



L  R I N G
CONSULTING ENGINEERS

ESG REPORT

2023

LETTER FROM EXECUTIVE COMMITTEE

SUBJECT: EMBRACING SUSTAINABILITY – OUR INAUGURAL ESG REPORT

Dear Loring Employees and teaming partners,

We are proud to present our Environmental, Social, and Governance (ESG) Report for 2023. This document is a testament to the significant strides we have made in integrating ESG principles not only into our consulting practice but also across all aspects of our operations. It represents our commitment to responsible corporate conduct, underscoring the core values that drive our business forward. We are committed to providing a workplace that promotes equal opportunities for all, and enables our employees across all business sectors to thrive. We embrace our role as responsible corporate citizens and pledge to exhibit sound environmental stewardship and sustainable practices in all our operations. We celebrate our diversity and are proud to foster a culture of mutual respect.

Thank you for your continued trust and partnership with Loring. The success and fulfillment of our ESG goals requires everyone within the extended Loring family to embody these principles in our daily operations. We appreciate your participation, welcome your suggestions, and look forward to building a more sustainable and prosperous future – together.

Kind regards,



Neil Gayle
CEO



Steven Kenah
President



Michael DesRochers
Chairman



INTRODUCTION

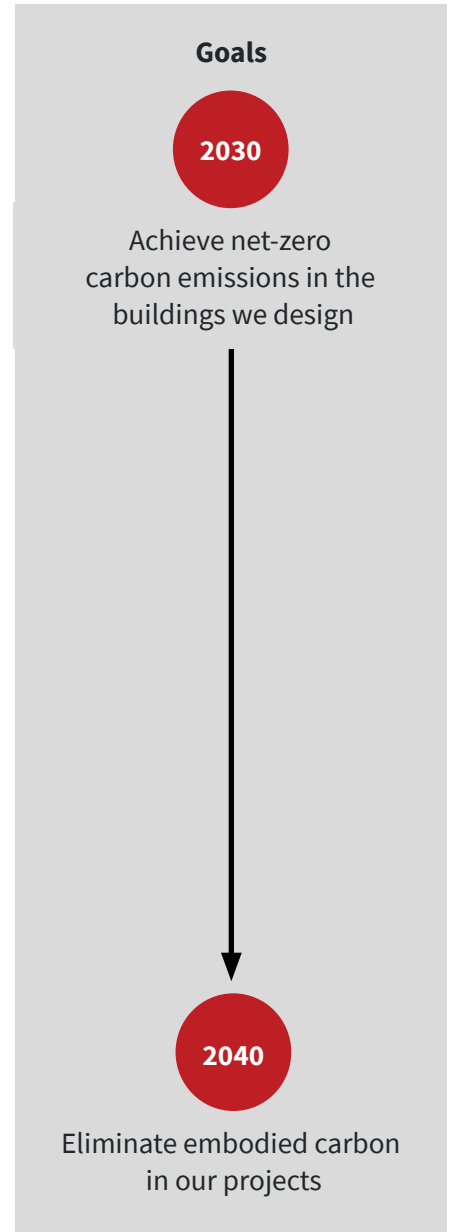
At Loring, we are firmly committed to driving positive change in our engineering practices, underscoring our dedication to responsible Environmental, Social, and Governance (ESG) practices through ethical standards and transparency in our internal policies and client services. This document details our ESG policies, aimed at informing our employees about these critical issues and formally documenting our corporate commitment in writing.

Our dedication to sustainable and responsible engineering is underscored by our participation in the MEP 2040 Challenge. This initiative focuses on reducing carbon emissions in building systems, a goal integrated into our project designs. By joining this challenge, Loring commits to two goals: achieving net-zero carbon emissions in the building operations we design by 2030 and eliminating embodied carbon in our projects by 2040.

In addition to our project-focused goals, we are committed to sustainable practices within our offices and operations, such as enhancing energy efficiency, reducing waste, and promoting a sustainable workplace.

Our approach to sustainability encompasses environmental stewardship, social responsibility, and ethical governance. We aim to foster a workplace culture that values diversity, equity, and inclusion, contributing to innovation and business success.

This inaugural 2023 ESG report documents the policies and initiatives within Loring demonstrating our commitment to ESG. We recognize the dynamic nature of ESG issues and acknowledge that this will be a continuously evolving journey. We are committed to regularly updating and enhancing our ESG policies to ensure alignment with our core values and societal responsibilities. At Loring, we embrace change, leverage innovation, and foster an enduring legacy of responsible corporate stewardship. We are not just responding to global challenges; we are contributing to solutions, leading by example in our industry.



