

**GROWING
TOGETHER**

SUSTAINABILITY REPORT 2020

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LETTER FROM OUR CEO



This is our first published sustainability report. We recognize the need to be more transparent about our direction and goals. I hope you find this report to be a good start.

Our strategy is to build a company focused on sustainability. Our customers include cities, governments, utilities, and commercial/industrial facilities. These customers often operate under their own sustainability goals or regulatory-driven requirements.

In the late sixties, U.S. sustainability focused on water and air quality, followed by land pollution and toxins. We've seen progress. Today, we're addressing climate change, specifically CO₂ emissions.

We are building Willdan with a diverse and highly synergistic set of capabilities. Our goal is to facilitate a more efficient and rapid transition to clean energy by mitigating carbon emissions in buildings, transportation, and power production.

Willdan is growing organically, winning some of the largest energy efficiency programs in the U.S. We are also growing through acquisitions, adding specialties in energy efficiency, electric grid data analytics, industrial facilities, new construction, policy, and economics.

Our ability to grow depends on the diversity of our people's skills, backgrounds, and perspectives. The planet has proven diversity is directly proportional to stability. Our baseline laid out in this report shows areas where we need to improve. I wholeheartedly believe that increasing diversity in our company is a key component of our future success.

We are fortunate that Willdan employees care about sustainability. Our challenge is to create a culture that attracts, retains, and continuously cultivates curiosity and

innovation. We want all our employees to be proud of their role in building our future.

Producing this report, we were able to take stock of what data we already track and what we still need to gather. This is an important first step. We will continuously analyze our performance and develop achievable sustainability goals. Once we've established a baseline, appropriate goals, and an action plan to meet them, we'll report these publicly. We'll also provide a Sustainability Report each year with our latest data, goals, and progress.

We hope others can learn from this report, and we welcome your feedback as we continue to grow, innovate, and influence positive change.

Sincerely,

Thomas D. Brisbin
Chairman and Chief Executive Officer

OUR PURPOSE

We provide energy solutions, engineering, and consultation to help organizations evolve and thrive as natural resources and infrastructure change.

This Sustainability Report aligns with how we guide our company:

ENVIRONMENT



We act as environmental stewards and reduce carbon intensity

SOCIAL RESPONSIBILITY



We invest in our people and the communities where we live and work

GOVERNANCE



We lead by example, act ethically, and align shareholder and management goals



OUR BUSINESS

Headquartered in Anaheim, California, Willdan Group, Inc. (Nasdaq: WLDN) is an industry-leading energy solutions provider, engineering firm, and sustainability consultant. Our team specializes in energy engineering, renewable generation, electric vehicle infrastructure, policy advice, program management, microgrids, data analysis, software development, municipal engineering, financing for public agencies, and financial consulting services.

Sustainability has been at the core of Willdan's business for 56+ years. As resources and infrastructures continuously change, we help organizations and their communities evolve and thrive by providing a wide range of technical services for energy solutions and infrastructure.

GROWTH STRATEGY

Our growth strategy centers on organic expansion, complemented by strategic acquisitions. In 2018 and 2019, we made five acquisitions to capitalize on the transformation of energy infrastructure and markets:

- **The Weidt Group**, utility grid resiliency, energy modeling software, and new construction
- **Onsite Energy**, industrial energy management and load procurement
- **Energy & Environmental Economics**, energy and environmental policy consulting
- **Lime Energy**, direct install energy efficiency programs
- **Newcomb Anderson McCormick**, renewable energy and sustainability

OUR SERVICES

As a public company, Willdan's services are in two reporting segments: Energy, and Engineering and Consulting.

ENERGY

Our engineers, scientists, and technical professionals provide energy services, including:

- Audits
- Program Design
- Master Planning
- Demand Reduction
- Grid Optimization
- Benchmarking
- Design Engineering
- Turnkey Construction
- Advanced Software and Data Analytics

ENGINEERING AND CONSULTING

Our engineering services include transportation engineering and civil engineering projects, including mitigating environmental effects, and incorporating sustainable green street components. We provide:

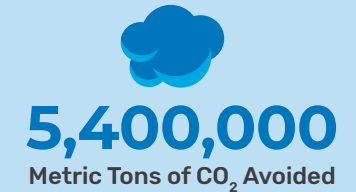
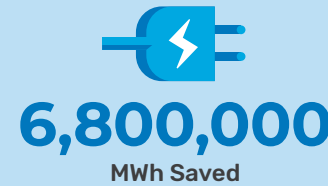
- City planning
- Building and safety
- Construction management
- Inspection
- City engineering
- Civil design
- Financial consulting services

OUR METRICS¹

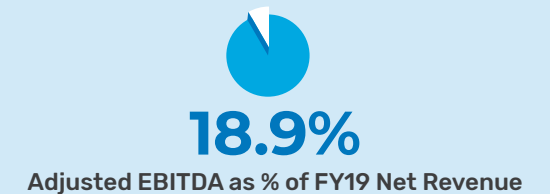
PRESENCE



CLIENT WORK



REVENUE



¹ Data is from FY19. Customers, MWh Saved, and Metric Tons of CO₂ Avoided are cumulative through the end of FY19.



