



CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY REPORT



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ORION GOUP HOLDINGS, INC.'S CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY REPORT

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LETTER TO OUR STAKEHOLDERS

As of the date of this writing, we are confronting the perils of the COVID-19 pandemic. The Company is fortunate to be an essential business and to be able to safely keep working during these unprecedented times; however, it is not business as usual. We will be vigilant and focused on our projects while the safety of our employees remains of utmost importance to our organization. Amid this extraordinary health crisis, our Company continues to demonstrate its exceptional commitment to safety, workmanship and productivity and, most importantly, integrity. By working together, we can ensure that we will weather this crisis and emerge smarter and stronger thanks to the extraordinary efforts by our employees and leadership team.

Being both a safe, responsible and ethical specialty contractor and being mindful of our customers, vendors, subcontractors, neighbors and communities, are critical to our ability to run efficiently and create long-term value for our stockholders. This Corporate Social Responsibility & Sustainability Report outlines the disciplined approach we take in all aspects of our business. We know that our stakeholders are particularly attuned to environmental, social, and governance issues, often referred to as “ESG.” This report is organized around these three concepts. This helps us prioritize and communicate our sustainability, even as we share perspectives on a diverse range of topics.

Our stakeholders (from stockholders and employees, to customers, vendors, subcontractors, and regulatory agencies) want assurance that Orion Group Holdings will be profitable, will safeguard our and their workforces, will work to reduce our operational impacts on the environment, and will contribute to the communities where we live and work. We are dedicated to meeting and exceeding these expectations as a responsible, responsive and successful specialty contractor. By living our values to collaborate, by taking ownership of and delivering results, we believe we are securing our future with strong operational, financial and nonfinancial performance through a business strategy guided by sustainability. Our employees care deeply about our communities and our business depends on attracting and retaining the industry’s best and brightest. Our employees foster a workplace that values diversity and inclusiveness and they follow ethical business practices. The people of Orion are showcasing a sustainability mindset in our work with customers, vendors, and subcontractors and in how we operate our business.

Through these efforts, no element of sustainment is more important than good governance, and over the years, our Board has maintained a commitment to good governance practices. We have made significant progress against key benchmarks that our investors have indicated are important to them. Some of these include overboarding, prohibition against hedging our stock, audit committee oversight, human capital management, the annual “say-on-pay” advisory vote, the annual “say-on-pay” frequency vote, a robust board refreshment including diversity, and a long-term commitment and focus on sustainability tied to our business strategy.

Perhaps one of the most important governance exercises we undertake is ensuring that our Board is comprised of high-integrity, highly capable directors, equipped to oversee the business and represent the interests of stockholders. We are proud of our Board. It is a well-functioning group of directors who possess the right mix of perspectives, skills and experiences to work closely with management to help this business succeed well into the future.



These are some of the ways we continue to embrace our commitment and responsibility to sustainability. Thank you for taking the time to review this Corporate Social Responsibility & Sustainability Report.

In closing, I must say that I am proud of the many accomplishments of our Board in working with management toward sustainment of our common goal of long-term value creation for our stockholders.

Mark R. Stauffer, President and CEO

I. OVERVIEW

PURPOSE

Orion Group Holdings, Inc. is pleased to present its Corporate Social Responsibility & Sustainability Report. The purpose of this report is to outline how we are managing our environmental, social, and governance affairs through an effective Corporate Social Responsibility and Sustainability Program and that such a program is possible without diminishing the opportunities we have to achieve appropriate and sustained levels of profitability.

COMPANY OVERVIEW

Orion Group Holdings, Inc., a leading specialty construction company serving the infrastructure, industrial and building sectors, provides services both on and off the water in the continental United States, Alaska, Canada and the Caribbean Basin through its marine segment and its concrete segment. The Company's marine segment provides construction and dredging services relating to marine transportation facility construction; marine pipeline construction; marine environmental structures; dredging of waterways, channels and ports; environmental dredging; design; and specialty services. Its concrete segment provides turnkey concrete construction services including pour and finish, dirt work, layout, forming, rebar, and mesh across the light commercial, structural and associated business areas. The Company is headquartered in Houston, Texas with regional offices throughout its operating areas.

As a company, we are committed to sustainability throughout our operations and throughout our corporate functions and we advance initiatives that support a more sustainable world. We do business in a way that meets the needs of the present while contributing to an environmentally, socially, and economically sustainable future.

II. SUSTAINABILITY

We understand that the continued growth and success of Orion revolves around a commitment from all employees to support our guiding beliefs and core values that are centered on Quality, Safety and Production (each of equal weight and importance), and most importantly, with each built and sustained upon the all-important foundation of Integrity. Specifically, our guiding beliefs are:

QUALITY – We take pride in our personal workmanship and that of the entire organization; we are committed to ensuring each task is properly performed the first time; and we will continuously improve upon everything we do, every day.

PRODUCTION – We are committed to performing assigned tasks in the most efficient, timely and cost-effective manner; we expect employees to safeguard the Company's assets; to always act in the best interest of the Company; and to achieve appropriate and sustained levels of profitability.

SAFETY – We are responsible and accountable for our own personal safety; we are equally responsible for the safety of all our co-workers and any others we come into contact with; and each of us is authorized to and obligated to stop work whenever an

unsafe condition, or situation is observed. Safety not only serves as a core value, but it is an essential and perpetual goal for the best interests of our employees and customers alike.

INTEGRITY – The foundation of our success rests upon integrity; we view integrity as our ability to be honest, ethical, sincere and forthright in our dealings with others; we will apply the foundation of integrity in everything we do; and when the Company makes a commitment, that commitment must be kept.

In fulfilling the above beliefs, we take responsibility for the impacts of our internal and customer operations by:

- ❖ Committing to ethical business behavior.
- ❖ Choosing approaches that are least likely to impact the environment.
- ❖ Providing an inclusive, respectful and rewarding workplace for our employees.
- ❖ Actively volunteering in our communities and donating to charities.
- ❖ Maximizing air and water quality improvement opportunities.
- ❖ Engineering and constructing sustainable infrastructures.
- ❖ Positioning communities to be resilient so they can withstand and recover rapidly from disruptions.
- ❖ Improving human rights conditions and responsible sourcing practices.
- ❖ Assisting customers, vendors and subcontractors in developing environmental, social, and governance goals and programs.

Effectively addressing environmental, social, and governance (ESG) concerns is good business — and the right thing to do. We take our commitment to sustainability seriously and are proud to operate our company in a sustainable manner.

SUSTAINABILITY IN OUR INDUSTRY

As a leading specialty construction company serving the infrastructure, industrial and building sectors, Orion falls within the ESG Sector Risk Atlas industries (source *S&P Global Ratings, June 3, 2019*). Orion is most closely aligned with the “Engineering and Construction Industry,” with cement industry risks being an important subgroup.

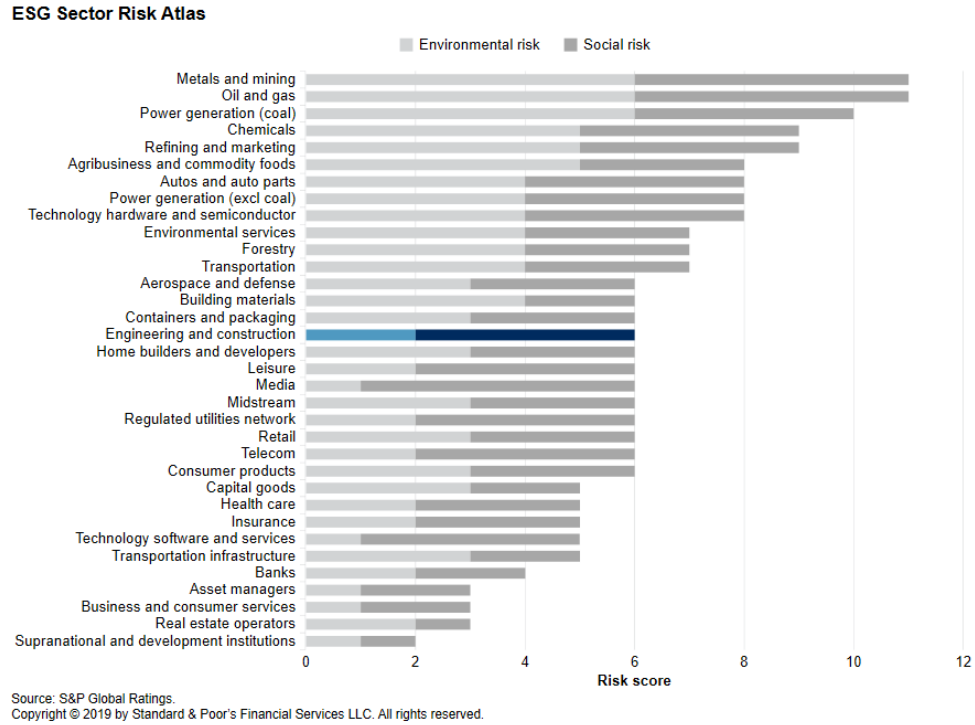
The following excerpts and graph from the *S&P Global Ratings, 3 June 2019* provide a reasonable bench mark against which Orion’s own ESG efforts can be compared:

The ESG Risk Atlas

Jun. 03, 2019 — To calibrate the relative ranking of sectors, we use our environmental, social, and governance (ESG) Risk Atlas (see “The ESG Risk Atlas: Sector And Regional Rationales And Scores,” published May 13, 2019). The Risk Atlas provides a relative ranking of industries in terms of exposure to environmental and social risks (and opportunities). The sector risk atlas charts (shown below) combine each sector’s exposure to environmental and social risks, scoring it on a scale of 1 to 6. A score closer to 1 represents a relatively low exposure, while 6 indicates a high sector-wide exposure.