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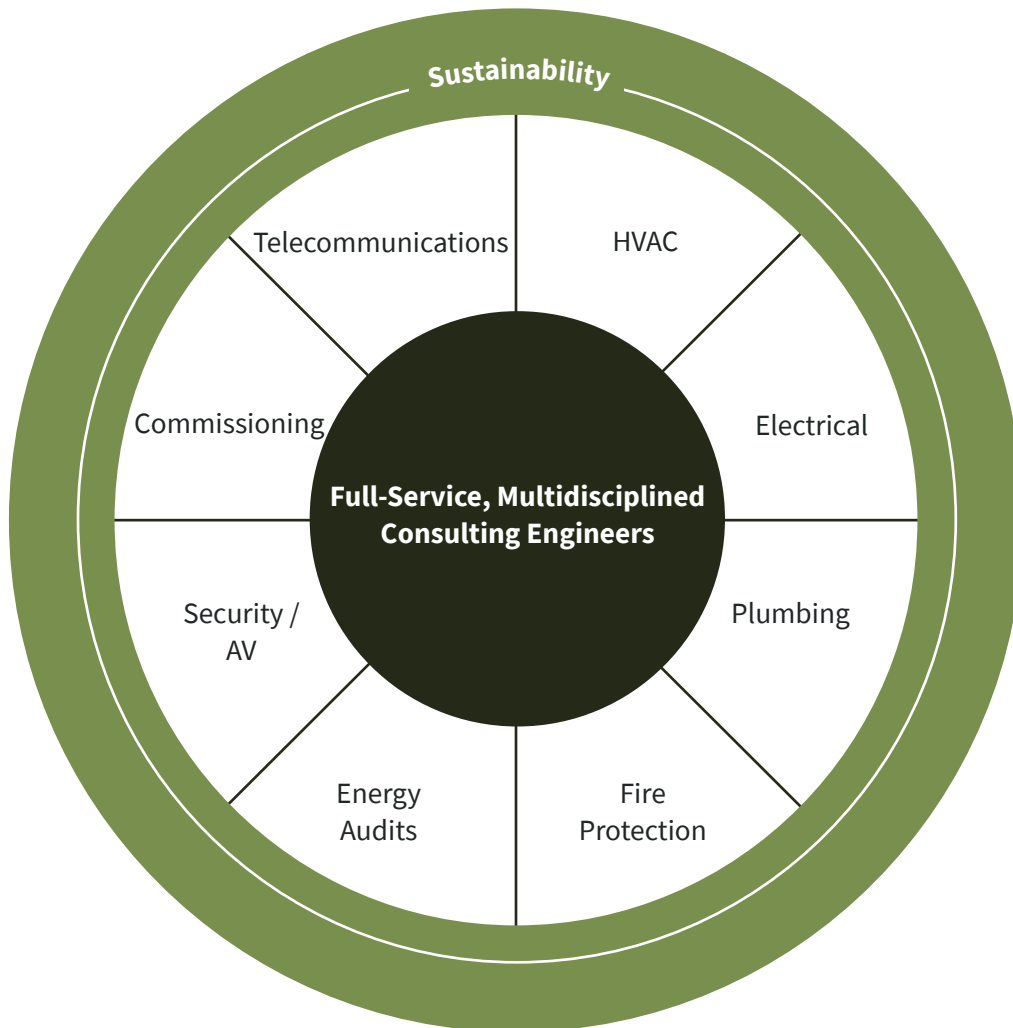
PART 1: ENVIRONMENTAL

Energy Consumption

ENGINEERING

Loring Consulting Engineers, Inc. provides comprehensive engineering services across the United States and Canada. In our ongoing pursuit of sustainable development, Loring adopts a holistic approach to energy efficiency. A pivotal aspect of this strategy is the judicious selection and implementation of heating, ventilation, and air conditioning (HVAC) systems, plumbing, and lighting. We prioritize solutions that deliver optimal performance while substantially reducing energy consumption and greenhouse gas emissions. A cornerstone of our approach is electrification; we favor solutions that rely on electrical power rather than fossil fuels, in line with the global shift towards cleaner energy sources.

In addition to our engineering design consulting services, Loring offers significant added value to our clients through energy audits, retro-commissioning, and decarbonization studies for existing buildings. In the last five years, we have conducted these studies in over 600 commercial buildings, encompassing more than 80 million square feet. These audits and studies are crucial for identifying potential energy savings and reducing carbon footprint, thereby laying the groundwork for more environmentally sustainable building practices.



OFFICE/OPERATIONS

Our Corporate headquarters is in New York City and the company maintains offices located in New Jersey (Parsippany and Princeton), North Carolina (Durham), Maryland (Gaithersburg), Pennsylvania (Philadelphia), the District of Columbia (Washington), and an international office in Toronto, Canada. Loring also has an affiliated office in Kingston, Jamaica.

