



CONTENTS

DEAR READERS

A letter from Steve Brauer. Group President, Industrial Services PAGE 3

NEWS UPDATES



ZACHRY AROUND THE NATION

PAGE 4

SERVICE AWARDS

Third quarter 2015 PAGE 21

EQUAL EMPLOYMENT OPPORTUNITY POLICY

PAGE 24



TOP STORY

TOWERING HEIGHTS

CPChem Polyethylene Project Rises Up, Moves Toward New Phase in 2016 PAGF 6

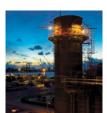


PHOTO ESSAY HIGHER AND HIGHER AT PORT EVERGLADES

Unusual Lift Required to Put Steam Turbine-Generator in Place PAGE 12



CONSTRUCTION INDUSTRY INSTITUTE

ZACHRY'S INDUSTRY INFLUENCE **EVIDENT FROM KEY ROLES IN** PRESTIGIOUS CONSORTIUM

PAGE 15



I AM ZACHRY Interviews with Zeke Revna

and Juan Sifuentes PAGES 22 & 23



KEY FEATURES

SPOTLIGHT VALUES



ZACHRY AND JVIC EMPLOYEES EMPOWERED TO EXERCISE STOP WORK AUTHORITY

PAGE 16

SPOTLIGHT STRATEGY



INTERNSHIPS

LESSONS THAT CAN'T BE LEARNED IN SCHOOL

PAGF 18



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DEAR READERS,

It is an honor for me to share a few words with you as we conclude a tremendously exciting year at Zachry Group. We all can see and feel an unprecedented level of activity and accomplishment throughout the enterprise. More importantly, it has become clear that, thanks to an unwavering commitment to doing things the right way, we are well prepared for the challenges ahead. Becoming a leader in this robust market did not just "happen." In fact, we made a

I recall my early years with the company in which we began to partner with engineering companies and major manufacturers to deliver some of the earliest EPC power projects in the country. We learned as the power market grew, and our leadership had the foresight to recognize that having internal engineering capacity would serve us well. As we strengthened and grew these capabilities, we also became a big buyer of critical equipment and commodities. Once again, the enterprise recognized this and invested. We now have a world class procurement organization supported by a cadre of outstanding fabrication shops.

commitment, years ago, to prepare for what we face today.

As others moved their focus away from domestic work and a direct-hire model, we "doubled down" and re-energized our commitment to the craft workforce. We invested significantly in our safety and employment groups and developed the best practices in the business. Zachry also committed to an increasingly robust petrochemical and process market. Having learned from our success in power, we expanded our process engineering expertise and continued to use our strong relationship-driven culture to seek out great engineering and OEM partners to be able to execute the volume of work our long-term customers needed. We further prepared ourselves for today's robust market by adding a highly regarded turnaround and specialty services business.

The decisions to transform the enterprise into what it is today were very deliberate and took considerable planning and a willingness to challenge ourselves. Above all, they required commitment: a commitment to excellence and being a valued partner to our tremendous portfolio of customers. The result is that we are growing and working on some of the most interesting and demanding projects in the industry, bringing a depth and breadth of services unique to Zachry Group. Our customers appreciate that we committed the necessary resources and planned in advance to be of service to them.

Our commitment is rewarded by our customers. Within our Industrial Services Group, we have added new customers including Valero and Motiva. We have also entered new sites with existing customers including LyondellBasell, Monsanto,



"Our focus and **commitment** to

deliver safe, quality work will always be the foundation to support an enduring legacy that each of us is building at Zachry."

- Steve Brauer. **Group President. Industrial Services**

Photo/Alissa Rosebrough

INEOS and BASF. Zachry has been asked to perform services work for power customers like South Carolina Gas & Electric and Oklahoma Gas & Electric, whose previous experience with Zachry was principally with our Construction Group. It is especially gratifying for me to visit so many of our sites where multiple operating groups are working for the same customer. This is becoming the norm, rather than the exception.

In this edition of the Force Report, you will see profiles of Zachry's commitment to our customers, employees and communities that should fill you with pride! These include a massive job for Chevron Phillips Chemical in Sweeny, Texas (where ISG has been providing continuous presence maintenance support for years), and a beautiful photo essay of work for another long-time customer, Florida Power & Light, in Port Everglades, Fla. You will also read about our investment in support of industry, community and employees through our involvement with Construction Industry Institute (CII) research teams, Zachry's internship program and a nutrition and fitness initiative in our Omaha Design Center. Our commitment to safety is reflected in an article on recent awards from industry associations.

I would like to especially highlight an article on "Stop Work Authority." It examines Zachry and JVIC practices that empower employees to stop tasks when questions and concerns arise relative to the ability to provide quality work and to execute the work safely. Our focus and commitment to deliver safe, quality work will always be the foundation to support an enduring legacy that each of us is building at Zachry.

Have a great safe day!

2 7ACHRY FORCE REPORT November/December 2015 November/December 2015 7ACHRY FORCE REPORT 3



DEEP CONNECTION

RUNNING AND PEDALING, ZACHRY EMPLOYEES GO THE DISTANCE FOR WORTHWHILE CAUSES



Routes approaching a total of 400 miles. That's what employee teams from two Zachry offices collectively ran and biked in three events earlier

this year to support charitable organizations.

A 12-person team from Zachry Nuclear Engineering's office in Stonington, Conn., competed in the Ragnar Relay Series, a 200-mile relay run along Cape Cod that spanned two days and one night.

The Zachry team covered the distance in 27 hours and 45 minutes, placing 123rd out of 456 teams overall and fifth out of 10 teams in the corporate/public service division. A significant portion of the team's \$1,500 event fee went to Massachusetts Special Olympics.

"You create a deeper connection with co-workers," said **Brian Mooney**, engineer III, mechanical. "From training to running the race, it's an exercise in building a functional and cohesive team. I especially love running at night with the required reflective lights and gear. It's serene."

The Amarillo Design Center fielded teams in two separate cycling fundraisers. More than a dozen employees took part in "24 Hours in the Canyon" in Palo Duro Canyon State Park, which involved competitive and non-competitive road and mountain bike divisions.

The two-man team of employees **Jonathan Burkhard** and **Brent Darnell** took first place in the competitive six-hour mountain bike division, while employee **Alex Warren** placed fifth in the 24-hour women's solo mountain bike

division. Most importantly, the Amarillo team raised almost \$4,000 to benefit the local Cancer Survivorship Center.

"The 'Red Eye Run' at 2 a.m. is my favorite part of the race. It's dark, except for the LED light on your helmet so you see the nocturnal wildlife in the park, and you see the trail from a different perspective," Structural Designer **Jeff Purl** said. Less than a month later, six employees from the same office raised more than \$5,800 for the National Multiple Sclerosis Society by participating in the two-day Bike MS "Ride the Rim" event, which also occurred at Palo Duro Canyon and included routes as long as 150 miles.

"We have participated in this event since 2009 and have sponsored a rest station nearly every year at about mile 50 at the bottom of the canyon just before a category 3 climb," **Heidi Blasingame**, manager, mechanical engineering, explained.