Source: S&P Global Ratings, June 3, 2019

Source: S&P Global Ratings, June 3, 2019



The Risk Atlas goes on to state in respect of Engineering & Construction Companies (E&C):

Governance Exposure

The construction industry has an above-average exposure to governance issues, in our view. The inherent complexity of projects exposes companies to contingent liabilities, and litigation risks grow in tandem with challenges to complete a project profitably and on time. These challenges include client cancellations and delays, change orders, and subcontractor risk. Among our rated companies, litigation is more common in emerging countries, where the legal framework is usually weaker; however, developed countries have similar but less pronounced risks.

The sector is also exposed to bribery, corruption, and anticompetitive practices because of the magnitude of the contracts and the competitive process necessary to secure contracts with both private and public clients. Ethical breaches typically result in investigations by public authorities; and large fines, settlement costs, and reputational damage can affect financial performance.

Furthermore, complex groups with a presence in high-risk countries can face limits on the ability to move cash flow within the group, thus limiting the potential benefit of project and geographic diversification. Transparency related to advance payments and working capital swings is another key area of our governance focus.

Source: S&P Global Ratings, June 3, 2019

Source: S&P Global Ratings, June 3, 2019

Social Exposure

Social factors represent significant risk in the E&C sector, because the industry is labor-intensive and safety management is key to project execution.

The ability to find and keep skilled labor, including at subcontractors, and particularly at expected cost levels, directly affects the profitability of construction projects. In addition, given the exposure to unions in some regions, E&C companies can face strikes, which increase the cost and time to complete projects.

Safety management is another key risk, given the use of large and dangerous equipment. Companies in the sector track and manage incidents and typically have specific programs to educate their workforces. Community opposition to construction projects can also cause significant delays. Similarly, regulation and compliance requirements could become tougher for contractors, which could result in higher costs.

Environmental Exposure

We consider environmental risk as limited, as E&C companies are contractors executing projects on behalf of asset or project owners, where the residual environmental liabilities reside. However, for companies that have exposure to end markets such as oil and gas or mining, we consider the company risk higher than average. We see risks weighted toward the exposure to increasing climate change as well as biodiversity and land use. Extreme weather can cause major delays and project-cost overruns, even if E&C companies factor in some level of weather-related delays to complete construction projects.

Risk of remediation for biodiversity or restitution for incorrect land use is usually low for the construction of high-rise buildings but can be more relevant for the construction of civil projects and industrial projects.

SUSTAINABILITY AT ORION

As previously stated, Orion is a leading specialty construction company serving the infrastructure, industrial and building sectors and provides services both on and off the water in the continental United States, Alaska, Canada and the Caribbean Basin through its marine segment and its concrete segment. The Company's marine segment provides construction and dredging services relating to marine transportation facility construction; marine pipeline construction; marine environmental structures; dredging of waterways, channels and ports; environmental dredging, design, and specialty services. Its concrete segment provides turnkey concrete construction services including pour and finish, dirt work, layout, forming, rebar, and mesh across the light commercial, structural and associated business areas.

In the second half of 2019, we achieved our business objective of returning to profitability-while retaining our focus on sustainability. Recently, we established a management sustainability committee to provide strategic leadership and guidance on internal sustainability. The committee, initially chaired by our chief compliance and administrative officer, comprises senior executives that set and achieve our sustainability goals.

III. ORION GOVERNANCE

CORPORATE GOVERNANCE AT ORION

Corporate governance is more than a mechanism to administer corporate activities. Corporate governance has shifted from its traditional function into one that proactively addresses the array of factors affecting our company's financial performance both today and tomorrow. Noting past successes, recognizing current challenges, and anticipating prevailing future forces, our experienced Board of Directors has helped navigate the tumultuous waters of the marketplace. Relevant and mature experience coupled with competent leadership prevails as Orion's Board of Directors has evolved to better identify and integrate our improvement efforts. The Board's prominent role has expanded in its diversity as well as adopting sustainability as a competitive advantage. Its efforts to better diversify its composition also reflect our leadership's ability to adapt and progress. Thoughtful innovation, engagement and transparency will serve as our company's framework for sustainable practices staging the Company for long-term value.

Given the realities of our industry, as described above, Orion has prioritized its sustainment efforts to emphasize a focus on its highest risk sustainment elements of social, safety, and governance.

ORION'S GOVERNANCE GUIDELINES

We conduct our business under the direction of our Board. Members of the Board devote the time, energy, and attention necessary to ensure diligent performance of their duties. The Board has adopted corporate governance practices designed to aid the Board and management in the fulfillment of their respective duties and responsibilities to our stockholders.

Our Corporate Governance Guidelines, first adopted by the Board in 2007, together with our Certificate of Incorporation, Bylaws, and Board committee charters form the framework for the governance of the Company. These Guidelines set forth the practices the Board follows in making decisions regarding board composition and selection, the frequency of Board meetings, involvement of senior management in Board meetings, Chief Executive Officer performance evaluation and succession planning, compensation, and Board committees.

ORION'S CODE OF BUSINESS CONDUCT AND ETHICS

The Company maintains a Code of Business Conduct and Ethics as the cornerstone of its compliance and aspirational conduct. It addresses all the areas of concern and helps ensure that we always act in accordance with the highest levels of integrity. We train employees in the requirements of this Code and obtain annual certifications from employees regarding any known infractions. A copy of this Code is posted to our website.

ORION'S FINANCIAL CODE OF ETHICS

The Company has adopted a financial code of ethics that applies to its senior accounting and financial officers, including the Chief Executive Officer and Chief Financial Officer, as required by the rules of the SEC and Rule 406 of the Sarbanes-Oxley Act of 2002. The Code of Ethics, as well as other governance documents, is available as described below under "Website Availability of Governance Documents." Any changes in, or waivers to, the Code of Ethics for the Company's directors, executive officers, and certain senior financial officers are posted on the Company's

website within five business days and maintained for at least twelve months. A copy of this Code is posted on our website.

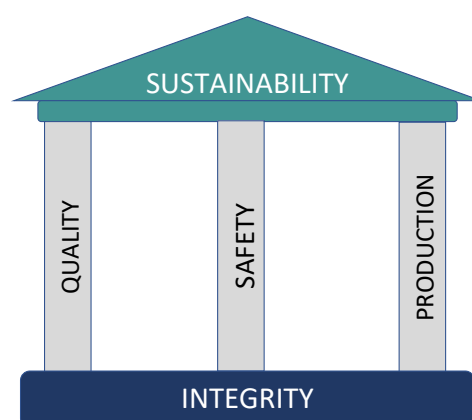
GUIDING BELIEFS

The Company's guiding principles it uses to conduct its business is based on four core values: integrity, quality, safety and production.

- ❖ **Integrity** – the foundation of our success rests upon integrity.
- ❖ **Quality** – we are committed to ensuring that each task is properly performed the first time and we will continuously improve upon everything we do.
- ❖ **Safety** – we are responsible and accountable for our own personal safety, the safety of our co-workers and any others we come into contact with.
- ❖ **Production** – we expect employees to safeguard the Company's assets, to act in the best interest of the company and we are committed to performing assigned tasks in most efficient, timely and cost-effective manner.

WEBSITE AVAILABILITY OF GOVERNANCE DOCUMENTS

You can access our Certificate of Incorporation, Bylaws, Code of Business Conduct and Ethics, Corporate Governance Guidelines, and Stockholder Communication Policy, as well as the Audit Committee Charter, the Nominating and Governance Charter, and the Compensation Committee Charter under "Corporate Governance" in the "Investors" section of our website at www.oriongroup Holdingsinc.com. Information contained on the Company's website or any other website is not incorporated into this proxy statement and does not constitute a part of this proxy statement. Additionally, any stockholder who so requests may obtain a printed copy of the governance documents from our Corporate Secretary at the address indicated on the first page of this proxy statement.



