

CALTROL

Sustained Momentum

2025-2026 Annual Sustainability Report

AUTOMATING THE ESSENTIAL NEEDS OF MODERN LIFE

Caltrol
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Sustained Momentum

Welcome to the 2025-2026 Caltrol Sustainability Report & Update



About

This year, our theme, "Sustained Momentum," reflects where we are as an organization—not at a starting line, not at a finish line, but in deliberate, continued motion. Sustainability at Caltrol has never been a destination. It is a discipline. And with each passing year, that discipline deepens, broadens, and produces results we are proud to share with the people and partners who make this work possible.

Momentum in Consistency & Reporting

Since releasing our 2024 Sustainability Report & Update in September 2025, Caltrol has continued to advance the programs, partnerships, and practices that define our approach to corporate responsibility. Our framework—Greening OF, BY, and WITH Caltrol—remains the foundation of our environmental strategy, guiding internal operational improvements, the sustainability-enabling solutions we bring to our customers, and the collaborative alliances we build across industries. These pillars, alongside our Social Impact and Governance initiatives, represent a comprehensive and cohesive commitment to progress that goes well beyond any single metric or milestone.

Sustained momentum is not simply about maintaining pace. It is about ensuring that the gains made in one year serve as the platform for greater ambition in the next. It means holding ourselves accountable to the goals we have set, while remaining responsive

to the evolving landscape around us. Political environments shift. Market conditions change, but Caltrol's commitment to deliberate action and measurable outcomes over abstract goals remains the same. Our employee owners, customers, and partners deserve nothing less than that consistency—and this report is a transparent account of how we have honored it.



A Note on This Report

Readers familiar with our prior reporting will notice an important change in how this edition is structured. In previous years, each Sustainability Report covered activity from the prior calendar year—meaning our 2024 Sustainability Report & Update, released in September 2025, captured work completed during calendar year 2024.

Beginning with this edition, we are expanding our reporting scope to align more accurately with the natural rhythm of our reporting cycle. Rather than limiting coverage to a single calendar year, this report includes all relevant sustainability activity from September 2025—the month our last report was released—through September 2026, the release date of this current edition. This approach ensures that no meaningful progress falls between reporting periods and that our stakeholders receive a complete, accurate picture of Caltrol's sustainability efforts as they actually unfolded.

This rolling scope will carry forward in future editions. Each report will document the full period of activity since the prior report's release, creating a continuous and cohesive record of progress. We believe this structure better reflects how sustainability work actually happens at Caltrol—not in neat calendar-year increments, but through ongoing, year-round commitment. It is one more way we are holding ourselves to the standard our employee owners, customers, and partners expect: Leading with Purpose, Building for Tomorrow.

"One way to keep momentum going is to have constantly greater goals."

-Michael Korda

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REPORT AT-A GLANCE



We're excited to welcome you into our 2025-2026 Sustainability Report, a reflection of the Sustained Momentum driving our work forward. The highlights featured above offer a glimpse into the key initiatives advancing our environmental, social, and governance efforts throughout the year. Each one speaks to Caltrol's ongoing commitment to our employee-owners, customers, and communities—and we invite you to explore the full story in the pages ahead.

A Letter From the President

Five years ago, we began taking a more deliberate approach to measuring and reporting Caltrol's sustainability efforts, and we now have enough history to step back and see whether those efforts are producing meaningful results.

They are.

Since 2021, we have reduced our overall CO2 emissions by more than 31%. We achieved another reduction in 2025 while continuing to grow our business and expand our capabilities. This is important because it shows that sustainability and business growth don't have to compete. Done well, responsible business practices, operational efficiency, and profitable growth can work together.