"With sedentary jobs, it's important to stay active. While 100 miles isn't easy, it has less impact on joints than other activities. And it brings people together," Blasingame added.

NEW OPPORTUNITY

ISG WINS VALERO CONTRACT



The superb long-term relationship between JVIC and Valero Energy Corporation has opened the door for Zachry's Industrial Services Group

(ISG) to secure a contract with this fellow San Antoniobased company.

ISG has begun working at Valero's refinery in Meraux, La., under a five-year contract. It calls for ISG to perform general maintenance and execute small capital projects for the

refinery, which is situated on about 550 acres southeast of New Orleans.

"This is a huge opportunity for ISG and the start of a relationship that can only grow," said **Kevin Bordelon**, general manager of ISG's refining business unit. "Valero is a great company and the management team in Louisiana has been phenomenal to work with."

In the initial stages of the relationship, around 50 ISG boilermakers, pipefitters, welders, electricians and other craft workers are servicing the maintenance needs of the refinery, which has a capacity of 135,000 barrels per day as well as significant hydroprocessing capacity. Typical daily tasks include replacing pieces of equipment that are near failure or have failed, and ensuring that everything is fixed and running appropriately to optimize the integrity of the plant.

"I think it's great for us to be working with another San Antonio-headquartered company, but we would have pursued business with Valero regardless. Right now, our goal is to work hard and do a great job so we potentially develop a long-term relationship with Valero and have the opportunity to secure contracts with more of their sites around the nation," Bordelon said.

SAFETY AWARD

RAISING THE BAR FOR SAFETY IN BEAUMONT



Two professional associations that serve the refining and petrochemical industries along the Gulf Coast of southeast Texas have affirmed the safety culture of the

Industrial Services Group (ISG) team at ExxonMobil's Beaumont (Texas) Area Complex.

The site received two awards and was a finalist for two others earlier this year at the Safety Excellence through Training Awards ceremony of the Industrial Safety Training Council. This organization, which provides a variety of industry-related instruction including OSHA-specific courses, honored the team for completing eight years, and more than five million work hours, without a lost-time incident. The team also received an award for 100 percent recordable incident rate reduction from the prior three-year average.

Additionally, the Beaumont site was a finalist for the Roy Comeaux Safety Excellence through Training Award, and Safety Facilitator **Frank Shepley** was a finalist for Safety Trainer of the Year.

"It's a great feeling knowing that all the hard things we've done in the course of the past year are recognized as being the best of the best," ISG Site Manager **Gary Hessler** said. "There's a lot of pride and a sense of accomplishment that goes with that."

The awards from the Industrial Safety Training Council were followed by recognition at the Contractor Safety Awards of the Golden Triangle Business Roundtable, which includes almost 150 owners and contractors in the region as members. All four segments of the Beaumont complex where ISG works

were nominated, audited, and declared finalists in the small, medium, and large maintenance categories. Top honors went to the Lubricants and Specialties Plant team, which won the Medium Maintenance award.

"Achievements such as these don't happen in a vacuum—it starts with employees knowing that we care deeply about them, and continues through our proven safety policies and processes and good communication that ensures they get and stay on board with our safety values. From the minute people start working here, they know that we care about them, what our policies, procedures and expectations of them are, and that they're among seasoned employees who will watch their backs and show them the ropes," Hessler concluded.

GETTING FIT

EMPLOYEE TAKES FITNESS INTO HER OWN HANDS AT OMAHA DESIGN CENTER



After participating for two years in an office-wide fitness challenge, Civil/Structural Engineer **Jenna Hansen** was looking forward to doing it again.

"I was waiting and waiting and nothing had popped up," she said. "I wanted to do something, so I decided to put it on myself."

The program she created for the Omaha Design Center went beyond a fitness challenge by instilling friendly competition and teamwork. It also underscored Zachry's commitment to help employees develop their own skills.

She got the idea for her approach while visiting a client's office, where she saw a poster in the lobby area with articles about wellness, an exercise routine, a healthful recipe and a motivational quote.

From there, she started a system that assigned points for different healthy activities, and created a spreadsheet to track those points. Participants, who brought different fitness levels, motivations and goals, received code names on the shared spreadsheet.

About a quarter of the office, roughly 20 people, participated in activities that included a healthy eating potluck, a healthy smoothie break, a lunch-and-learn about the effects of sugar, and greater participation in the twice-weekly basketball games at a gym next door.

At the end of the 12-week program, nearly every one of the 20 participants received some type of prize, ranging from gift cards to one of two laptops.

"This type of program could work in other offices," Hansen said. "What's important is getting people interested and motivated in the first place."

"I helped her encourage people to join and it just kind of took off," Civil/Structural Engineer **Sheila Kelly** said. "It was a lot of fun to interact with people in the office I had never interacted with before."

4 ZACHRY FORCE REPORT November/December 2015 ZACHRY FORCE REPORT 5



The project to construct a polyethylene plant for Chevron Phillips Chemical Company LP (CPChem) in Old Ocean, Texas, has transformed the skyline of

western Brazoria County. More than 11,000 tons of steel and project components that are more than 200 feet tall have a way of doing that.



Gulf Coast Partners, the joint venture between Zachry and Technip, has spent the better part of 2015 putting the major infrastructure in place.

The engineering, procurement and construction (EPC) project, which is scheduled to last more than three

years, involves designing and installing two units on a 123-acre site adjacent to an existing CPChem facility. Each unit will be capable of producing 500,000 metric tons of plastic resin per year for use in a variety of products, such as food packaging, industrial films and pressure pipe. Responsibility for the design and engineering of the mega-project rests with Technip, while construction is Zachry's domain. The two partners are sharing procurement responsibilities, with each holding specific leadership roles.

TEAMWORK

"It's a phenomenal project with a strong project management team at the helm," Project Executive Matt Key said. "Zachry has more than 140 people on the project's management team, while the client has more than 100 folks assigned to it. Our partner, Technip, has a staff of about 20 field engineers and project managers who sit alongside us and help us manage and coordinate activities to ensure our execution is as safe and productive as possible."

As large as the team is, the project is by no means top-heavy. The total workforce employed on the job site has swelled to roughly 2,000.

It's worth noting that the sun literally never set on the engineering portion of this project. While 40 percent of that work took place at Technip's Houston office, the balance was done by its engineering center in Mumbai, India.

CONTINUED ON PAGE 8

LARGE-SCALE EPC PROJECT REQUIRES INTENSIVE PLANNING

CONTINUED FROM PAGE 7

"With a 10.5-hour time difference between the cities, engineering went on around the clock," Project Director **Dan Pratt** explained. "On several occasions, we also sent key personnel, including our piping and electrical leads, to Mumbai to meet face-to-face with the engineering team there."

MASSIVE COMPONENTS, MAJOR MILESTONES

When the groundbreaking ceremony took place on June 17, 2014, the site was a blank canvas. Now, 40,000 yards of concrete are in the ground, 60,000 feet of underground piping is installed, 60 percent of the steel structures, amounting to around 11,000 tons of steel, are up in the air and the major critical vessels are in place.