In our pursuit of sustainability, we have initiated the integration of advanced LED lighting systems with smart controls in certain locations. For offices still using fluorescent lighting, our strategy for enhanced energy efficiency includes incorporating LED upgrades as part of broader office improvements. This approach will be applied during lease renewals or relocations in our New York and Princeton offices. These upgrades, combined with state-of-the-art sensor controls, are a vital aspect of our company-wide initiative to improve energy efficiency. The shift to LED lighting in our offices is a deliberate step towards reducing our operational greenhouse gas emissions, reinforcing our commitment to creating an energy-efficient work environment.

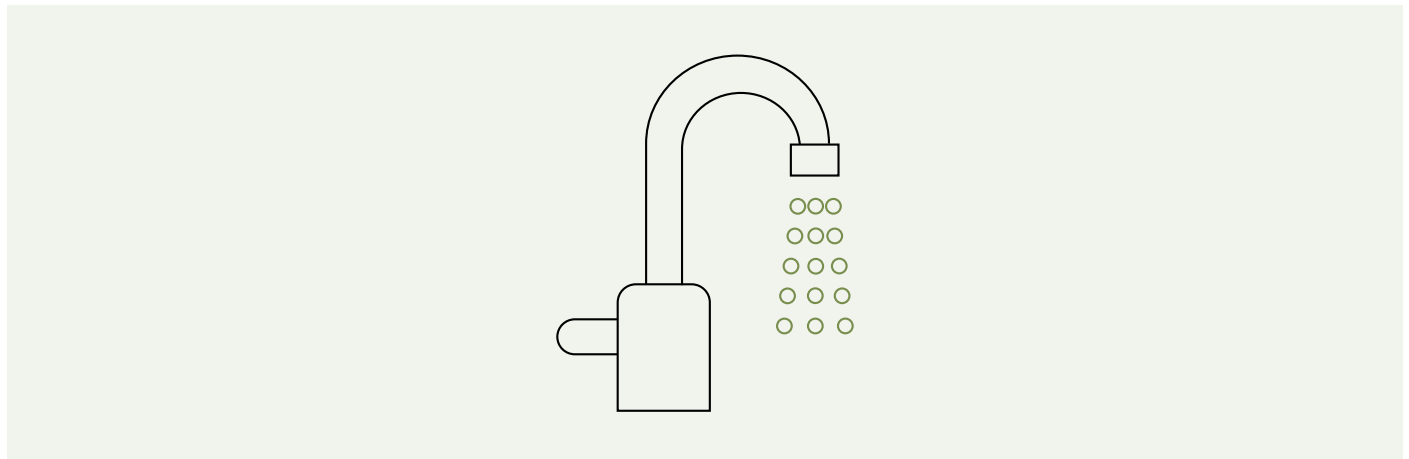
OFFICE	LED LIGHTING SYSTEM	POWER OVER ETHERNET (POE) TECHNOLOGY	FLUORESCENT LIGHTING	SMART CONTROLS
Durham, NC	X			X
Gaithersburg, MD	X			X
New York, NY			X	X
Parsippany, NJ	X			
Philadelphia, PA	X			X
Princeton, NJ			X	X
Toronto, ON	X			
Washington, DC		X		X

Several of our offices are strategically located within buildings featuring prominent green certifications such as LEED, WELL, Fitwel, and Energy Star. These certifications emphasize our continuous commitment to incorporating environmental considerations into our operations, fostering a sustainable culture within our organization.

OFFICE	LEED CERTIFICATION	WELL CERTIFICATION	FITWEL CERTIFICATION	ENERGY STAR	NON-CERTIFIED BUILDING
Durham, NC					X
Gaithersburg, MD	X (Gold) ●				
New York, NY				X	
Parsippany, NJ					X
Philadelphia, PA	X (Silver) ●	X	X	X	
Princeton, NJ					X
Toronto, ON	X (Gold) ●				
Washington, DC	X (Gold) ●				

WATER USAGE

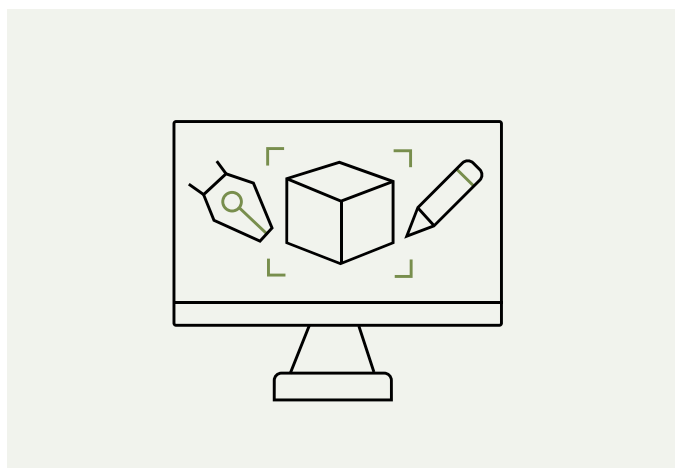
Loring actively implements water reduction measures, including the use of low flow plumbing fixtures, automatic flush valves, metered faucets and other efficiency enhancements. While precise tracking of water usage is limited because it is integrated into our lease agreements and not independently metered for each tenant space, our commitment to responsible water management is evident in these initiatives.