This Corporate Social Responsibility & Sustainability Report is also posted to the website.

PRIMARY RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- ❖ Serve as fiduciaries for all stockholders.
- ❖ Oversee the business and affairs of the Company within the law.
- ❖ Oversee company performance.
- ❖ Select the CEO and ratify the selection of officers of the Company.
- ❖ Review and confirm basic company objectives.
- ❖ Approve major policy and management decisions.

ADDITIONAL RESPONSIBILITIES OF THE BOARD OF DIRECTORS

PLANNING

- Approve the long-term objectives, strategies, and plans recommended by management and advise management regarding the planning process. Periodically evaluate progress against such plans.
- Identify any barriers to the Company's progress and sense the timing for change.

MANAGEMENT

- Elect the officers of the Company and delegate management responsibility and authority to them.
- Authorize necessary officer signatory authorities on behalf of the Company.

FINANCIAL STRUCTURE

- Approve the overall capital structure of the Company.
- Approve overall financing programs and policies.
- Authorize appropriate officers of the Company to take action as may be required to implement such programs.
- Approve all issuances, transfers, and registrations of securities.
- Ensure that there is a specific financial program designed to properly support the Company's long-term plan for growth by reviewing long-term plans and financing to prepare for it.

CONTROLS

- Identify the Board of Directors' needs for information and arrange for its timely supply.
- Approve annual operating and capital budgets and review performance to plan quarterly.
- Review capital expenditures in excess of the CAPEX Budget as annually approved by the Board.
- Review the accuracy and completeness of financial control systems through an audit committee composed entirely of outside directors.
- Ensure that management has adequate financial systems, including timely and accurate information.
- Inquire into major deficiencies in performance.
- Ensure existence of written policies and authorization systems for major expenditures.
- Require audited financial statements by a major independent public accounting firm.

BOARD CONTINUITY

- Seek continuity and strengthening of the Board of Directors through diversity and by identifying and attracting additional and/or replacement directors.

EXPECTATIONS OF INDIVIDUAL PERFORMANCE

- Attend all Board meetings (by phone if not in person).
- Study advance information packets and be prepared to discuss their contents.
- Be available to advise management between meetings when necessary.

OVERVIEW OF DIRECTORS' FUNCTIONS

The business of the Orion Group Holdings, Inc. shall be managed by its officers under the direction of its Board of Directors.

The Board of Directors of Orion Group Holdings, Inc. is to provide a general governance of the Company's affairs and provide direction of a quality and nature that optimizes the development, growth, and performance of the Company and its subsidiaries. The role of the directors is essentially advisory in nature, with specific day-to-day management functions and decision making delegated to the full-time officers and executive employees of the Company.

Activities of the Board and committees of the Board considered essential include:

- Developing and approving major governance policies and objectives.
- Authorizing major transactions recommended by management.
- Giving advice and counsel to the management of the Company, especially the CEO.
- Ensuring compliance with the law and pertinent regulations.
- Providing effective auditing procedures so that the Board of Directors will be adequately informed of the Company's financial and legal status.
- Approving and reviewing financial transactions and reviewing investments at regular intervals, at least annually, to ensure they comply with all applicable provisions of law.
- Monitoring performance, setting objectives, and measuring management's results against them, evaluating the accomplishments of management and their activities, and being responsible for the selection and removal of officers.
- Adopting of the annual budget and reviewing financial results at regular intervals.
- Establishing and delegating authorities.
- Keeping informed as to the business in which the Company is engaged and remaining knowledgeable as to the Company's business activities.

STANDARDS OF CONDUCT FOR THE BOARD OF DIRECTORS

Members of the Board must be aware of and diligently observe the legal requirements of their position.

- The directors are accountable to all stockholders.
- The directors elect and oversee the performance of the officers of the Company.
- The Board is to provide direction to the total affairs of the business of a quality and nature that optimizes the development, growth, and performance of the Company.
- The business and affairs of the Company shall be managed under the direction of its Board.
- The Board's operational responsibility is limited to monitoring management.
- The Board is to provide for continuity in the quality and depth of management required to obtain the Company's objectives:
- The Board makes the basic decisions and designates the officers of the Company to execute the decisions.

- State law permits the Board to appoint:
 - i. an executive committee of the Board to exercise all the powers and authority of the entire Board of Directors, and
 - ii. the officers of the Company who are necessary to carry on the Company's business.

The members of the Board of Directors are to serve as fiduciaries for all stockholders. Each director is a fiduciary whose actions and performance mandate a high standard of loyalty and care and are subject to rigid review. In carrying out their responsibilities, directors must exercise the **duty of loyalty** and the **duty of care**.

DUTY OF LOYALTY

The duty of loyalty dictates that a director must act in good faith and must not allow personal interests to prevail over the interests of the Company and its stockholders, particularly in transactions involving potential conflict of interest between the Company and the director.

- ❖ **Conflicts of Interest** – A director should avoid conflicts of interest, never using his or her corporate position to make a personal profit or to gain other personal advantage. The existence of any material personal interest of a director (“interested director”) in a contract or transaction to which the Company is to be a party, either directly or indirectly because of employment or investment relationship with an entity with which the Company is dealing, must be disclosed by the interested director. The nature of any such material personal interest must be fully described to the other directors prior to the time action is taken by the Board of Directors with respect to the matter, with such interested director abstaining from taking any action thereon.
- ❖ **Duty of Fairness** – If a transaction involves a possible conflict of interest, the interested director and those disinterested directors in favor of the transaction must recognize and satisfy “fairness” obligations. In such situations, the terms of a proposed transaction should be as favorable to the Company as would be available from any other person or entity.
- ❖ **“Corporate” Opportunity** – Directors have a duty to present any business opportunities that are relevant to the Company's present or prospective business activities to the Board of Directors before pursuing the matter on his or her own behalf or for others.
- ❖ **Confidentiality** – Directors are to treat all available information of the Company with strict confidentiality until such time as a matter has been publicly disclosed.

DUTY OF CARE

The duty of care requires directors to be diligent and prudent in managing the affairs and business interests of the Company. While limited in application, there are situations in which directors may be liable for an action that injures the Company. However, the law is clear that directors are not liable merely because they chose a course of action that turned out, in hindsight, to be a poor economic choice. Each director is obligated to see that the Company is well managed.

- ❖ **Duty of Attention** – Directors have a responsibility to participate actively in overseeing the activities of the Company.

- ❖ **Meeting Attendance** – About four regular meetings of the Board of Directors are scheduled annually. In addition, directors are expected to attend the annual stockholders meeting in May and the annual strategic planning and budgeting session(s) in November/December. Committee meetings are scheduled, usually in conjunction with Board meetings, at various intervals throughout the year. Regular attendance at meetings of the Board of Directors and Board committees is a requirement for acceptable director performance.
- ❖ **Review of Information and Documentation** – It is expected that each director will be furnished with sufficient information regarding every important matter requiring board action in a timely enough manner to permit an informed judgment. Directors are expected to have reviewed all materials distributed to the members of the Board of Directors prior to board meetings, giving special attention to financial statements and any matters to be acted on (such as minutes or proposals).
- ❖ **Discussion in Full of Major Items** – A director can make a valuable contribution through a focused discussion of and relevant inquiry into management’s proposals. Any questions that occur to a director, however basic, should be raised and discussed. Directors are encouraged to make independent inquiries on matters of concern and to register objections when needed.
- ❖ **Review of SEC Filings** – Directors should review all major SEC filings before they are filed, especially Proxy Statements, Form 10-Ks, Form 10-Qs and registration statements.