"Among these vessels are the loop reactors, which stand over 200 feet tall and consist of multiple segments," Key said. "To get these and other vessels in place, we accomplished 16 lifts of 500,000 pounds or greater and more than 50 individual lifts of 50,000 pounds or greater."

These critical lifts required a tremendous amount of preparation.

"Our surveying department did an outstanding job on layout, while the rigging department developed excellent lift plans," noted Construction Director **Andy Power**. "None of this happened by chance—there was a lot of planning involved."

This painstaking effort extended to the process of getting those vessels onto the site. According to Key, the majority

of the major vessels were fabricated in South Korea and shipped from the port of Ulsan to Freeport, Texas.

"We contracted industrial lifting experts, Mammoet, to manage the process of getting the vessels off the ship in Freeport and onto the site. From the ship, they were offloaded to barges and transported upriver to a local dock about five miles away. There, they were loaded onto transports and moved to the job site. This required a lot of coordination with the port authorities, Mammoet and with Texas New Mexico Power, which had to relocate and raise a number of power lines to accommodate the passage of these large vessels," he explained.

SAFETY FIRST AND FOREMOST

While many extraordinary milestones have been attained, perhaps the most remarkable achievement of the men and women at the site is their safety performance.

By the third quarter of 2015, the team had won two Heart of Zachry safety awards, and was one of just 53 recipients across the country of the National Safety Council's (NSC) "2015 Industry Leader Award." This award is based on the North American Industry Classification System (NAICS) code, lowest total incident rate and employee work hours. It recognizes the top 5 percent of NSC member companies.

"I could not be more proud of our group working on this project," Power said. "They're doing a great job and deserve all the praise in the world. I've worked on a lot

CONTINUED ON PAGE 10





WORKFORCE EXPECTED TO INCREASE TO MORE THAN 2,500 AS PROJECT ACTIVITY PEAKS IN 2016

CONTINUED FROM PAGE 8

of good, safe jobs, but these kinds of numbers are phenomenal. In August, our year-to-date recordable incident rate was 0.15 with no lost time."

He attributed this performance to several key factors, including an outstanding safety team, the high percentage of former Zachry supervisors overseeing the workforce and the willingness of craft employees to accept and apply safety input when accomplishing tasks.

"Over the past few years, Zachry has implemented more stringent training programs, so employees are exceedingly well-trained to do their jobs," Power explained. "Add to that our new Mission Planning Worksheet (MPW) program—which helps us identity our objectives for the day and the potential risks we will encounter, ensuring that people are aware of the risks in the tasks and how to mitigate them before they even start their day's work—and you have a recipe for success."

Pratt is similarly impressed with MPW and with what he describes as "world class safety performance."

"Each day starts with a safety broadcast on the radio by our 'safety evangelist,' General Field Superintendent Larry Kersey, who has a real gift for speaking," Pratt said. "He goes out and gets a new safety quote from employees each day, then delivers his message with such conviction and vigor that it's impossible not to be enthusiastic about safety."

LOOKING FORWARD

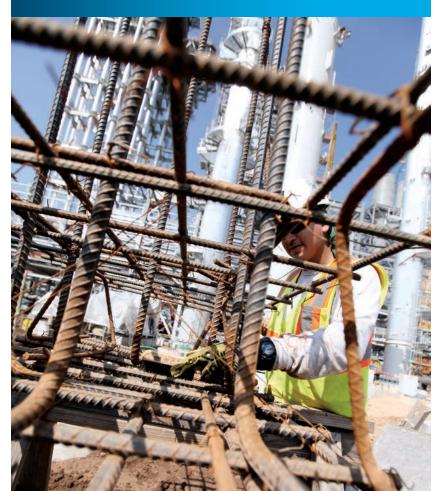
As labor intensive as 2015 has been, 2016 promises to be even more so. It is expected that the workforce will be more than 2,500 strong early in the first quarter, including more than 600 pipefitters and welders, and in excess of 400 electricians.

"This year was all about building the major infrastructure, while 2016 will be about connecting it all," Key said. "The major focus in the coming year is to manage logistical challenges and coordinate field activities in such a manner that everyone can continue to work safely and productively."

As the project moves forward, it is meeting its cost and schedule premises to position it for startup in 2017.



The project was one of just 53 recipients across the country of the National Safety Council's (NSC) "2015 Industry Leader Award." Through August, the vear-to-date recordable incident rate was 0.15 with no lost-time incidents.



PROJECT WITHIN A PROJECT

THE RAIL/SIT YARD

Among Zachry's primary project respon**sibilities** is executing work to complete rail and storage-in-transit (SIT) yard components. The Omaha Design Center, which has 20 years' experience supporting the nation's Class 1 railroads, is managing this element of the larger project.

The endeavor involves designing complete rail facilities to transport the product of the polyethylene units. It will be loaded onto rail cars either for rail freighting to customers, or trans-loaded from hopper cars to trucks for road transport. More than 80 Zachry engineers applied their skills to execute the civil/structural, mechanical and electrical design of the rail/SIT buildings and adjacent areas.

While the polyethylene units will not be completed until 2017, the rail and SIT yard will be completed in 2016. It will comprise 45 total miles of rail track, stretching five linear miles; a locomotive shop; car shop; car wash building; a diesel fuel oil and lube oil station; a firewater and wash water pumping slab; and operational offices for the rail/SIT yard.

The new track will tie into the Union Pacific Class 1 rail main line in two different locations, allowing rail cars to pick up product inside the plant and transport it in either an eastbound or westbound direction.

The first phase of the project began in September 2014 and involved extensive civil work to prepare the site. The civil team, led by SIT/Rail Project Manager John Glasgow, faced myriad challenges in the course of the 11-month effort. One of the greatest of these was an exceptionally wet five-month period from January through May 2015.

"The area received more than 17 inches of rain during this time frame," Glasgow said. "We were moving huge amounts of earth and used lime to stabilize the soil so that we could stay on schedule despite the wet, muddy conditions."

Three separate dirt crews moved 3,000 cubic vards of dirt per day on average. They sourced the dirt from multiple borrow ponds along the rail route.

Another hurdle the civil team faced was the construction of an 80-foot railroad bridge on the western side of the site.

"We were working in very close proximity to the Union Pacific main line and we had access to their



The polyethylene plant will be linked to a Union Pacific Class 1 rail main line, allowing product to be picked up inside the plant and transported in either an eastbound or westbound direction.

flaggers for only a short period of time," Glasgow said. "Our challenge was to work so closely to the main line without disrupting their train traffic."

Glasgow attributes the team's successful completion of the civil work to the emphasis on continual, open communication with everyone working on the project.

"We had a group safety meeting with all employees every single morning to make sure everyone was on the same page," he said. "We also utilized flags to warn of hazards on the job site, such as underground electrical lines, and used signage and spotters to properly route heavy equipment traffic. It was truly a team effort."

"The numbers on this project are staggering," Senior Engineering Project Manager Jay Prier said. "Just to build up the embankments to raise the tracks above the coastal floodplain required 1.3 million cubic yards of dirt."