OUR RECOGNITION

Innovation Award in Software for Willdan's NEO

2021 Air-Conditioning, Heating, Refrigerating Exposition (AHR Expo)



Energy Modeling Partnership for LEED Program

Green Business Certification Inc. (GBCI)



2020 APWA BEST Award for Storm Water Quality – Green Street Project with City of Lakewood

American Public Works Association



2019 Finalist for Change Agent of the Year

Smart Electric Power Alliance (SEPA) Power Players



Smart Cities Group R&D Chair

Institute of Electrical and Electronics Engineers (IEEE)



2019 Finalist - Global Energy Award in Grid Edge for Study with Tampa Electric Company

S&P Global Platts



2018 Best Customer Experience Award

Pepco and Delmarva Power



2018 Outstanding Practice Award

International Building Performance Simulation Association (IBPSA) - USA



2016 Grid Edge Award

Greentech Media (GTM) Research





OUR ENVIRONMENT

ENVIRONMENTAL STEWARDSHIP

Climate change mitigation is the core of our identity, and Willdan’s work tackles this essential global challenge every day. As an industry-leading energy solutions provider and sustainability consultant, we make significant contributions to local, state, and national environmental goals.

We help clients reduce carbon intensity to become cleaner, more sustainable organizations. This has led to energy-efficient upgrades at 100,000+ commercial buildings, schools, hospitals, and other public buildings. We provide planning and policy analysis for governments, regulators, and utilities, as well as innovative financing programs that bring the benefit of clean energy to underserved neighborhoods and disadvantaged customers. The next section of this report illustrates the work we do – and the difference it makes.

Willdan’s goal is to reduce our ecological footprint and our environmental impact, as we help our customers achieve their own sustainability goals. Our environmental policy was established in 2020, and we plan to adopt additional internal practices in 2021, reinforcing our environmental commitment in all that we do. The environmental policy outlines our commitment to ethical and socially responsible business practices that respect the environment:

- Increase our use of renewable energy and innovative low-carbon technologies
- Set and maintain environmental objectives and targets to reduce our overall greenhouse gas emissions and associated climate impact

- Communicate goals and practices to all stakeholders, conduct education and employee outreach, and build relationships to promote environmental sustainability
- Use key performance indicators to analyze our commitment and drive continuous improvement
- Reduce solid waste sent to landfills and maximize recycling, including paper and e-waste

Our consulting services have a low carbon intensity, as we do not manufacture or distribute products, making our environmental impact relatively small. Our main contributors to environmental impact are:

- Leased office space
- Business travel
- Technology
- Waste, primarily paper use

Willdan is committed to the relentless protection of our planet, and our efforts will continue to make this a priority. Our dedication to environmental sustainability in our own ecological footprint empowers us to lead by example for our partners and clients.

ENVIRONMENTAL GOALS

As we continue to manage our operational environmental impact, Willdan has committed to specific targets:

WASTE MANAGEMENT

Achieve 100% e-waste recycling and 100% office participation in reuse and recycling programs.

CARBON FOOTPRINT

Reduce real estate footprint as lease terms expire, lowering our facility costs by 25% on a per-capita basis by the end of 2025.

CUMULATIVE ENVIRONMENTAL METRICS

Our energy projects have helped saved 6,800,000 MWh, the equivalent of more than:





SAMPLE ENVIRONMENTAL PROJECTS



**Local Law 97 (LL97)
– Implementation
Action Plan for NYC
City Government
Operations**



50%
CO₂ Emissions Reduction
Expected by 2030

Develop an action plan for the City of New York government operations in response to LL97, which is among the most ambitious local climate laws in the U.S.

- Leverages our deep decarbonization climate pathways expertise
- Builds on decades of project implementation experience scaling energy efficiency in New York City
- Our professional engineers provide critical insight to reduce carbon emissions in building portfolio of 400+ million sf
- Develops a flexible, scalable approach for additional cities



**Los Angeles
Department of
Water & Power
Commercial Direct
Install Program**



2,682M
Gallons of Water Saved

Deliver clean energy benefits to small businesses and low-income communities for more than a decade.

- 50+ energy efficiency retrofits daily in hard-to-reach neighborhoods
- With a world-class Net Promoter Score, program is a model for municipal utilities.
 - 50,000+ surveyed customers had an improved opinion of the utility
- Employee Volunteer Program serves communities in need through local group partnerships, planting urban gardens, and supporting at-risk youth with mentoring and green job training



**Sacramento
Area Council of
Governments
Roseville Transit
Fleet Electrification**



40
Electric Fleet Vehicles in
New Infrastructure

Develop a business plan to evaluate the economics of transitioning to a zero-emission fleet and help the City procure pilot electric buses and chargers.

- Provided recommendations with contingencies for the technology of tomorrow, including charging strategy, load profile, and phasing options
- Addressed the entire fleet, including route modeling and vehicle selection:
 - 10 commuter routes to Sacramento
 - 11 fixed local routes
- Designed for a full buildout
 - Eight 150 kW chargers with three ports each



**Minnesota Energy
Design Assistance:
Xcel Energy,
CenterPoint Energy,
and Dakota Electric**



557M
kWh Saved since 1995

Provide business customers with energy expertise to encourage energy-efficient building design and new construction practices.

