

GEOST 2022 Annual ESG Report

This year was GEOST’s first full year with a formal Environmental, Social, and Governance (ESG) program and we expanded our program in some important ways. We have increased the awareness of ESG priorities throughout the company and have worked to take ESG into consideration with our day-to-day decision-making. In this report we share some of our 2022 highlights.

1 GEOST’s ESG Team

Jennifer Celi, Senior Director of Contracts & Administration, leads GEOST’s ESG program with input and support from the management team. In June of this year, GEOST established an ESG committee and solicited volunteers throughout the company to join. The committee has four smaller subcommittees – Environmental, Social-Internal, Social-External, Governance – so that members can support the area(s) that most resonate with them. As new employees join the company, they receive invitations to participate on the committee. As of 2022 year-end, GEOST’s ESG program has fourteen committee members.

2 Ophir Acquisition

In November 2022, GEOST finalized the acquisition of Ophir Corporation. Ophir already maintained good practices in several ESG-related areas prior to the acquisition and we highlight those in this report. In the coming year, we will formalize Ophir’s ESG program and implement common objectives at both GEOST and Ophir. Shandra Alver, Director of Human Resources, leads Ophir’s ESG efforts.



3 Environmental Impact Highlights

GEOST took a number of steps in 2022 to reduce its environmental impact and address key issues of environmental concern.

- GEOST continued its participation in a carbon offset program through Sustainable Travel International. In addition to carbon offsets for air travel, GEOST added offsets for car travel this year.



In 2022 GEOST offset a total of 462.62 metric tons of CO2 for our employee travel, thus making our corporate travel in 2022 carbon neutral.

- To promote recycling efforts, GEOST makes recycling containers available for every office and cubicle, and places larger recycling containers in all common areas. The recycling containers are collected throughout each week for pickup by a local recycling service provider.
- To reduce the use of paper, GEOST asks all vendors/subcontractors to submit e-invoices only, as well as avoiding paper statements and invoices, whenever possible. GEOST also sets all facility printers to automatically print two-sided.
- GEOST strongly promotes videoconferencing to reduce the need for employee travel between facilities for meetings. We also have bike stands available for employees and encourage biking to work.

4 Social Impact Highlights

GEOST continues to prioritize a safe workplace with opportunities for personal development.

Diversity and Inclusion

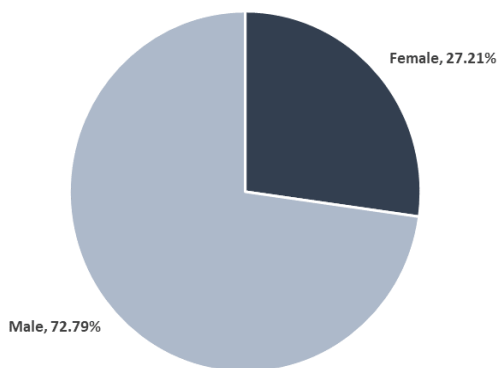
GEOST is an equal opportunity employer and is committed to an environment free from discrimination, harassment, retaliation, and sexual misconduct. Discrimination or harassment based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, or on any other legally prohibited basis is unlawful, violates our company policy, and is not tolerated. Any form of retaliation against anyone who has complained of, or formally reported, discrimination, harassment, or sexual misconduct, or has participated in an investigation of such a complaint, regardless of whether the complaint relates to the complaining person or someone else, will not be tolerated, and violates both the company's policy and applicable law.

In 2022, GEOST monitored our workforce composition on a regular basis throughout the year, in an effort to identify areas of potential improvement. GEOST has also always actively promoted the hiring of veterans. In 2022, we continued to send our job postings to Davis Monthan Air Force Base (Tucson) and Fort Huachuca (Sierra Vista) as we welcome individuals transitioning out of service. Currently, 21% of our workforce are veterans.

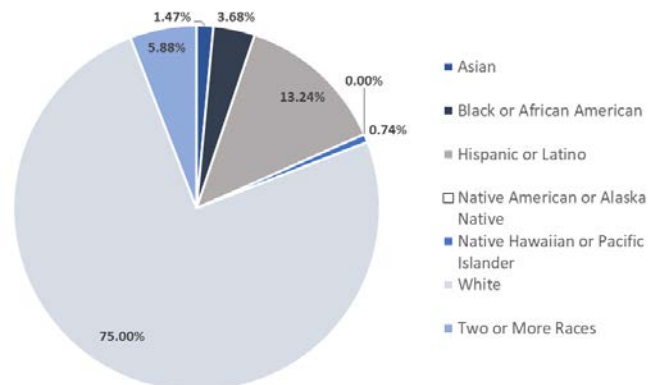
Ophir is also an equal opportunity employer and maintains an Affirmative Action program. They are consistently looking for ways to promote diversity, and as part of their diversity efforts, Ophir offers higher referral bonuses to employees who refer women and minority candidates.

GEOST Workforce Composition in 2022

By Gender

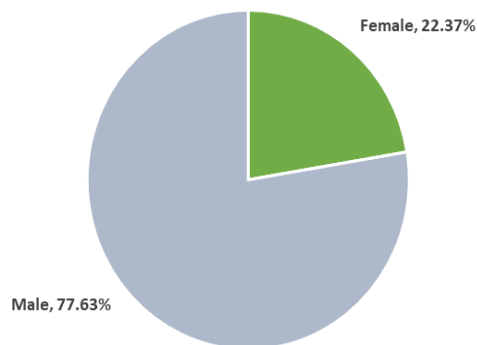


By Race

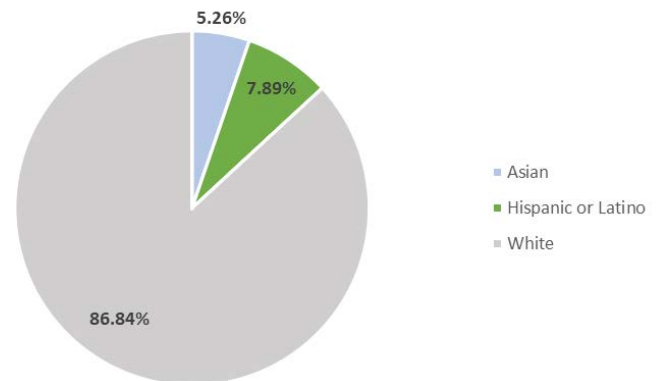


Ophir Workforce Composition in 2022

By Gender



By Race



Community Involvement and Charitable Giving

In 2022, GEOST continued its practice of sponsoring a student project team through the University of Arizona’s Interdisciplinary Capstone Program. This year’s team is halfway through their project efforts for the school year. The team’s project this year is a Broadband Tunable Fabry-Perot Spectrometer for Remote Sensing. This sponsorship included a \$10,000 contribution to the program, as well as the use of GEOST facilities and GEOST employee mentorship and support throughout the school year.



Additionally, GEOST hosted the American Red Cross at our facility for five blood drives in 2022. GEOST provides time for all employees to donate, and by hosting the blood drives at our facility, GEOST makes the donation process very convenient. This year GEOST’s blood drives collected nearly 100 units for donation.



GEOST employees gathered in December to assemble 140 stocking care packages with hygiene items purchased by GEOST to support the Primavera Foundation, a local organization that works to provide pathways out of poverty. GEOST also set out collection boxes leading up to the holidays

so that employees could contribute gifts to Toys for Tots.



GEOST donated in 2022 to the Marana Police Department’s “Stuff the Cope Car” Event, which provides holiday gifts and food items to local families in need, and to the Anthem Veterans Memorial, an organization that honors veterans and provides educational programming opportunities.

Ophir also focuses on employee centric activities and community outreach to enhance their culture and overall work and community environment. In 2022 their community outreach efforts included the following:

- Sponsorship of the Association of the United States Army, Navy SEAL Foundation, Wounded Warriors Project.
- Canned food drive for IFCS (Integrated Family Community Services).
- Pet food drive for Pet Pantry for those in need who have pets to feed
- “Fill a Back-Pack” school supply drive for Precious Child.
- “The Giving Tree” gift drive for underprivileged children through Precious Child.

5 Governance Highlights

GEOST continued to make good governance practices a priority in 2022.

Regulatory Compliance

As a federal government contractor, GEOST remained up-to-date on all applicable regulations, including the Federal Acquisition Regulations and relevant agency-specific supplements and export control regulations.

Security is a particular focus for GEOST, given the strict requirements of some of our government contracts. In 2022, we focused on a number of security-related actions.

- Completed our annual security team self-inspections for both DCSA and restricted customers, to ensure compliance with all security regulations and adherence to procedures that meet customer policies.
- Inventoried classified materials.
- Maintained personnel records and ensured required training for personnel was completed in a timely manner.
- Participated in a number of industry working groups: NCMS, the Society of Industrial Security Professionals; ISWG, the Industrial Security Working Group; CAISSWG, the Community Associations for Information Systems Security Working Group; and CSSWG, the Contractor SAP Security Working Group.
- Completed security document updates.

Cybersecurity

In 2022, GEOST continued to work cybersecurity efforts to minimize the vulnerability of our data, hardware, and software. Notable activities include:

- Acquired comprehensive cybersecurity insurance coverage.
- Successfully completed and passed external party penetration testing (simulated cyber-attack) designed to check for exploitable cybersecurity vulnerabilities.
- Revised and implemented classified and unclassified critical data backup solutions in support of business continuity plans.
- Deployed an Endpoint Protector service in support of data loss prevention efforts to prevent file-based malware, to detect and block malicious activity from trusted and untrusted applications, and to provide the investigation and remediation capabilities needed to dynamically respond to security incidents and alerts.
- Updated all existing IT policy documents which outline the rules and procedures for all individuals accessing and using GEOST IT assets and resources to help ensure compliance with new regulations, systems, and technology.
- Developed Separation of Duties and Least Privilege for Privileged Users policy documents to help ensure that mistakes, intentional or unintentional, cannot be made without being discovered by another person and to help reduce the risk of exploitation should privileged user credentials be compromised.
- Developed Incident Response Playbooks to establish standard procedures and steps for responding to and resolving cybersecurity incidents in real time.
- Continued efforts to attain Cybersecurity Maturity Model Certification (CMMC), to include planning and preparations for the Microsoft 365 transition to Microsoft Government Community Cloud – High (GCC-H) 365.

AS9100 Registration

GEOST first received its AS9100 certification in August 2021. Maintaining our certification requires adherence to the AS9100 standards at all times; therefore, we have focused on maintaining accurate records and updating documentation as needed. Additionally, we conducted internal audits in May and August and successfully passed our annual certification audit in November.

6 Conclusion

GEOST is pleased to share the progress of our ESG program and is looking forward to reaching new goals in the coming year. We are excited to work with Ophir as they formalize their own program and we merge objectives. Please do not hesitate to reach out regarding our programs.

Prepared By:

Jennifer Celi, Sr. Director, Contracts & Administration, jennifer.celi@geost.com