In addition to its own extensive engineering responsibilities, Zachry is also responsible for managing its rail design subcontractor, TranSystems, and coordinating with Technip engineers on portions of the plant facilities with which the rail will interface.

"There are a lot of moving parts to coordinate. It's further complicated by the three different coordinate systems we are using on this project: for the rail component, we have to use Texas benchmarks; where we interface with the polyethylene units, we have to align with new plant grid coordinates; and within the brownfield (existing plant's footprint), we're working off old plant grid coordinates. Get just one of those wrong, and the whole system won't interface correctly," Prier concluded.

HIGHER AND HIGHER AT PORT EVERGLADES

UNUSUAL LIFT REQUIRED TO PUT STEAM TURBINE-GENERATOR IN PLACE

The steam turbine-generator (STG) at the Port Everglades Clean Energy Center in Fort Lauderdale, Fla., is positioned on its pedestal just as designed, but the process of getting it there was anything but routine.

Site conditions and the timing of the STG's arrival at the project site necessitated a special approach to lifting the turbine-generator into place. Instead of using a large crawler crane, the project team used a gantry system because the turbine-generator had to be transferred five times with a jack and slide system between the time it arrived at the site and the time it was positioned on its pedestal.

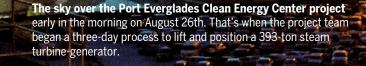
The gantry system included a movable overhead framework, hydraulic jacks and a platform that were used to lift and move the STG. The lift occurred in stages between August 26th and August 29th. It represented a milestone of the engineering, procurement and construction (EPC) project that Zachry is executing for Florida Power & Light Company (FPL). The project as a whole is scheduled to be finished in the spring of 2016.

The images on these pages and on page 14 show stages of the lift, which raised the 785,400 pound (393 ton) STG more than 40 feet to reach its pedestal. The gantry system's yellow framework 1 held the STG so hydraulic jacks could begin elevating it 2. The movable framework then placed the turbine-generator on a platform that rested on top of another set of jacks to begin the next stage 3.













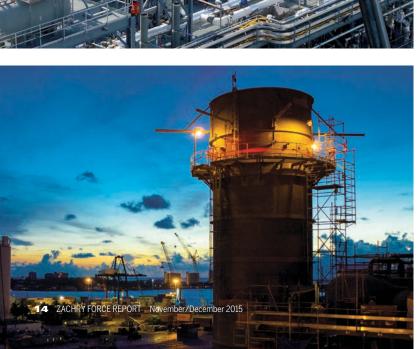




ZACHRY RISING TO THE CHALLENGE

The second set of jacks elevated the STG to the same level as its pedestal 4 5 6. The final stage involved positioning the turbine-generator on its pedestal 7.





ZACHRY'S INDUSTRY INFLUENCE EVIDENT FROM KEY ROLES IN PRESTIGIOUS CONSORTIUM

Participation in world-class research, such as that conducted by the Construction Industry Institute (CII), involves a commitment of time and money but, for Zachry, it's an investment of resources that's invaluable.

"CII is a flagship industry organization," Executive Vice President of Enterprise Strategic Development Keith Manning said. "It brings together the world's leading companies, contractors and academia to establish industry best practices and principles. Zachry was a founding member of CII in 1983 and has always been a key contributor. In turn, we reap substantial benefits from our participation."

Manning, who has represented Zachry on several CII committees, including serving as chair of the 2013 annual conference, specifically emphasized how CII research has single-handedly impacted the safety performance of the U.S. construction industry. "We rely heavily on the safety statistics provided by CII to help guide Zachry safety practices."

COLLABORATING WITH THE INDUSTRY'S BEST

Based at the University of Texas at Austin, CII is a consortium of more than 130 leading owner, engineering, contractor and supplier firms, as well as academic researchers. It serves to generate and implement research-based knowledge to measurably improve the effectiveness and sustainability of capital facilities delivery. The institute's ability to disseminate this knowledge and CII best practices gives members a decisive industry edge.

With an equal mix of contractors and owners, CII focuses on collaboration. For more than 30 years, global companies like ExxonMobil Corporation, Phillips 66, Chevron Phillips Chemical, General Electric, BP, The Dow Chemical Company, Cargill, Inc., Shell and Proctor & Gamble have actively supported the organization.

"Their stake is big—they are the ones who own the facilities we develop. They want to know that there is constant improvement in the construction process," Manning said.

Contractors such as Zachry, KBR, Kiewit Corporation, Fluor Corporation and Bechtel work alongside these global companies to identify where construction processes can improve.



Improving Safety Performance

The Role of Frontline Supervision in Improving Construction Productivity and Performance

Measuring the Productivity of Model-Based Engineering

Transition Management between Construction Completion, Pre-Commissioning, Commissioning, and Operations

Improving the U.S. Workforce Development System

Best Practices for Preventing Out-of-Sequence Construction Activities and Minimizing their Impacts

ZACHRY'S LONG HISTORY OF INVOLVEMENT

Since CII's inception, Zachry has invested time, energy and resources in the institute. More than 100 employees have participated on research teams, and Zachry executives have dedicated time in leadership positions on several boards.

"As leaders in the industry, we recognize the importance of expanding our knowledge base," said Vice President and Director of Procurement Strategy Alison Cochrane, who also sits on the CII Board of Advisors. "Through our participation, we develop means and methods to improve quality and safety in the work we do."

According to Cochrane, involvement in CII allows Zachry to help shape both the present and the future of the industry.

CONTINUED ON PAGE 20

ZACHRY AND JVIC EMPLOYEES EMPOWERED TO EXERCISE STOP WORK AUTHORITY



For Industrial Services Group (ISG) employee Rosalind Carter, her decision to engage her Stop Work Authority during a turnaround earlier this year at the

BASF facility in Geismar, La., was for all the right reasons.

"These are all people I work with and that I care for a great deal," Carter said. "We're like a family and we take care of one another. I would never want one of them to be injured or killed in a work-related accident."

A team of Zachry employees was preparing to remove induction jets in a tower at the chemical plant. Carter, who is a boilermaker, was serving as a vessel entry attendant when she noticed that the task's rescue plan would not work. It could have potentially put employees at risk of injury or death, if they needed to make an emergency exit.

"The employees were taking out grating and had an eight-foot drop with no place to tie off," Carter said. "There was no way to tie off and that didn't match with what the rescue plan indicated."

That's because recent work had changed the configuration of the space, but the changes had not yet been noted in the task's existing rescue plan, according to Senior Operations Manager **Larry Johnson**.

"When Rosalind realized the rescue plan would not work, she exercised her right and responsibility to shut the job down until the plan could be re-evaluated and re-worked," Johnson said. "She did what she and other employees are trained to do: recognize the hazard, shut the job down, get employees safely out of the vessel, and involve the appropriate people so that a corrective action plan can be determined."

Zachry honored Rosalind or her actions in front of her co-workers and BASF recognized her as well. "The customer has a big influence on employee safety, too, and they were extremely pleased with Rosalind's actions," Johnson said.