- Since 1995, the program has served 923 facilities
- Promotes high-performance building design for 20,000+ sf facilities through early energy-modeling simulation:
 - Real-time modeling allows project team to visualize the effects of more efficient choices
 - Willdan’s software, Net Energy Optimizer, maximizes saving with proposed energy-saving bundles



OCCUPATIONAL HEALTH AND SAFETY

We recognize the critical role that all Willdan employees play in sustaining a safe and compliant work environment, and we understand that Willdan leaders are responsible for the ongoing improvement of operational discipline and safety culture. Every Willdan employee and subcontractor is expected to apply this approach when performing all work activities.

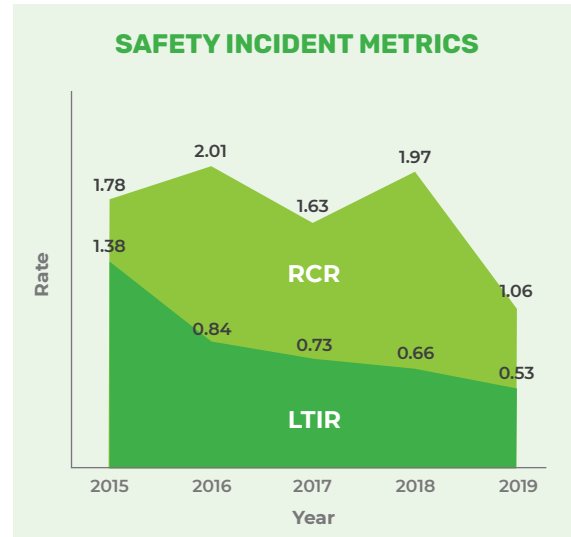
Our Health and Safety Council meets monthly, led by Mike Bieber, President, who was also appointed Director of Health and Safety. Our Health and Safety program is designed to address the hazards associated with our business and to prevent workplace injuries and illness.



Willdan launched a nationwide Safety Council that introduced training courses, gear, and posters that greatly improved safety rates. Pictured: energy engineer Koketso Makhafola shows his Willdan safety gear on-site in Texas.

We track and report all safety incidents. A snapshot of our safety incident metrics for 2015–2019 is provided. For context, lost-time injuries are those occurring in the workplace and resulting in an employee’s inability to work the next full workday.

The lost-time incident rate (LTIR) is the number of lost-time injuries that occurred in a given period, relative to the total number of hours worked in the same period. A recordable case rate (RCR) describes the number of employees per 100 full-time employees that have been involved in an OSHA-recordable injury or illness.



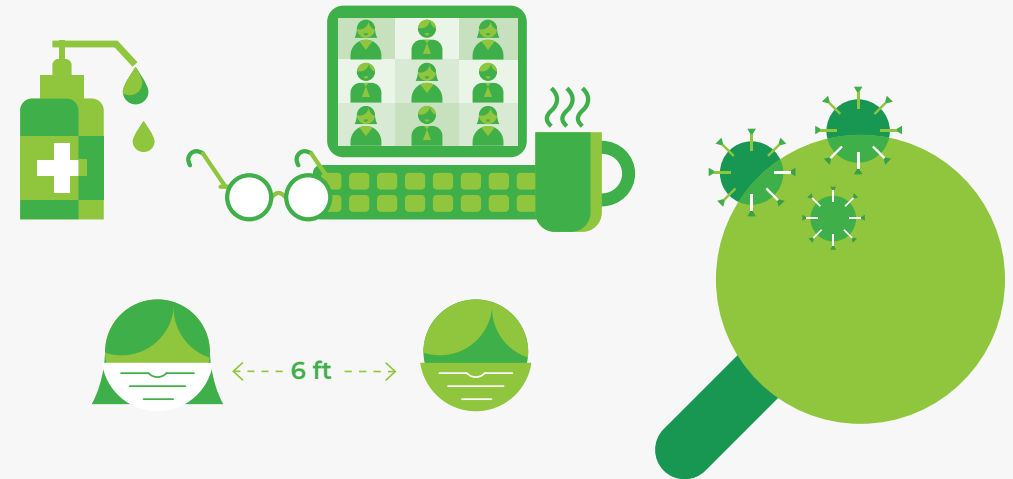
COVID-19 RESPONSE

Our first sustainability report is being produced in the shadow of the COVID-19 pandemic, a challenging time that has greatly affected Willdan and our stakeholders. Our Board has provided active oversight of Willdan’s COVID-19 response, focusing on safe work environments for employees and subcontractors, supply chain needs, and other business and financial impacts of the pandemic.

In May, we established a COVID-19 Response Policy to help mitigate the specific ways that the escalating public health crisis affected work environments and client priorities.

As public health conditions and resulting restrictions evolve, we continue to revise and update our response policy, adopting precautionary measures to further minimize employee risk of COVID-19. We continue to require most employees to work remotely, restrict business travel to essential only, and limit in-person meetings.