WASTE MANAGEMENT

Loring's commitment to sustainability is evident in our active measures to minimize waste. Our approach includes reducing disposable items and discouraging unnecessary printing, not only for regular office use but also for project documents and drawings. All copiers have default settings for two-sided printing, where printing is required. We have substantially reduced plotting of drawings, both in-house as well as outsourcing to printing companies. Instead, we have standardized electronic markups of documents and electronic transmittance of documents. These efforts are complemented by our sustainable procurement practices, emphasizing recycled materials and those certified by the Forest Stewardship Council (FSC).

Regarding waste management, while we lack specific data due to our lease agreements, our landlords' implementation of recycling programs for paper, cans, and cardboard contributes significantly to our sustainability goals. These collaborative efforts are crucial in our pursuit of an eco-conscious workspace and our contribution towards a more sustainable future.

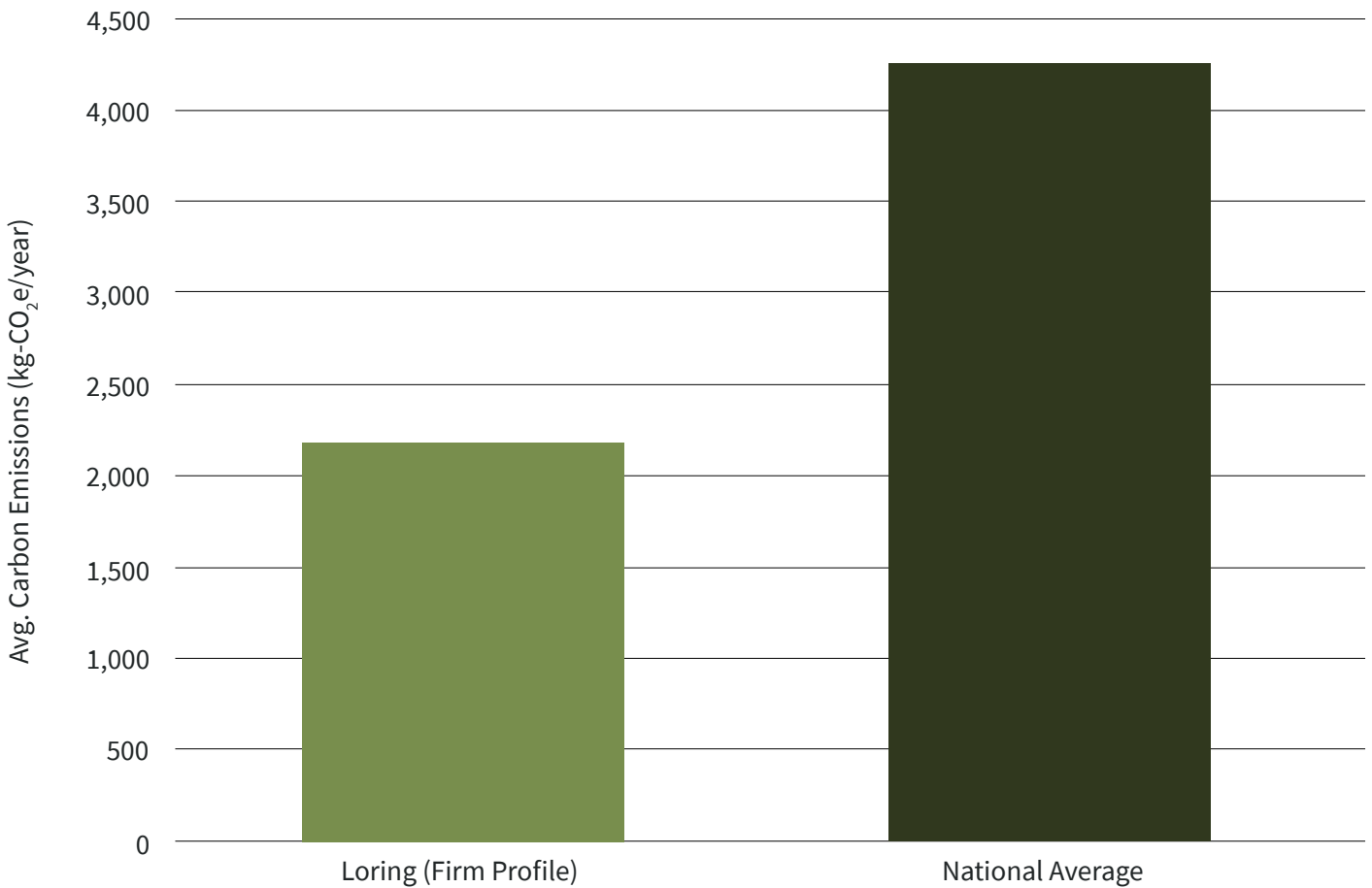


EMPLOYEE COMMUTE

Loring proudly supports and encourages sustainable commuting. Many of our employees use public transportation and other eco-friendly commuting methods, playing a significant role in reducing carbon emissions.

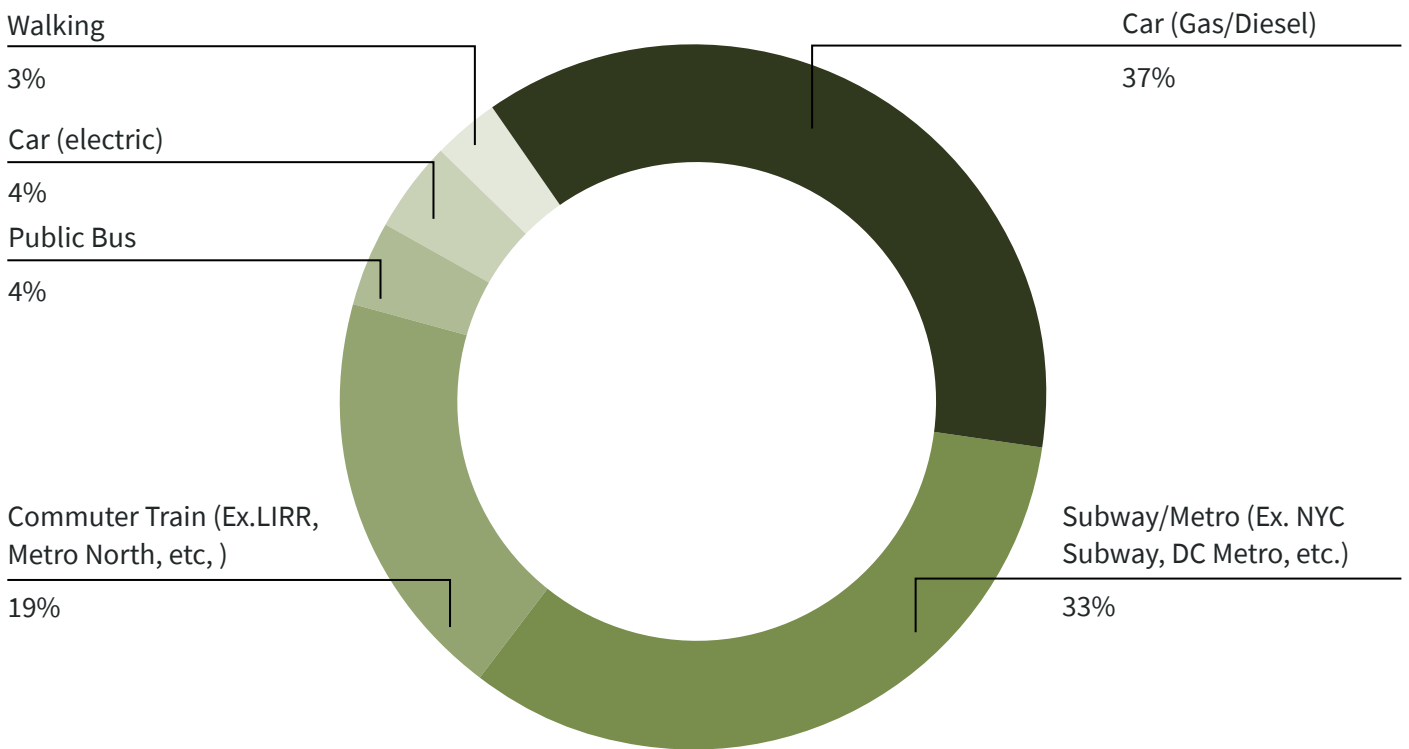
We conducted a comprehensive survey across Loring's offices to analyze and compare our employees' commute carbon emissions with the average daily carbon output in the United States. The results, illustrated in the accompanying chart, show that Loring's employees significantly outperform the national average in terms of lower carbon emissions. This is largely due to their preference for public transportation, the convenient location of our offices, and a commitment to eco-friendly commuting methods.

Average Total Carbon Emissions Per Person



The pie chart below details the primary transportation methods used by our employees, with about two-thirds opting for public transportation or other environmentally friendly methods. The vast majority of individual car usage is for employees who work in our suburban office locations, where mass transit is not readily available. Our strong use of public transportation not only reduces harmful emissions but also sets Loring apart from organizations where car dependency is more prevalent. Informed by current practices and employee feedback, Loring is committed to continually developing and enhancing sustainable transportation strategies for the future.

Loring Primary Transportation Methods



DIGITAL SUSTAINABILITY

Loring's IT team is currently employing server virtualization to reduce the digital carbon footprint of the company. The process involves partitioning a physical server into distinct and isolated virtual servers using a software application. By adopting this approach, Loring can decrease the count of physical servers, resulting in energy savings. The reduced number of on-site servers enables a more compact physical presence and requires less cooling for the server components. Loring's IT team has reduced the number of servers from ten to one physical server. In the future, Loring may transition to cloud-based server solutions, eliminating the need for any physical servers that consume energy.

GOALS AND TARGETS

The United Nations Sustainable Development Goals (SDGs) represent a universal agenda aimed at addressing the critical needs of humanity and our planet by the year 2030. These goals serve as a collective blueprint for addressing the most urgent economic, social, and environmental issues facing the world today. In this section, we outline Loring's specific goals and objectives that align with this framework.

LORING'S SUSTAINABILITY GOALS

Decarbonization: Loring has enrolled in the MEP 2040 Challenge, a movement dedicated to significantly reduce total carbon emissions linked with building systems through collective efforts. Our objective is to reduce operational carbon emissions and water usage across Loring's projects by implementing integrative design, innovative engineering, and the integration of renewable energy sources.



U.N Sustainable Development Goal Alignment

Electrification: We aim to promote an efficient fully electric option for building systems within our consulting practice for all new construction and major retrofit projects.



U.N Sustainable Development Goal Alignment

Sustainable Operations: Loring is focused on significantly reducing our annual greenhouse gas emissions and potable water use. This effort is a core part of our internal business strategy, reflecting our deep commitment to environmental stewardship and responsible resource management.



U.N Sustainable Development Goal Alignment

Ethical Procurement: Loring is dedicated to increasing the use of sustainably sourced supplies in our operations, reflecting our commitment to ethical procurement practices.



U.N Sustainable Development Goal Alignment

Fostering Inclusivity and Learning: Loring prioritizes social equity, diversity, and inclusion, striving to elevate employee engagement and educational opportunities within our diverse operations.



U.N Sustainable Development Goal Alignment

PART 2: SOCIAL

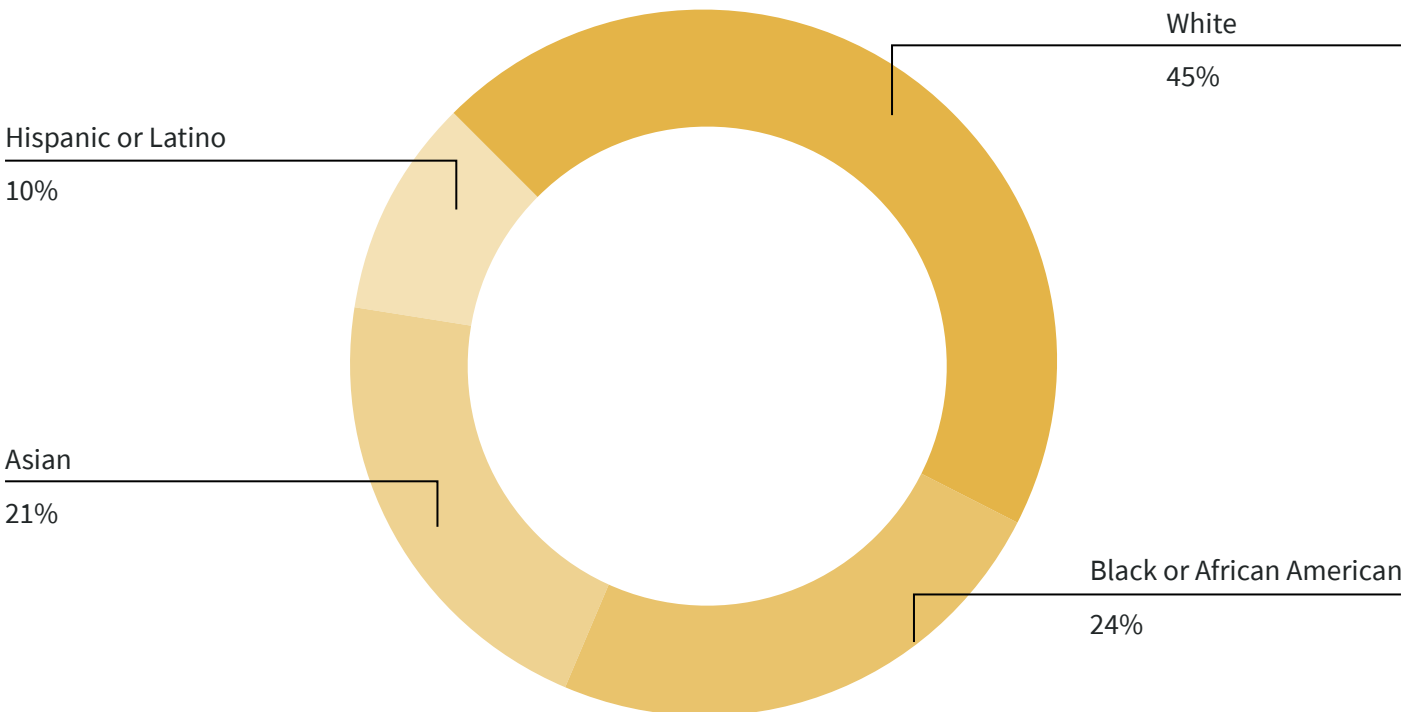
EMPLOYEE DEMOGRAPHICS

Diversity is a cornerstone at Loring Consulting Engineers, Inc., driving innovation, creativity, and improved decision-making. Our commitment to a fair and empowering work environment is evident in our long history of diverse hiring practices and dedication to training and advancing our talented workforce. We firmly believe that diverse backgrounds and perspectives foster fresh ideas, setting an example for a socially responsible workplace.

Our commitment extends to treating all employees and applicants fairly, irrespective of characteristics unrelated to job qualifications. With over 200 employees, 55% representing minorities from 30+ countries, diversity is embedded in our workforce. Over 50% of our Principals and Office Managers represent minority ethnic and cultural groups, highlighting our dedication to merit-based rewards and a unified company culture.
















Loring’s current ownership structure is that 52% of ownership is by individuals who identify as a minority. Our intent is to apply for certification as a Minority Business Enterprise (MBE) firm in 2024. Initial certification is expected to be in New York City and New York State, with certifications in additional jurisdictions to follow.

Employee Diversity: Percentage Breakdown by Race



EMPLOYEE BENEFITS

At Loring, we take pride in offering a comprehensive benefits package that not only supports our employees' well-being but also extends to their families. This inclusive approach to benefits ensures that our employees and their loved ones have access to top-tier healthcare, wellness resources, and additional perks that contribute to a healthy work-life balance. Our robust benefits package, designed to cater to the diverse needs of our employees and their dependents, includes:

- | | |
|--|--|
|  <p>Medical insurance coverage beginning on the date of hire</p> |  <p>Identity theft protection</p> |
|  <p>Dental and vision insurance coverage</p> |  <p>Commuter benefits program</p> |
|  <p>Flexible spending accounts</p> |  <p>401k with employer matching</p> |
|  <p>Health savings account</p> |  <p>Referral bonus</p> |
|  <p>Employer-paid life and AD&D coverage</p> |  <p>Wellness benefits and events</p> |
|  <p>Employer-paid disability coverage</p> |  <p>Pet insurance</p> |
|  <p>Employee assistance program</p> |  <p>Employer-sponsored breakfast and weekly lunch</p> |
|  <p>Added value benefits – Individual plans for accident, cancer, and hospital indemnity</p> | |

PROFESSIONAL DEVELOPMENT

At Loring, fostering professional growth and career advancement is embedded in our work culture. We actively support our employees in realizing their full potential by providing essential tools and resources for both personal and professional development. Our commitment includes covering expenses related to the preparation and examination for professional engineering licenses, as well as fees for active participation in member organizations and certifications. This highlights our dedication to continuous learning and professional growth, ensuring that our team members have every opportunity to excel.



Tuition reimbursement for further education



Coverage of annual fees for professional member organization participation



Incentive bonuses for obtaining credentials and licenses



Opportunities for delivering technical presentations and attending key industry conferences and conventions

WORKPLACE OPERATIONS

At Loring, we recognize the importance of a healthy work-life balance and are committed to supporting our employees in achieving this. To facilitate a flexible and accommodating work environment, we offer a range of benefits designed to suit diverse needs and lifestyles:



Generous allocations of vacation, sick, and personal days each year.



Summer hours, featuring a compressed work week during the summer months for added flexibility.



Flexible work schedules when approved by supervisors to accommodate different working styles and commitments.



A set of annual paid holidays, allowing our employees to enjoy important times with family and friends.

COMMUNITY ENGAGEMENT AND VOLUNTEERING INITIATIVES

At Loring, we are deeply committed to nurturing community connections and encouraging philanthropy. Our employees are provided with numerous opportunities to engage in meaningful activities, both within the company and in the broader community. Our efforts include sponsoring and organizing various volunteer events and offering scholarships to support aspiring engineers.

One example of our community engagement is the 'Secret Snowflakes' initiative, a heartwarming event where employees respond to letters from disadvantaged youth. Participants not only purchase requested items such as new coats, shoes, clothing, art supplies, and toys, but also send warm holiday greetings. This activity not only brings joy to the recipients but also fosters a strong sense of camaraderie and goodwill among our team members. The enthusiasm and generosity shown by our offices across the board were remarkable, culminating in the donation of over 100 items and making a significant, positive impact in the lives of those we aim to support.

Through these initiatives, Loring demonstrates its dedication to community welfare and the personal growth of our employees, reflecting our core values of compassion and social responsibility.



Secret Snowflake



Seniors Support through Care Kits



Soup Kitchen



Habitat for Humanity

PART 3: GOVERNANCE

CORPORATE GOVERNANCE AND BOARD COMPOSITION

Loring operates under the guidance of our Board of Directors, who are elected at an Annual Shareholders Meeting, in accordance with our corporate bylaws, the cornerstone of our governance framework. This structure ensures transparency, accountability, and integrity in our decision-making processes. The Board plays a proactive role in guiding Loring's strategic direction, ensuring our corporate practices align with our mission and values.

OPEN DOOR POLICY, TRANSPARENCY, AND COMMUNICATION

Our commitment to ethical conduct and transparency is embodied in our open-door policy, further reinforced by quarterly corporate meetings with all staff. These meetings provide valuable insights into our operations and strategy, creating an environment for open sharing and addressing of ethical concerns and ideas. This culture ensures a responsive, adaptable, and inclusive workplace.



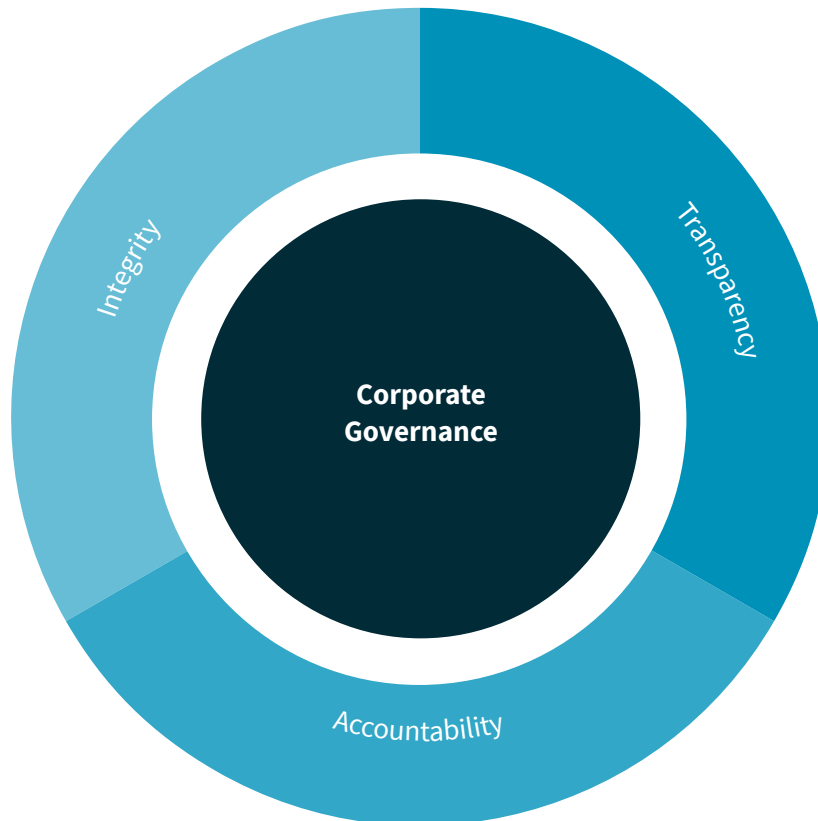
Loring's Managing Principals

RISK MANAGEMENT POLICIES

Loring is actively developing a comprehensive risk management policy, including weekly 'go-no go' meetings for project pursuits. We collaborate closely with our insurance provider to scrutinize contracts, particularly focusing on resolving conflicting language and legal terms. This approach is pivotal in aligning with our standards and mitigating various risks, underscoring our proactive stance in addressing potential operational, financial, and strategic challenges.

COMPLIANCE WITH LAWS AND REGULATIONS

We are dedicated to full compliance with all industry-specific regulations and laws, regularly updating and reviewing our practices to meet evolving legal requirements and industry standards.



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