That idea extends well beyond our environmental footprint. As a 100% employee-owned company, sustainability also means building a company that will be successful for the long term. We continue to invest in our people, facilities, systems, and capabilities. Our Las Vegas expansion is a good example. We are adding capacity that allows us to take on larger and more complex work, while creating a better environment for our employee-owners to collaborate and serve our customers.
There are several other accomplishments in this year's report that I am especially proud of. Our employee-owners completed 4,959 hours of safety training, nearly double the prior year, and we launched our Safety Awareness Tickets program to make safety even more proactive and participative. We continued investing in Learning & Development and creating opportunities for our employee-owners to build skills and grow their careers. We also strengthened our partnership with the UC Irvine Clean Energy Institute by donating a DeltaV™ Industrial Control System skid that gives students hands-on experience with technology they will encounter in their careers while supporting research into the future of energy.

Our commitment to quality remains just as important. Caltrol's 2025 ISO 9001:2015 surveillance audit resulted in zero findings. Results like that, just like our safety results, don't happen because of a certification or a checklist. They happen because our employee-owners take pride in doing things the right way.

That is what Sustained Momentum means most to me. It isn't one big initiative or one year's results. It is doing the right things consistently and continuing to improve. It is growing our company while reducing our environmental impact, helping our customers solve increasingly difficult challenges, investing in our employee-owners, supporting our communities, and building a stronger company for the future.

I want to thank the members of our Sustainability Steering Committee and Sub-Committees, along with all of our Caltrol employee-owners who contributed to the accomplishments highlighted in this report. I am proud of what we have accomplished over the last five years, but even more excited about what comes next.

We are continuing to build a company that creates lasting value for our employee-owners, our customers, and the communities we serve while automating the essential needs of modern life.



Scott Bedell
President & CEO
Caltrol

Environmental

Greening OF

Greening BY

Greening WITH

CALTROL

Environmental Impact

INTRODUCTION & GOALS

Caltrol maintains a continuous commitment to executing and optimizing sustainability practices across its operations. As we review our 2025 emissions data and look ahead to new initiatives beginning in 2026, we remain focused on balancing growing and changing business needs with a disciplined effort to minimize our organization's footprint. Our goal is straightforward: serve our employees, customers, and planet with green policies and guidelines that support a healthy future for all three.

This year marks a meaningful point in that journey, as our sustainability program has reached its five-year milestone. Our emissions data shows continued year-over-year progress, and we've extended our environmental commitment beyond our own operations through a hands-on partnership with the University of California Irvine. We also sat down with a leading voice in the hydrogen industry to better understand how this technology fits into the broader clean energy picture. Together, these efforts reflect a company that measures its impact honestly, maintains rigorous data practices, and acts on what the data shows.

MEASURE Measure our company impact on the environment based on our past and recent operations.

MAINTAIN Maintain our robust data collection methodology and record accurate and timely data.

IMPLEMENT Implement meaningful operational changes that will have a positive environmental impact.

Progress & KPIs

2025 SUSTAINABILITY PERFORMANCE

As in previous years, Caltrol has kept diligent records of the operational changes that impact the company's CO2 emissions. These scopes touch Caltrol employees, customers, and suppliers across the board. Our initiatives, including a hybrid workforce, improved waste reduction, and green office operations, have allowed us to reduce overall CO2 emissions by 4.48% year over year.

This reduction reflects the stabilization of several years of environmental initiatives into our continuing baseline. While 2025 did not see as dramatic a drop in emissions as 2024 did (4.48% compared to 18.98%), our steady, sustained effort tells its own story: Caltrol has now reduced its emissions by 31.14% since we began tracking environmental impact in 2021.

SCOPES	2021	2022	2023	2024	2025
1. FLEET VEHICLES & STATIONARY COMBUSTION	528.11	650.97	732.39	659.12	713.38
2. BUILDINGS & ELECTRIC	286.19	352.92	385.33	342.72	291.15
3. BUSINESS TRAVEL	497.07	627.21	701.51	807.21	909.07
3. SHIPPING DOWNSTREAM	104.64	105.77	111.05	116.98	108.25
3. WASTE	52.15	85.47	111.07	118.18	103.27
3. EMPLOYEE COMMUTE	984.36	1081.18	896.55	541.79	477.79
3. REMOTE WORKFORCE	71.04	78.15	91.82	58.08	78.89
3. SUPPLIERS	8010.93	6579.07	6326.26	4935.87	4558.06
TOTAL	10,514.49	9,560.74	9,355.95	7,579.95	7,239.86



Our Five Year Milestone

In 2025, Caltrol's sustainability program reached its five-year milestone, achieving an additional 4.5% reduction in greenhouse gas emissions. We accomplished this while continuing to expand our operations and grow sales, demonstrating that sustainable business practices and profitable growth can go hand in hand. This continued progress reflects our long-term commitment to environmental responsibility and operational excellence.