DIRECTOR INDEPENDENCE

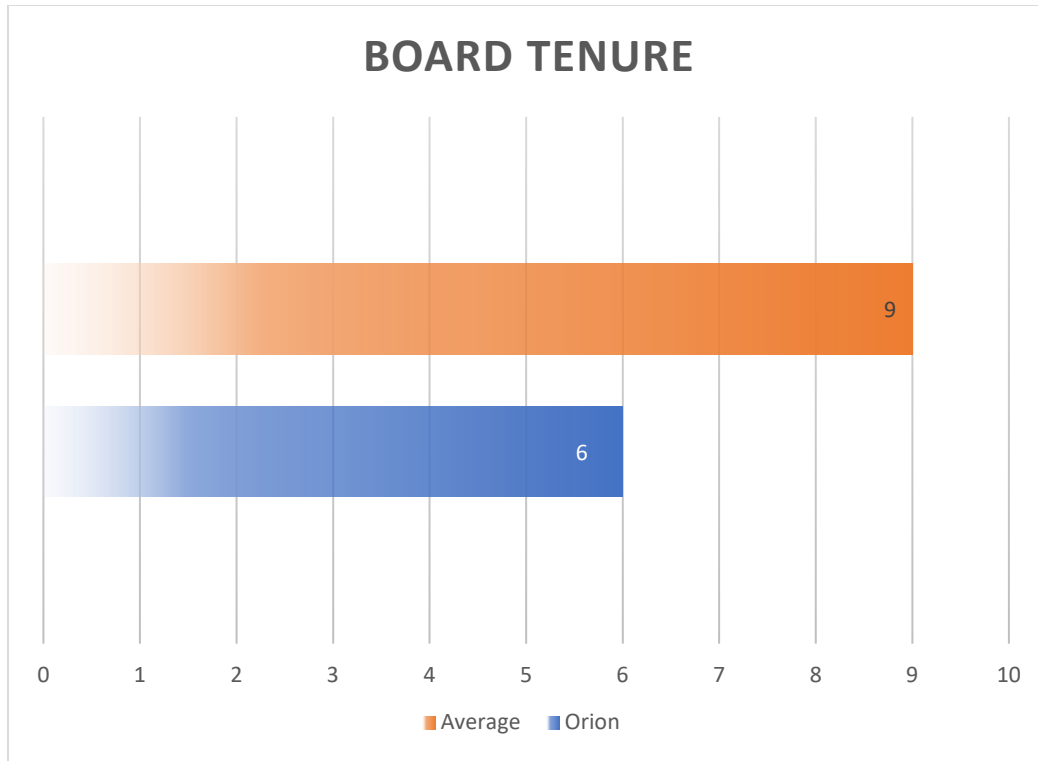
NYSE listing rules require a majority of our directors to be independent. In accordance with these rules, our Board has reviewed the relationships between the Company and each director and has affirmatively determined that, as of the record date, each of Messrs. Amonett, Caliel, and Daerr, and Ms. Foran and Sullivan has no direct or indirect material relationships with the Company or any member of management; thus, each of them satisfies the NYSE’s definition of an independent director. Mr. Shanfelter, who has served as a director since 2007, was an independent director prior to and since his service as our Interim Chief Operating Officer (from March 22, 2019 until February 29, 2020) but did not satisfy that definition during the interim period. In addition, Mr. Stauffer, our current President and Chief Executive Officer, is not independent.

Members of the Audit and Compensation Committees must meet heightened standards of independence in accordance with the requirements of the NYSE corporate governance listing standards and SEC rules and regulations. The Board also has determined that each of the members of the Audit, Compensation, and Nominating and Governance Committees has no material relationship with the Company and satisfies the independence criteria (including the enhanced criteria with respect to audit and compensation committee membership) set forth in the applicable NYSE listing standards and SEC rules.

NOMINATION OF DIRECTORS

The Board is responsible for nominating a slate of candidates for Board membership, and acts through its Nominating and Governance Committee, to review the composition of the Board, and screen and recruit potential director nominees in consultation with the Chairman of the Board and the Chief Executive Officer. Although the Nominating and Governance Committee has not

established specific minimum qualifications for a position on the Board, the Committee seeks candidates who individually demonstrate a high ethical standard, a wide range of business experience at the policy-making level, diversity, and the ability to exercise sound and mature judgment in matters that relate to the current and long-term objectives of the Company.



While we do not have a formal policy outlining the diversity standards to be considered when evaluating director candidates, the Nominating and Governance Committee believes that a diversity of background, education, experience and social perspective, as well as independence and the ability to represent the best interests of all stockholders, contributes to an optimal balance of Board members.

BOARD LEADERSHIP STRUCTURE

Our Chairman of the Board is an independent director. We believe that having a chairman independent of management provides critical and independent thinking with respect to the Company’s strategy and long-term objectives. Our President and Chief Executive Officer serves on the Board and provides in-depth understanding of the operations of the Company and the issues, opportunities, and challenges facing the Company.

ORION’S BOARD TENURE:

Orion Average = 6 years

Russell 2000 Average = 9 years

BOARD REFRESHMENT

Our Board of Directors is pleased but not fully satisfied with the steps it has taken in very recent years in the area of Board refreshment. For too long, boards in general were focused on replacing retiring members with individuals of similar background and outlook, thus denying itself fresh perspectives and with the now obvious and ever-increasing realization that companies are responsible for the interests of stakeholders

beyond those of its stockholders, refreshment has become that much more important. As recently as 2018, the Board consisted of members who had been with the Company since it went public in 2007. However, in 2019 three new members joined the Board and two of them addressed gender diversity. Going forward the Board expects to continue to consider refreshment, taking into account a number of factors, including, specialized expertise, industry experience, financial and strategic planning acumen and of course diversity.

DIVERSITY

Although we believe that the current membership of our Board represents a diversity of thought and perspective, the Board has recognized that the Company can and should do more to broaden diversity of its membership in a more traditional sense (including gender, racial, and ethnic diversity). In furtherance of that commitment, effective January 1, 2019, Mary E. Sullivan, became our first female director and more recently, Margaret M. Foran was appointed as a Board member, effective October 1, 2019. While such significant steps are evidence of progress, our Board remains committed to considering diversity issues in evaluating the membership of the Board on a going forward basis.

ORION'S BOARD DIVERSITY:
Women now account for 25%
Compared to Average = 19%

THE BOARD'S ROLE IN RISK OVERSIGHT

The members of our Board are actively involved in the oversight of risk that could affect the Company. This oversight is conducted primarily through committees of the Board, as discussed in the charters of each committee and descriptions, below. We have adopted enterprise risk management policies based on the Integrated Framework of the Committee of Sponsoring Organizations (COSO). Under these policies, the Chief Executive Officer, Chief Financial Officer, and General Counsel periodically report on the Company's risk management policies and practices to relevant Board committees and to the full Board. The Audit Committee provides direction on risks identified by management through its annual risk assessment related to financial reporting and internal controls and provides a central oversight role with respect to financial and compliance risks, including compliance with the Foreign Corrupt Practices Act. Our Compensation Committee considers potential risk related to the Company's overall compensation programs and effectiveness at linking executive pay to performance and aligning the interests of our executives and stockholders. Key risks to the Company's operations, liquidity, and strategies are considered by the full Board.

Board/Committee Primary Areas of Risk Oversight

FULL BOARD	Risk management process, structure, and overall policies and practices for enterprise risk management; strategic risks associated with business plans, and significant capital transactions, including acquisitions and divestitures; and other significant risks such as major litigation, business development risks and succession planning
AUDIT COMMITTEE	Major financial risk exposure; significant operational, compliance, reputational, and strategic risks
NOMINATING AND GOVERNANCE COMMITTEE	Risks and exposures related to corporate governance, effectiveness of the Board and its committees in overseeing the Company, review of director candidates, conflicts of interest and director independence
COMPENSATION COMMITTEE	Risks related to executive recruitment, assessment, development, retention and succession policies and programs; and risks associated with compensation policies and practices, including incentive compensation.

ENTERPRISE RISKS

Orion employs a comprehensive and user-friendly Enterprise Risk Matrix that identifies the risks it encounters, evaluates and ranks each according to its significance and likely occurrence and assigns oversight of each to one of the Board's standing committees or to the entire Board, as well as to specific members of management. A copy of this Enterprise Risk Matrix is attached hereto as **Appendix F**.

INVESTOR ENGAGEMENT

Our relationship with our stockholders is an important part of our company's success and we have a long tradition of engaging with our stockholders and obtaining their perspectives. During 2019, our integrated outreach team led by our Chief Executive Officer and Chief Financial Officer, met to discuss a wide variety of issues with investors representing an aggregate of at least 20% of our outstanding shares. We believe that our approach to engaging openly with our investors on topics such as financial issues, corporate governance, executive compensation and corporate responsibility drives increased corporate accountability, improves decision making, and ultimately creates long-term value. We are committed to:

- ❖ **Accountability** – Drive and support leading corporate governance and board practices to ensure oversight, accountability, and good decision making.
- ❖ **Transparency** – Maintain high levels of transparency on a range of financial, governance, and corporate responsibility issues to build trust and sustain two-way dialogue that supports our business success.
- ❖ **Engagement** – Proactively engage with stockholders and stakeholder groups in dialogue on a range of topics to identify emerging trends and issues to inform our thinking and approach.

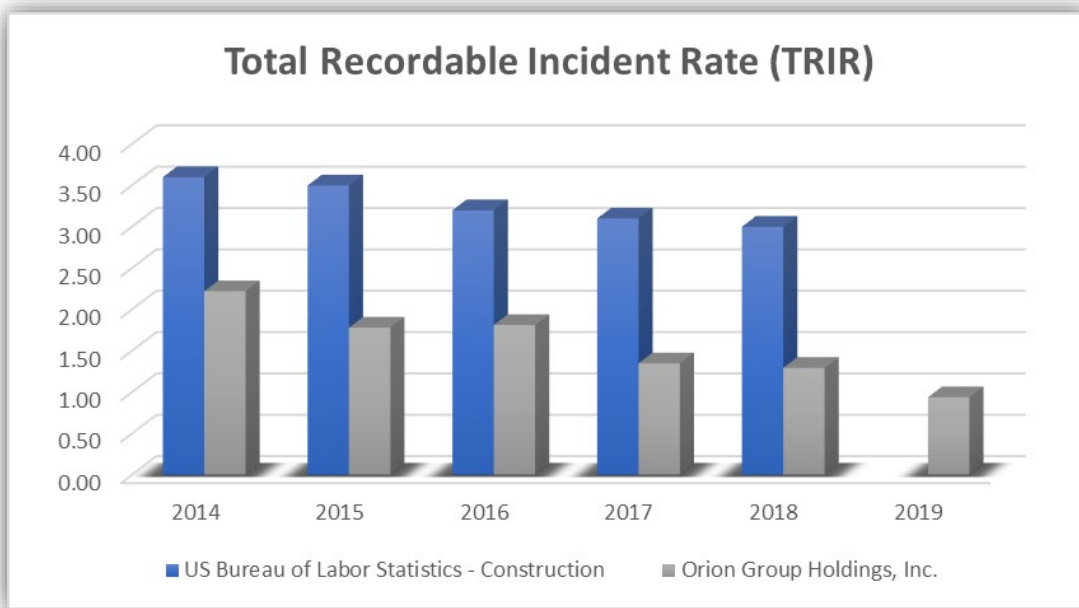
IV. SOCIAL & HUMAN CAPITAL MANAGEMENT

INTRODUCTION

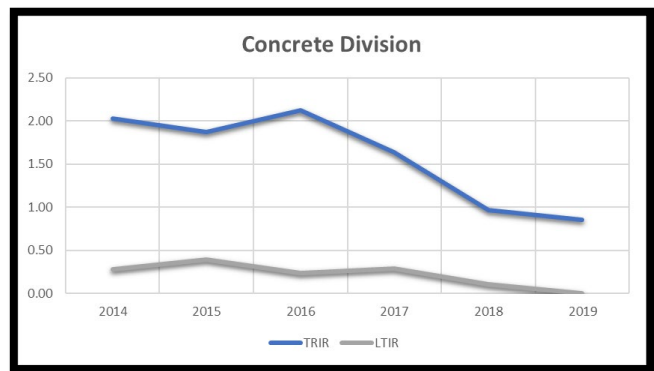
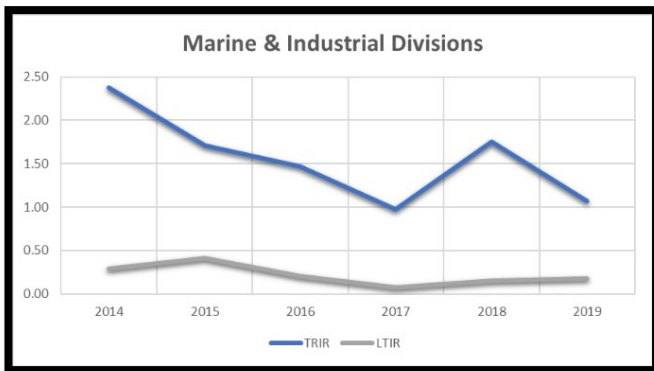
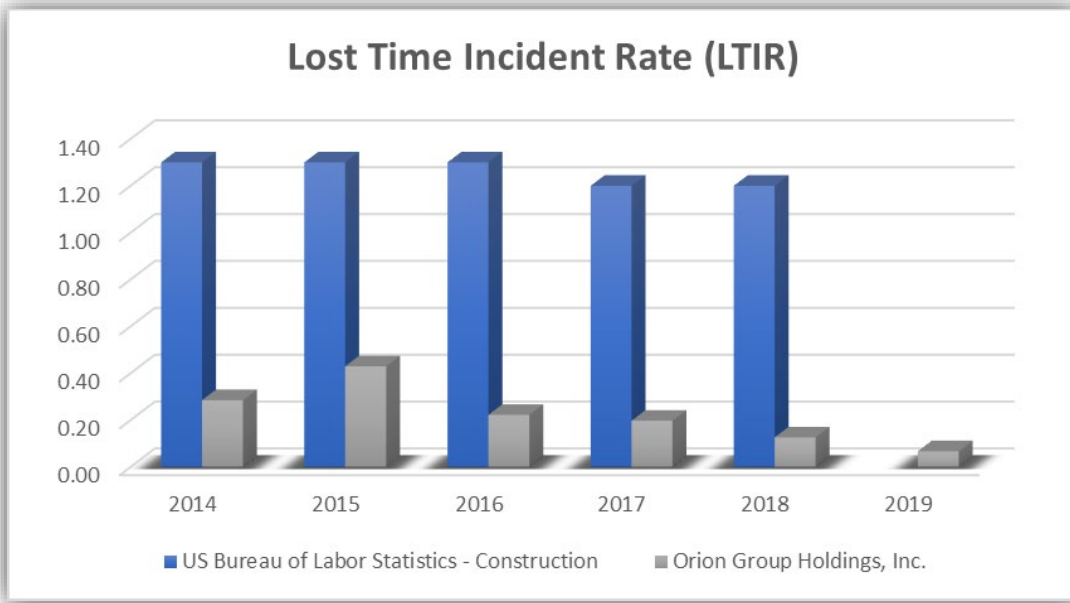
Orion is transforming traditional functions of Human Resources, Safety, Training, and Performance Management into opportunities to drive engagement, productivity, and business value throughout the Company. The Company complies with federal, state and local laws and regulations and focused on building and sustaining business compliance programs. Orion is providing opportunities for career development, developing socially responsible leaders, empowering employees to drive a safety-first culture and to conduct themselves with the utmost personal and professional integrity.

SAFETY

All incidents are preventable on our projects. By staying actively engaged every day toward our Target Zero goal we can ensure all employees return home uninjured to their families at the end of each work shift.



Orion is committed to providing a safe workplace for co-workers. This commitment sets expectations and goals for all levels of our organization as well as customers, stakeholders, subcontractors, suppliers, and vendors in addition to the public, when in contact with our work. This is intended to clearly communicate expectations and goals. Orion commits also to allocating the resources necessary to facilitate expectations and achieve goals. The results of Orion's commitment and continuous improvement resulted in successive reductions of total recordable incident rate (TRIR) by both our marine and concrete segments as well as successive reductions of lost time incident rate (LTIR).



One of our primary goals is to create a “Target Zero culture” where safety is utmost in everyone’s mind at work, at home, and in all aspects of life. In addition to reliance on this commitment by our co-workers and their families, other sound reasons include:

- The prevention of human suffering due to injury or loss of life is a moral goal we must all strive to achieve.
- An exemplary safety record generates trust and confidence in our co-workers, customers, and business partners contributing to Orion’s ability to effectively compete, grow and succeed.

While safe behavior is ultimately the responsibility of each of us, Orion will provide a safe workplace while every manager and supervisor must exert leadership and a spirit of cooperation in safety matters.

Orion employees are our most valued asset. To protect co-workers, Orion will direct several activities, including:

- A new hire on-boarding program to reduce new hire injuries. This program consists of a mentor welcoming the new co-worker to the crew and organization. The mentor is a company veteran that has demonstrated our organization's core values and assists the new hire in acclimating to the safety and accident prevention systems.
- A hand campaign to reduce the hand injuries as well as small tool use and routine task training programs to educate and involve our teams in the interactive safety process.
- Frequent collection and review of information about present or predictable hazards for our routine and non-routine work with a supervisor.
- Coordination of meetings with senior operation field leaders regarding safety concerns.
- The requirement of regular work site inspections.
- The diligent investigation of injuries, illnesses, incidents, and near-misses to identify positive or negative trends, no matter how minor, as an opportunity to learn how to improve present procedures and development of new initiatives.
- The encouragement and empowerment of co-workers to actively participate in the development and maintenance of our processes.
- The recognition of co-workers who promote safety and the accountability of those who fail to uphold our safety standards.



Orion's management expects all co-workers, administrators, managers and supervisors to take personal responsibility for their own safety and the safety of those around them. In this regard, Orion's employees who are engaged in management, administration, and supervision are held to a higher standard which requires them to lead by example. Orion will include attention to health and safety related to candidate selection and hiring, but, also to employee performance reviews, advancement opportunities, salary increases and bonuses. Orion's commitment to health and safety will also extend to its decisions related to the selection and employment of subcontractors, suppliers, and vendors.

Orion expects all co-workers to freely communicate about safety and health. Orion's managers, administrators, and supervisors are expected to create an open, positive environment that employees, at any level, will consider encouraging and empowering open discussions regarding health and safety, without fear of reprisal. In addition to requirements, such as the use of required personal protective equipment, Orion expects its customers, subcontractors, suppliers, vendors, and the public to observe all measures enlisted by Orion to guard health, life, and general safety within our work areas.

Orion's efforts in providing a workplace that, as carefully as possible, guards employees' health and safety, go beyond rules dictated by morality or law. For us, it is simply, **the right thing to do.**

HSE TRAINING

At Orion 'Target Zero' is more than a program or a slogan, it is a way of doing business and performing work. 'Target Zero' is the goal to complete each shift without damage, harm or incident that could affect the wellbeing, future, and family life of any of our employees. Orion promotes and expects a 24/7 safety mindset in each of our skilled workers. We are determined to make safe choices in all aspects of our lives, both at the jobsite and at home.

Our team members are empowered to have the 'Target Zero' mindset. Safe work procedures are expected on all aspects of our work and every employee is entitled to promote

and engage in nothing less than a Target Zero project every day. Everyone has access to a safe work site that endorses safe behaviors by all. Orion believes that our company can be successful only through an injury- and incident-free workplace.

Our safety goals are achieved through setting high expectations for safety, planning our operations with safety in the forefront, stopping to address change as it can impact our task, empowering all our people to be safety leaders, and recognizing the hard work and safe performances of our team along the way. Our most important asset to the Company is our people and each day we ensure respect and care are given to that greatest strength.

Continued successful HSE performance will be achieved only with a never-settle attitude at all levels of our organization. Our team holds the health of each other above all else and leads by example to promote the 'Target Zero' environment for all to strive toward. Here at Orion, we are industry leaders in safety because

the families and friends of our co-workers depend on us every day to send their loved ones home unaffected by incident.

In addition to the onboarding program and injury prevention training, Orion believes several initiatives will continue to improve our success, including:

- Utilizing the tablet-based safety software system by HCSS to bring the safety technology to the hands of our crews when in the field, regardless of remoteness or size of operation.

THE FOCUS FOR TARGET ZERO

- 1. PLAN OUR WORK AND IDENTIFY THE RISKS**
- 2. FOLLOW THE PLAN AND ADDRESS CHANGES AS THEY OCCUR**
- 3. SET OUR EXPECTATIONS WITH THE TEAMS**
- 4. HOLD EVERYONE RESPONSIBLE FOR SAFETY**
- 5. HAVE A TEAM MENTALITY
STAY INVOLVED WITH OUR OPERATIONS**
- 6. ACTIVELY COMMUNICATE SAFETY AND ENVIRONMENTAL INFORMATION**
- 7. REPORT ALL SAFETY INCIDENTS IMMEDIATELY**

**ZERO DAMAGE!
ZERO HARM!!
ZERO INCIDENTS!!!**

TARGET ZERO **ORION**

- Moved to a paperless cloud-based Safety Data Sheet storage system to eliminate paper and improve access to safety information to our teams.
- Extensive job hazard analysis, pre-task planning, and project-specific safety planning programs that enables the crew and field supervision to be engaged in the safety process on site from day one.
- Top-down leadership in each step of operations to set clear expectations and lead from the front on safety initiatives.

OUR WORKFORCE

Our culture is represented in the values by which we live. It's what brings us together. It's the way we operate individually and as a company, even when no one is looking. It's about the pride in designing, building, and delivering projects that last a lifetime. We are always guided by our core values.

EMPLOYEE WELLBEING

At Orion, we lead by example, cultivating a healthy workforce based on a foundation of security at work and at home. By offering a benefits package that includes health benefits and screenings, paid time off, wellness programs, and tuition reimbursement, we further our employees and their families to maintain physical, mental, and financial well-being. Orion believes investing in our people will generate a virtuous cycle of healthy employees and their families, leading to a healthier business.

DIVERSITY AND INCLUSION

Our team is our foundation and our biggest competitive advantage. We are committed to fostering a diverse and inclusive culture, which is directly reflected in our recruiting, hiring, and engagement practices.

Orion actively seeks to employ veterans, women, minorities, and people with disabilities in partnership with the National Association of Minority Contractors, National Hispanic Construction Association, Student Veterans of America, RecruitMilitary, the Houston Abilities Job Expo, Fort Hood, and MacDill Air Force Base.

Our employee resource groups are employee-led groups that foster a diverse, inclusive workplace aligned with our organizational mission, values, goals, business practices, and objectives.

MILITARY LEAVE

Orion's military leave policy is designed to provide employees leave for military service, training or other obligations to service of the U.S. Armed Forces, Reserves or militia groups. All active, full-time employees are eligible for military leave. During military leave, employees will continue to receive benefits and health plan coverage will continue for twenty-four months. Upon

conclusion of military leave, employees generally have the right to return to the same position he or she held prior to leave or to a position with equivalent seniority, pay and benefits. See *attached policy*.

EAP

The WorkLifeMatters Employee Assistance Program (EAP) offers free services to help promote employees' well-being and enhance the quality of life for you and your family through The Guardian Life Insurance Company of American and Integrated Behavioral Health companies. The EAP provides assistance on health, family and financial issues including, but not limited to, stress management, diet and fitness, mental health, parenting support, child and elder care, special needs help, learning programs, financial planning tools and assistance, will preparation, tax, debt and legal issues. Employees can connect with a counselor via email, by phone (24 hours a day, 7 days a week), or via unlimited access and support through the website. See *attached flyer*.

TUITION REIMBURSEMENT

Orion supports employees who wish to continue their education in pursuit of increased responsibility and growth within their professional careers. The Company, in furtherance of this philosophy, has established a reimbursement program for expenses incurred through approved institutions of learning. Full-time, regular employees are eligible for participation in the program as long as the courses are job-related and approvals are obtained prior to commencement of the course or semester. The Company will reimburse an employee up to a maximum of \$5,250 per calendar year for coursework toward an undergraduate or graduate degree program from a nationally accredited college or university provided the employee receive a passing grade of "C" or higher. Educational assistance is offered to eligible employees and includes tuition registration costs, laboratory fees, textbooks, and exam fees. See *attached policy*.

SOCIAL AND COMMUNITY INVESTMENT

WINDS – Women's Initiatives for Networking, Development, and Success (WINDS) is committed to creating a culture that inspires women to develop their leadership abilities at Orion and in the wider community, seize growth opportunities, and increase their knowledge of Orion for organizational and personal success.

WINDS believe that more diverse teams create greater success with more diverse approaches, questions and ideas. With this belief in mind, we strive to be a leader in attracting, retaining and developing women in the



Travis Manion Foundation 9/11 Heroes Run

field of construction. Through career development, outreach, and camaraderie, WINDS is dedicated to helping women advance their skills and leadership development at Orion.

VALOR – Veterans and Allies Leading for Organizational Results (VALOR) provides leadership and strategic focus on initiatives for veteran employees, active military, National Guard and Reserve members, and their supporters. VALOR offers networking and exposure opportunities for all members, who include experienced veterans, transitioning veterans or their family members. VALOR and WINDS are internal employee resource groups designed to drive diversity, inclusion, and employee engagement.

Formed in 2018, VALOR engages military and community leaders to deliver inspirational lessons on team leadership through the lens of all branches of service. VALOR is working to develop initiatives such as trainings, lunch and learns, guest speakers, workshops and a mentorship program. The goal is to help veterans acclimate to working at Orion and educate the Company about military culture and working with veterans fulfilling a vital mission to create a “bridge” between business and the military.

VALOR’s commitment extends to our communities externally—examples include partnering with DoD veterans’ assistance employment counselors to provide career opportunities to all classes of veterans, including disabled veterans seeking employment.



Travis Manion Foundation 9/11 Heroes Run

COMMUNITY GIVING AND VOLUNTEERISM

Through national and local partnerships, Orion is proud to support the following organizations as they continue to make a difference in the communities where we do business.



Travis Manion Foundation - empowering veterans and families of fallen heroes to develop character in future generations. Orion was a corporate sponsor for the 9/11 Heroes Run benefitting the Travis Manion Foundation. Our employees from both Orion and TAS also participated in the run.

Marine Corps Toys for Tots - collecting new and unwrapped toys to distribute to less-fortunate children at Christmas. Orion held a toy drive at its office locations benefitting the Toys for Tots program.



The Salvation Army Angel Tree Program -



contributing in-kind gifts for children and seniors registered through the angel tree program. Orion employees sponsored children and seniors by providing gifts for the

Holiday season.

The American Red Cross -

preventing and alleviating human suffering in the face of emergencies by mobilizing the power of volunteers and the generosity of donors. Orion hosted blood drives in partnership with the American Red Cross and made a financial contribution in the wake of Hurricane Dorian.



American Red Cross Blood Drive

Dress for Success -

empowering women to achieve economic independence by providing a network of support, professional attire and the development tools to help women thrive in work and in life. Orion hosted a clothing drive to benefit Dress for Success. In addition, the HR team conducted a resume workshop and participated in a career fair to help female veterans' transition into the workforce.



Dress for Success' Women Veterans Event



National Hispanic Construction Ass'n.

Orion partners with certain minority organizations with the goal of recruiting members of minority groups into all levels and segments of Orion's workforce. Such efforts are exemplified by the following:

National Association of Minority Contractors – The purpose of the organization is to provide a voice for minority trade workers and advocate for undocumented veterans in the construction industry, with the goal of providing its members with access to opportunity, advocacy, and contractor development training through its network of local chapters and corporate partnerships.

National Hispanic Construction Association – The purpose of this organization is to serve Hispanic construction professionals at the national and state level in advocacy, education, training, business resources, and communication.



YMCA Operation Backpack

YMCA Operation Backpack – A number of YMCA centers collect and provide school supplies for children in our communities so they may start school with the tools they need to be successful. Orion employees donated school supplies to pack in student backpacks.

TRAINING AND DEVELOPMENT

Orion endeavors to be a responsible employer and a contributing member of its community. Beyond good corporate social responsibility as an equal opportunity employer, Orion strives to create and continuously improve its environment toward inclusiveness, diversity and fairness. Our company reinforces the cognitive and emotional well-being of its employees through an expansive offering of benefits for healthcare, financial planning and education. Orion is committed to create an atmosphere free from violence and discrimination to better foster innovation. Orion continues to promote occupational training and safety awareness along with multiple health and wellness initiatives.

Orion, with measured progress, continues to cultivate opportunities for women and minorities. In 2019, Ms. Mary E. Sullivan became the first female member of Orion's Board of Directors, and, in 2020, Ms. Margaret M. Foran became its second female Board member.

Significant company leadership and management roles are also held by women including, but not limited to, the Vice President and Director of Human Resources, the Director of Internal Audit, the Director of Business Transformation and the Corporate Division Controller. Among Orion's many strengths is its historic commitment to diversity in its workforce of which minorities comprise 51%. The myriad of talent, skills, experience, and working styles not only contributes to Orion's innovation and progressive growth, but also cultivates an environment where inclusivity is a priority, and equality can encourage confidence for our employees to achieve their best.

Beyond the corridors of our facilities, Orion remains a committed member of each community in which it operates. Since construction is part of Orion's core business, it is instinctive that Orion sponsors and participates in local Habitat for Humanity events. Orion is also a proud sponsor of the 9/11 Hero Run which benefits the Travis Manion Foundation in honor of the heroes of September 11, our nation's military veterans and our civilian and military first responders. Orion promotes and provides volunteer support for an annual "Adopt-a-Beach" event to help address the health of the Gulf Coast beaches. Orion's employees donate school supplies in support of YMCA Operation Backpack event which helps over 120,000 area children each school year. Blood drives, nutrition awareness, exercise and preventative health initiatives are among the many wellness activities which Orion offers its employees throughout the year. Corporate giving is a privilege for our organization and Orion credits those employees who donate or contribute to a non-profit organization by matching their gift through its donation match program. Orion recognizes that one gift can change a life and that one company can make an impact.



**SINCE 2016, THERE HAS BEEN AN
11.4% GROWTH IN WOMEN
JOINING THE ORGANIZATION**

V. ENVIRONMENT

INTRODUCTION

At Orion, protection of the environment is embedded in our corporate culture and has become a critical element of many projects, one of the many components of operational excellence. Often times, construction activities are suspended, curtailed, postponed or even cancelled so that the Company may mitigate and at times eliminate adverse impact on plants or animals, especially birds, manatees and fish, in addition to other forms of animals, especially those on an endangered species list. Fish windows and bird nesting seasons are of critical importance in a large number of projects.

In addition, air and water quality standards are strictly followed throughout our organization, not only at our facilities, but also at our job sites (both large and small). Advising personnel as to the means to eliminate or reduce environmental impacts from our operations, is the responsibility of our Health, Safety and Environmental Department personnel. Among other responsibilities, these personnel are especially trained to identify, evaluate and implement the potential means by which Orion personnel may reduce air emissions, waste, and fresh water use and prevent spills.



EQUIPMENT

Orion is focused on becoming an industry leader in responsible equipment management and reducing the impact upon the environment in which we do business. Orion has made multi-million-dollar investments in its vessels, equipment, and facilities, in terms of retrofitting, upgrading and replacement, to ensure that we are constantly striving to achieve our goals of exceeding our customers' expectations and being a responsible corporate citizen.

DREDGE FLEET

Orion has invested substantial sums in its dredging fleet over recent years, to bring it up to date in terms of environmental standards and emissions, as well as meeting changing customer demands for more efficient and environmentally sensitive dredging. For example:

- \$3.2 million to retrofit the 20" hydraulic cutter suction dredge Waymon Boyd, enabling it to work off an electric umbilical cord, allowing it to function 100% from shoreside-provided electricity. This has allowed us to work in environmentally sensitive areas, meeting the increasing demand from customers for zero emissions and noise.
- Investing \$6.1 million in converting the engines on its dredges from tier 0 to tier 2 as part of the Texas Commission on Environmental Quality (TCEQ) Texas Emissions Reduction Plan (TERP).

BARGES/TUGS/CRANES

Orion has been continuously updating its equipment to ensure increased efficiency, as well as a reduction in any environmental impact. Updating the equipment has involved both replacement and refurbishment. For example:

- Orion has invested millions of dollars in multiple vessels, cranes, loaders, and dozers, to have their engines replaced from their original tier 0 to more modern tier 2, 3 and 4 engines, significantly increasing efficiency and reducing emissions. The higher-class diesel engines reduce particulate matter, composed primarily of carbon soot and other combustion by-products, and oxides of nitrogen (NOx), creating cleaner engines that are more fuel efficient and cleaner burning.



- We saw the replacement of three new Peterbilt trucks to the latest in emissions controls for the on-road fleet.

- \$2.28 million was invested in a dredge material off-loader, replacing the use of several dredge material boosters from the dredge line, thereby significant reducing environmental impacts.

DOUBLE HULL VESSELS

The Company owns and operates the following double hull vessels:

- Four (4) inland double hull USCG certified fuel barges used to support dredging operations along the Gulf Coast of Texas to Carrabelle, Florida, each is 120.0 x 30.0 x 8.0 and has a diesel fuel capacity of 2,380 barrels or 99,960 U.S. gallons;
- Two (2) ocean service classed and USCG certified spud barges with double hull fuel tanks that support construction operations along the Eastern seaboard, Caribbean Islands and Gulf of Mexico; one is 240.0 x 72.0 x 15.9 with a diesel fuel capacity of 1,126 barrels or 47,300 U.S. gallons and the other is 180.0 x 50.0 x 10.5 with a diesel fuel capacity of 511 barrels or 21,500 U.S. gallons; and
- One (1) ocean service classed derrick barge and one (1) inland spud barge with a double hull fuel tank that support construction operations in the Pacific Northwest; the derrick barge is 142.0 x 58.0 x 12.0 with a diesel fuel capacity of 38 barrels or 1,600 U.S. gallons and the spud barge is 160.0 x 50.5 x 13.5 with a diesel fuel capacity of 226 barrels or 9,500 U.S. gallons.



NEW VESSELS

As part of Orion's commitment to its equipment and the environment, we have upgraded our fleet where necessary to improve both efficiency and its environmental impact, including:

- Investing \$2.2 million in seven tier 2 boats, which replaced several boats with tier 0 engines from the fleet.
- Investing \$1.5 million in four tug boats, which replaced older, less efficient tugs, with less desirable tier 0 engines.

PAPER

Paper is a main source of waste, so Orion employs various measures to reduce paper usage:

- Our Records Management Policy encourages electronic markup of documents and drawings;
- Where allowable, we encourage electronic distribution, including certifications, reports and company communications; and,
- We discourage hard copy libraries.

SECONDARY CONTAINMENT

Throughout both our marine and concrete operations we employ, wherever possible, an effective secondary containment system, not only for fuel and oil storage tanks, but also transfer sites, such as concrete delivery locations.

FACILITIES

Our work facilities themselves have also increased the opportunity to invest in processes and structures that both aid in the efficiency of our work and reduce any environmental impact. For example, we have invested in our Channelview Yard and installed a contained wash rack to capture all greases and oils while cleaning equipment, which has prevented the unnecessary release of contaminants into the environment. We have also installed paint booths in our yards to create containment areas for painting, thereby reducing emissions into the environment.

RECYCLING

Between 2015 and 2019, we have sent over 15,000 tons of scrap metals to recycling facilities. This not only assists in aiding sustainability through recycling, but also mitigates the chances of possible contaminants entering the soil via ground storage.

In addition, many of our offices and facilities participate in the recycling of waste paper and other materials. Through these established recycling programs, employees are reducing the amount of office materials, for example, paper, glass, aluminum cans, bottles, batteries, e-waste, printer ink and plastics.

SPILL PREVENTION AND RECOVERY

Orion ensures that spill prevention and recovery plans are used so that contamination of water is avoided and, if not avoided, then rapidly cleaned up. Orion has invested in specialized equipment and tools to accomplish this.

WATER MANAGEMENT

Orion views Water Management consistent with the United States Department of Agriculture, Natural Resources Conservation Service, which defines “Water Management” as “the control and movement of water resources to minimize damage to life and property and to maximize efficient beneficial use. Good water management of dams and levees reduces the risk of harm due to flooding. Irrigation water management systems make the most efficient use of limited water supplies for agriculture.” As so defined, Orion is not in the business of managing water resources. However, Orion’s marine segment provides construction and dredging services relating to marine transportation facility construction; marine pipeline construction; marine environmental structures; dredging of waterways, channels and ports; environmental dredging, design, and specialty services. Orion is contracted from time to time by flood control authorities and others to construct levees, dikes and other water control structures and in doing so, it complies with all applicable laws, regulations and best practices. Orion also recognizes that clean water is the world’s most valuable resource and as such Orion is very conscience of its responsibility to protect and enhance the three basic types of freshwater ecosystems (Lentic, Lotic and Wetlands).

OTHER INITIATIVES

The year 2014 saw the implementation of an oil sample analysis program on an organization-wide basis. The program, at its most basic level, involves the testing of oil and lubricants from equipment to ensure that they are being replaced at the most optimal times. This program helps extend drain intervals and prolongs the life of oils and lubricants, thereby reducing the impact on the environment.

VI. COVID-19 CRISIS

ORION'S RESPONSE

As of the date of this writing, we continue to confront the perils of the COVID-19 pandemic. The startling and escalating scale of this health crisis demonstrates the connectivity of our globalized lives as well as testing the strengths and weaknesses of our nation's infrastructure and resolve. Despite the coronavirus' unprecedented nature and circumstance, Orion is meeting the challenges and making necessary changes with critical emphasis on the safety of our employees and those we work with. Although generally deemed an "exempted essential business," our organization has responded to this health crisis effectively within the tenets of our core values: safety, production, quality and integrity.

The safety of our employees remains of utmost importance to our organization. Our team developed and implemented a COVID-19 Monitoring and Response Plan designed to prohibit the spread of the virus and limit the impact of its severity on our employees, their families and our operations. Continuous monitoring of the progressive coronavirus event prompted early action by our management to encourage personnel to work remotely, when possible. Where employees must be on site to perform their jobs, we ask employees to maintain "social distancing" between team members and enhance cleaning and disinfection efforts.



We continue to provide our personnel with the latest updates provided by the Federal and the various state and local governments so they can stay informed of the events which are quickly



changing. We ask those employees, who are feeling unwell, to stay home and to take advantage of our virtual telehealth resources that are available through our medical benefit program. In addition, our insurance plan has temporarily waived any out-of-pocket expenses related to COVID-19 testing. We also encourage our personnel to utilize the Company's Employee Assistance Program, which is readily available to our employees, to help cope with the stress and anxiety this pandemic has generated.

While we heeded all applicable "stay-at-home" orders, substantially all of our businesses are considered essential and, as such, we are maintaining operations and minimizing the impact to most of our customers. The Company has also implemented pre-shift temperature testing protocols for employees on projects as well as in office environments and these protocols will remain ongoing until the government decreases social distancing and other requirements. The Company is discouraging hand-shaking or congregating in the same area and we are limiting the

number of people on a project while allowing some personnel to work from home. We have also disinfected offices, doors, common areas, tables, chairs, etc., on a daily basis, and provided supplies of sanitizing wipes, hand sanitizer and hand soap throughout our facilities.

Ultimately, minimizing the spread and severity of COVID-19 is the responsibility of each



individual. Whether at work or at home, our employees have the ability to resolve and the resilience to overcome the many changes and challenges necessitated by the uncertainty of this pandemic. Amid this extraordinary health crisis, our company continues to demonstrate its exceptional commitment to safety, workmanship and productivity and, most importantly, integrity. While the novel coronavirus may usher a new era for our country, in many ways not yet known or measurable, Orion will remain steadfast in its core values today and we are prepared for both the familiar and the unknown of tomorrow.

Below is a summary of Orion’s multi-faceted organization plan in response to COVID-19.

COVID-19 Management Actions

HS&E

- Established and implemented Monitoring and Response Plan
- Procured thermometers, sanitizers, disinfectants, gloves, and other necessary products for our offices and projects
- Enacted training protocol for in-house “temperature screeners”
- Trained key individuals on all project to monitor employee’s temperatures pre-shift and began monitoring
- Hired ‘On-Site Health and Safety’ to expedite monitoring on key large contracts in Seattle and Ft. Lauderdale
- Continuing to monitor State, County, and Local shelter in place mandates
- Providing our Response & Monitoring plan and location specific COVID-19 Health and Safety Plans to project clients, counties, and states requiring them for us to establish ourselves as exempt under the Critical Infrastructure exemption

- Utilizing the “Target Zero Report” weekly to continue to train and inform our entire workforce about the virus and best practices for protection
- Developing COVID-19 Action Plan to answer questions and establish actions to take at varying levels of COVID-19 exposure (or potential exposure) for our employees.

Business Development

- Canvas clients with ongoing and future pursuits to assess status and impact
- Assess near-term fill-in opportunities to compensate for potential delays

Operations

- Contacted clients in areas with Stay at Home orders and informed we are exempt, and received acknowledgment to keep operational
- Reviewed contracts not only for Force Majeure, but also other language that allows for compensation
- Multiple meetings with regional leadership (VP’s) to initiate strategic shifts in 2020 plan to account for top and bottom line impacts due to crisis.
- Coordinating supply chain management with vendors

Governance

- Established Pandemic Preparedness team consisting of executive /safety leaders
- Educated personnel on personal hygiene, social distancing, related pandemic terminology
- Signed up for local emergency management alerts

Human Resources

- Equipped leaders with FAQ talking points
- Built COVID-19 intranet site with links to CDC and world health organization
- Ordered sanitation stations and increased cleaning measures
- Educated team on medical benefits and telehealth options

Legal/Compliance

- Reviewed existing contracts for force majeure clauses
- Reviewed state and local shelter in place orders
- Tracking updates to OSHA COVID-19 regulations
- Tracking US Government Stimulus Bills

Finance

- Produced multiple cash forecasting scenarios
- Built multiple project forecast scenarios
- Established communications with bankers about increased liquidity and flexibility
- Risked assessment performed on all A/R and current contracts in backlog
- Reviewed all Vendor AP for T&C’s
- Evaluated trigger-based cost savings options
- Continuously tracking the federal government’s planned response
- Proactively coordinating with KPMG to align requirements to execute Q1 review and filing within original targeted timelines

Communications

- Provided employees with weekly leadership message
 - Set social distancing expectations and encouraged remote work
 - Provided employees with company letters identifying them as essential critical infrastructure workers
 - Phone calls to top shareholders, sell side analyst and investment banking executives
-

Information Technology

- Increased VPN (Virtual Private Network) capacity and space (bandwidth increased to handle 3,000+ people)
- Increased the speed of the original VPN to provide a reliable backup for remote users
- Launched COVID-19 Intranet page to centralize all communications to the organization and then collaborated with HR, Safety
- Released updated step by step documentation to assist users in preparing to work remote
- Inventoried all usable laptop inventory, and delivered them to users across the company
- Pushed out patches to all laptop users to ensure that the computers could communicate securely
- Notified the organization about corporate and personal cyber security threats
- Increase third party cyber security monitoring

VI. SUPPLEMENTARY MATERIAL

Appendix A: Military Leave Policy

Appendix B: EAP Buckslip Policy

Appendix C: Tuition Reimbursement Policy

Appendix D: Code of Business Conduct and Ethics

Appendix E: Code of Ethics for CEO and CFO

Appendix F: Corporate Ethics and Legal Compliance Policy

Appendix G: Enterprise Risk Matrix

END