"We are a relatively new contractor at this site with BASF," Johnson continued. "The previous contractor was

"We're like a family and we take care of one another.

I would never want one of them to be injured or killed in a work-related accident."

- Rosalind Carter, ISG employee

in place for 40 years, so that's a long history of, perhaps, a different set of safety procedures and expectations. This incident showed employees and the customer that Zachry really does take employee safety very seriously."

A CULTURE OF SAFETY ACROSS ZACHRY AND JVIC

The event in Geismar exemplifies the safety standards that Zachry's employees and supervisors are empowered to uphold every day.

The company this year has further enhanced its safety culture by integrating Stop Work Authority into the Heart of Zachry safety award program. One of the 2015 award criteria mandates each job site to develop an employee engagement plan that includes a Stop Work Authority program. The program must contain a process and a place for tracking stop-work incidents and publicly recognizing employees on a quarterly basis.

The use of Stop Work Authority is reinforced through Employee Expectation Cards, which all employees receive. Employees are expected to review and sign their cards annually with their supervisors. The cards put in writing what employees are authorized to do if they have safety concerns:

"I will be instructed, as a Zachry employee, that I have the authority, without fear of reprimand or retaliation, to stop or prevent any unsafe act or job."

"I will not be instructed to perform a task that cannot be performed safely. If I consider any task to be unsafe, I can expect my supervisor to listen to my concerns, and together, we will develop a safe way to accomplish the work."

EMPOWERING EMPLOYEES

• JVIC's Safety Teamwork and Recognition (STAR) process recognizes employees and supervisors for utilizing their Stop Work Authority in identifying potentially significant workplace hazards.

• The STAR process: Once an employee stops work on a job, JVIC supervisors step forward to address the concern and support the employees involved.

• In 2014, **76 STARs were recognized by**JVIC and **55 have been recognized** to date in 2015.

program is the company's pinnacle annual safety award program for jobsites across the United States. One of the 2015 award program criteria is each job site's development of an employee engagement plan that includes a Stop Work Authority program with reinforcement through the Employee Expectation Card. The program must contain a process and a place for tracking stop work incidents and publicly recognizing employees on a quarterly basis.

The Heart of Zachry

This same level of emphasis is present across JVIC. Similar to Zachry's program, JVIC's Safety Teamwork and Recognition (STAR) process recognizes employees and supervisors for utilizing their Stop Work Authority in identifying potentially significant workplace hazards.

In the STAR process, once an employee stops work on a job, JVIC supervisors step forward to address the concern and support the employees involved. The employee who exercised his or her Stop Work Authority is publicly recognized for the effort and receives a token of appreciation, such as a gift card. Additionally, a follow-up letter is sent from JVIC's president. Each month, a gift card is presented to the best example of STAR across the company.

"However small, it goes a long way when it's presented in front of everyone the employee works with," JVIC Corporate Safety Manager **Doug Houston** said. "It's a 'thank you' for realizing something isn't right and having the fortitude to stop the work and let someone know, rather than letting a co-worker find out the hard way and possibly even getting hurt or worse."

In 2014, 76 STARs were recognized by JVIC and, as of this fall, 55 had been recognized in 2015, which puts it on track to have one more per month than in each month the previous year.

"The uptick is due to employees realizing that Stop Work Authority actually means something and that there isn't a fear of retaliation," Houston said.

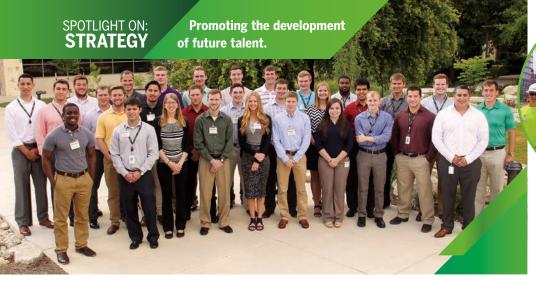
ENCOURAGING EMPLOYEES TO SPEAK UP

Many employees who have worked for a variety of employers before coming to Zachry or JVIC, may be used to broken workplace safety promises or environments that discouraged speaking up about potential safety hazards because of unwritten rules that implied 'if you squawked, you walked.' In order to break through this mentality, Zachry and JVIC have stood behind their promises and demonstrated that their shared emphasis on safety is much more than a feel-good measure designed to make a client happy.

"Some employees, especially junior ones or those new to the company, don't want to rock the boat or be perceived as a trouble maker," Zachry Corporate Safety Support Manager **Jason Gauthier** said. "It's not easy and it takes courage to speak up. But it could be the difference between life and death."

Reflecting on her decision to exercise her Stop Work Authority, Carter said, "I couldn't live with myself if I knew I could have prevented a situation in which someone was seriously hurt or killed. That would be the worst punishment imaginable."

November/December 2015 - ZACHRY FORCE REPORT - November/December 2015



The engineering students who interned with Zachry this past summer gathered outside of the Home Office at the beginning of their internships. Photo/Dan Payton

A group of Zachry's engineering interns visited the CPChem polyethylene plant project site in Brazoria County, Texas, over the summer. Photo/Russell Epperly

LESSONS THAT CAN'T BE LEARNED IN SCHOOL

Anyone who has made the transition from college to the workforce will attest that there are valuable lessons that simply can't be learned in school.

Zachry's summer internship program proves this truth every year by providing experiences that bridge the gap between the classroom and the professional realm.

The program, which has existed in its current form for five years, takes place over an 11-week period every summer. This year, for the first time, the internship was geared exclusively to engineering students. Zachry employed 31 students from schools across the country at company locations nationwide.

"Our overarching goal for this year's program was to find and develop engineering talent," Vice President, Engineering Development, **Bob Gresham** said. "Once that talent was identified, our objectives were to give our interns experience in a professional engineering-centric workplace; provide an opportunity to apply their skills in a practical environment and on meaningful projects; and offer them the opportunity to network with Zachry professionals and experience our corporate culture."

INTERN SELECTION A RIGOROUS PROCESS

Each fall, the process of identifying promising internship candidates for the next year begins with Zachry representatives participating in college job fairs. More recently, this effort has been focused on six engineering schools: Texas A&M, the University of Texas

at San Antonio, Texas Tech, Clemson, Iowa State and Auburn. Students enrolled in these schools are actively recruited to apply for the internship program, although students attending other schools may also apply.

Whenever possible, candidates are interviewed on the spot at the job fairs. Thereafter, follow-up interviews with outstanding candidates are conducted by phone, followed by reference checks. The information on candidates who advance beyond this stage is sent to hiring managers who make their own selections. Final selection and notification generally is completed by mid-February.

The program is also advertised on Zachry's job posting website, *www.1800jobsusa.com*, where students must submit their initial applications for an internship.

"We get thousands of applications every year and we begin conducting phone screenings by the September/ October time frame. I advise students who want to apply to do so as soon as possible, as our program is quite competitive and the positions fill up quickly," said Manager, Employment and Workforce Planning, **Melinda Perez**.

PROVIDING A MEANINGFUL WORK EXPERIENCE

When it comes to the nuts and bolts of the internship, there is no one-size-fits-all formula for all of the interns. Rather, exactly what they do and the objectives that are set for them depend on the team and project to which they are assigned.

"The common denominator is that each intern is paired with a Connection Partner from a totally different

department," Perez explained. "They meet once a week and it's the partner's responsibility to grow and guide the intern, help with their transition to the company, encourage them to network and determine that they are indeed getting meaningful work."

During this past summer's program, the interns had opportunities to visit actual Zachry job sites that, in most instances, were directly relevant to the project work that they had received. Based on the feedback received, both in-person and via anonymous exit surveys, interns rated this experience very highly.

"It was a real 'a-ha moment' for many interns. Here they've been working on these projects on paper, and suddenly they're out there, experiencing the reality firsthand," Perez said.

For many of the students, these visits represent their first opportunities to see the actual grand scale of the engineering work they have been performing, providing one of those learning experiences that can't be had in a classroom.

CREATING AN EMPLOYMENT PIPELINE

In return for what Zachry offers students, the internship program provides an invaluable conduit for Zachry to channel new talent into the organization.

"It's difficult to measure the full impact of the program in terms of the percentage of hires who started as interns, because the effects run much deeper than just that," said Vice President, Employee Relations, **Tammy Mallaisé**. "Not all interns are a good full-time fit for us, nor us for them, but, ultimately, it's a great branding tool because, invariably, the experience is a good one and they take that back to school with them and talk to their peers about Zachry."

"It's a wonderful program and one that I am very passionate about and feel privileged to be a part of.

There is such tremendous depth of talent out there."

-Melinda Perez, Manager, Employment and Workforce Planning

But, what exactly does Zachry look for among the interns when determining which ones will receive job offers?

"We look at several factors, such as whether they took the initiative when given leadership opportunities and how well they collaborated with team members, as well as their work ethic, communication skills and professionalism," Gresham said. "We also evaluate them based on the five-minute presentation they are required to give to colleagues and executives at the end of their internship, and measure their skills against our leadership competency model."

Gresham met with each of this year's 31 interns for an hour during the course of the summer program to explore each student's career goals and gain a better sense of which ones might be a good fit for the Zachry culture.

THE FINAL STEP

Evaluations of each summer's interns typically are complete by September. Interns whom Zachry identifies as a good fit, and who will graduate by the following spring, receive employment offers at that time.

Perez concluded, "It's a wonderful program and one that I am very passionate about and feel privileged to be a part of. There is such tremendous depth of talent out there. Every summer, I think the current interns have maxed the bar, until the next summer when the new recruits come in and raise it even further."



November/December 2015 ZACHRY FORCE REPORT November/December 2015 ZACHRY FORCE REPORT 19

ZACHRY WORKS WITH INDUSTRY'S BEST

CONTINUED FROM PAGE 15

"Our employees are able to share their knowledge and expertise among a wide network and demonstrate the Zachry integrity and pride in our work," she said. "In turn, our employees are able to gain knowledge, and establish relationships that allow them to become even better at the work that they do."

NEW GROUP OF ZACHRY CONTRIBUTORS

Turnover Manager Ed Brown, who is one of seven employees named to CII research teams this year, sees involvement with the consortium as a win-win.

"We get to work with people from all over the world representing industries like pharmaceutical and insurance who are all involved in the construction process in some shape or form," he said. "Through this interaction alone, I have learned a great deal. It is truly an honor to be on a CII research team."

Brown represents Zachry on a CII research team focused on the topic of "Transition Management between Construction Completion, Pre-Commissioning, Commissioning and Operations." Participation on the 22-member team requires a two-year commitment that began in June of this year. Teams meet in person six times a year, rotating meeting sites among team members' corporate offices.

With the guidance of the CII office in Austin, teams follow standard research protocol through scientific method.

"We learn to identify, hypothesize and conclude," Brown said. "Our team communicates through e-mail and conference calls in between our in-person meetings to complete questionnaires and method analogy. The process is very democratic."

Zachry supports all costs associated with employees serving on research teams.

"Travel and time are taken care of by the company," Cochrane said. "CII is truly a collaboration of great minds, generating world-class research, and I'm confident that Zachry will continue to support the endeavor for a long time to come."

CII RESEARCH AT ZACHRY

A number of Zachry employees participate in CII research activities by sharing knowledge and collaborating with representatives from multiple industries.

Zachry Employees currently serving on CII research teams

Ed Brown, Construction Group "Transition Management between Construction Completion, Pre-commissioning, Commissioning, and Operations"

Jerry Burk, Engineering Group "Creating Standards for Industry-wide Quality Metrics"

David Harrison, Information Technology "Measuring the Productivity of Model-based Engineering"

Kevin Maloney. Construction Group "Assessing the Maturity and Accuracy of FEED to Support Phase-gate Approvals"

Darren McGuire, Safety "Improving Safety Performance through Operational Excellence"

Tim Mongeau, Employee Relations "Improving the U.S. Workforce Development System"

Joe Rendon, Construction Group "The Role of Frontline Supervision in Improving Construction Productivity and Performance"

Jonathan Ricks, Execution Planning "Finding Leading Indicators to Prevent Premature Starts"

Zachry employees serving on CII Communities of Practice, which promote knowledge sharing and interchange among CII members

Tahnee Coulston, Enterprise Strategic Development - Next-Generation Leaders

Kayla Echols, Information Technology -Information Management COP

Susan Gordon, Risk Management – Risk Management COP

Don Hurley, Safety – Safety COP

Derek Williams, Information Technology -Advanced Work Packaging COP

Zachry Employees serving on CII Knowledge Management **Committee special project**

Russ Horton, Procurement

Mike Mosely, Project Controls

Zachry CII Team

Lyle Fouts, Engineering - Data Liaison

Crystal Morales, Employee Relations -On-line Administrator

Jennifer Poppe, Procurement -On-line Administrator

Tiffany Pritchett, Construction Group -On-line Administrator

Keith Manning, Enterprise Strategic Development – Board of Advisors, Nominations

Committee and Zachry CII Steering Committee

Eddie Barron, Engineering -Zachry CII Steering Committee

Alison Cochrane, Procurement. Board of Advisors, Membership **Engagement Committee and Zachry** CII Steering Committee

Tahnee Coulston, Enterprise Strategic Development - Professional **Development Committee and Zachry CII Steering Committee**

Glenn Kloos, Engineering -Zachry CII Steering Committee

Lynn McCord, Estimating -Zachry CII Steering Committee

Buddy Myers, Construction Group -Zachry CII Steering Committee

Mike Perkins, Construction -Zachry CII Steering Committee

SERVICEAWARDS

Eder Hernandez-Deleon

Guerry Hinojosa

Rvan Humbird

Salvador Ibarra

Juan Iracheta

Patrick John

Kelly Korgan

Cesar Lara Ruiz

Joseph Kasischke

THIRD QUARTER 2015

Dorothy Hunter

Cynthia Puente

Timothy Roberts

Jose Rodriguez

Alfredo Rosales

Baltazar Ruiz

Oscar Salinas

Jean Sanchez

Douglas Smith

Mirtala Solis

Albert Vercellino

Rebecca Verret

Devery Williams

Randall Wilson

15 YEARS

Noel Alleyne

John Baxley

Randy Brown

Hector Cabrera

Amador Cantu

James Childers

Dwight Dufrene

Timothy Franklin

Rebecca Furtado

Howard Hodgson

Melanie Johnson

Lezlee Martinez

Yngrid Martinez

Gwendolyn Gastinel

Jimmy Garza

Rufus Gray

Mark Dyches

Ian Finney

Christopher Bahe

Johnny Blanchard

Francisco Sarabia

William Sheridan

Donnie Shoemaker

5 YEARS:

Huda Abbas

Matthew Adams

Juan Aquilar Grace Aguirre Jose Alanis Illy Allen Roy Anzaldua Romeo Arredondo Jimmy Asbell Andrew Badgett Justin Begay Stacey Benoit David Bentancur Travis Black Miguel Bonilla James Brickley Arnold Brown Calvin Brown Jeffery Burrough James Burts Ramon Cabrera William Calvert Leonardo Camarena Noel Castillo Pablo Castillo Leroy Catron Jesus E Chavarria Delroy Chibar Roger Coffey Shelly Cole Robert Coleman Ernest Crye Thomas Dansby Amanda Davis Patrick Dear Raynier Dominguez Faure Tyron Downing Luis Duran **Brett Durie** Juan Elizondo Robert Finley Tracy French Gerardo Garza Archie Gilfillian Vanessa Glass Hector Gonzalez Michael Granier Myral Green Vivian Griffin Ricardo Guzman Phillip Halsey Walter Hamner Billy Henderson Juan Hernandez Luciano Hernandez

Kerry Lasserre Joseph Laudig Eddie Laws Javier Leija Alejandro Leon Alberto Maciel Javier Magana Mario Mancha Andrew Martinez Fredrick Miller Glenda Miner Rusty Moore Eduardo Muniz Lerma Fernando Munoz Robert Neely **Edward Nixon Earnest Nuells** Luz Ocampo Espinosa Daril Ortiz Quinones Kendrick Peairs James Peet Noe Pena Juan Pena Velez Alfredo Perez Francisco Perez Jose Perez Kyle Perry Lisa Potter Juliana Quintanilla Christopher Reed Jonathan Reed Felipe Reves Anselmo Reves-Martinez Rosa Rivas Osnevs Rodriguez Javier Rojo Jody Romero Adam Ruhin Hector Ruiz Gonzalez Guadalupe Salazar Antonio Salinas Artemio Salinas Leonardo Sanchez Valerie Sanchez Juan Santana Liriano Ismael Santana Yera Nelson Santiago

Jeffrey Shearer

Elijah Singletary

Cody Small Jose Solis Ricky Spencer Chad Stiles Liz Suarez Gary Thornton **Gabriel Torres** Raul Torres Corres Francisco Vargas Jose Villa Julian Villarreal Ross Warwick Kelia Webster Billy Williams James Williams Johnny Williams Adam Wine Ricky Zarate 10 YEARS:

Michael Abshire Earl Allen Robert Alston Dewayne Andrews Matthew Archbold Scott Barrow Alberta Bivens Charles Boris Chris Brenner Kenneth Broughtor Timothy Buehring Robert Bush Debra Carter Jorge Castillo Rickey Cato Leonila Cerda Margarito Chavez Andrew Cooley Casey Cox Enrique Cristino Martin Cross Victor Dudley Robert Easter Luis I Fernandez Cesar Flores Robert Freshour John Georgeff Timothy Glass Richard Gonzalez Elias Guerra Carlos Gutierrez-Sifuentes Ray Harris Philip Harriss Norman Hayhurst Jesus Herrera Timothy Heup Kevin Hoke

Kimberly Johnson Tom Owen Raymond Klingaman Rene Pelaez Sally Reed Dawn Konecny Johnny Lindesmith Miguel Reves Martin Lopez Cynda Reznicek Flva Martinez Timothy Schultz Rodney Matthews Justin Sherfy Ronny Mauch Armando Solis Lisa Mavo Rov Thick **Bobby Melton** John White **Enrique Montes** Michael Wright **Thomas Morris** 20 YEARS: Lynn Newsom Adam Norris Sonia Ontiveros David Cogswell Nhan Pham Paul Giles Freddy Pilataxi Albert Poelvoorde

Bart Kneip Jere Land Dean Merritt Shane Miller Mark Patterson Drexal Penner Leo Robledo Steven Thompson Daniel Tregle

Eric McQueen

25 YEARS:

David Garcia Michael Hardin Ricky Hogan Chet Lloyd Luis Mata John Moreno Earl Roark

30 YEARS:

Maggie Castille Billy Cloyd Keith Herner Joseph Lange Gracie Medina **35 YEARS:**

Richard Barnett Hector Cardona Pablo Celis

45 YEARS:

Joe Lozano Donald Wallace

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Service award recipients, please be sure to visit zachrycentral.com using a computer or smartphone to redeem your service awards for free gifts. You will need your certificate number located on the lower right side of your service award certificate.

20 ZACHRY FORCE REPORT November/December 2015 November/December 2015 7ACHRY FORCE REPORT 21

IAMZACHRY

MY NAME IS ZEKE REYNA, AND I AM ZACHRY.



I am a master carpenter by trade. I've been fortunate to have strong teachers in my life, one of the foremost being my father. He taught me a strong work ethic

and how to take care of those that depend on you.

For the past 26 years, I have worked in various roles at Xcel Energy handling maintenance and managing young craft workers at Tolk Power Plant in Muleshoe, Texas, Plant X in Earth, Texas, and Cunningham Station and Maddox Station in Hobbs, N.M. When Zachry's Industrial Services Group (ISG) stepped in to handle the maintenance contract for Tolk two years ago, I was hired on as a craft supervisor.

I come out early to the plant to make sure everything's inspected and safe, so that all of our employees can come to work and start their day right.

I have roughly 20-50 craft workers working for me at any given time, and it's important that I help them grow, learn their craft and do their very best each day.

This is what I do for my crew, but it's also how I coach Little League Baseball. For the last 33 years, I have had the honor of teaching baseball to young boys in Lubbock. In 2008, our team was one game short of playing in the Little League World Series. It was a huge accomplishment for the boys and they achieved it through hard work and believing in themselves.

I hope I am able to do the same for my grandchildren. My grandson, who is five, plays Peewee Football and my granddaughters, who are six and eight, play fast-pitch softball. I hope I can inspire them to reach for their best.

I take pride in the fact that my two sons, Zeke III and Isaac, have followed in our family's footsteps. Zeke III is a general foreman at Tolk Power Plant and Isaac is a carpenter at Plant X. It's really fun to teach them to read blueprints and how the plants



Photos/Nick Grancharoff

"When Zachry approached Xcel Energy about handling the maintenance contract for Tolk, they said hiring Zeke would need to be part of the agreement, since he's so knowledgeable about the site, having been there for more than two decades. Zeke loves the plant. And the plant loves him."

- Earl Harvard, Industrial Services Group Superintendent

operate. It truly is a family operation for the Reyna family.

That same kind of family tradition seems to run through Zachry, too. Although I am relatively new to the Zachry family, I feel wanted and welcomed. My supervisor, **Randy Branch**, is extremely supportive. He believes in us and knows we know how to do our job. He encourages us to work to the very best of our ability always, and that is why I am Zachry.

MY NAME IS JUAN SIFUENTES AND I AM ZACHRY.



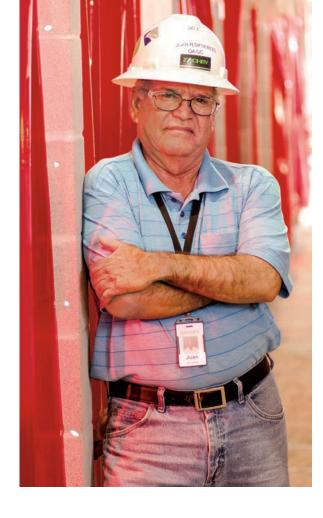
I tell people that Zachry has been a school for me since 1979. I began my career here 36 years ago in the company's labor division, cleaning, sandblast-

ing and painting heavy equipment. I was 26 years old and had just moved to Dallas from Monterrey, Mexico. My wife and I were expecting a baby and I was grateful to have a job.

After a couple of years there, I transitioned into Zachry's machine and welding shop. I had been a welding inspector at a steel mill pipe factory in Mexico and I was eager to learn more about the trade. I've always looked for ways to improve myself on the job, so I decided to go to college to study welding technology and applied science. I worked 10-hour days and then would attend night school four nights a week. I was close to finishing my associate's degree, but was then promoted at Zachry to become a quality assurance/quality control (QA/QC) inspector. I then began traveling across the country for Zachry as an inspector, visiting various job sites in Florida, Arizona, California, South Carolina, Kansas and Texas.

I'm grateful for the opportunities I've been given at Zachry and have always been eager to return the favor to others. Over the years, I taught welding classes after hours to anyone at Zachry who was interested in learning. It brings me great joy to teach and see others move up within the company. Some of my welding students have tracked me down and thanked me for teaching them these skills. Supervisors have told me that my instruction has helped produce a number of qualified welders throughout the years.

Eight years ago, I moved to San Antonio and continued to travel as an inspector. Recently, I've been able to transform my passion for teaching others how to weld into a full-time job by working in Zachry's regional welding training program. I've been fortunate to become a NCCER (National Center for Construction Education and Research) craft-welding instructor, helping to teach others how to refine their skills. Whenever I have the chance, I encourage others to take advantage of this program. Earlier in my career, I had to learn how to weld on my own after hours. Now, this company is offering a great opportunity for Zachry employees and they're learning.



"I have known Juan for 10 years and the one quality that stands above the rest is his selfless devotion to his family, his co-workers and his company. This truly makes him an asset to the Enterprise."

Kevin Phipps, Group Quality Control Manager,
 Technical Services

When I look back at my career here, I believe I'm just passing along what Zachry's done for me. I came here from a foreign country knowing little English. They treated me with respect and gave me an opportunity to learn and train with them. I've never tried to go anywhere else. I never wanted to, and that is why I AM ZACHRY.

NOMINATE A PEER

Do you have a co-worker who lives the *Zachry* values? We want to hear from you—especially craft employees! Send your nominations to *ForceReport@Zachrygroup.com*.

November/December 2015 ZACHRY FORCE REPORT November/December 2015 ZACHRY FORCE REPORT 235

EEO POLICY

ZACHRY HOLDINGS, INC., ITS SUBSIDIARIES AND AFFILIATES OBSERVE EEO, HARASSMENT POLICIES

EQUAL EMPLOYMENT OPPORTUNITY POLICY (EEO)

It is the policy of Zachry to assure that employees and applicants for employment are to be treated without regard to their race, religion, sex, color, national origin or age. The company will not discriminate against individuals because of a physical or mental disability, or status as a disabled veteran or veteran of the Vietnam Era. Zachry's policy of nondiscrimination applies to all work-related actions; including but not limited to employment, upgrading or promotion, demotion, transfer, layoff or termination; rates of pay or other forms of compensation; recruitment or recruitment advertising; selection for training; and apprenticeship and pre-apprenticeship programs.

Reasonable accommodations will be made for qualified disabled persons according to existing state and federal law. Requests by qualified disabled persons for reasonable accommodation are encouraged by the company.

All employees are requested to encourage women, persons of minority races and disabled persons to apply for employment with the company or to apply for training under available programs.

POLICY AGAINST HARASSMENT

Zachry is firmly committed to a work environment free from all forms of harassment of any employee or applicant for employment by anyone, including supervisors, co-workers, clients/customers, other contractors or visitors. Such harassment may be in violation of the harassment policy as well as state and federal discrimination laws.

This policy prohibits any conduct (verbal, physical or visual) by an employee or within the work environment that belittles or demeans an individual on the basis of race, religion, national origin, sex, age, color and disability. This policy specifically prohibits sexual harassment as well as all other forms of harassment. Sexual harassment includes any unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is an explicit or implicit condition of employment;
- Employment decisions are based on an employee's submission to or rejection of such conduct; or
- Such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

RESPONSIBILITY

All employees are responsible for complying with the company's Equal Employment Opportunity Policy and its Policy Against Harassment and for reporting possible violations of these policies.

WHO TO CALL:

Dispute Resolution Program P.O. Box 240130 San Antonio, Texas 78224-0130 1-877-350-0129

COMPLAINTS

Any employee or applicant for employment who feels that they have encountered a situation that may be in violation of these policies is encouraged to make known their concern as soon as possible. Applicants for employment are encouraged to utilize the Dispute Resolution Process by contacting a Dispute Resolution Manager. Employees are encouraged to discuss their concern or complaint of alleged discrimination with their immediate supervisor. The supervisor's obligation is to try to resolve the concern or complaint. If it is not resolved at the supervisory level, or if the employee is uncomfortable discussing the issue with their supervisor, the employee should either contact the project/department manager or utilize the company's Dispute Resolution Process. Supervisors who fail to act on employee questions or complaints brought to them under these policies are subject to disciplinary action, up to and including discharge.

The Dispute Resolution Process is coordinated by the company's Corporate Responsibility Department at the Home Office. Employees must comply fully with any lawful investigation under these policies. In the event of questions about, or an investigation of, alleged discrimination by any governmental agency, the Corporate Responsibility Department must be promptly notified.

CONFIDENTIALITY

In handling complaints, every effort will be made to maintain confidentiality. However, certain laws require the company act on information brought to its attention, and it will sometimes be necessary to do a full investigation in order to comply with the law. Investigations are intended to be a confidential process and every effort will be made to maintain confidentiality to the extent possible.

RETALIATION

Retaliation against individuals who report violations of these policies is strictly prohibited. Employees who violate these policies or who attempt to retaliate against individuals acting under these policies will be subject to immediate disciplinary action up to and including discharge.

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