Across our business, the largest contributor to greenhouse gas emissions is Scope 3, a challenge shared by most organizations. While Scope 3 emissions represent the greatest portion of our total footprint, they are also the most difficult to manage, since they originate from external sources such as suppliers, manufacturers, and other partners throughout the value chain.

Many companies struggle to influence emissions generated by third parties. Caltrol, however, is uniquely positioned through its partnership as an Emerson Impact Partner. Emerson supplies a significant number of the products we procure on behalf of our customers, creating close alignment between our sustainability objectives and theirs.

Emerson has made a long-term commitment to achieving net-zero emissions and continues to reduce the Scope 3 emissions associated with its manufacturing operations. As Emerson improves its environmental performance, Caltrol benefits from those reductions throughout our supply chain. This partnership has been instrumental in helping us achieve meaningful progress toward our sustainability goals.

Beyond emissions reductions, our relationship with Emerson provides a tightly integrated network that supports consistent engineering practices and responsive service for automation and control customers. Emerson's Responsible Sourcing Policy further strengthens this partnership by establishing tiered supplier expectations, ranging from foundational compliance to industry-leading best practices. These expectations include measuring and reporting greenhouse gas emissions, setting reduction targets, and promoting human rights and fair labor practices throughout the supply chain. This collaborative approach remains a cornerstone of Caltrol's sustainability strategy.

All other suppliers are expected to comply with Caltrol's Supplier Code of Conduct, which emphasizes responsible sourcing, ethical labor practices, environmental stewardship, and strong governance systems. These standards are incorporated into the evaluation and ongoing management of both new and existing suppliers.

Looking ahead, our objective remains clear: continue growing our business profitably while further reducing our environmental impact. We are committed to delivering value for our customers and stakeholders without increasing our greenhouse gas emissions. With a dedicated team, strong strategic partnerships, and a clear vision for the future, Caltrol is well positioned to continue advancing our sustainability journey and delivering measurable results.



Preparing Graduates to Green the Future

Bringing DeltaV™ into the UCI Clean Energy Institute

Early 2026 saw the completion of a months-long project to empower students at the University of California Irvine's Clean Energy Institute. Caltrol was pleased to present the institute with a brand new DeltaV Industrial Control System Skid. This donation gives the UCI Clean Energy Institute (CEI) the opportunity to gain more actionable data from its ongoing experiments, track multiple data streams, and execute complex automations from a centralized source. Beyond improved data management and automation control, the donated skid gives UCI students hands-on experience with one of the key technologies they will encounter in the field after graduation.

"This donation is the result of many months of hard work and partnership between Caltrol and UC Irvine," said Barron Effenberger, the Caltrol employee who championed this donation. "The DeltaV skid is going to be a huge asset to Professor Brouwer's students, and I think it signifies our strong partnership with the university. We have a cadence planned out to touch base with the student team here and make sure they're able to utilize the unit to its full potential."

The DeltaV skid represents a significant upgrade for the experiments underway within CEI, experiments that may lead to breakthroughs opening new pathways to greener energy technology.

Professor Jack Brouwer, PhD, is the Director of the UCI Clean Energy Institute and a leading figure in Southern California's renewable energy industry. As the staff champion behind the donation, he described the need it fills.



"We have a wide variety of experiments that require simultaneous monitoring, operation, and control and a typically varying design of these experiments and facilities over time. We needed a resource that could accept and monitor multiple diverse input signals with various communication protocols and that could produce control signals with equally diverse signals and protocols. We work with a fairly large cross-section of energy conversion and energy storage system companies from all around the world. We plan to use the DeltaV system in the experiments that they sponsor at the UCI Clean Energy Institute and to show them how we use it in research and development of mutual interest. We are grateful for the collaborative spirit and for the time, creativity, and talent that Caltrol engineers are investing in this partnership."

DeltaV has been live at the UCI Clean Energy Institute throughout 2026, and we expect the tool to remain in use for many years to come.

Championing Hydrogen for a Cleaner Future

A Conversation with Katrina Fritz of the California Hydrogen Business Council

Cleaner energy will not come from a single technology. It will come from several working together, and hydrogen is proving to be one of the most versatile. To understand where it fits, we spoke with Katrina Fritz, President and CEO of the California Hydrogen Business Council (CHBC), the largest and longest-established business association advocating for the use of hydrogen and fuel cells in the United States. For more than 23 years, the CHBC has united utilities, transit agencies, and companies across the supply chain to advance hydrogen and fuel cell technology. Fritz shared her perspective on where hydrogen stands today, and what companies like Caltrol can do to support a greener future.



Katrina Fritz
President and CEO
California Hydrogen Business Council

Why Hydrogen?

As the climate continues to shift and additional stress lands on traditional fuel supply chains, hydrogen offers a path to decarbonize both the gas system and hard-to-abate fuels. Because of its uniquely high energy content, hydrogen is well positioned to become a new way to satisfy energy demands throughout the United States and globally.

"There are two big reasons for companies to choose using hydrogen," Fritz explained. "As you know, California has programs for low- and zero-emission vehicles, and the federal government still has some of those programs too. Backing hydrogen enables companies to use a cleaner technology that may cost more at the moment, but can reach economies of scale that bring that cost down. On the other side, there's performance. Heavy duty vehicle sectors like aviation, maritime, public transit, and trucking are looking at hydrogen because batteries are heavy and limited. Ports and transit buses are still under mandate to move to zero emissions. They need something that will drive for long distances and hours, refuel efficiently, and handle their terrain and workload. Transit agencies are getting significantly more mileage out of hydrogen buses than battery buses."

Why Hydrogen? (Cont'd)

With hydrogen as an option, fewer vehicles can cover the same routes, which strengthens the total cost of ownership case for fleets weighing infrastructure requirements, fueling, and per-vehicle costs. When those costs begin to shift, that influence ripples through the supply chain and reaches more and more companies, Caltrol included.

These benefits extend to air quality and public health as well. The CHBC's 2025 Air Quality Impact Assessment, conducted in conjunction with researchers at UC Berkeley, found that expanding hydrogen use in the Southern California air basin could save up to 300 lives annually and generate $3 billion in corresponding health savings each year.



Proactive Safety

New technology always invites scrutiny, and the CHBC has met that head-on. Working with the Center for Hydrogen Safety, the council produced a hydrogen safety report that openly addresses the fuel's unique properties, its risks, and clear mitigation strategies across sectors. Fritz commented on CHBC's proactive approach:

"We talk about risks and mitigation strategies very openly in this report. It's been a great way to provide policy makers with additional information. We have publicly filed [the safety report] on some industry dockets, to emphasize that this does exist and we're addressing safety proactively. It has to be integrated throughout communities, from bus operators to maintenance personnel to first responders."

Sustaining Momentum Together

While federal funding and policy will shift over time, well-designed projects have always continued to advance, and Fritz expects that to remain true. She points to global corporations investing across product lines for the long term, transit agencies pivoting to state resources to fill funding gaps, and hydrogen production and carbon capture projects reaching key milestones. The rate of change may vary; the direction does not. Progress on this scale depends on collaboration. Fritz shared her best practices for organizations like Caltrol looking to be part of that momentum:

"I encourage CHBC members to take full advantage of their member benefits. And the benefits don't need to reside with only one person in your company. We allow anybody from Caltrol to attend our sector action groups and member meetings. Take advantage of our brand and marketing as well. When we share information with our contacts, we are reaching tens of thousands of people, and we want to promote your success stories. