



One Montrose

2022 ESG REPORT



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From Our CEO



From Our CEO

To our fellow stakeholders:

I am pleased to share with you our second annual Environmental, Social, and Governance (ESG) Report.

At Montrose, our business is the environment, and our mission is to help protect the air we breathe, the water we drink, and the soil that feeds us. We believe our continued success remains inextricably tied to how well we take care of our people, our clients, and our communities – through our daily actions and our services, including measuring and improving air quality and reducing greenhouse gas emissions, treating contaminated water and soil, and creating resources and energy from agricultural waste. As such, we approach ESG considerations as potential strategic differentiators and stockholder value creators rather than just a set of risk factors to monitor and mitigate.

Our approach to ESG is centered on decision-useful data aligned to topics that generate long-term value. In our second annual ESG report, I am proud to share that we are delivering significant impact on ESG topics that are most relevant to Montrose, our clients, our stockholders, our employees, and the broader communities we support.

On our Environmental leadership, we are:

- Continuing to track our own environmental practices and refine and improve our reporting on Scope 1 and 2 greenhouse gas (GHG) emissions;
- Committing to the reduction of our greenhouse gas emissions through the future adoption of targets and timelines with specific plans on how we will achieve our objectives;
- Expanding our services to provide capabilities that address our clients' global environmental challenges by helping them achieve their net-zero and carbon neutral goals; and
- Providing ongoing support to our clients as they maintain environmental compliance and reduce their footprints through: real-time GHG monitoring using state-of-the-art sensors, treating water from per- and polyfluoroalkyl substances (PFAS) in uniquely sustainable ways, offering fire risk support for utilities, providing GHG measurement support with drones, air testing, and optical gas imaging, and much more.

On our Social and Governance efforts, we are:

- Providing our own health and safety solutions to support ongoing pandemic readiness, response, and recovery, including testing, tracking, and communication tools;
- Expanding development opportunities for our women leaders and women across our organization;

- Enhancing our recruiting programs to include universities and other centers of excellence catering to minorities and under-represented groups;
- Continuing the progress of our Diversity, Fairness, & Inclusion (DF&I) Task Force with the execution of our inaugural survey to gain perspectives from our employees; and
- Launching our stockholder engagement program to build relationships and better understand key ESG focus areas of our industry.

Though we are proud of our progress, we acknowledge more needs to be done. We will actively pursue our ambitions with purpose and transparency, and we believe we will drive stockholder and stakeholder value through these efforts.

Sincerely,



Vijay Manthripragada
President, Chief Executive Officer, Executive Director

Montrose at a Glance



Montrose at a Glance

The environment is our business.

We provide a diverse range of innovative solutions to help clients and communities meet their environmental needs and goals to address the world’s environmental challenges. Whether we are helping to plan new projects, maintain or decommission operations, rehabilitate assets, manage the impacts of climate change, or respond to unexpected environmental disruption, we are there to improve operations today and prepare for whatever comes next.



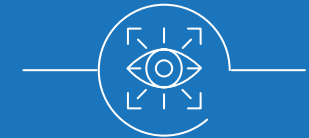
WE SEE ENVIRONMENTAL RESPONSIBILITY AS NOT JUST AN IMPERATIVE BUT AS A STRATEGIC ASSET. THAT IS WHY WE ARE COLLABORATING TO HELP ADDRESS TODAY’S NEEDS AND, MORE IMPORTANTLY, TO ENVISION AND CREATE SMART SOLUTIONS FOR A FUTURE THAT EXECUTES ON OUR MISSION.

Vijay Manthripragada, CEO



OUR MISSION

To help protect the air we breathe, the water we drink, and the soil that feeds us



OUR VISION

To improve our environment, create value, and manage risk by solving complex environmental challenges with leading technologies and depth of expertise

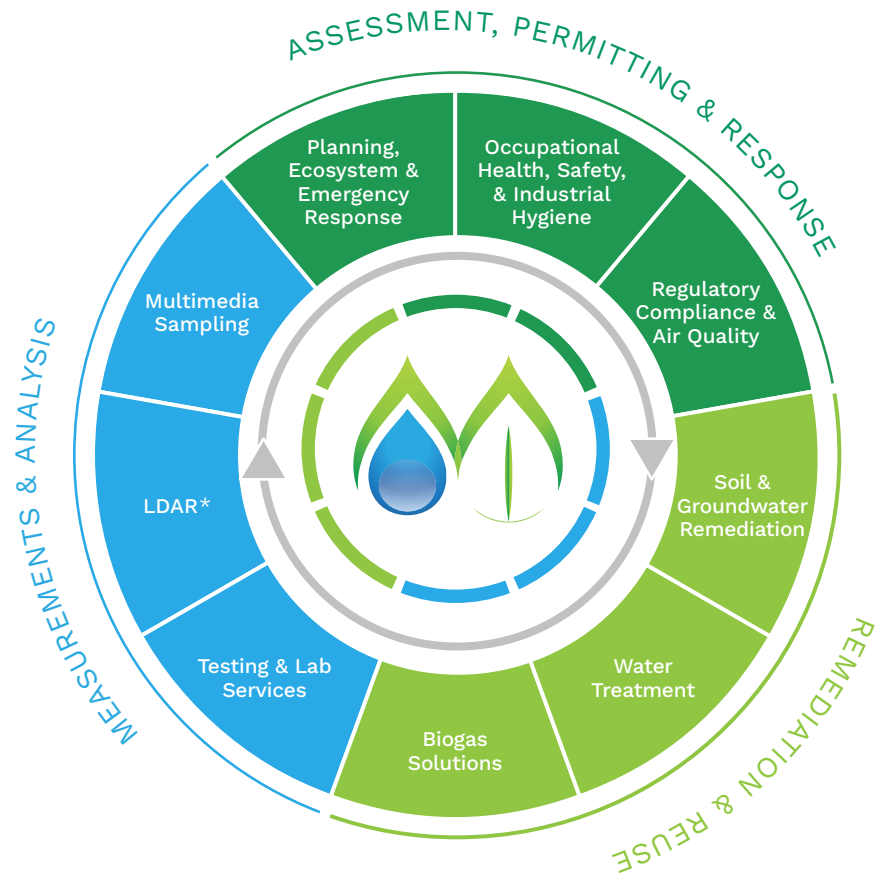


OUR PRINCIPLES

To act according to our shared values of serving our employees, our clients, our communities, and our stockholders



Three Business Segments. One Montrose.



*Leak Detection and Repair



By the Numbers (As of December 31, 2021)

2,500+
EMPLOYEES

80+
LOCATIONS
WORLDWIDE

5,400+
CLIENTS FROM
THE PRIVATE AND
PUBLIC SECTOR

16
PATENTS ISSUED

0.29
TOTAL RECORDABLE
INCIDENT RATE PER
200K HOURS WORKED

66%
ANNUAL REVENUE
GROWTH, INCLUDING
17% ORGANIC

FROM OUR CEO

MONTROSE AT A GLANCE

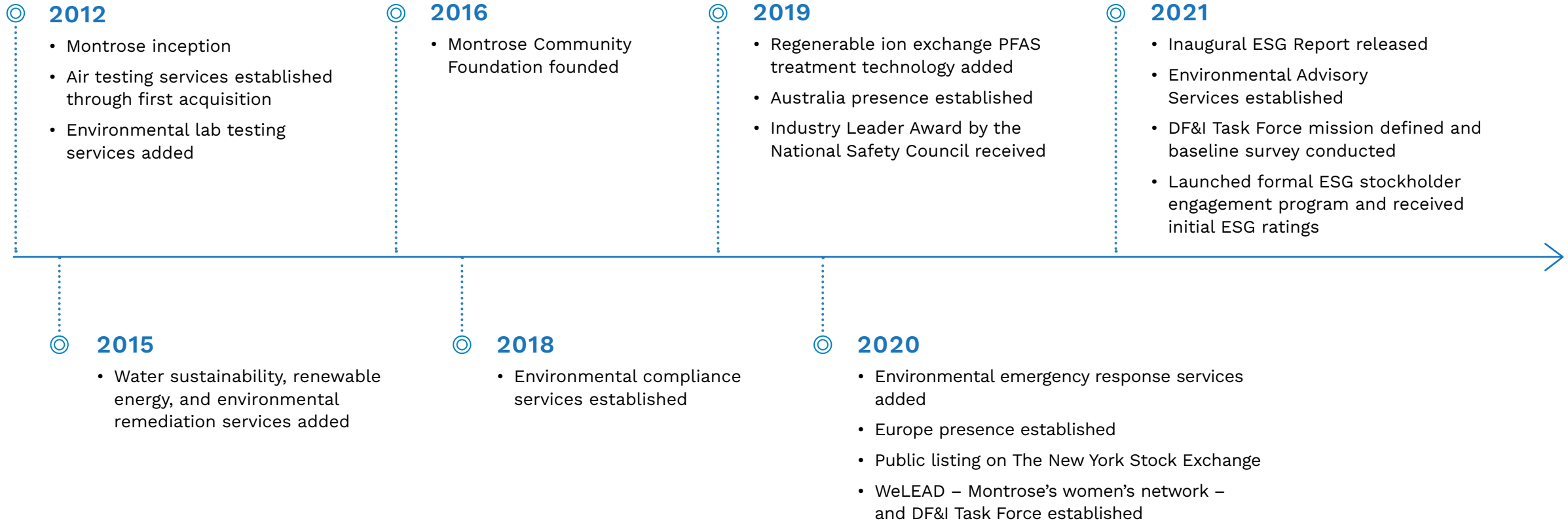
OUR ESG APPROACH

ENVIRONMENTAL

SOCIAL

GOVERNANCE

Our Path To One Montrose



Our Core Sustainability Principles

Protection of our employees and communities

We commit to constant assessment and improvement of employee safety and environmental performance.

Protection of our natural resources

We aim to lead by example as a company that helps our clients with environmental compliance and performance.

Protection of integrity

We promote the ethical treatment of our employees, stakeholders, and partners in all of our interactions.



Our ESG Approach



Our ESG Approach

We are a company committed to protecting the environment by applying holistic solutions that use common, consistent business practices across our organization – The One Montrose Way.

We regularly evaluate and monitor our ESG practices, which we believe are foundational to generating value for all our stakeholders.

In 2020 - the same year we went public - we established our ESG Committee, which consists of dedicated internal resources and external advisors. They performed an ESG Diagnostic, which assessed ESG criteria from the perspective of our stockholders, peers, employees, and frameworks, such as the Sustainability Accounting Standards Board (SASB) Industry Standards, the Taskforce on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (UN SDGs).

For each of our ESG reports, we have retained, and will continue to have, an independent ESG auditor review the consistency and transparency of quantitative ESG data.¹ Throughout, our activities have been overseen by our management team as well as our Board of Directors' (Board) Nominating and Corporate Governance Committee.

1. A copy of our Assurance Statement can be found [here](#).

Montrose has been focused on addressing and reporting on the ESG factors we believe are most relevant to our business:

- Environmental Impacts for Clients
- Environmental Impacts of Operations
- Cybersecurity & Data Privacy
- Health & Safety
- Corporate Governance
- Professional Integrity
- Diversity, Fairness, & Inclusion
- Talent Development

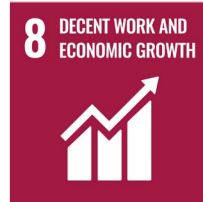
Our disclosures are not static. They will evolve as our business grows and as we continue to better understand the expectations of our stockholders, the regulatory environment, and our broader stakeholders. The past two years have been foundational for us as we established our ESG approach and organizational structure. Now as we consider our future endeavors, we are moving beyond monitoring and benchmarking to begin defining goals to which we will hold ourselves accountable. In this report, all information referenced is for the fiscal year ending December 31, 2021, unless otherwise stated.

The One Montrose Way

WE BELIEVE THAT ACHIEVING AND SUSTAINING BUSINESS EXCELLENCE IS INTRINSICALLY TIED TO CONSIDERING ALL OUR STAKEHOLDERS, LEADING BY EXAMPLE WITH CORPORATE RESPONSIBILITY, APPLYING COMMON & CONSISTENT BUSINESS PRACTICES, AND COMMITTING TO TRANSPARENCY AND ACCOUNTABILITY.

Alignment with UN SDGs

At Montrose, we believe alignment to the UN SDGs makes the greatest impact on solving sustainable development challenges in our society, while also dovetailing with our efforts to help our clients achieve their environmental goals. As a leader in providing environmentally focused solutions, we strive to make substantial contributions and lasting impacts that support achievement of the UN SDGs. We have identified specific UN SDGs that align with Montrose's ESG strategy and the services we provide, which are noted in relevant sections throughout this report.





Our Future Commitments

We at Montrose are committed to sustainability and advancing our efforts towards setting specific goals and objectives related to our ESG performance. At the outset, we are focused on GHG emission reductions and broadening our DF&I initiatives. The Board expects to adopt targets and timelines for achieving impact by the end of 2022. We will also establish implementation plans in tandem with these goals in 2023.

Environmental



Environmental

Our Stewardship Commitment

As a leading environmental solutions company, we identify and implement effective practices that meet our clients' environmental needs. These include innovative technologies, processes, and applications that address existing and emergent issues, such as newly identified contaminants and public health concerns, compliance with applicable laws and regulations, and advisory support from expert-led teams.

Environmental stewardship is fundamental to each and every one of our projects. We take a big-picture view to understand how our project decisions may alter ecosystem assets such as wetlands and forests, and services including water purification and climate regulation. At the same time, we support our clients as they seek to understand and manage their social, environmental, and economic impacts. We add value by combining a precise understanding of regulatory, cultural, and ecological issues with practical, accredited, and cost-effective scientific methods. By leveraging the expertise and leadership of our specialists, we deliver solutions that create meaningful contributions for our clients and their communities.



THE WORLD'S ENVIRONMENTAL CHALLENGES ARE GROWING IN NUMBER, SCOPE, AND COMPLEXITY, AND MOUNTING PUBLIC PRESSURE AND REGULATORY CHANGES CONTINUE TO DRIVE DEMAND FOR BETTER INFORMATION AND SOLUTIONS.

Our Innovation Ethos

Innovation is core to our strategy.

Our international research and development teams are dedicated to providing best-in-class environmental solutions for our clients. They are developing new technologies, improving existing practices, and imparting strategic guidance. By doing so, we are responding to the world's environmental challenges.



The One Montrose Way For Our Clients

Our holistic environmental solutions utilize our integrated capabilities to prepare our clients for emerging political and regulatory priorities. As these critical elements affect our clients and the broader global community, we have thought leaders and technical experts across many of our business lines assessing and solving the problems of today and the challenges of tomorrow.

Emerging Priorities	Assessment, Permitting & Response			Measurements & Analysis			Remediation & Reuse	
	Ecosystem	Regulatory	Response	Testing	Lab	LDAR	Biogas	Soil/Water
Climate Change & Event Driven Response	✓	✓	✓	✓	✓	✓		✓
Greenhouse Gas Mitigation & Air Quality	✓	✓		✓	✓	✓	✓	
Emerging Contaminant Regulation	✓	✓	✓	✓	✓			✓
Renewable Energy & Reduced Carbon Intensity	✓	✓					✓	
Increased Regulatory Enforcement (e.g. EPA, SEC)	✓	✓		✓	✓	✓		✓
Infrastructure & Defense Spending	✓	✓		✓	✓	✓		✓

Environmental Challenge – PFAS Remediation

PFAS are widely used, "forever" chemical components that break down slowly over time in the water and soil.

One Montrose Solution

Our team of engineers, geologists, chemists, scientists, toxicologists, risk assessors, and field technicians provide state-of-the-art technology and an integrated, cross-functional continuum of services to address the complexities surrounding PFAS, including:

- Front-end planning
- Site characterization sampling and evaluation
- Laboratory testing
- Toxicology and risk assessment
- Regulatory compliance
- Air testing
- Water and soil remediation
- Water treatment design and installation
- Human health and environmental risk communication

Additional reading

[Treatment of PFAS – Contaminated Water](#)

[PFAS Remediation: Fundamental Challenges for the Short and Long Term](#)

[PFAS Testing at a Waste Treatment Combustion Facility](#)



OUR PATENTED REGENERABLE RESIN SOLUTION REMOVES AND CONCENTRATES PFAS FROM WATER, ALLOWING PFAS-SATURATED RESIN TO BE REGENERATED ONSITE AND REUSED.

1M  **=** **~1** 

GALLONS TREATED WATER **GALLONS SOLID WASTE GENERATED**

>690M 

GALLONS OF WATER TREATED FOR PFAS IN 2021

Environmental Challenge – Oil & Gas Industry

Greenhouse Gas Emissions

GHG emissions from the oil and gas industry account for 9% of all human-made GHG emissions.²

One Montrose Solution

Our full suite of in-house services, expertise, and strategic partnerships are leveraged across the organization to help achieve emissions reduction goals and enable consistent, comparable, and reliable reporting by providing our clients with:

- Strategy and program development
- GHG baseline assessments
- Emission factor development
- GHG reduction programs
- Renewable energy development
- Offset procurement
- Measurement and verification
- Data management and reporting

Additional reading

[Environmental Advisory Services](#)

[Greenhouse Gas Emissions Strategy & Execution for the Oil & Gas Industry](#)

[Net-Zero & ESG Driving Strategy and Change for Oil & Gas](#)



2. Beck, C., Rashidbeigi, S., Roelofsen, O., Speelman, E. (2020, January 7). *The future is now: How oil and gas companies can decarbonize*. McKinsey & Company. <https://www.mckinsey.com/industries/oil-and-gas/our-insights/the-future-is-now-how-oil-and-gas-companies-can-decarbonize>

3. Quinson, T. (April 7, 2021). *Tech Companies Are Setting the Most Ambitious Net-Zero Goals*. Bloomberg News. <https://www.bloomberg.com/news/articles/2021-04-07/tech-firms-are-setting-the-most-ambitious-net-zero-goals-green-insight#xj4y7vzkg>

3.3B

METRIC TONS OF
CO₂e → 10% OF O&G EMISSIONS
REDUCTION OF CO₂e,
IF THE 18 OIL MAJORS
ACHIEVE THEIR
NET-ZERO GOALS³

8

OF THE 18 OIL MAJORS ARE
SUPPORTED BY MONTROSE
THROUGH MULTIPLE
BUSINESS LINES FOR THEIR
ENVIRONMENTAL COMPLIANCE
AND SUSTAINABILITY EFFORTS

Environmental Challenge – Natural Gas Demand

Natural gas demand is expected to grow by approximately 1.5% per year through 2025⁴ with opportunities for alternatives to fossil-fuel-derived natural gas sources.

One Montrose Solution

Our team of multi-disciplinary engineers, procurement and construction managers, and operators are finding unique and sustainable ways to generate renewable natural gas (RNG) from waste streams, and assisting clients with:

- Early-stage project evaluation
- Permitting
- Technology selection
- Design
- Construction management
- Long-term operations and maintenance



ANAEROBIC DIGESTION IS A KEY COMPONENT FOR TECHNOLOGIES THAT WILL PUT OUR NATION ON A PATH TO A RENEWABLE ENERGY FUTURE. IT IS A COMPLEX PROCESS THAT REQUIRES COLLABORATION WITH DAIRY FARM OWNERS IN ORDER TO BECOME FAMILIAR WITH THEIR SITE, LEARN THE NUANCES OF THEIR SPECIFIC DAIRY AND MANURE MANAGEMENT PRACTICES, AND UNDERSTAND THE GOALS FOR EACH SPECIFIC RNG PROJECT.

Bernie Sheff,
VP Biogas Engineering



Additional reading

[Biogas Solutions](#)

[Our Approach to Biogas Solutions](#)

[Sunoma Renewable Biofuel Project](#)

SUNOMA DAIRY FARM RENEWABLE BIOFUEL PROJECT

123,000 

GALLONS DAILY MANURE FLOW

=

180,000 ^{MMBtu}

DAILY RNG GENERATION
PER YEAR

THAT'S

54,000 

METRIC TONS CO₂e AVOIDED
PER YEAR

4. IEA. (2020). Gas 2020. IEA, <https://www.iea.org/reports/gas-2020/2021-2025-rebound-and-beyond>

Environmental Challenge – Hazardous Waste

The U.S. Resource Conservation and Recovery Act (RCRA) seeks to minimize waste and control the generation, handling, and disposal of hazardous waste from ‘cradle-to-grave.’

One Montrose Solution

Our business is not a traditional hazardous waste handling company. We work with our clients across our multidisciplinary teams to solve their complex challenges. We offer a vertically integrated turnkey solution to hazardous waste for industrial and governmental clients. Services range from consulting, assessments, field investigations, and remedial response through our dedicated laboratories.

Additional reading

[Hazardous Materials Regulatory Consulting](#)

[Soil, Water, & Hazardous Waste Services](#)

[Air, Soil, and Water Analysis of a Governmental Project Site in McClellan, CA](#)

5. Solvents and corrosives account for the majority of hazardous waste processed.



76.89

**TONS TOTAL RCRA
HAZARDOUS WASTE
ACCEPTED FROM
THE LABORATORY
SERVICES DIVISION
IN 2021⁵**

Environmental Challenge – Air Quality and Monitoring

The Clean Air Act sets National Ambient Air Quality Standards (40 CFR part 50) for six principal pollutants that are determined to be harmful to the health of communities and the environment.⁶

One Montrose Solution

Our network of testing professionals has decades of experience in a range of monitoring fields and applications. Montrose labs provide timely, high-quality data solutions to address requirements of state and federal regulatory bodies and to understand the unique demands of industrial productions and their complex compliance landscape through:

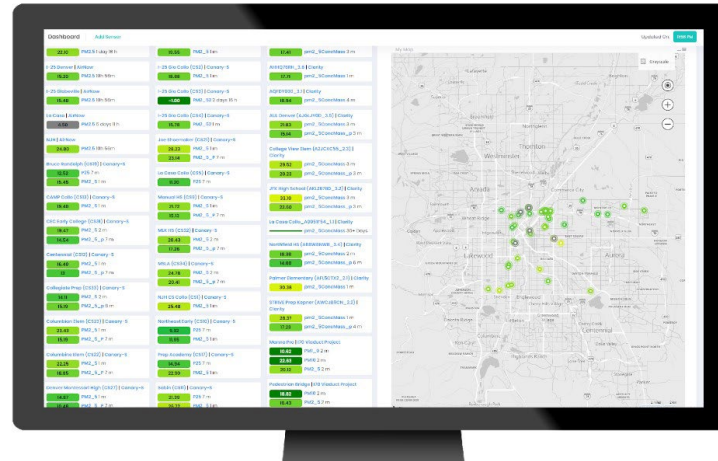
- Ambient air monitoring
- On-site measurements from accredited mobile laboratories
- High-quality data solutions
- Long-term community air monitoring solutions

Additional reading

Lab Services

[Montrose Provides Real-Time Ambient Air Monitoring for Commerce City and North Denver, Colorado](#)

PTR-TOF-MS Mobile Laboratory



COMMUNITY AIR MONITORING NETWORK

Commerce City & North Denver, Colorado⁷

6

NEIGHBORHOODS SAMPLED

90,100

ONE-HOUR ROLLING AVERAGE SAMPLES COLLECTED

6. United States Environmental Protection Agency. (April 5, 2022). NAAQS Table. <https://www.epa.gov/criteria-air-pollutants/naaqs-table>

7. Montrose Air Quality Services, LLC. (June 22, 2022). Q3 2021 – Q1 2022 Chronic Risk Assessment Commerce City North Denver Community Air Monitoring Network: Revision 1. [https://www.ccnd-air.com/lib/files/CCND_Chronic_Risk_Assessment_Q3_2021-Q1_2022_Revision_1_Final_\(English\).pdf](https://www.ccnd-air.com/lib/files/CCND_Chronic_Risk_Assessment_Q3_2021-Q1_2022_Revision_1_Final_(English).pdf)

Our Environmental Impact

Our business is making a significant impact on climate change through the services we offer our clients, many of whom are in carbon-intensive industries. For example, we help clients develop and execute strategies that are contributing to the transition to a low carbon future. Our day-to-day work is thus focused on meeting our clients' objectives of environmental responsibility and limiting impacts from their operations.

We are also aware of our own use of resources, our environmental impacts, and our role in addressing climate change. To execute our three business segments, we operate out of our company-owned headquarters in Little Rock, Arkansas and approximately 80 leased locations globally, which include laboratories, testing facilities, and offices for our consulting and advisory services. We also rely on our vehicle fleet for our site-based services and may at times fly to meet our clients where they are.

Hazardous Waste

During our normal course of operations, our Laboratory Services Division may handle certain regulated wastes. Our teams strictly adhere to our divisional Waste Management Policy and abide by regulatory requirements through the implementation of controls and best practices.

Any employee with hazardous waste management responsibilities is trained on our divisional waste management policy and receives RCRA-compliant training on an annual basis through our learning management system (LMS). The number of employees that are authorized to handle certain wastes is limited to those who have completed LMS and on-the-job training, in order to control and prevent any incidents and/or mishandling. On a weekly basis, we conduct hazardous waste area inspections, which include the inspection for any leaks or damage and conformance to regulatory best practices. We also engage top-tier, reputable waste transportation vendors, who responsibly and appropriately accept and transport waste to a licensed Treatment, Storage, and Disposal Facility (TSDF).

Our Environmental Policy

We are committed to conducting our operations in compliance with all applicable laws, regulations, standards, frameworks, and strategic management practices concerning environmental protection. We are adopting policies, procedures, and risk management tools to reflect and implement this broad commitment across our worldwide businesses, facilities, operations, and personnel.

Our corporate environmental objectives and the environmental impacts of our activities are reviewed and assessed on an annual basis. Our ESG Committee advises our Board and leadership teams on the environmental management policies, programs, and performance based on results of our periodic reviews and considering regulatory developments, customer needs, technical developments, scientific understanding, and community expectations.

Greenhouse Gas Emissions

We began calculating our Scope 1 and 2 emissions for a select number of locations in 2019, and have since expanded our footprint analysis to reflect our U.S. operating locations. As we continue to reflect on the ways we may mitigate our environmental impact, we aim to expand our analyses and develop our strategies for GHG emission reductions.



Scope 1 and 2 GHG Emissions

While our overall emissions have increased due to revenue growth and acquisitions, our GHG intensity has declined over the same period.

Reported in metric tons of carbon dioxide equivalents (MTCO ₂ e)	2021*	2020**
Scope 1 GHG emissions	6,180	6,301
Scope 1 – Vehicle Fleet	5,267	3,744
Scope 1 – Aircraft	81	-
Scope 1 – Natural Gas	832	2,556
Scope 2 GHG emissions (Electricity)	4,662	1,962
Scope 1 and Scope 2 GHG emissions	10,842	8,263
Scope 1 and Scope 2 emissions per revenue (MTCO ₂ e/\$M)***	19.8	25.2
Scope 1 and 2 emissions per employee****	4.1	6.0

*Scope 1 - Vehicle Fleet represents the mileage usage for all of our owned and leased-to-owned vehicles, which consisted of total gasoline and diesel fuel consumption of 75,315.06 GJ. Scope 1 - Aircraft represents data for the Company's only plane used by CTEH emergency response. Scope 2 GHG emissions were calculated for all of our US locations based on power usage data from our utility provider and as estimated according to the U.S. EPA Emissions & Generation Resource Integrated Database (eGrid) and the U.S. EPA Simplified GHG Emissions Calculator (SGEC).

**Scope 1 - Vehicle Fleet represents the mileage usage for all of our owned and leased-to-owned vehicles. Scope 1 - Aircraft data not included due to the acquisition of CTEH during the 2020 fiscal year. Scope 2 GHG emissions were calculated for 52 locations based on power usage data from our utility provider.

*** The episodic nature of the CTEH response revenue could materially skew the normalization of these data in a given fiscal year.

**** Per employee stats represent all full-and part-time employees as of the applicable year end.

Social



Promoting Workplace Safety

Our health, safety, and environment (HSE) teams are responsible for establishing the policies and procedures to maintain a safe work environment. We expect all supervisory and management personnel, as well as the HSE teams, to monitor the safety performance of employees, and for each employee to take ownership for familiarity with and adherence to our safety procedures.

We make HSE management an integral part of our daily operations from our Executive HSE Committee to our Divisional HSE Leadership Committees and location-based teams. Our Montrose Integrated Management System (MIMS) provides a comprehensive approach to defining how Montrose's HSE programs are developed and implemented as well as how we measure and continuously improve performance. These efforts require the direct engagement of all Montrose employees and every level of management.

In 2021, we deployed a wide variety of safety and quality training for our employees, including ~600 completed live safety training courses within our CTEH divisions and over ~9,740 completed e-learning courses company-wide, as well as multiple hours of operational-level training. Current safety initiatives include key performance metrics, employee engagement, leadership engagement, driving safety, job safety planning, and job hazard analysis.

~20,604 employee safety training hours provided in 2021

Measures to Empower Workplace Safety

To further our commitment to our employees, we engage a third-party occupational medical provider that is available to all employees 24/7 to discuss occupational health concerns. We have also obtained ISO 45001, ISO 14001, and ISO 9001 certification in Australia and are working to integrate those same processes within our MIMS processes.

Across our organization, we demonstrate a strong commitment to the safety of our employees with frequent communications and systems that actively engage and encourage employees' input. The foundation of the safety program is employee participation, structured accountability, employee recognition, and systems-driven HSE processes. We supplement this with comprehensive HSE training, personal protective equipment, safety equipment, and other resources that are critical to maintaining a safe workplace.

Furthermore, job hazards are routinely identified, mitigated, and planned for prior to work commencement, and the entire project safety planning process is documented to validate and improve performance.

We enhance our safety initiatives by empowering all of our employees with "Stop Work Authority." This allows for on-site work to be suspended in the event that a project or task cannot be performed safely or in compliance with rules and regulations. If it is not safe, our leadership fully supports an employee's decision to stop a task, no matter the consequences. This ensures that there is no fear of retribution for exercising such judgement. Each "Stop Work" order is thoroughly investigated through our online incident reporting program and investigation system to prevent similar reoccurrence.

Addressing Human Health Hazards

Implementing strong and consistent health and safety standards everywhere – for employees and clients – is evidence of Montrose’s determination to protect our people and ensure healthy workplaces for our clients.

One Montrose Solution

Our team of epidemiologist, medical and PhD toxicologists, registered nurses, occupational health nurses, industrial hygienists, statisticians, medical technicians, temperature screeners, and health scientists are delivering solutions to companies, governments, and communities for pandemic readiness, response, and recovery, including:

- Carbon CM® testing and tracking
- Cleaning and disinfecting plans and protocols
- Contact tracing
- Geographical modeling and analysis
- Medical screening
- Wellness surveys
- Workplace communication
- Vaccination Information System (VIS)

Additional reading

[Pandemic Services](#)

[5 Steps to Build a Pandemic Plan](#)

[4 Components of an Effective COVID-19 Worker Safety Plan](#)



2.6M+

WELLNESS SURVEYS
COMPLETED

1.3M+

COVID-19 TEST
RESULTS TRACKED

~69K

VACCINE RECORDS
VERIFIED

A Robust Safety Program

Learning from experiences and sharing incidents are critical to a robust safety program. At Montrose, we promote open communication through regular and systematized engagements:

- An online portal for compliance management, including incident reporting, learning management, action item tracking, and other important HSE functions
- Quarterly Executive HSE Committee and Divisional Senior Leadership team meetings
- Quarterly Company-wide Townhall meetings
- Monthly business division Health and Safety calls
- Safety committees at regional and local offices
- Safety Flashes for immediate notifications
- Celebration and recognition moments

Ensuring the safety of our employees is paramount. Our people serve as the greatest conduits for driving real impact to the safety of our clients and to all of our teams. We owe our gratitude to them so that we can serve as a trusted advisor on all of the projects for which we are engaged.

The company encourages and recognizes both individuals and collective teams for their safety performance. In 2021, the Montrose Executive HSE Committee implemented two new safety programs – Safety Star and Safety Excellence Awards – to acknowledge HSE efforts that go above and beyond.

Safety Star is an employee-led program where individuals are nominated and selected for their individual contribution to improving safety. These individuals may be nominated by anyone and are selected by the divisional leadership to which they are assigned.

The Safety Excellence Award is a team-based award that is based on the overall divisional HSE performance against predefined company HSE metrics. The division with the best overall safety performance is selected as the annual Safety Excellence winner. The company's Executive HSE Committee selects the winner for the Safety Excellence Award.



OUR SAFETY STAR AND SAFETY EXCELLENCE AWARDS ARE TWO NEW ELEMENTS OF OUR OVERALL SAFETY MANAGEMENT SYSTEM, AND YET THEY HAVE ALREADY BEEN A HUGE SUCCESS. THEY PROVIDE US THE OPPORTUNITY TO RECOGNIZE OUR TALENTED PEOPLE AND THE GREAT WORK THEY DOING. OUR SAFETY PERFORMANCE AS A WHOLE CONTINUES TO IMPROVE ACROSS ALL DIVISIONS, AND WE ARE PROUD TO BE PERFORMING AT LEVEL THAT EXCEEDS COMPARABLE INDUSTRY AVERAGES.

Scott Churbock, SVP Risk Management and Regulatory Affairs



3 GOOD HEALTH
AND WELL-BEING

Montrose 2021 Safety Performance

Achieved a 33%+ reduction in recordable incidents for each of the last 3 years (135% below the industry average)

0.29

Total Recordable Injury Rate
Per 200,000 Hours Worked
(in excess of 4 million work hours)

0.05

Lost Time Injury Rate
Per 200,000 Hours Worked

0.81

Experience Modification Rate
Average Prior EMR*

0

Fatality Rate Per
200,000 Hours Worked

20,604

Employee Safety
Training Hours

\$1M

Estimated Training
Investment

*This is calculated by the average of three years of worker's compensation experiences. Values reported represent all full- and part-time employees.

Safety Recognition for 2021 Efforts

CEO Vijay Manthripragada

National Safety Council 2022 CEOs
Who "Get It" honoree

**HSE Director for Remediation
Josh Densberger**

The American Society of Safety
Professionals Region VI 2022
"Safety Professional of the Year"

CTEH, a division of Montrose

The Houston Outstanding Safety
Performance "Best in Class" award for
"Technical Support – Medium" category

FROM OUR CEO

MONTROSE AT A GLANCE

OUR ESG APPROACH

ENVIRONMENTAL

SOCIAL

GOVERNANCE

Our Commitment to Diversity, Fairness, & Inclusion

Our Vision

At Montrose, diversity, fairness, and inclusion are key to fulfilling our Company aspirations to be the future of environmental solutions. If we have the courage to embody, embrace, and empower the diversity within, we can bring forth that passion for blazing new and innovative trails beyond.

We aspire to create an environment in which our employees and our clients reflect the diverse nature of the communities in which we live and operate. We envision a team that embraces one another's unique perspectives and differences, whether that be race, ethnicity, gender identification, sexual orientation, age, religion, culture, military status, title or position in the company, geography, educational background, or physical or mental disability.

At the same time, we acknowledge that we are more alike than we are different, and we seek a positive environment built on mutual respect, equitable access to opportunities, and appreciation for the value each and every employee delivers. This applies to the Montrose team, our clients, and our communities, via our One Montrose Way.



DF&I Task Force

Our DF&I Task Force, comprised of employees across different segments of the organization and offices, reports directly to and works alongside our senior leadership in advancing Montrose's efforts to reduce inequality and ensure an inclusive work environment.



THE WORK OF THE DF&I TASK FORCE IS PARAMOUNT TO OUR ORGANIZATION AS IT TRANSLATES INTO ACTION WHAT DIVERSITY, FAIRNESS, AND INCLUSION REALLY MEAN TO OUR BUSINESS. SEEING ONESELF REPRESENTED AND VALUED IN A DIVERSE WORK ENVIRONMENT IS NOT ONLY MOTIVATIONAL AND INSPIRATIONAL, BUT DRIVES US TO BE A POWER FOR GREATER POSITIVE IMPACTS.

Maria Pitol,
SVP & Corporate Controller



We defined the mission of the DF&I Task Force in 2021, which centers around six objectives:

- Engage employees, clients, and vendors in honest dialogue, in consultation with senior leadership;
- Examine programs, activities, policies, publications, and practices to determine how we can be more fair, diverse, and inclusive, and to enhance our effectiveness and ability to meet the needs of our diverse employee, client, and vendor base;
- Identify the inclusion, fairness, and diversity strengths, issues, and opportunities within all aspects of Montrose;
- Develop recommendations, strategies, and plans for inclusive, fair, and diverse approaches internally within Montrose and externally within our communities;
- Celebrate and document our successes; and
- Look toward the future and strive for continuous improvement.

DF&I 2021 Highlights

The Task Force achieved several DF&I accomplishments throughout the last year with the aim of educating, engaging, and executing on our strategies to meet the needs of our team members and all of our stakeholder groups. Our DF&I Task Force has been actively working with our recruiting and HR teams to expand our recruiting efforts of STEM professionals as well as engaging with colleges and professional organizations that promote individuals from underrepresented populations. We reviewed our job postings to ensure they incorporated inclusive and fair recruitment language. We tested various DF&I-related trainings for a broader rollout and conducted inclusion training with a subset of our employee base.

Via our operations team, we deployed pronoun and gender identification expansions, and encouraged existing employees to complete and validate race, and veteran status. We conducted a DF&I survey with the goal of understanding our employee's perspectives and identifying gaps in our approach to DF&I.

Inaugural DF&I Survey Outcomes

WeLEAD

Through a third-party led survey, we determined a baseline from which to make further qualitative-based decisions on needs and wants to inform our DF&I roadmap, measure against progress, navigate the unique complexity of our company, and make the best sense of data and action items based on industry best practices and our blending of cultures.

The survey covered a series of topics surrounding workforce diversity, organizational justice, and diversity climate to which our employees rated on a five-point scale, with one being the worst and five being the best. Over 1,400 responses were recorded and the results equated to an overall score of 3.7 out of 5. The findings are informing our DF&I mission, vision, and roadmap, including:

- Communicating and educating on DF&I topics, concerns, and holidays;
- Prompting a review of our Montrose Handbook and DF&I-related policies;
- Developing training and education programs such as unconscious bias and inclusion;
- Encouraging participation in community events, supporting local causes, and celebrating our first Diversity Day in July of 2021; and
- Improving our programs and sharing milestones.

In 2020, we launched our employee-led Women Empowering Leadership (WeLEAD) group, with our General Counsel serving as the executive sponsor. The mission of WeLEAD is to advance and connect women across Montrose and to foster programs that support female recruitment, retention, and professional development.

WeLEAD continued to be instrumental in ensuring we reviewed and committed to equal pay across job titles and functions. However, the primary program emphasis in 2021 was the expansion of our mentorship program.

After a successful pilot program during WeLEAD's inaugural year, we launched our official women's mentorship program. With 120 participants, we thoughtfully and deliberately matched everyone into 60 mentorship pairings. Throughout the yearlong program, resources and content aimed to facilitate the mentorship relationship were developed and shared on a monthly basis via a newsletter.

In addition to one-on-one sessions with their mentors, mentees were invited to participate in smaller forums to provide opportunities for additional moments of connection and networking with others across the organization. We also hosted a panel with one of our board members and senior leaders where they shared their insights and experiences.



THE WELEAD MENTORSHIP PROGRAM HAS GIVEN ME THE AMBITION TO IMPROVE MY APPROACH TO NOT JUST WORK BUT TO LIFE. IT HAS HELPED ME BUILD CONFIDENCE WHEN NETWORKING, NOT JUST WITHIN THE STACK DIVISION BUT OTHER DIVISIONS WITHIN AND OUTSIDE MONTROSE. THE COMMITTEE HAS PAIRED ME WITH SUCH A GREAT LEADER AND MENTOR, WHO MOTIVATES AND INSPIRES ME TO TAKE THE PATH OF IDENTIFYING AND ACHIEVING MY GOALS AND BUILDING MY LEADERSHIP QUALITIES. THANK YOU WELEAD COMMITTEE.

Laboratory Manager

Following the completion of the 2021-2022 mentorship program, we have submitted a survey to participants to learn from everyone's experience and to identify opportunities to enhance the program in future years.

Montrose's Collective DF&I Commitment

Our Board and leadership teams are active in the advancement of our DF&I efforts. The Board's Nominating and Corporate Governance Committee and Compensation Committee oversee our strategies and policies for ESG and human capital management, including our diversity and inclusion programs, workplace environment and culture, and our development and retention programs. The chairs of the Committees are actively engaged in the efforts and receive regular updates from our leadership team.

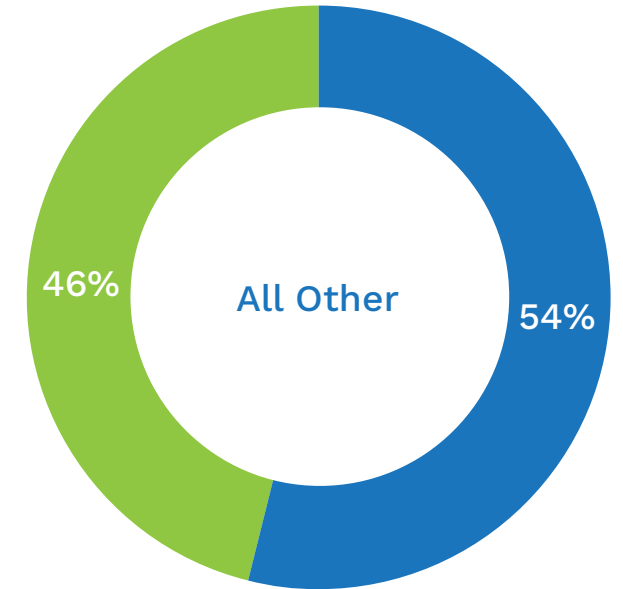
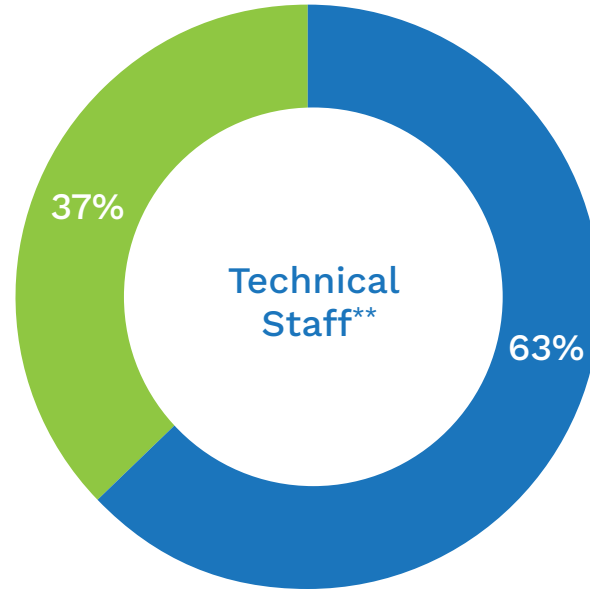
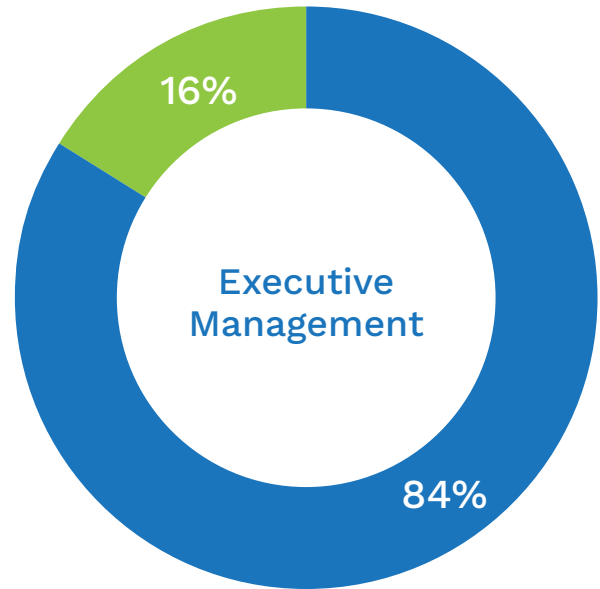
Fundamentally, we seek to build a positive environment that supports human rights through a foundation of mutual respect, equal access to the same opportunities, and appreciation for the value that each and every employee delivers to one another, our clients, and our communities.

Each of our employees are expected to contribute to a safe and inclusive workplace and to abide by our harassment- and violence-free workplace policies, as well as our Code of Conduct and Ethics Policy. We have zero tolerance for any discrimination, harassment, or bullying, and take seriously any form of threat, discrimination, or violation of our policies. We reinforce these practices through annual anti-harassment and Code of Conduct and Ethics Policy training. Employees are encouraged to report any concerns internally to their manager, a SVP, or HR Business Partner, or anonymously through our third-party managed ethics hotline. Any report will be reviewed and investigated by the appropriate reporting channel.



Montrose Diversity Data⁸ - Gender Diversity

● Male ● Female ● Unspecified/Nonbinary*



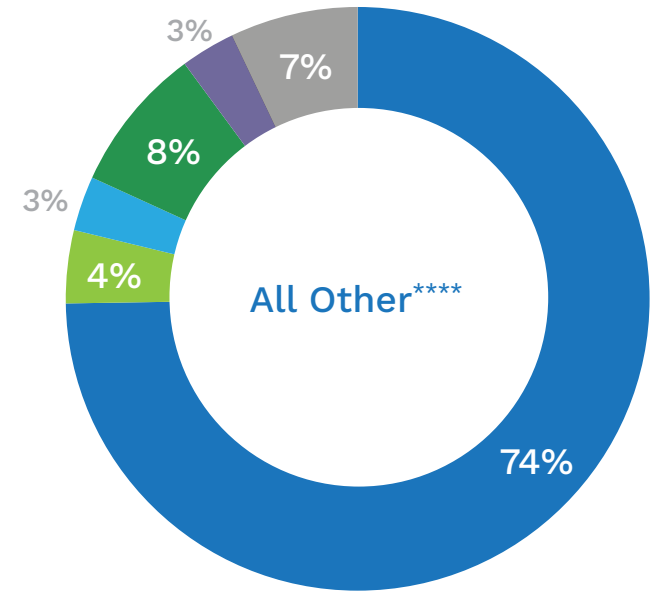
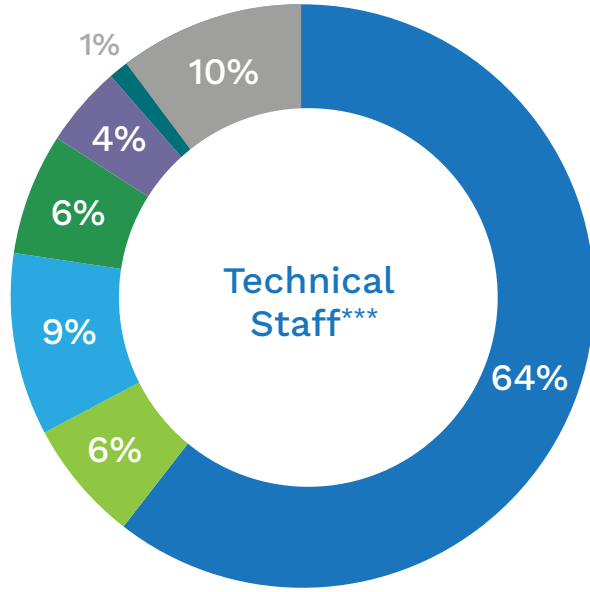
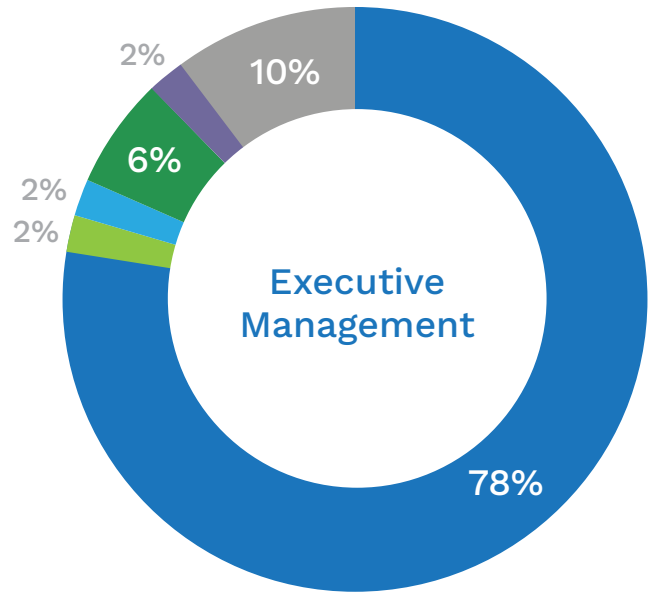
8. Demographic data corresponds to EEO-1 job categories based on our part-time and full-time employees of about 2,660 as of our 2021 fiscal year end. Executive management includes all Vice Presidents and above.

*Response options include: did not self-identify, non-binary/third gender, unspecified/indeterminate/intersex. Responses for unspecified/Nonbinary represented less than 1%.

**Technical staff includes all engineers and field-based employees.

Montrose Diversity Data⁹ - Race and Ethnicity Diversity

- White*
- Hispanic or Latino
- Black or African American
- Asian
- Two or More Races
- American Indian or Alaskan Native
- Native Hawaiian or Pacific Islander**
- Did Not Self-Identify



9. Ibid.

* White includes Australian, Swedish, North African, and Middle Eastern.

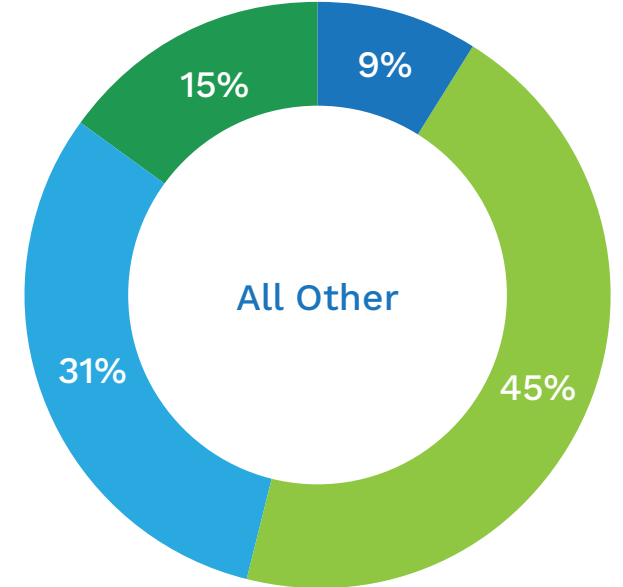
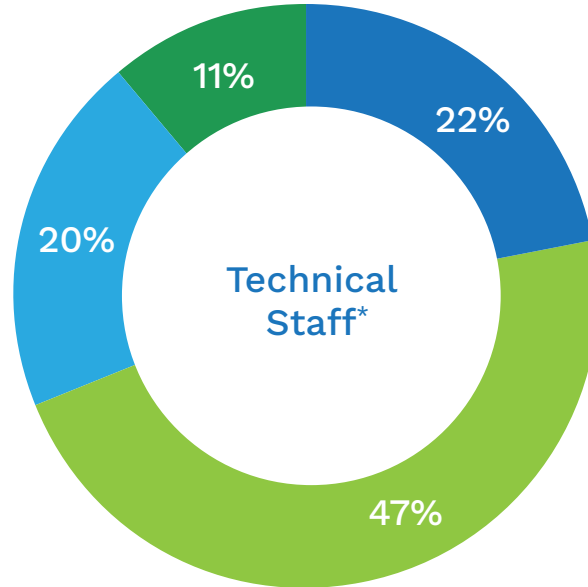
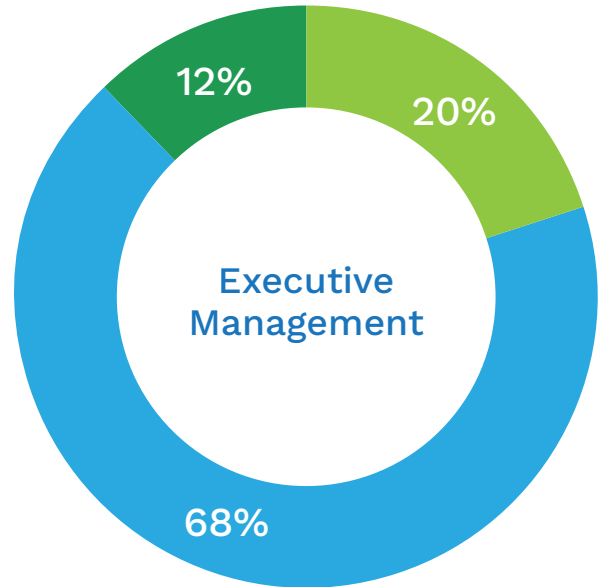
** Responses for Native Hawaiian or Pacific Islander represented less than 1%.

*** Technical staff includes all engineers and field-based employees.

**** Values do not sum up to 100 percent due to rounding.

Montrose Diversity Data¹⁰ - Age Diversity

● Gen Z (≤26) ● Millennials (27-42) ● Gen X (42-56) ● Baby Boomers (57-75)



10. Ibid.

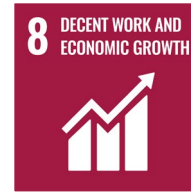
* Technical staff includes all engineers and field-based employees.

Our People

At Montrose, our employees are more than our greatest asset – they are Montrose. They are key stakeholders, stockholders, and sources of customer value. Each day we strive to provide safe and inclusive workplaces with a focus on a team-centric culture. Through our joint passion for the environment and compassion for each other, our leadership and employees together are able to achieve our cultural objective of One Montrose.

Each day we aim to help our clients and the environment through our dedication to improve and create opportunities for our people, communities, stockholders, and all of our stakeholders. We have made a commitment to our people by elevating respect and trust for our colleagues and driving their motivation for excellence. Our people strategy focuses on four guiding pillars:

- Embracing different experiences, backgrounds, cultures, and skills;
- Integrating safety as part of our daily operations;
- Improving our work through preparation, precaution, and ethics; and
- Advancing our talent through fair compensation and growth.

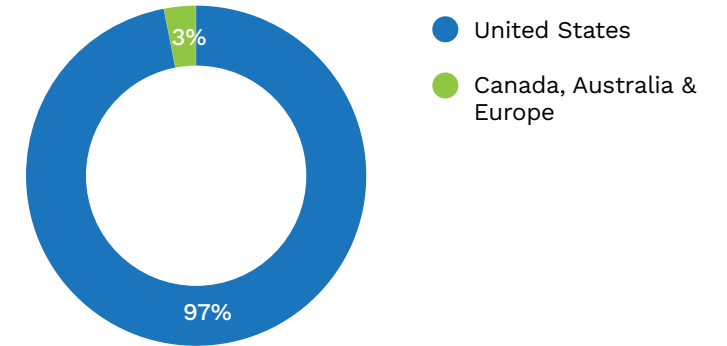


Our senior leadership team includes industry pioneers who have led a number of organizations and are considered among the foremost experts in their fields. We are proud to have some of the most talented and experienced teams, comprised of consultants, regulatory experts, project managers, engineers, scientists, specialists, analysts, and technicians.

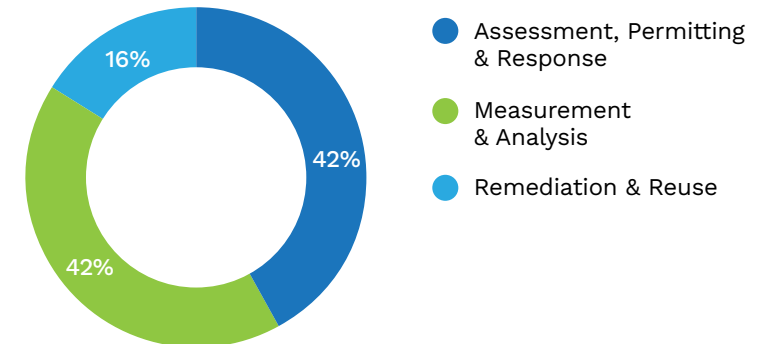
Given our company’s recent growth, we understand the need to build a unified organization – One Montrose - so that we are poised to take full advantage of the new opportunities ahead of us and match our scalability to meet those demands.

As of December 31, 2021, we had approximately 2,500 full- and part-time employees, which was an increase of ~35% from last year. About 97% of our full-time employees are based in our U.S. operations, with the remaining 3% working out of our operations in Canada, Australia, and Europe. We also leverage temporary and flexible employees, primarily within our CTEH division, who are readily available to assist with emergency response services. In 2021, we had approximately 560 temporary and flexible employees.

Geographic Location of Our Employees



Employees by Business Segment



Appreciation For Our People

We believe that Montrose is only as good as its people, which inspires us to invest in our employees and help them succeed in their careers. Whether through hiring new talent or developing current talent, we believe we can differentiate Montrose as a best-in-class environmental services provider through the talent we employ.

We recognize the opportunity to create long-term value by developing, engaging, and retaining our current workforce, while also attracting passionate high-performers to meet the new scale and needs of our clients. In turn, our approach to talent acquisition and development supports the increase of stockholder value and the success of our ability to achieve our mission.

Finding New Talent

We are growing with a purpose. Our aim is to bring the best minds on board and to give them the freedom to focus on what matters most – developing ingenious, effective ways to measure, assess, and address real-world situations and the global environmental challenges of today.

To allow our talent and capabilities to scale with our continued and expansive growth, we implemented a new

talent acquisition function in 2021. The Talent Acquisition team serves as a partner to our hiring leaders to enable us to differentiate how we attract, engage, and hire the right people for Montrose.

Our Talent Acquisition Model has a two-fold focus for us to better meet and sustain the needs and growth of our business and clients today as well as establish talent pipelines for the needs and growth of our business and clients for tomorrow by:

- Establishing a pipeline of top talent to find better quality candidates faster; and
- Expanding our recruiting channels.

This approach creates opportunities for us to identify the right top talent at the right time, while building a pipeline of candidates who may be ready to move into existing roles as our current employees take on new positions with more responsibility. This strategic program protects and strengthens our capabilities to support the needs of our clients as we build up our teams while reinforcing the development of our current employees. It also allows us to look around the corner and hire for some of tomorrow’s needs, not just what we need right now.



IN TODAY’S COMPETITIVE LABOR MARKET, COMPANIES MUST HAVE A STRATEGIC PLAN TO FINDING THE BEST AND THE BRIGHTEST. AT MONTROSE, WE INTEND TO FIND THAT TALENT TO NOT ONLY SUPPORT COMPANY GROWTH BUT ALSO TO SUPPORT THE GROWTH OF OUR EXISTING TEAMS TO MORE EXPERIENCED AND BIGGER ROLES FOR THEIR CAREERS.

Nadia Malik, Corporate HR Director



Developing Our People

The aim of our employee development initiatives is to provide employees and leaders with the tools and skills they need to succeed and advance both personally and professionally. We believe the reach of our talent will depend, in part, on our leadership teams to act as stewards for motivating individuals in ways that help us achieve our business objectives and support them in performing to the best of their abilities.

Our Leadership Coaching Program continues to prove as an impactful tool in advancing managers to become contemporary, empowering leaders. The Program offers mentorship opportunities through ongoing one-on-one coaching sessions aimed to foster individually specific leadership goals.

We put a high focus on overall team development and offer New Leader Assimilation (NLA). NLA is a team development exercise that brings together the established team with their new leader to collectively get to know each other's styles, preferences, and expectations. Additionally, it facilitates the Leader to share their vision, operating cadence, and near-term plans to assimilate.

We also conduct 360-Degree Feedback Surveys as a supplement to our annual employee review process. These feedback reviews support the sharing of insights on leadership effectiveness by soliciting the perspective from multiple team members.

Our surveys and annual performance reviews provide an opportunity for employees and managers to engage in meaningful dialogue on performance and development. They also assist with identifying key leadership strengths, and development opportunities as well as ways to plan, review, recognize, reward, and improve performance.



Recognizing and Rewarding Our People

Our commitment to our employees includes comprehensive compensation and benefits programs that are designed to support our advancing talent strategy and drive targeted achievements through incentivization.

We aim to compensate our employees' efforts by recognizing and rewarding their achievements. Last year, we introduced our Annual Incentive Plan (AIP) with scorecard-based goals, which were assembled for all salaried eligible employees and following the standardization of titles and levels. Our AIP is designed to be evaluated each year in order to designate the appropriate goals in tandem with our business strategy plans.

To guide our compensation packages and better allow us to provide fair, competitive, and equitable pay, we leverage a third-party consultant to conduct benchmark studies and advise on our compensation plan designs.

At Montrose, we believe strongly in employee ownership. We offer the opportunity for equity incentives for a large number of employees. This approach creates value for our clients, for our employees, for the communities in which our employees live, and for our stockholders.

In 2021, our healthcare benefits plans were also improved, including our plan design, corporate Health

Savings Accounts (HSA) contributions, and employee contributions. Further, we reinstated our 401(k) company match following a temporary hiatus at the onset of the pandemic. In addition, we increased the matching contributions to 4% from the 3.5% benchmark so as to re-calibrate to a more market competitive position. We also rolled out a new after-tax ROTH in order to increase the savings opportunities for our employees.

We strive to provide our employees with a balance of work and personal life and have established progressive time off programs to achieve that end. In addition to a vacation program that recognizes the years of experience non-exempt employees bring to Montrose, we have provided Routine Time Off to our exempt employees in the same vein of transparency, trust, and mutual collaboration. We also provide bereavement, an expanded parental leave, jury duty, and holidays including floating holidays. We provide a floating holiday so employees can decide when it is most meaningful for them.

We believe our employees can continue to excel with the right mix of experience and education. We offer and continue to have employees across the organization take advantage of our generous reimbursement of higher education tuition as well as professional license and certification fees to provide our team members the opportunity to grow professionally and remain current on new trends and research in their respective fields.

Each of us encounter difficult times in our lives, which has been especially acute during these last few years.

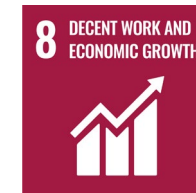


I CELEBRATE EID - TWO RELIGIOUS FESTIVALS FOR MUSLIMS THAT OCCUR EACH YEAR. FOR THE FIRST TIME IN MY CAREER, I AM PART OF A COMPANY THAT OFFERS ME A BENEFIT THAT I CAN USE TO SPEND THIS SPECIAL TIME WITH MY FAMILY.

Dr. Sumaya Farooq,
Proposal Center Director



We want our people to know we are as committed to them as they are to Montrose. To help, we offer a robust EAP, which has been a positive impact to our employees' lives. This speaks to our One Montrose philosophy in that we are one team supporting one another across our workforce.



Delivering on One Montrose

Our employees' passion for the environment and our mission is readily seen in the length of time they have spent working in the industry. Our teams include pioneers and thought-leaders within their areas of expertise. They author papers, present at conferences, and develop patents to address the environmental challenges of today. Furthermore, our teams are dedicated to serving at Montrose. Last year, our turnover rate for Director level or above was 8% on a voluntary basis, while our involuntary and voluntary turnover rates for all of our employees were 4.9% and 22.1%, respectively.

As Montrose continues to acquire new companies, our management strategies seek to assimilate our new employees seamlessly into our mission of One Montrose. We value our proven integration process and aim to continuously improve our efforts. To aid with this, we seek employee feedback through post-integration surveys.



WITH MORE THAN 30 YEARS OF EXPERIENCE IN BOTH PUBLIC AND PRIVATE POWER GENERATION AND RENEWABLE ENERGY COMPANIES AND AS AN ACTIVE MEMBER IN TRADE ASSOCIATIONS, IT IS A PRIVILEGE TO BRING MY EXPERTISE TO MONTROSE WHERE I AM ASSISTING WITH SOME OF THE BIGGEST ENVIRONMENTAL AND SUSTAINABILITY CHALLENGES OF OUR DAY.

Mark Hall, SVP Environmental Advisory Services



Governance



Governance

Accountability and transparency are vital to the ongoing success and continued professional excellence at Montrose. Throughout all of our operations, we are committed to upholding the best practices, laws, and policies of our industry, while striving to embed an ethos of duty and compliance.

Board of Directors

Montrose is governed by a Board with directors representing the scientific community, our executive team, our initial investors, and seasoned business leaders. In October 2021, we appointed Janet Risi Field as our newest board member. Her subject matter expertise and experience with growing a successful international business will provide valuable insights as we continue to expand our products and services around the world.

Eight of the Directors were independent directors unaffiliated with the Company as of the 2021 fiscal year end, which includes Ms. Risi. This Board has made an affirmative determination that each of the independent directors satisfies the requirements for independence prescribed by the New York Stock Exchange and the U.S. Securities and Exchange Commission (SEC).



FROM OUR CEO

MONTROSE AT A GLANCE

OUR ESG APPROACH

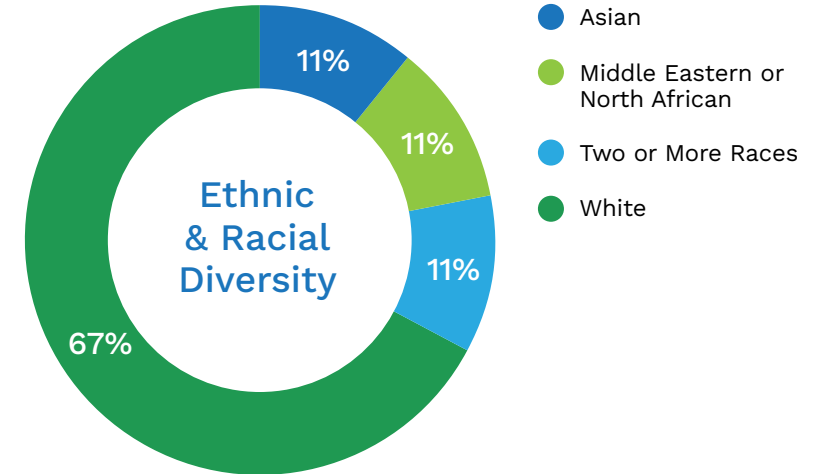
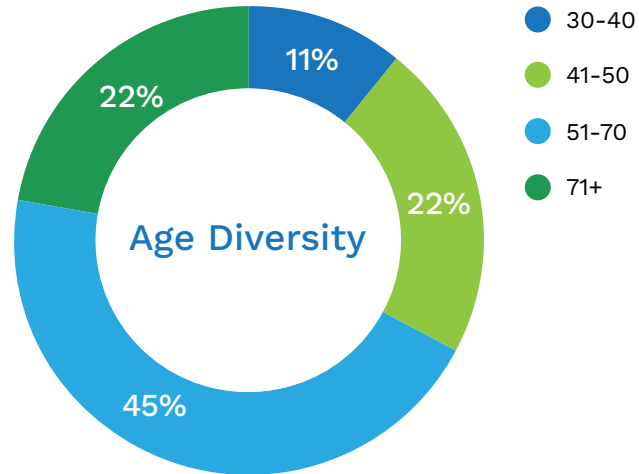
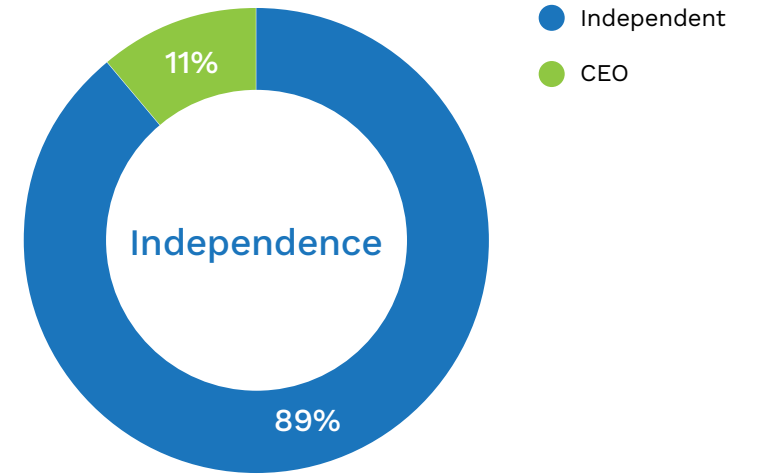
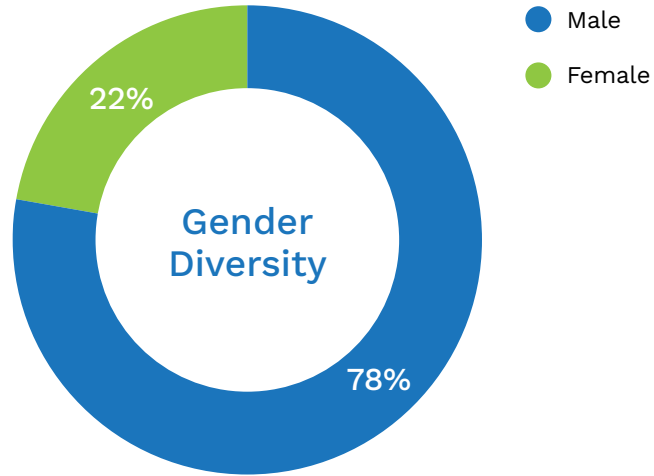
ENVIRONMENTAL

SOCIAL

GOVERNANCE

Board Composition

Our Directors are committed to a board composition that reflects a diversity of backgrounds, experience, skills, and characteristics. In our director recruitment process, the Nominating and Corporate Governance Committee actively seeks out candidates with diverse backgrounds to include in the pool from which Board nominees are chosen when vacancies arise. Our Board of nine directors was comprised of two female directors and three directors of diverse racial and ethnic backgrounds, as of our 2021 fiscal year end.



ESG Governance

We established an ESG Committee to support Montrose's ongoing commitments to environmental stewardship, health and safety, social responsibility, and corporate governance. This past year, we broadened the group with the inclusion of cross-functional members from each division throughout our organization. The Committee's members are responsible for engaging with their own business lines and departments to promote internal communication, set priorities, and drive development of ESG programs.

This past year, we hired an ESG-specific employee to assist with the monitoring, reporting, and management of our ESG efforts.

Montrose's CEO and management team solicit feedback from select stakeholders, propose and implement ESG initiatives, and use ESG criteria in decision frameworks.

The Board's Nominating and Corporate Governance Committee specifically oversees and makes recommendations on Montrose's ESG progress, including policies, activities, and opportunities. The feedback from the Board is used to update and modify Montrose's objectives and plans, which are then implemented.

Our ESG Committee aims to:

- Define ESG priorities, objectives and strategy with the goal of further integrating sustainability into Montrose's strategy and operations;
- Oversee and coordinate the implementation of Montrose's ESG initiatives;
- Monitor and assess developments relating to and improving Montrose's understanding of ESG matters;
- Provide ESG strategic advice for external stakeholder conversations, as needed;
- Create meaningful content, materials, and opportunities for employee engagement and education;
- Serve as a communication hub for all Montrose ESG related topics and questions;
- Support the development of annual progress reports, and present key findings and progress to executive management and the Board, as needed; and
- Deliver recommendations on ESG priorities, topics and strategy to executive management and the Board.

Stockholder Engagement

Our Board and management value the opportunity to engage with our stockholders to better understand the ESG priorities that matter most to them, and to foster consistent and constructive dialogue. In 2021, we presented at a number of industry conferences and other stockholder and analyst meetings, which collectively represented a significant portion of our outstanding share base and where our senior management presented on all aspects of our business including governance and ESG-related items.

The feedback and insight from these meetings, in addition to monitoring emerging best practices, policies at other companies and market standards, are considered and evaluated by our Board, its Committees, and our leadership team to enhance the evolution of our practices. We plan to continue increasing stockholder outreach and are working to create a regular cadence of two-way communication opportunities as we seek to understand priorities from all perspectives.

Upholding Honesty, Ethics, & Integrity

To be the future of environmental services, we are dedicated to building trust, acting with a sense of urgency, being committed to adding value, and having a stubborn refusal to not settle for second-best. To achieve this unwavering commitment, we hold ourselves to the highest level of ethical behavior and are committed to building robust programs and policies for enterprise risk management.

Our overarching ethics policy is Montrose's Commitment to the Respect of Human Rights. For us, the idea of human rights is simple: all people have a right to life, to liberty, to security of person, and to be treated with dignity. Pursuant to this commitment, we have a responsibility to respect and advance human rights with the work we do, domestically and internationally, either directly or through our business partners. It is this foundation that guides every interaction with our clients, our people, our community, and our stockholders.

Montrose's Board and employees follow applicable robust written Code of Conduct and Ethics Policies, which formalize what we already hold sacrosanct: our integrity, our sound judgment, our proper conduct, and our adherence to laws.

In addition to compliance with legal and regulatory requirements in the normal course of business operations, our policies, among others, address:

- Conflicts of interest
- Anti-bribery
- Insider trading
- Gifts and entertainment
- Fair use of company property, funds, and information
- Proprietary information protection

**WE CREATE TRUST WITH OUR
CLIENTS, OUR TEAM MEMBERS, AND
OUR COMMUNITY WHO RELY ON US
TO SERVE AS MODEL CITIZENS AND
TO PROVIDE ACCURATE AND QUALITY
ENVIRONMENTAL SERVICES.**

Ethics Reporting and Training

Our continued ability to operate and engage in all interactions with the utmost attention to professional integrity and ethics depends on each one of us at Montrose. We encourage all employees to report any acts of behavior or conduct that may be reasonably interpreted to be unsafe or an act of misconduct. Reports can be made to any manager, HR Business Partner, Vice President of Internal Audit, or the General Counsel. We also maintain an ethics hotline, which allows for anonymous reporting from anywhere in the organization. Each anonymous report is logged, investigated, and responded to through the platform. Reports are immediately raised to the Senior Vice President of Human Resource or the General Counsel, which are in turn promptly reviewed under the utmost confidentiality.

Oversight of our business ethics and compliance is handled by our Audit Committee. Last year, we conducted an internal review and upgrade of our financial standards and controls to ensure full adherence to Sarbanes-Oxley Act compliance standards. This exemplifies our commitment to continuously develop and improve our internal conflicts clearance policies and procedures to help avoid conflicts of interest, both real or perceived.

To further enhance our commitment to ethics and integrity, we have implemented an annual training program for all employees that addresses our Code of Conduct and Ethics Policy, and expectations of ethical and professional behavior.



Cybersecurity & Data Privacy

With more than 5,000 clients operating within a variety of sectors and industries, including oil and gas, utilities, and construction, and across all levels of government from the local, state, provincial, and federal entities, the protection of their sensitive information is of utmost concern.

Our dedicated Information Security Team has implemented a certified security information management system (SIMS) that employs the National Institute of Standards (NIST) 800-171 cybersecurity strategy and framework company-wide. We are also working on ensuring offices that may or currently support federal projects will be Cybersecurity Maturity Model Certification (CMMC) Level 2 Compliant. The rest of Montrose will be CMMC level 1 compliant.¹¹

We continue to enhance and improve our cybersecurity awareness training, phishing practices, and physical controls to which we developed a curriculum in 2021 and are expecting to have deployed in 2022.

Since moving our security in-house last year, we hired an Information Security Director, implemented SIMS to provide continuous monitoring and mitigation of information security and events, and have improved our disaster recovery response time. In 2021, we had no data breaches or material vulnerabilities identified by cybersecurity audits. On June 11, 2022, we determined that we were the target of an organized ransomware attack. The attack primarily affected computers and servers within our laboratory network and did not result in a material impact to our business. We took immediate action upon learning of the attack and have taken steps since then to bolster our cybersecurity efforts.

Our information security management system includes:

- Annual audits and verifications of IT controls and processes;
- Monitoring, mitigation, and remediation processes;
- Business continuity and disaster recovery plans;
- Capability to recover data to help maintain continuity;
- Anonymized and encrypted in-field data acquisition;
- Multi-factor authentication with Yubikey access for critical functions;
- Disaster recovery location; and
- Immutable storage, cloud, and tape backup with capability to recover data to help maintain continuity.

In addition to our daily, monthly, quarterly, and annual security procedures, our Board's Audit Committee is responsible for the oversight of our internal controls. Our management team reports to the Committee quarterly with updates on our activities along with annual reviews of our security processes and procedures, and risk potentials, provided by our dedicated internal auditor of information security and compliance.

Our policies serve as additional measures to safeguard the security of clients', employees' and other stakeholders' sensitive information. In particular, our Privacy Policy and IT Policy address the acceptable use, collection, storage, and sharing of information and are compliant with certain other legal and regulatory requirements. As noted in our Privacy Policy, we will not and have not sold PII to third parties in the preceding 12 months.

11. CMMC transitioned to a three-level model (1 being the lowest and 3 the highest) from the previous five-level model in 2021.

Our ESG Commitment

At Montrose, our business is driven by a dedication to environmental responsibility and professional integrity, which we view as an imperative and strategic asset. We are committed to regularly evaluating and monitoring our progress on environmental, social, and governance issues and to setting goals that will drive our progress and provide the transparency that our stakeholders expect from us. As we look to the future, we remain committed to being One Montrose and to our mission of helping to protect the air we breathe, the water we drink, and the soil that feeds us, while supporting our people and the communities in which they live and work, as well as driving our financial success.



Appendix



SASB Standards Index

Professional & Commercial Services

Topic	Accounting Metric	Code	Disclosure Response
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Cybersecurity, pg. 47
	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	Cybersecurity, pg. 47
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	SV-PS-230a.3	Cybersecurity, pg. 47
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	Montrose Diversity Data, pgs. 33-35
	(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	Delivering on One Montrose, pg. 40
	Employee engagement as a percentage	SV-PS-330a.3	Not Disclosed Inaugural DF&I Survey Outcomes, pg. 31

Topic	Accounting Metric	Code	Disclosure Response
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	Upholding Honesty, Ethics, & Integrity, pg. 45
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	\$0 Annual Report, pg. 110

Activity Metric	Code	Disclosure Response
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	SV-PS-000.A	Our People, pg. 36
Employee hours worked, percentage billable	SV-PS-000.B	Not Disclosed

Waste Management



Topic	Accounting Metric	Code	Disclosure Response
Greenhouse Gas Emissions	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	IF-WM-110a.1	Not Applicable Our Environmental Impact: Greenhouse Gas Emissions, pg. 23
	(1) Total and fill gas generated, (2) percentage flared, (3) percentage used for energy	IF-WM-110a.2	Not Applicable
	Discussion of long-term and short-term strategy or plan to manage Scope 1 and lifecycle emissions, emissions reduction targets, and an analysis of performance against those targets	IF-WM-110a.3	Our ESG Approach: Our Future Commitments, pg. 13
Fleet Fuel Management	(1) Fleet fuel consumed, (2) percentage natural gas, (3) percentage renewable	IF-WM-110b.1	Our Environmental Impact: Greenhouse Gas Emissions, pg. 23
	Percentage of alternative fuel vehicles in fleet	IF-WM-110b.2	0%
Air Quality	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	IF-WM-120a.1	Not Applicable
	Number of facilities in or near areas of dense population	IF-WM-120a.2	Not Applicable
	Number of incidents of non-compliance associated with air emissions	IF-WM-120a.3	Not Applicable

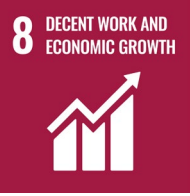

Topic	Accounting Metric	Code	Disclosure Response
Management of Leachate & Hazardous Waste	(1) Total Toxic Release Inventory (TRI) releases, (2) percentage released to water	IF-WM-150a.1	Not Applicable Our Environmental Impact: Waste, pg. 22
	Number of corrective actions implemented for landfill releases	IF-WM-150a.2	Not Applicable Our Environmental Impact: Waste, pg. 22
	Number of incidents of non-compliance associated with environmental impacts	IF-WM-150a.3	Not Applicable Our Environmental Impact: Waste, pg. 22
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	IF-WM-310a.1	Annual Report, pg. 15
	(1) Number of work stoppages and (2) total days idle	IF-WM-310a.2	Promoting Workplace Safety, pg. 25



Topic	Accounting Metric	Code	Disclosure Response
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	IF-WM-320a.1	Montrose 2021 Safety Performance, pg. 28
	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	IF-WM-320a.2	1) 0 2) 0 3) 0 4) 0 5) 0 6) 0 Data represents U.S. commercial vehicles of approximately 130 for December 31, 2021, which accounts for approximately 25% of Montrose's total fleet.
	Number of road accidents and incidents	IF-WM-320a.3	65, inclusive of the entire fleet
Recycling & Resource Recovery	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	IF-WM-420a.1	Not Applicable
	Percentage of customers receiving (1) recycling and (2) composting services, by customer type	IF-WM-420a.2	Not Applicable
	Amount of material (1) recycled, (2) composted, and (3) processed as waste-to-energy	IF-WM-420a.3	Not Applicable
	Amount of electronic waste collected, percentage recovered through recycling	IF-WM-420a.4	Not Applicable

Activity Metric	Code	Disclosure Response
Number of customers by category: (1) municipal, (2) commercial, (3) industrial, (4) residential, and (5) other	IF-WM-000.A	Not Applicable
Vehicle fleet size	IF-WM-000.B	Our Environmental Impact: Greenhouse Gas Emissions, pg. 23
Number of: (1) landfills, (2) transfer stations, (3) recycling centers, (4) composting centers, (5) incinerators, and (6) all other facilities	IF-WM-000.C	Not Applicable
Total amount of materials managed, by customer category: (1) municipal, (2) commercial, (3) industrial, (4) residential, and (5) other	IF-WM-000.D	Not Applicable

United Nations Sustainable Development Goals

UN SDG	Goal	Montrose Contributions
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> • Conducted 20,604 hours of on-the-job safety training in 2021 • Reduced recordable incidents by 33%+ for each of the last 3 years • Established Safety Star and Safety Excellence Awards to recognize internal safety performance • Received external acknowledgements for our strong safety records, including the National Safety Council's 2022 CEOs Who "Get It" • Supported clients in the remediation of contaminated sites and the removal of chemicals with negative public health risks
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all</p>	<ul style="list-style-type: none"> • Treated over 690 million gallons of water for PFAS and 1.6 billion gallons of water for all other contaminants, accounting for a total of 2.4 billion gallons of water treated in 2021 • Expanded planning, watershed science, and environmental compliance consulting for water and natural resource projects and water laboratory services with the acquisition of Horizon Water and Environment, LLC and Environmental Chemistry, Inc.

UN SDG	Goal	Montrose Contributions
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Grew our employee base by approximately 35% as compared to fiscal year 2020 • Created a new Talent Acquisition team to serve as an internal partner to hiring leaders and facilitate recruitment efforts • Launched the formal WeLEAD mentorship program with 60 mentor-mentee partnerships • Introduced an annual incentive plan for all salaried eligible employees and provided opportunities for equity compensation
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<ul style="list-style-type: none"> • Enhanced environmental visualization, calibration and interaction software insight capabilities on air, water, and soil data for private and public sector clients with the acquisition of SensibleIoT, LLC • Expanded disaster response services with the combination of Environmental Intelligence, LLC's wildfire mitigation and geospatial innovations to provide a comprehensive environmental service solution for crisis preparedness and compliance • Patented Montrose/ECT2 PFAS remediation system SuperLoading™ with its PFAS minimization and regenerant solution reuse technology in 2021 • Generated 2,040,605 MMBtu in renewable natural gas in fiscal year 2021 through the application of our Biogas technology

UN SDG	Goal	Montrose Contributions
	<p>Reduce inequality within and among countries</p>	<ul style="list-style-type: none"> • Conducted the inaugural DF&I survey to inform the DF&I roadmap, measure current progress, and elicit employee feedback • Hosted DF&I events and activities, including the first Diversity Day in July 2021 • Expanded STEM recruitment efforts and engagement with colleges and professional organizations that promote individuals from underrepresented populations • Reviewed job posting to ensure inclusive and fair recruitment language
	<p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> • Reported Scope 1 and 2 GHG emissions for U.S. operations • Established baseline GHG emissions from which reduction targets and implementation plans will be developed by the end of fiscal year 2022 • Detected 806,360 methane emission leaks through the application of 33,971 LDAR survey work days in 2021 as compared to 29,764 in 2020 • Provided GHG and net-zero consulting services to the oil & gas industry through establishment of the Environmental Advisory Services Team

Forward Looking Statement

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements relate to matters such as our industry, business strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity, capital resources and other financial and operating information. Forward-looking statements may be identified by the use of words such as “intend,” “expect”, and “may”, and other similar expressions that predict or indicate future events or that are not statements of historical matters. Forward-looking statements are based on current information available at the time the statements are made and on management’s reasonable belief or expectations with respect to future events, and are subject to risks and uncertainties, many of which are beyond the Company’s control, that could cause actual performance or results to differ materially from the belief or expectations expressed in or suggested by the forward-looking statements, including general global economic, business and other conditions, the cyclical nature of our industry, the significant fluctuations in events that impact our business, our ability to execute on our strategies and realize the anticipated benefits thereof, our ability to promote and

develop our brands, safety-related issues, our ability to adapt to changing technology, industry standards, or regulatory requirements, and any failure in or breach of our networks and systems. Further, many of these factors are, and may continue to be, amplified by the COVID-19 pandemic. Additional factors or events that could cause actual results or outcomes to differ may also emerge from time to time, and it is not possible for the Company to predict all of them. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Forward-looking statements in this report speak only as of the date of the report, and the Company undertakes no obligation to update any forward-looking statement to reflect future events, developments or otherwise, except as may be required by applicable law. Refer to the Company’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2021, for additional information regarding the risks and uncertainties that may cause actual results to differ materially from those expressed in any forward-looking statement.



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