We may take further actions, as required or recommended by government authorities, or whenever deemed in the best interest of our employees, clients, business partners, subcontractors, and third-party service providers.



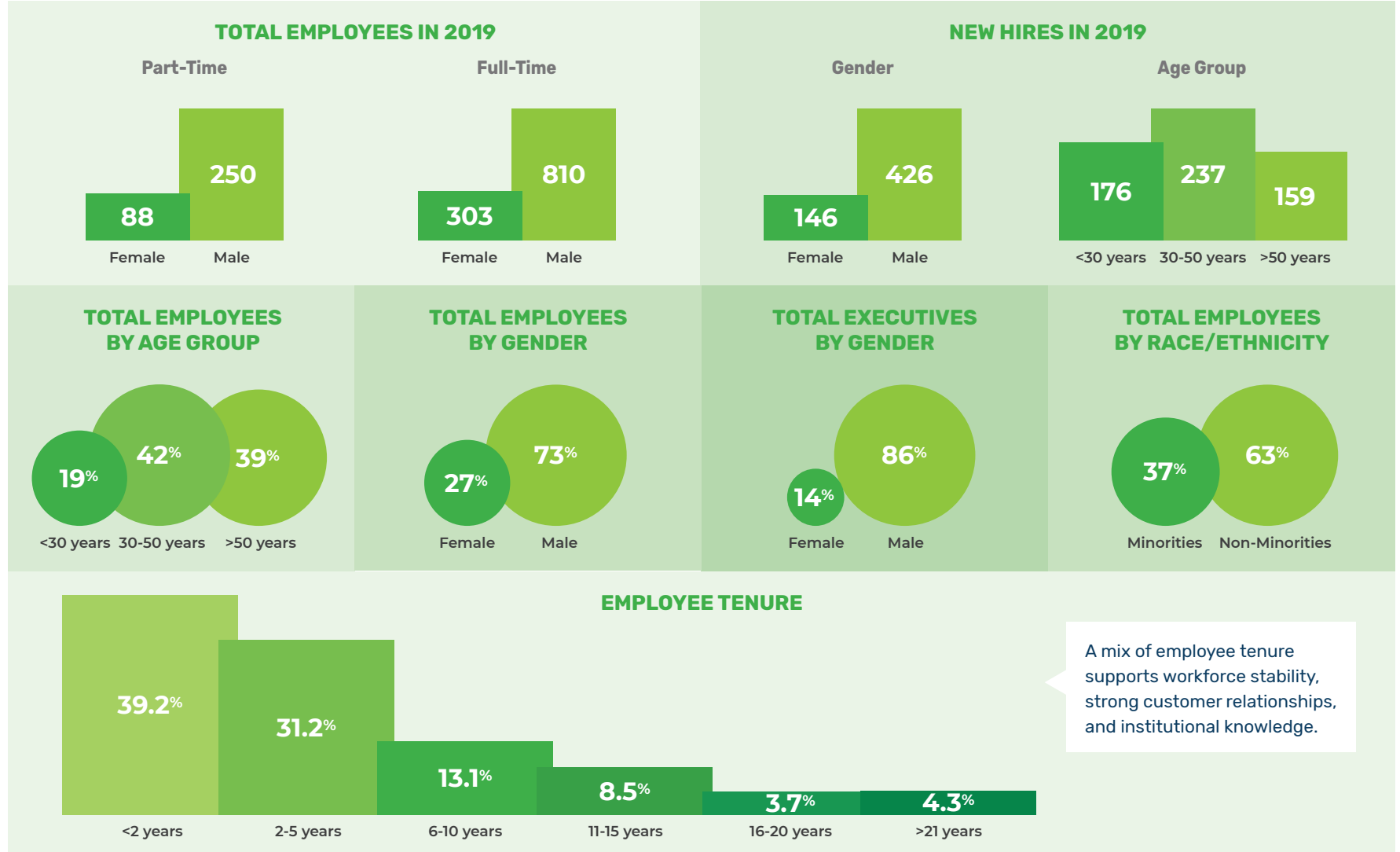


OUR PEOPLE

EMPLOYEE TRAINING AND DEVELOPMENT

Willdan develops current and future leaders by encouraging employees' professional development across multiple dimensions:

- **Quarterly three-day leadership training conference** unites employees from different regions, levels, and disciplines for workshops to develop community, connection, and leadership skills
- **Continuing education** with tuition reimbursement for advanced degrees and support certification programs
- **Sponsorship** for professional organizations, affiliations, boards, and committees
- **Bonuses and incentives** for employees who present at industry conferences
- **Training** for high-risk roles and periodic training for all employees on critical topics, such as prevention of discrimination
- **Competitive benefits**, including a comprehensive suite of benefits and related programs to promote employees' health, wellness, and financial security





DIVERSITY, EQUITY, AND INCLUSION

Willdan's success depends on creating and maintaining a qualified, diverse company. As our people represent an ever-broader diversity of gender, age, race, cultural background, language, sexual orientation, ability, and national origin, Willdan becomes an ever-stronger company.

Our vision is to create a culture of acceptance and individuality, where all employees feel respected, included, and encouraged to bring their unique perspectives, ideas, and skills to work each day.

