently.

Sites that are actively participating in our 4insite training program are continually qualified to ensure that they are meeting compliance requirements. For SBM, this means 95% of our teams using the 4insite platform were in compliance with training requirements as of year-end in 2022. In total, this means that individuals have spent roughly 4,200 hours training in 4insite in 2022 alone!

Our trainings are designed to be fun, interactive, and interesting. Employees are tested on their knowledge after each training and awarded a certificate of completion. Some courses are flagged for annual training, while others are specific to a job, site, or operation. The end goal is simple: keep training topics in the front of employees' minds through continual education.

95%
Mobile Compliance on 4insite
Trainings for SBM

42,534
Hours Spent Training on
4insite in 2022



People & Culture

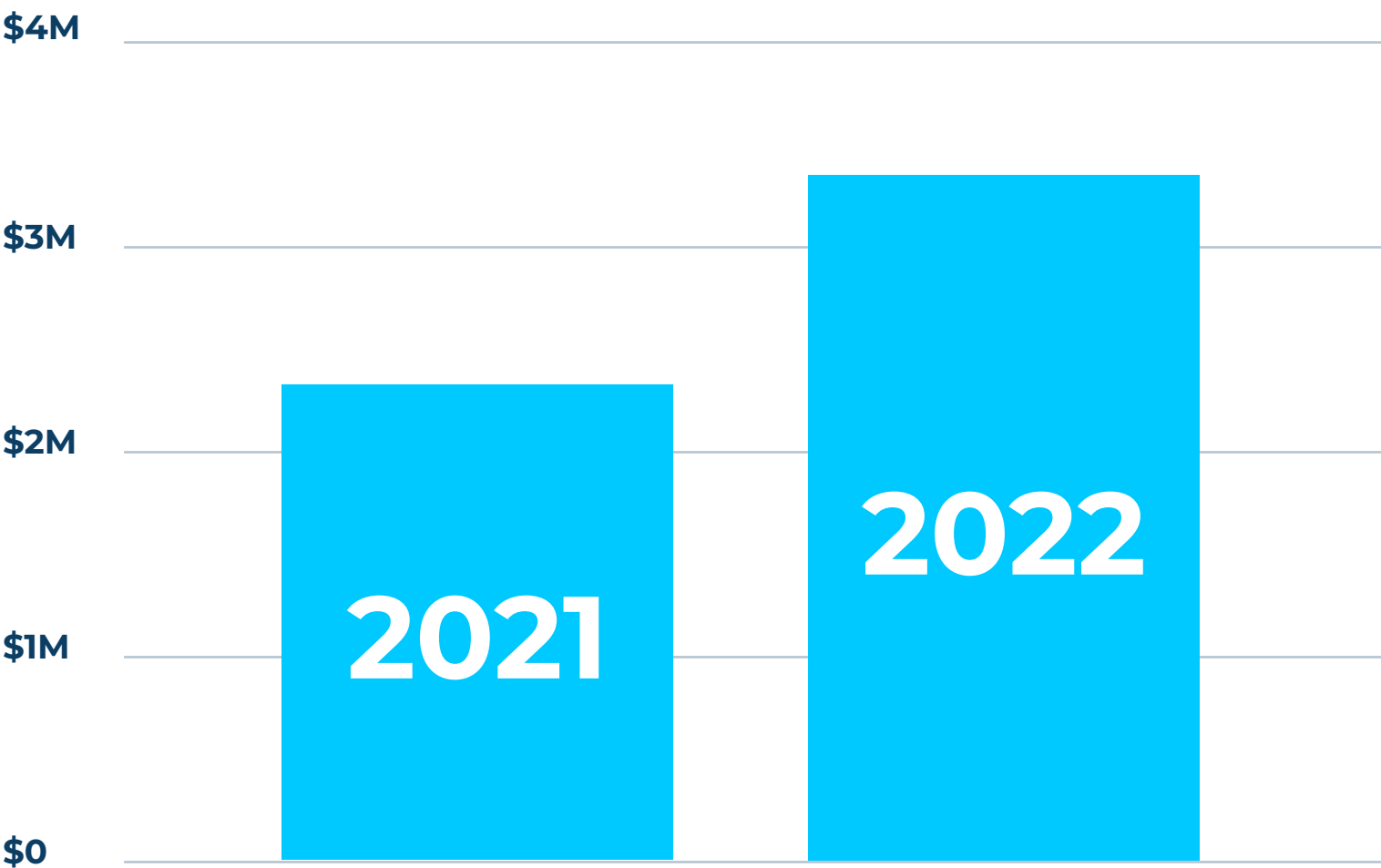
4insite Impacts

In 2022, SBM awarded a total bonus payout of over \$3.3M US dollars! That’s over \$1.05M US dollars more than in 2021!

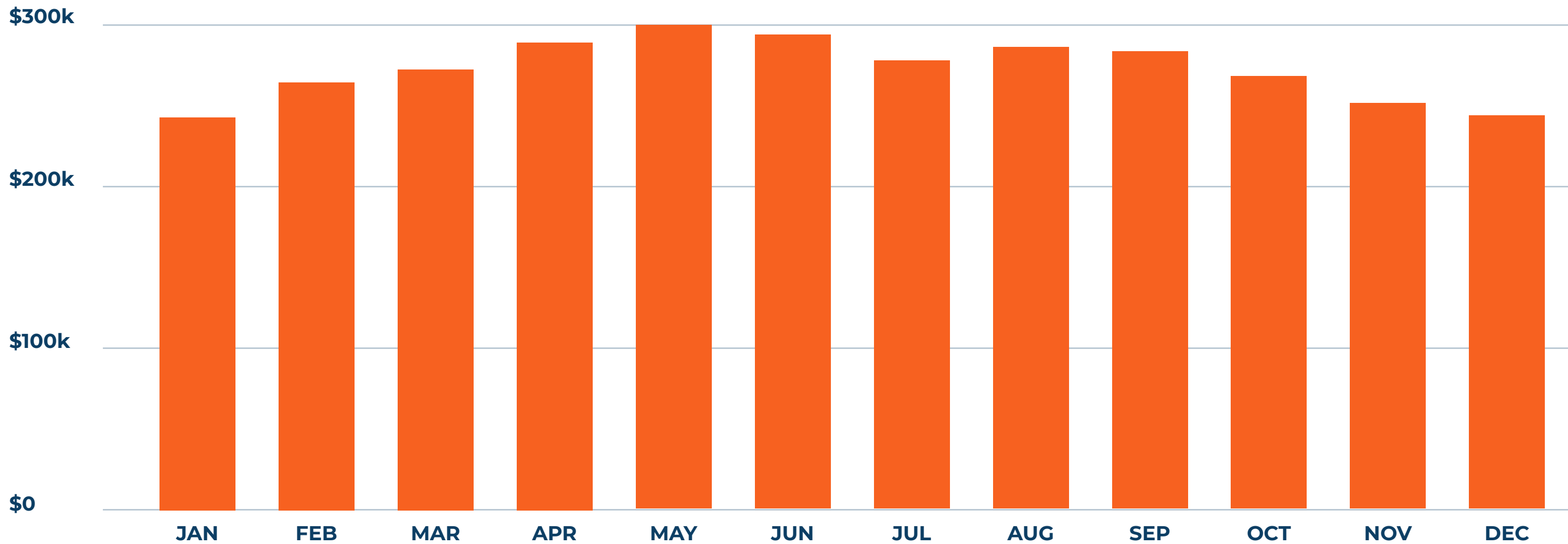
We are immeasurably proud of our employees and will continue to award bonuses to them for excellent performance. By leveraging the 4insite mobile application and platform, we can better measure success in the field. This type of reporting helps to improve performance, while also giving employees bonuses for outstanding compliance, safety, training, and other important key performance indicators they successfully complete on a monthly basis.

\$3.30M
Bonus payout in 2022

4insite Bonus Awarded 2021-2022



4insite Bonus Awarded by Month 2022



People & Culture

Training Our Teams

Our Training team is expanding. We've hired several key individuals to help support our employees throughout the organization. The goal is to fully develop an employee experience that builds a foundation for long-term success at SBM.

We want to be a high-touch, empathetic team of trainers that enhance career objectives while promoting from within and supporting our diverse workplace.

We focus on leadership development. We want to guide leaders and managers from onboarding through training. We aim to continually develop them throughout their careers with us. As we grow our training team, we are seeking to enhance the overall professional development of our employees, including continuous learning and growth.

Our people are our most valuable assets. We want to do what we can to mentor, grow, support, promote, and train them to be the best they can be. We create a more holistic development from the start of career to lay a strong foundation for the long-term.

SBM also offers a Tuition Reimbursement Program, allowing employees to seek out certifications and education that will strengthen their skills in the workplace. We believe in foundational training programs and encourage our employees to continue to grow and educate themselves.



People & Culture

Diversity, Equity & Inclusion

As a minority-owned business, we understand the importance of diversity.

SBM is committed to fair and equal opportunity and advancement for all our workforce. We believe diversity cultivates creativity and inspires perpetual innovation. It’s also the backbone of our culture. The rich and varied cultures of our employees is what strengthens us.

We’ve made strides with our Diversity, Equity, and Inclusion (DEI) plan. Although we’ve always been a minority-owned business, we have begun the process of putting our plan to paper to create the most welcoming, equitable, diverse, and inclusive environment we can.

We are a diverse company, and our diversity has led us to success over our 40-year existence. In 2022, SBM began to truly dig into diversity and what it means to us as a company. Under our Human Resources Department, SBM created and built our Diversity, Equity, and Inclusion (DEI) plan. It started with collecting recommendations and ideas from our employees.

The first step was to listen. What we found is that our employees are seeking to highlight their diversity and connect on a deeper level with their co-workers.

However, we needed help and support from our workforce. We began laying the foundation for a Diversity Council, a group thoughtfully created to advance the interests and needs of all employees at SBM.

Within our plan, we included the creation of Employee Resource Groups (ERG), which are voluntary, employee-led resource groups that focus on promoting diversity, inclusion, and support within the workplace. Employees can volunteer and/or create ERGs and connect with individuals within the company.

We love our differences, and we celebrate them, too. We aim to create a welcoming, warm, and thoughtful workplace for everyone.

SBM Diversity Council

In 2022, we aimed to create a diversity council comprised of key stakeholders throughout the company, all aimed at advancing our diversity commitments. We built out a communications plan so all employees can get involved and learn about cultural observances, holidays, and traditions. We want to showcase, support, and progress all people.

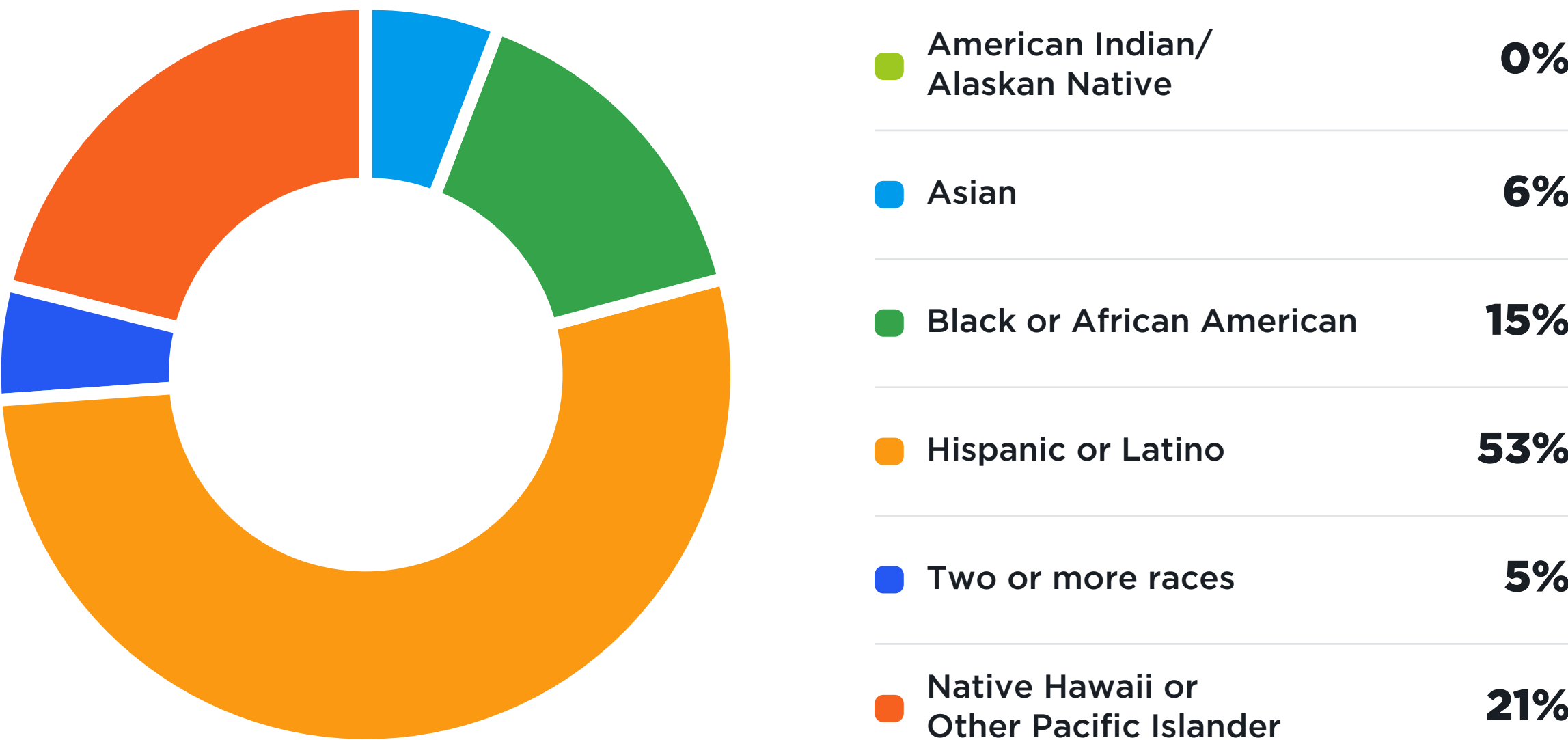
Regular communications are set to launch in 2023, allowing us to connect to our employees in a way we never have before and support them more holistically. We recognize and understand the important role we play in educating our employees on the importance of diversity in our workplace.

78%
Minorities

56%
Female

Diversity, Equity & Inclusion

2022 Employee Diversity



2022 Employees by Gender Identity

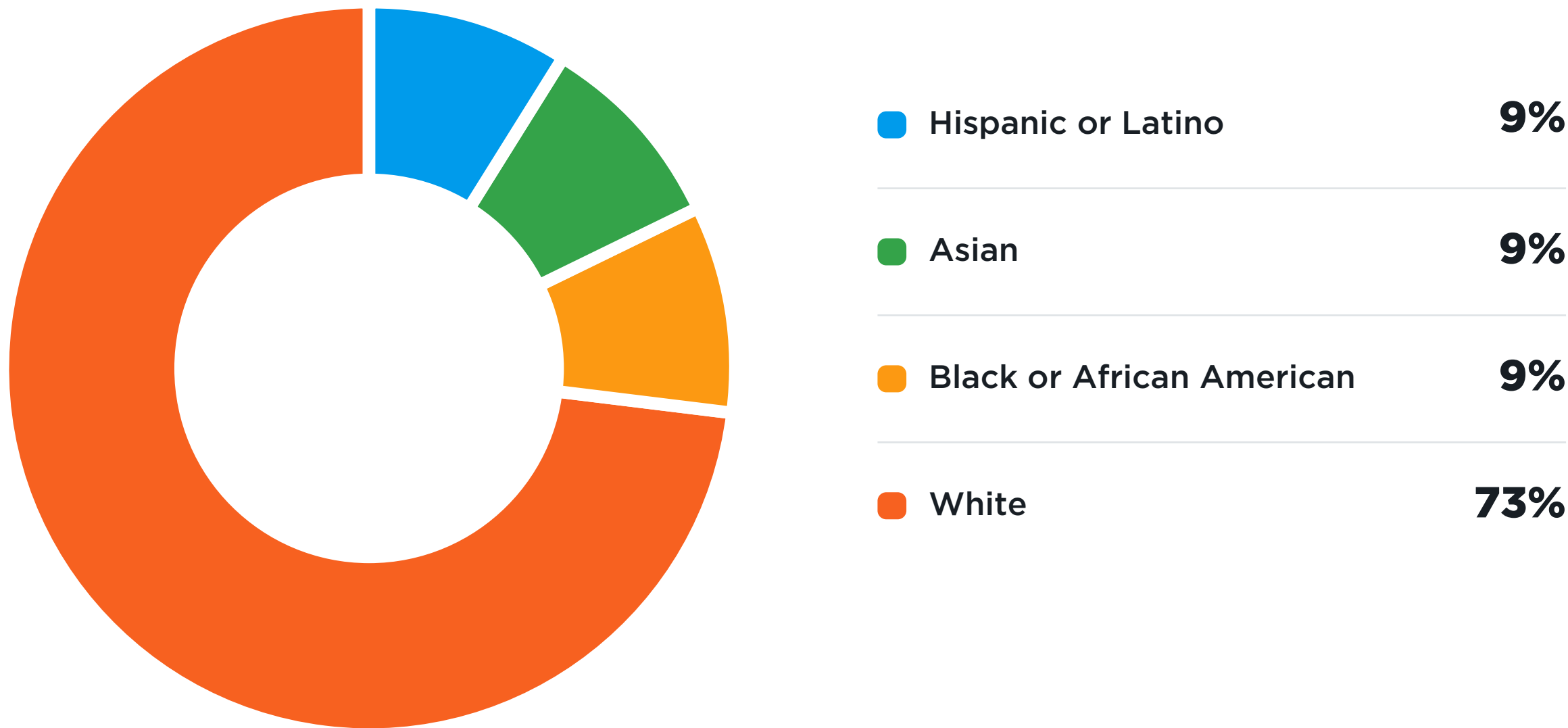


Diverse Leadership

SBM’s executive positions are held by a diverse group of individuals.

We believe that this diversity has helped us grow and learn. Women hold 45% of our executive leadership positions. Of these executive leaders, 27% are minorities. Our diverse leadership makes us strong, and our leaders are constantly seeking opportunities to connect with others from minority groups.

**% of Executive Postions held by
Vulnerable Groups/Minorities in 2022**



45%
Female Executive Leaders

27%
Minorities / Vulnerable
Groups

People & Culture

Supporting Unions Across America

We believe in partnership at SBM. Over 58% of our employees are covered under collective bargaining agreements. We work side-by-side with all employee representatives and groups to ensure their voices are heard and that we are creating a safe and healthy workplace for all.

With the support of our Labor Department, SBM works in cooperation with union representatives and groups to protect employees and create clear communication channels. SBM works collaboratively with all unions and union representatives to support the creation of a just and equitable workplace. Through these partnerships, we have strengthened relationships and built strong foundations for safe, productive places of work for all employees.

Union Employees 2022



Union	58%
Non-Union	42%

People & Culture

Diversity, Equity & Inclusion

Minorities are the majority at SBM.

We are proud to continue to support our diverse workforce through a multi-pronged strategic plan. DEI is a priority for SBM, and we want to build a strong, inclusive space for all people to work. With that in mind, we have begun to focus on a few key opportunities to help us develop an inclusive, equitable, and diverse workplace.

Best Buddies International

SBM supports the Best Buddies Program, with the initiative being spearheaded by our teams in the field in New Jersey. We continue to seek opportunities to grow this program and offer opportunities throughout the United States.

Veterans

We are immeasurably grateful to those who served our country, and we are seeking to provide them with employment, learning, and growth opportunities within our company.

Through our diversity, we are stronger. We want people to push through their boundaries to grow and to better connect with their coworkers to support them.



People & Culture

Program Spotlight: Turkey Giveaway

Every year for Thanksgiving, SBM hosts a turkey giveaway. All employees are offered a free turkey to cook and eat with their loved ones. The turkey giveaway is our way of saying thank you to our employees for all their hard work and dedication throughout the year. Thanksgiving is a meaningful time for all, where we get to celebrate what we're thankful for, and at SBM, we are so very grateful for our teams.



People & Culture

Program Spotlight: Backpack Program

Everyone remembers the rush before the school year starts. It's a frenzy trying to get all the school supplies for each kid in the house and to prepare for the new year. We want to make the beginning of the school year easier for our employees by taking a bit of stress off them. Every year, SBM offers employees a backpack for every school-aged child in the family. The backpack is filled with all the necessities to help kids prepare for school.



People & Culture

Supplier Awards

Customer and Industry Recognition:

- Genentech's Supplier Diversity Partner of the Year
- National Minority Supplier Development Council (NMSDC) Regional Supplier of the Year
- NMSDC Corporate Plus Partner
- Southern California Minority Business Council's Supplier of the Year Award
- DiversityBusiness.com's Top 500 Diversity Owned Businesses in the U.S.
- Johnson & Johnson's Diversity Supplier of the Year Award
- MLB – Cincinnati Reds Jackie Robinson Award, Most Valuable Diverse Supplier
- WRMSDC Pitch Contest Award recognition

CIMS

SBM has undergone a comprehensive assessment of its management structure and green cleaning operations by an accredited CIMS-GB assessor to be certified with honors to the ISSA Cleaning Industry Management Standard Green Building Criteria.



People & Culture

Employee Engagement

SBM believes that a key part of performing well is being able to clearly and effectively communicate needs in a timely manner.

We wanted to leverage technology to help bridge the communication gap between our teams in the field and their managers or supervisors. To achieve this, we had to create a solution that could be easy to use and available 24/7.

We worked with 4insite to create a mobile application that empowers our teams to not only interact with the app but to communicate with their manager in real-time. This allows us to better track and address everything from par levels of cleaning chemicals to near-misses and good catches for safety concerns. It also allows employees to message their managers directly, from a cell phone provided by SBM.

We've leveraged 4insite's application to also communicate with all employees on everything from safety reminders to employee assistance programs offered to them.



Safety

Safety

Employee Safety

SBM is committed to the safety of our own and those we work with. We pride ourselves on aligning to our guiding safety principles.

Guiding Safety Principles

- Foster a safe, healthy, and productive workplace for all by providing training to ensure all tasks are performed in a safety-first way.
- Recognize and alert others of any potential safety risks – regardless of how minor they may seem.
- Constantly be training and retraining. We are only able to perform our tasks as safely as possible if we are all consistently and continually trained.
- Communicate clearly and confirm understanding. Before we start a new task, we aim to ensure that all team members understand what is being asked of them and how to approach the task in a safe and healthy way.

On an annual basis, SBM’s Environmental Health and Safety team updates our Safety Handbook, which is given to each new employee during their onboarding. Our dedication to a safe workplace for all further includes specified trainings for key job tasks, reoccurring trainings via a learning management tool accessible to all SBM employees, and subcontractor safety trainings and requirements.

Employee Hotline

Employees have access to a toll-free hotline to report any questionable claims or safety concerns. All reports are 100% confidential, taken seriously, and fully investigated.

Our Safety Program

At SBM, our first goal is safety for our employees, teammates, and customers. As our business grows and changes each year, we work to enhance our safety program.

Still, we are not perfect. Over the past three years, our total recordable incident rate has slowly increased, but so has our total employee headcount. In 2020, we adapted to the COVID-19 global pandemic and since then we have picked back up our workload. Additionally, in 2022 we expanded to gain a larger footprint in the automotive industry. We are still far below industry norms, but we understand the implications of these types of safety statistics.

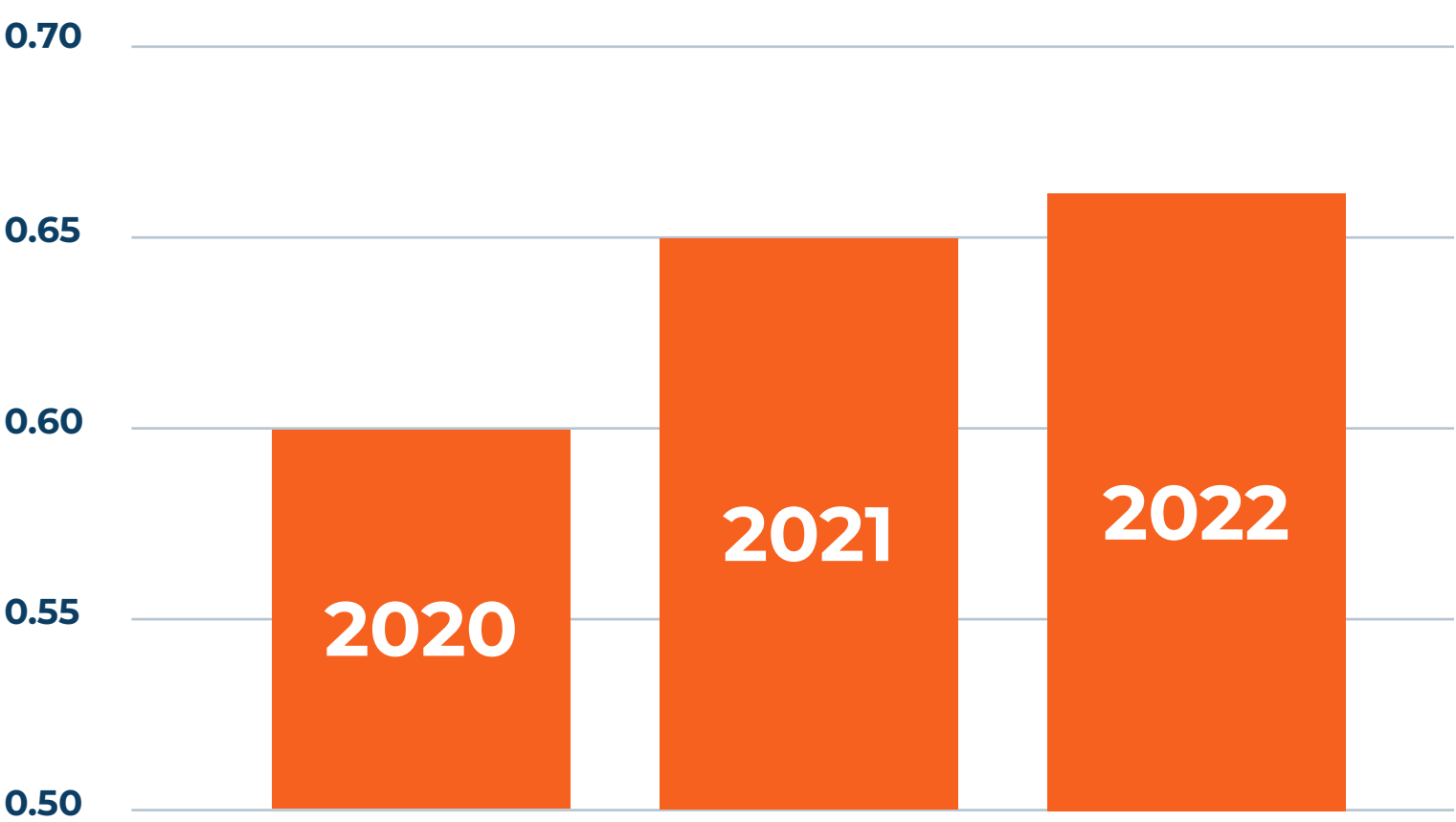
As we examine the past three years, we have identified opportunities to enhance our safety program across the board. We’ve conducted a thorough examination of our policies and trainings, created new and updated SOPs, and fully reviewed recorded injuries to identify what we could have prevented.

Through these lessons learned, we will continue to push ourselves to remain one of the safest places to work.

Safety Training

Employees are trained regularly on various safety topics. These are presented in the form of 4insite trainings or Safety Chats. Mobile messages are also sent out to remind employees of the importance of always working safely and looking out for one another.

Total Recordable Incident Rate 2020-2022



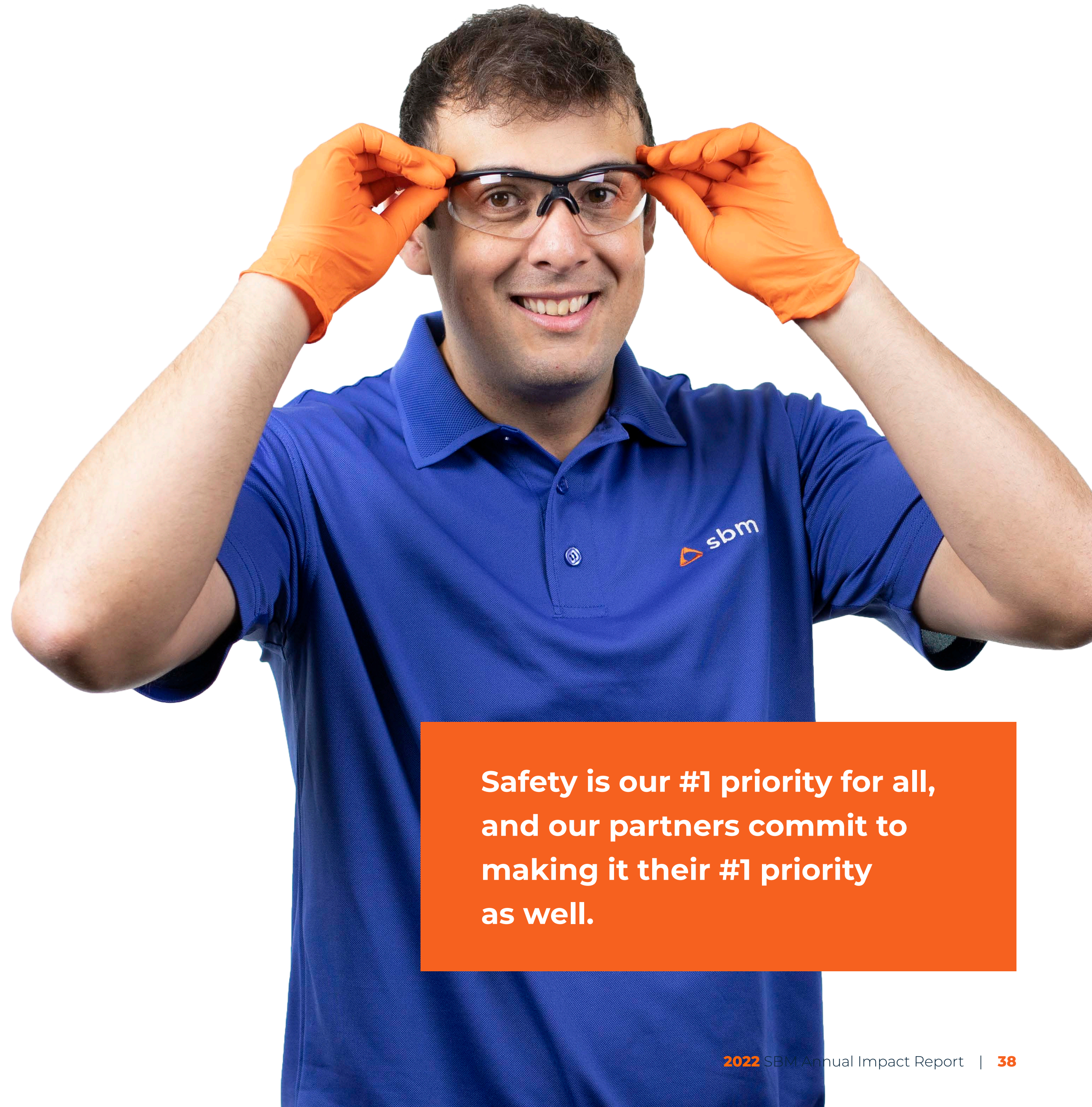
Safety

Partner Safety

We are not only concerned with the safety of our own employees, but also of our partners and subcontractors. Our Subcontractor Safety Program and corresponding Standard Operating Procedures (SOPs) outline expectations for our partners. At SBM, we are committed to a safe workplace for all, and that includes holding our partners to a higher standard.

In addition to being assessed on an annual basis for safety violations, SBM undertakes audits for key partners, which examine safety practices through a third-party platform rating system. This ensures that all partners follow safety processes and procedures. Further, we work with our governments, customers, and partners to regularly evaluate, enhance, and update our safety procedures.

As we onboard new partners and renew existing ones, we train them according to our Contractor Safety Program. This safety program ensures that contractors are meeting all applicable federal, state, and local environmental, health, and safety regulations; that they are providing necessary training and personal protective equipment (PPE); that they track and provide evidence of regular safety inspections, and that all incidents are properly reported and investigated.



Safety is our #1 priority for all, and our partners commit to making it their #1 priority as well.

A background image showing a person's hand holding a crushed clear plastic bottle over a recycling bin. The bin has several compartments with different colored lids: blue, green, and red. The scene is outdoors with some foliage visible in the background. The entire image is overlaid with a semi-transparent dark blue filter.

Environmental Impact

Environmental Impact

Energy & Emissions

In coherence with our 2021 Environmental Action Plan, we tracked the following key performance indicators (KPIs):

- Energy consumption & greenhouse gas (GHG) emissions reporting and tracking:
 - Scope 1 and Scope 2
 - Scope 3: partial reporting, focused on business travel, which is where we have greater opportunities

CDP:

In 2022, we redefined reporting boundaries in CDP to focus on areas where we can create the biggest impact. This meant readjusting to focus on our headquarters in McClellan, California, in addition of tracking corporate business travel.

- The redefined boundaries have allowed us to focus on gathering complete data sets and build out a plan to address emissions. Although we are a lessee and do not have financial control over any assets, we recognize the importance of working with our landlord to push the needle when it comes to reducing emissions from our leased spaces.
- As our data collection and analysis process advance, we can expand reporting and tracking to additional leased spaces, with the understanding that our business is ever-changing and that leased space is occupied temporarily.

Scope 3 Emissions

We're further analyzing our Scope 3 emissions, as these are more challenging to holistically track and influence. We have examined the data and are building out an action plan based on the following:

- Expand Scope 3 data to include:
 - Employee commuting
 - Emissions from waste generation
 - EV chargers and alternative transportation options
- When tracking successes, we want to further include:
 - The promotion of alternative transportation incentives offered to employees at corporate headquarters to reduce transportation emissions
 - Purchased or leased electric, hybrid, or other fuel-efficient vehicles for SBM employees to use when working at customer sites
 - Feasibility of options for Carbon Offset Purchases toward net-neutral emissions

Environmental Impact

Energy & Emissions

SBM Partners have committed to a 5% intensity reduction target for our Scope 1 and 2 emissions over a 5-year period. This target is based on two factors: the intensity of our emissions using square footage in leased headquartered buildings and a reduction of our 2022 intensity figure of 0.06 MTCO2e/square foot.

To achieve this goal, we'll focus on reducing our emissions in multiple ways.

- Complete ASHRE Level 2 surveys at leased McClellan, CA buildings by performing the following:
 - Implement recommended energy savings initiatives based on potential energy savings and payback opportunities
 - Evaluate long-term improvements relative to expected occupancy length at leased sites and lease/ownership terms, as applicable
- Transition to renewable energy usage through utility agreements or Green-e Certified Renewable Energy Credits
- Incorporate energy efficiency practices into employee training and communications, including new hire trainings
- Optimize servers (See "Chris's Server Project")
- Ownership of Energy and Emissions Targets. Our Sustainability Department, in partnership with our Corporate Facilities Department oversee and manage our intensity reduction targets

2024

Complete ASHRE Energy Audits of Sacramento corporate facilities.

Participate in green energy utility offerings at Sacramento corporate facilities.

Develop energy efficiency training video(s) for employees.

2025

Implement appropriate energy efficiency measures based on energy savings and costs.

2026

Implement appropriate energy efficiency measures based on energy savings and costs.

2027

Implement appropriate energy efficiency measures based on energy savings and costs.

2028

Achieve 5% building square footage intensity reduction in CO2 from 2021 data.

Environmental Impact

Water

As a real estate lessee, we understand that we have a responsibility to enact change wherever and whenever we can.

Over the past year, our Sustainability Department has worked with our landlord and co-tenants to request changes in water management. We have continued to partner with them to identify opportunities to reduce water consumption. However, our efforts have been met with a few challenges because the spaces we occupy are shared. Although there are approaches to calculating water consumption based off headcount, we have struggled to obtain water data that can help us properly baseline our activities.

Even with this setback, we're committed to working with other tenants on water reduction opportunities. We've started discussions with the real estate owner on water saving efforts, including watering the landscape less frequently and investing in high-efficiency water fixtures when executing facilities updates. We'll continue to seek out new technologies that educate our staff and promote water reduction on site.

SBM does not generate or discharge any hazardous waste for treatment. Facilities we occupy are strictly office buildings with municipal sewer effluent only. We follow all local regulations and recommendations regarding water use and recycled water.

In 2022, our corporate office headquarters consumed 276,012 gallons of water and emitted no pollutants into water.

Looking Forward

We've continued to identify areas where we can influence a reduction in water consumption. Our Sustainability Department continuously provides trainings and communication to headquartered employees on water consumption. The team also created guidelines for SBM office managers on the preferred use of low flow water devices and water efficient appliances to help monitor and reduce water usage in the building.

In 2022, our corporate office headquarters consumed 276,012 gallons of water and emitted no pollutants into water. Going forward, we plan to:

- Conduct on-going employee awareness training on water conservation
- Collaborate with lessor to obtain water consumption data for additional reporting
- Review leases and contract language for opportunities to integrate indoor/outdoor water reduction, including room to upgrade water fixtures and appliances to the most efficient options on the market

2024

- | | | |
|---|---|--|
| Perform water audits at facilities where we can impact usage. | Track water usage monthly at Sacramento Corporate Facilities. | Water network maintenance or leakage protection evaluation at Sacramento Corporate Facilities. |
|---|---|--|

2025

- | | | |
|------------------------------|--|---|
| Set water reduction targets. | Review data for water reduction programs, appliance and fixture upgrades at leased facilities. | Collaborate with other tenants on water reduction opportunities to present to property owner. |
|------------------------------|--|---|

2026

- | | |
|---|--|
| Implement water fixture and appliance upgrades where applicable at leased facilities. | Evaluate other exterior water saving projects such as rain collection and implement as feasible. |
|---|--|

2027

- Continue implementation of water fixture and appliance upgrades where applicable, and as agreed to by property owner.

Environmental Impact

Waste

SBM is driving continuous waste diversion improvements as an organization, our suppliers, and our customers.

SBM’s Corporate Office Diversion Program

We continuously track the reduction of packaging and paper from our operations. In 2022, SBM’s corporate office diverted over 87% of our waste. Small shifts made big impacts, such as using QR codes for safety and equipment audits and developing a process to track fullness of containers.

Our training program has eliminated process documents by using mobile apps. We’re now focusing on using durable goods in 2023 with a plan to increase employee participation through outreach programs.

87%
Waste
Diversion Rate

88
Tons of Waste
Diverted from
Landfill

Looking Forward

At SBM’s headquarters in McClellan, California, our Sustainability Department has refocused efforts on the recycling and composting programs in place. Employees at corporate offices receive regular communications reminding them of proper waste disposal and its benefits. They also receive an annual internal sustainability report that highlights the results of their efforts.

We’ve set a goal of 90% diversion of waste from landfill by 2024. Currently, we’re at 87% diversion and our Sustainability Department has revised an action plan after reviewing successes and shortcomings in 2021 and 2022. Some key actions include:

- Communicate guidelines for how corporate offices can implement a platform to exchange office supplies between different departments and units
- Pursue third-party programs, such as TerraCycle, that help us find an outlet for hard-to-recycle materials
- Create a donation program for office furniture and supplies to keep them out of landfills

2024

- | | | | |
|--|---|---|---|
| Track waste metrics at facilities where solid waste data is available. | Achieve 90% diversion of waste from landfill and incineration at Sacramento Corporate Facilities. | Identify hard-to-recycle items that can be diverted through TerraCycle recycling. | Identify additional ways to reduce material consumption through process optimization. |
|--|---|---|---|

2025

- | | | | |
|---|---|---|--|
| Set waste reduction targets at facilities where this data is available. | Conduct TRUE Gap Analyses at Sacramento Corporate Facilities. | Implement office supply exchange platform in each corporate location. | Work with IT for documentation of the reduction and reuse program for packaging, shipping, and reuse of equipment. |
|---|---|---|--|

2026

- | | |
|------------------------------|--|
| Commence TRUE certification. | Exchange disposable food ware for durable goods. |
|------------------------------|--|

2027

- Achieve TRUE certification.

Environmental Impact

IT Hardware Reuse Program

We believe in using products through the end of their useful life. This includes hardware given to employees.

SBM applies our IT Hardware Reuse Program to computers and cell phones provided to SBM employees. We work with a third party to sustain our cell phone and laptop inventory, maintenance it, and wipe it for reuse. This allows us to quickly and efficiently reallocate hardware inventory to new employees.

We understand that technology is rapidly changing, and our nature of business provides an opportunity to repair and replace hardware as needed to extend the life of equipment. All employees are expected to follow our Hardware Reuse Program, regardless if hardware needs replacement or repair.

We also offer remote IT support to troubleshoot issues quickly. If remote support is unsuccessful, employees return the hardware and a replacement is sent to them. Any hardware sent for repair is assessed in person and repaired first, if possible. Once the hardware is operational, it's placed back in inventory to be reissued as needed.

In collaboration with our hardware and IT partners, we track our impact on e-waste diversion. In 2022, we properly recycled 1.53 tons* of e-waste, which helps us continue reducing environmental impacts associated with improper hardware disposal and virgin material mining.

*US short tons

1.53 tons
of e-waste recycled in 2022

Environmental Impact

Durables

In 2022, SBM's Sustainability Department began to transition all single-use, disposable products in kitchenette areas throughout headquarters to reusable, durable products.

The goal was to reduce the amount of waste generated by team building events and daily kitchenette use. This process included everything from dishes and utensils to cups. To prepare for the upcoming change, communications were sent to employees who worked at headquarters in McClellan, California.

The incorporation of durables elevated the kitchen spaces. They are now more usable and functional, plus they give the space a more permanent feel. Single use utensil packets are no longer needed when local food is ordered and employees who pack their lunch already have durables ready for us at the office.

Environmental Impact

Sustainability Offerings

Our accredited sustainability professionals located throughout the United States support customers on their own sustainability journeys.

Our Sustainability Department is an industry-leader in waste reduction programs and processes. They create customized on-site program support that contributes to customer goals regarding waste management and zero waste. SBM’s sustainability consulting services support customers to build their own success stories.

Professional Certification Support

- ISSA Cleaning Industry Management Standard (CIMS)
- LEED O+M Compliance
- TRUE Zero Waste certification
- Certified Sustainable Resource Management Program (CSRMP)
- WELL
- ARC Performance Certificate

Professional Certification Support

- U.S. Green Building Council
- National Recycling Coalition
- International Facility Management Association
- Building Owners and Managers Association
- fitwel
- TRUE Zero Waste Advisor

Core Consulting Services

- Program Evaluation & Analysis
- Innovative Program Implementation
- Zero Waste Consulting & Certification
- On-Site Daily Waste Sorting
- Waste Data Evaluation & Downstream Reporting
- Training & EducationEmployee Engagement



Environmental Impact

The UN Sustainable Development Goals at SBM

In 2020, SBM began working on our contributions to applicable Sustainable Development Goals (SDGs).



We established priorities for immediate and long-term actions, and experienced successes. However, the SDGs are not meant to be simply accomplished and checked off. We recognize that celebrating our success is important, but we must also reassess areas where we continue to make positive change.

We’ve established four (4) pillars of focus for the SDGs: Our People, Our Environment, Our Clients, and Our Workplace.

Each of these pillars help guide us where to allocate our efforts, while also setting up a framework for success.

Every two (2) years, SBM’s Sustainability Department reassesses our progress within the identified SDGs. Our next review is set to occur in 2024.

Our SDG Focus Areas

Our People

- Deliver sustainability training through 4insite partnership.
- Provide smartphones to employees to lessen the digital divide.
- Focus on employee safety and retention.
- Develop employees for career growth.
- Promote and source safe equipment.
- Provide appropriate PPE to employees.

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Our Environment

- Support LEED guidelines.
- Reduce paper consumption throughout office operations.
- Support the reuse and recycling of all technology equipment.
- Drive process innovations to reduce waste.
- Deliver cutting-edge, efficient technology in products and equipment.

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Our Workplace

- Communicate CDP results and readjust to best reduce by 1%.
- Ensure well-being through healthy, happy workplace initiatives.
- Actively monitor our waste, electricity, and water usage.
- Make continual progress on our 5-year environmental action plan through 2023.
-

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Our Clients

- Drive change on CDP as a facility lessee.
- Deliver quarterly sustainability innovation updates.
- Establish strategies for Carbon Free/Neutral practices.
- Provide and push for more sustainable product options.
- Work to understand our supply chain impacts and partner to improve sustainable procurement.

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Environmental Impact

Our SDG Priorities within SBM



- Create programs to ensure employees are safe at work.
- Assure availability of affordable healthcare.
- Provide an Employee Assistance Program that includes mental health support.
- Develop guides and recommendations for the use of more environmentally friendly, safer products to be used by employees.



- Consolidate all SBM departmental trainings within the 4insite Knowledge Center to provide fundamental information for employees.
- Create customized 4insite trainings focused on sustainability, safety, policies, and good work practices, among others.
- Educate employees continuously on job safety, and how to create a happy, healthy workplace.
- Provide employees with educational opportunities to enhance their career paths.



- Source innovative product solutions focused on sustainability, including less packaging, smarter trucking, and requirements for suppliers to report their sustainability goals.
- Effectively reduce the technology barrier by providing 4,000 smartphones to SBM employees.
- Establish strategies for Carbon Neutrality.
- Establish a path forward with Procurement Framework with Suppliers.

Environmental Impact

Our SDG Priorities within SBM



- Educate buyers, customers, and partners on environmental impacts of product purchases, with the goal of identifying more sustainable options.
- Incorporate ESG into partner contracts, agreements, and validate compliance.
- Develop education, communicate needs to vendors, and deliver quarterly reviews to SBM.
- Leverage industry relationships to build more sustainable product offerings.



- Work with network peers to better incorporate waste and cleaning into carbon reduction approaches.
- Drive change in custodial equipment that leads to a reduction of natural resource consumption.
- Develop a climate strategy that aligns with our work and the customers we serve to make the biggest impact.



- Develop and implement a Diversity, Equity, and Inclusion (DEI) plan.
- Create a DEI committee and begin the process of incorporating employees into the plan.
- Promote non-discriminatory policies for sustainable development.
- Develop industry-standard policies that lead to better institutions and a stronger, equitable workplace for all.



Sustainable Consumption

Sustainable Consumption

Program Overview

Sustainable consumption is our passion. Thanks to our strong supplier partnerships, we've created communication channels that allow us to provide honest feedback on products we use regularly.

Our Sustainability Department works closely with our Procurement Department to provide feedback on product sustainability. We're advocates for utilizing eco-friendly packaging materials and eliminating unnecessary packaging overall. In addition to providing potential cost savings, we also identify opportunities to make subtle changes that have large environmental impacts associated with manufacturing and packaging.

When purchasing new products, we seek out recyclable items and partner with others in our industry to innovate paths to zero waste. Our collaborations include:

- Manufacturer battery take-back program
- Used equipment program
- Hard-to-recycle plastics take-back program
- Enhanced service opportunities and right to repair

SBM tracks green consumables and equipment offered to customers. Even though the customer has final decision on equipment, our Sustainability and Procurement Departments encourage them to source green equipment and consumables first. If a product does not satisfy a customer request, our Category Buyers are trained to seek a green solution first for the customer.

We follow the U.S. Green Building Council's LEED requirements, which are most common for green cleaning standards. We also advise customers on which products and equipment meet LEED and other validated third-party certifications to reduce negative environmental impacts. Our approach includes:

- Utilizing our Green Cleaning Policy that meets LEED, Fitwel, and WELL certification requirements
- Leveraging our Cleaning Industry Management Standard (CIMS) Certification, which is an operations green cleaning certification
- Focusing on increasing our Green Spend by calculating the percentage of total janitorial cleaning products that meet LEED and the U.S. Environmental Protection Agency's (US EPA) Comprehensive Procurement Guidelines
- Targeting our green spend to include cleaning chemicals, janitorial paper products, and waste bin liners
- Tracking inventory and maintenance for powered equipment that meets LEED criteria

Sustainable Consumption

Supply Chain Sustainability

Although SBM does not manufacture any products, we recognize that we must hold our partners to a high standard. Throughout our supply chain, our partners and internal teams can push for human rights, fair labor standards and practices, and reduced environmental impacts.

In 2023, we plan to collect information to gain a better understanding of where SBM, our suppliers, and our manufacturers stand today. We'll leverage resources through the United Nations toolkits to help us develop and build out a sustainable supply chain program that can be adopted by our partners as well.

Our Supplier & Vendor Network

By the end of 2024, we aim to be in full compliance with the Supplier Code of Conduct for our top spend partners. We'll begin regularly scheduled business reviews to check in with our suppliers on key environmental, social, and governance (ESG) initiatives to build out a clearer picture of our impacts. This approach will allow us to identify areas of opportunity and strengthen relationships within our supplier and vendor network.

One of our goals is to lay the foundation for better support to businesses owned by minorities/vulnerable groups. As a minority-owned business ourselves, we know that the path to success for everyone is not the same. By working with others in our industry and strategically partnering with vendors and suppliers, we believe we can build up others and support their success.

We will continue supporting companies that are:

- Minority-Owned
- Woman-Owned
- Veteran-Owned
- LGBTQ+-Owned
- Small Business

SBM also participates in the HUBZone Program, which is designed to support small business growth in historically underutilized business areas. We use the program to identify potential small businesses to partner with and mentor.

Sustainable Consumption

Supplier Partnerships

In 2022, we started focusing our supply chain and its sustainability.

We reviewed our Supplier Code of Conduct to better align with our industry and partners. We're laying the foundation of a holistic process to verify compliance with our Supplier Code of Conduct, and to validate our partners' commitment to creating a better workplace for all. With this approach, we started building our supplier quarterly business reviews and creating a new process to verify compliance.

As a minority business that grew from a small "mom-and-pop" shop, SBM understands that not all businesses can take the leap to adopt sustainable practices and reduce negative impacts of operations. However, we know the value that mentorship provides, so we've started leveraging relationships with our partners to create a sustainable supply chain approach that involves everyone.

Responsible Purchasing

At SBM, green cleaning refers to using cleaning methods and products with environmentally-friendly ingredients and procedures designed to preserve human health and environmental quality. All products considered "green" by SBM meet LEED criteria, including industry-leading third-party certifications. Our goal is to continually improve our green spend year over year and encourage green product adoption with all our customers.

To help individuals identify green products, we've created a green leaf designator that clearly indicates when a product has been properly vetted as green by our Procurement Department. This helps our operations teams easily choose a green product, which increases green spend for their customer and SBM.

In 2023, we've started to redesign our approach to responsible purchasing, with the end goal of training our teams on the importance of allocating spends to green products. Through this method, we believe we can influence the industry and push us all in the right direction.



Product Offerings & Impacts

Product Offerings & Impacts

Green Equipment

SBM supports our customers in sourcing equipment for facility service needs. The equipment varies in capabilities to job-specific tasks.

Our Procurement Department prides itself on being able to source equipment that has third-party certifications demonstrating reductions in negative environmental and human health impacts. These certifications include:

- Chemical-free/reduced Chemical Cleaning
- EPA Energy Star Certified
- ELT Approved
- UL Approved
- HEPA Filtration
- Noise-Sensitive for LEED
- Certified CRI
- Water-Reducing Technology



Product Offerings & Impacts

Product Offerings & Impacts

SBM is committed to finding cleaning solutions that reduce overall risk, provide a safe work environment, and minimize environmental impacts. We work closely with our product suppliers to identify industry-leading technologies and products that meet stringent third-party sustainability criteria.

In 2022, SBM continued to prioritize green cleaning improvements and innovations. We define green spend as the percentage of total consumables purchased that meet “green” criteria from the following product categories: cleaning products, janitorial paper products, can liners, hand soaps, and hand sanitizers. Products qualifying as “green” have met one or more of the following criteria:

- UL ECOLOGO
- Green Seal Certification
- EPA Comprehensive Procurement Guidelines
- EPA Safer Choice Standard (formerly DfE)
- FSC Certification

72%

2022 Green Spend Total