In 2020, we established Willdan's Diversity, Equity, and Inclusion (DEI) Working Group and identified goals and objectives to:

- Conduct a multi-pronged analysis of employee recruitment, development, engagement, and community outreach
- Track key performance indicators and progress toward DEI objectives

We strive to attract and retain professionals with the diverse expertise our clients and teams require to solve complex challenges, as energy and infrastructure transform and expand. Our goal is for our staff, suppliers, and subcontractors to accurately reflect the communities where we live and work.

To bring more diverse and talented people to our team, Willdan partners with professional organizations that represent and support diverse applicants. We seek out and hire minority-owned subcontractors on our projects and regularly use minority-owned suppliers. These partnerships offer economic opportunity to local, minority-owned, and disadvantaged business enterprises.

We can better serve all communities by using contracting teams that mirror the culture and demographics of the communities where we work.

Building diverse teams ensures employees bring their unique perspectives, innovative ideas, and best skills to work.





COMMUNITY INVOLVEMENT AND ENGAGEMENT

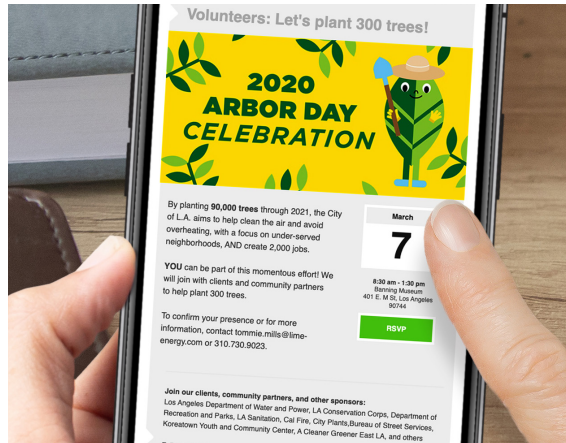
We engage with and invest in our local communities so that clients are proud to hire us, employees are proud to work for us, and communities are proud to welcome us. We strive to create shared value through societal investment that is aligned with our core values. To draw awareness to our sustainability initiatives, Willdan annually provides volunteers, valuable education, fundraising, and charitable gifts. We invite all our employees to actively contribute by suggesting volunteer causes and activities for participation.

We are proud to have a history of community involvement, from our work with community-based organizations to our classroom education and technical trainings.

COMMUNITY-BASED ORGANIZATIONS

Willdan has been training and developing community-based organizations (CBOs) since 2013 to raise the equity of participation in utility energy efficiency offerings. Each CBO is a trusted local voice within its community, providing a unique ability to reach customers. Our CBO partnerships offer benefits to all parties.

CBOs receive training on energy efficiency, environmental awareness, and sustainability offerings. These jobs are often entry-level, in-field positions where employees receive basic training, customer communication, and computer skills, as well as extensive training on efficiency measure identification.



National Arbor Day email campaign

For Willdan and our utility clients, our CBO work increases uptake in programs, accelerating energy savings and carbon reduction.

Willdan employees volunteer and participate in several CBO-led events annually, including tree plantings and neighborhood clean-ups. These activities build sustainability enthusiasm with the CBO and Willdan teams.

SUPPLIER CODE OF CONDUCT

At Willdan, we hold our suppliers to the same level of accountability to which we hold ourselves. We seek to engage with suppliers that abide by socially responsible business practices, and we partner with minority suppliers who have the skill sets and supply the materials needed to support our business. By supporting minority suppliers, we increase local opportunities, economic growth, and supplier competitiveness in the communities where we work.

We believe this encourages competitive markets and delivers our clients the best services at more economical rates.



Con Edison recognized Willdan with its Supplier Diversity Award for our support of small, disadvantaged subconsultants.

HUMAN RIGHTS

Willdan is committed to providing a work environment that is safe and free from unlawful discrimination and harassment in any form.

Our Human Rights Policy applies to all Willdan employees, contractors, subcontractors, vendors, suppliers, and partners, as well as all stakeholders with whom we conduct business. We do not tolerate discrimination by reason of race, color, religion, national origin or ancestry, ethnicity, gender, gender identity, age, marital status, sexual orientation, status as a qualified individual with a disability, status as a disabled or protected veteran, union affiliation, genetic information, sex, creed, citizenship status, or any other factor prohibited by law.

UPHOLDING HUMAN RIGHTS

In service to our nationwide community, we uphold individual human rights across all Willdan operations. We provide reasonable working hours and fair wages for all who work on our behalf.

HARASSMENT AND DISCRIMINATION

Willdan is guided by the principles of equal opportunities for all and respect for others. It is our policy and practice to maintain and foster a work environment where all employees are treated with decency and respect. Our company policy does not tolerate any forms of harassment or discrimination.

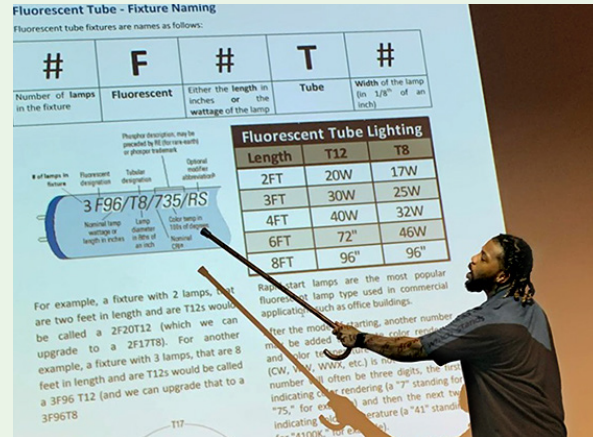
Our policy also prohibits retaliation against anyone filing a complaint or alleging a violation. Any employee or other party who violates this policy is subject to appropriate discipline, including, but not limited to, disclosure to government officials as required by law or contract, and immediate termination.

Every allegation of unlawful discriminatory or harassing conduct toward any employee, client, contractor, or other person in our workplace or worksites is thoroughly investigated, and Willdan's disciplinary policy is vigorously enforced. Willdan is also strongly committed to non-discrimination in recruitment, hiring, job assignment, advancement, remuneration, training, and benefits.



COMMUNITY INVOLVEMENT AND EMPLOYEE VOLUNTEERISM

At Willdan, we measure our success by the positive impact we make in our local communities. We support several organizations through education, volunteering, fundraising, and charitable donations.



As a corporate sponsor of Engineers Without Borders for City College of New York, Clayton Gregory instructs and mentors students to provide no-cost energy audits for a Harlem health non-profit.



For eight consecutive years, Willdan's Ventura, CA team and friends have reveled in the grueling Camp Pendleton Mud Run.



One of Willdan's largest civil engineering projects was the design of L.A. River channel for U.S. Army Corps of Engineers. Here, employees and their families climb down the L.A. River bank to join the annual Earth Week cleanup.



Making a career in engineering exciting and attainable, Nicolle Spann is one of our junior engineers who took Engineers Week to L.A. area students in grades 3-5.



Dominic Molinari participates in a village water committee meeting in Fiji in support of an Engineers Without Borders clean water project.




Employees in Temecula, CA supported local charities, earned points in Willdan's employee wellness program, and had a blast running the Color in Motion 5K.



OUR GOVERNANCE

CORPORATE GOVERNANCE

At Willdan, strong and effective corporate governance is the foundation of a well-run, sustainable business. Our corporate governance practices set clear expectations and responsibilities for leaders, employees, and partners to create long-term, competitive returns for shareholders and lasting value for all stakeholders. Our most recent proxy, available at <https://ir.willdangroup.com/> , includes information about our corporate governance, directors, and executive compensation.

WILLDAN COMMITMENT

Willdan is committed to doing the right thing: conducting business in a legal, ethical, and trustworthy manner; strictly upholding our regulatory obligations everywhere we operate; and complying with both the letter and spirit of our business policies and values. We are committed to accountability for our actions and goals.

With our commitment to corporate governance principles, we have adopted, among other measures, a Corporate Governance Guidelines and Board Charter, as well as charters for the committees of the Board of Directors (“Board”). These governance measures promote effective functioning of our Board and its committees, protecting Willdan’s interests as a whole.

The measures articulate shared expectations for how the Board, its committees, and company management should perform their respective functions.

SOUND PRINCIPLES OF CORPORATE GOVERNANCE

- Directors are elected individually
- Majority voting policy for election of our directors
- Lead Independent Director serves on the Board of Directors
- Annual Board of Directors and committee evaluation processes
- Robust risk management program related to compensation
- Board of Directors’ risk oversight
- Regular executive sessions involving only independent directors

Annually, the Board works with Willdan’s senior management team on a detailed, multi-year strategic plan, reviewing goal progress each quarter. The Board also oversees our senior management team, which is responsible for managing environmental and social risks and opportunities, as well as succession plans for key executives.

The Board is led by our Chairman and CEO. Our Board’s directors are independent under NASDAQ and Willdan independence standards, except for our CEO.

As the director most familiar with our business and industry, we believe our CEO is best suited to serve as Chairman of our Board. Our CEO works in collaboration with our Lead Independent Director, who is appointed biannually by the Board.

At any time, shareholders and other interested parties may communicate by writing with the Board of Directors generally, with the non-employee directors as a group, or with a specific director. This communication may be sent in care of Willdan’s Secretary at our corporate office.

THE BOARD

Willdan is managed under the direction of the Board, which is currently composed of eight directors. The Board has determined seven directors are independent under the rules of the listing standards for the Nasdaq Global Market and the Securities Exchange Act of 1934, as amended. As a publicly traded company, we are required to follow the Sarbanes-Oxley Act (SOX) of 2002.

BOARD DIVERSITY

Willdan has been actively seeking greater diversity in the composition of our Board of Directors. This effort is meeting its goals, allowing Willdan to meet the requirement for publicly traded corporations headquartered in California to appoint directors from underrepresented communities to their boards by the end of 2021.

BOARD GENDER COMPOSITION

Female	Male
1	7

The Board has regularly scheduled quarterly meetings, with four standing committees governed by written charters:

- The Audit Committee
- The Compensation Committee
- The Nominating and Governance Committee
- The Strategy, Mergers, and Acquisitions Committee

In addition to the regularly scheduled quarterly meetings, the Board and committees hold additional meetings, as needed, including executive sessions of non-management directors.

Our Nominating and Governance Committee recognizes the benefits associated with a diverse group of directors and reviews diversity considerations when identifying candidates. The Nominating and Governance Committee and the Board seek a broad range of perspectives, considering both the personal characteristics and experience of prospective nominees, to equip the Board with the appropriate skills and expertise to oversee Willdan.



Copies of our Corporate Governance Documents and Board Charter, Charters for the Board’s four Committees, and our Code of Ethical Conduct are available at <https://ir.willdangroup.com/>

MEETINGS HELD IN 2019-2020

Number	Type of Meeting
5	Audit Committee
8	Compensation Committee
5	Nominating & Corporate Governance
6	Board of Directors Meetings
4	Strategy and M&A Committee

SHAREHOLDER OUTREACH

We value our shareholders’ opinions about our governance policies and practices, and we actively solicit input through our shareholder engagement program. Before the Annual Meeting, we proactively contact our largest institutional shareholders, representing a majority of our then-outstanding shares, to solicit opinions on Willdan’s corporate governance and executive compensation programs. We welcome the feedback provided in this active and ongoing shareholder engagement.

Our shareholder and investor outreach include investor road shows, analyst meetings, and investor conferences; recently these programs have been held virtually.

Through these efforts, our CEO, President, Chief Financial Officer, and other members of senior management regularly engage with investors to discuss strategy, financial, and business performance, and to provide investors updates on key developments.

We also communicate with shareholders and other interested parties through various media, including our annual and quarterly reports, proxy statement and other SEC securities filings, press releases, and our website. Our conference calls for quarterly earnings releases and major corporate developments are open to everyone. These calls are available in real time and are also archived as webcasts on our website.

PRIVACY AND DATA PROTECTION

We understand our responsibility to protect the personal data we collect and manage from our workforce, suppliers, customers, and other stakeholders. Given the ever-increasing role of technology in our work with utilities and their customers, Willdan has implemented procedures to comply with General Data Protection Regulation (GDPR) standards and all applicable data privacy laws.

All employees at Willdan participate in this commitment and have completed mandatory training on GDPR, Privacy, and Security Awareness. Team members and suppliers must understand all internal procedures and comply with the GDPR statement of Data Privacy Agreement in our Code of Business Conduct and Supplier Code of Conduct. This document is mandatory for all our workforce solution suppliers.

In early 2020, Willdan implemented the basic components of compliance with California Consumer

Privacy Act of 2018. We are currently developing a more comprehensive plan addressing CCPA and new revisions (“CPRA” or “CCPA 2.0”). Willdan will take a similar approach to GDPR and similar regulations when implemented in other states.

ISO 27001 CERTIFICATION

In 2020, Willdan completed an ISO/IEC 27001:2013 certification process and is now certified for its corporate IT and SMART operations.

Approximately 65% of Willdan’s worker applications use SaaS. Similar to Willdan worker applications, approximately 65% of IaaS and PaaS are via the public cloud. The IT Risk and Compliance team has implemented an Information Security Policy to confirm the highest security standards of Willdan’s network and compliance with applicable laws and regulations. The team also analyzes and communicates any changes in the regulatory environment, such as the California Consumer Privacy Act, that may impose additional compliance requirements for the collection, use, processing, transfer, disclosure, and retention of personal information.

To protect against cyberthreats, we use a multi-layered strategy combining comprehensive governance structure; a robust cyber training and awareness program; and world-class technologies, products, and processes.

CODE OF ETHICAL CONDUCT

Willdan has adopted a Code of Ethical Conduct for our directors, officers, and employees, reflecting our belief

that ethical conduct is essential to Willdan’s success. Willdan has a zero-tolerance policy for retaliation or retribution against any person who reports a suspected violation of this Code, or against any person who participates in the investigation of a Code of Ethical Conduct violation. Reporting of suspected violation of this Code is done through our website.

Employee handbook and ethics training courses ensure understanding of individual rights and responsibilities. Our legal and ethical compliance program includes the Corporate Governance Hotline.

POLITICAL CONTRIBUTIONS

Willdan supports employees participating in the political process on their own time and in compliance with local laws. These activities are subject to U.S. rules and global regulations. For this reason, Willdan funds, assets, services, time, equipment, or facilities may not be contributed, either directly or indirectly, to any politician, candidate for political office, political party, political action committee, or political cause, without the prior approval of Willdan’s CEO.



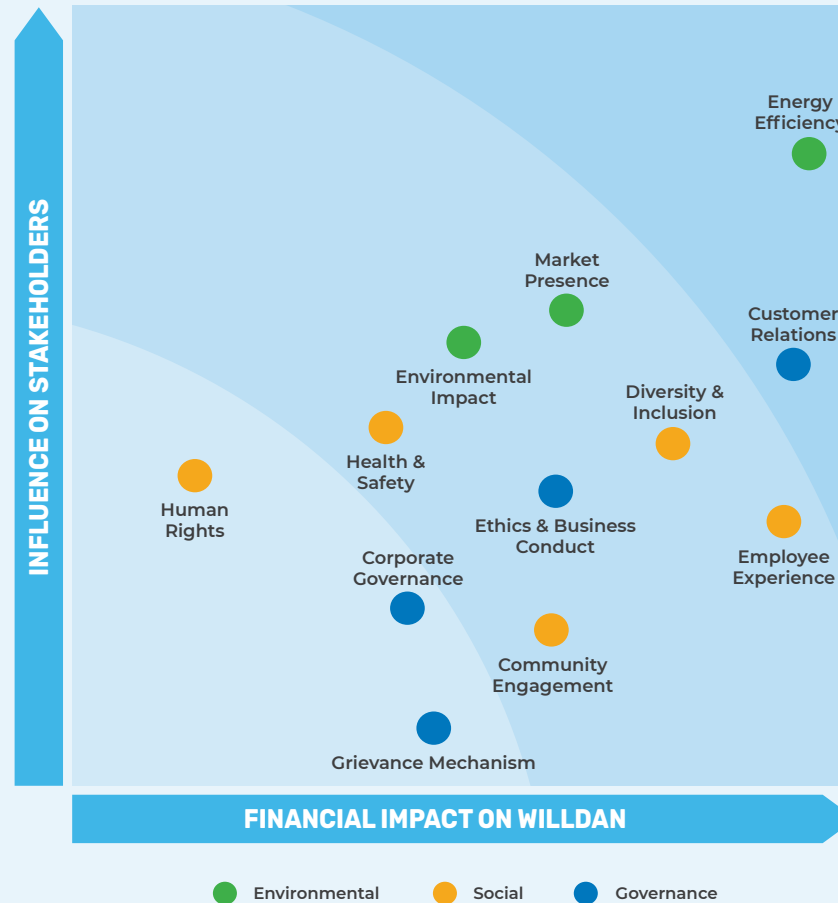
OUR REPORT

MATERIALITY ASSESSMENT

Our materiality assessment determined and prioritized the specific topics that define our unique relationship and approach to sustainability. Our assessment helped to leverage the dialogue in a two-way engagement process with both internal and external stakeholders. We analyzed sustainability topics to understand the stakeholder’s concern, severity of impact on stakeholders and risk associated with our business.

The sustainability issues rated the highest priority were prioritized based on their significance (severity of impact) to our stakeholders as well as their level of impact on our business strategy. This final relationship between Willdan and the specific areas of sustainability which are important (material) to our business are visually represented in the grid to the right. Our materiality assessment process will help us establish how we may respond to address these issues in the short, medium, and long term.

Organizations referenced to determine materiality topics include:



STAKEHOLDER ENGAGEMENT

Our stakeholder relations activity takes place using formal and informal feedback opportunities throughout the year. It may be associated with critical business activities, such as proposal and contract approval processes, or through community or business events and presentations. We actively consult our stakeholders on a continuous and ongoing basis through meetings, conferences, community events, and public hearings. We also seek or receive feedback through inquiries from members of our stakeholder communities.

STAKEHOLDER GROUPS OF WILLDAN

- Municipalities
- Local Communities
- Non-Government Organizations
- Employees
- Customers
- Shareholders
- Investors

Examples of how we approach, incorporate, and engage stakeholder interests and address concerns about our activities can be found in the Sample Environmental Projects and Our People sections of this report, as well as on our website.

In response to increased stakeholder awareness in Environmental, Social, and Governance (ESG) issues, Willdan leadership assessed company priorities. Subsequently, ESG priorities were validated through a survey of the executive management team. Identifying an initial list of ESG topics, these were further prioritized to refine Willdan’s sustainability reporting approach.



ABOUT THIS REPORT

Our initial sustainability report formalizes our ESG practices. Considering our nationwide operations, this report's scope focuses on our internal operations, extending to our supply chain, business partners, and our communities who both support and benefit from our services. We are in the process of aligning our reporting standards on sustainability and establishing our 2025 and 2030 sustainable development goals. We are targeting to update our Sustainability Report annually.

All data has been collected by Willdan employees. The data has been revised, with estimations clearly denominated. Any assumptions in the description have been specified in the content or throughout this report. The report presents the results of our sustainability efforts to-date. We accept the responsibility presented, including the main challenges and drawbacks we must overcome in order to ensure the quality of information presented. We continue to work on improving our data gathering, especially from business partners and clients.

FORWARD LOOKING STATEMENTS

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSES OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

All written and oral forward-looking statements attributable to Willdan, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements and risk factors disclosed from time to time in Willdan's reports filed with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K filed for the year ended December 27, 2019, as such disclosures may be amended, supplemented or superseded from time to time by other reports Willdan files with the Securities and Exchange Commission, including subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. Willdan cautions investors not to place undue reliance on the forward-looking statements contained in this report. Willdan disclaims any obligation to, and does not undertake to, update or revise any forward-looking statements in this report unless required by law.

ANY CONCERNS OR FEEDBACK?

If you have any questions or would like further information about our latest work in sustainability, please contact:

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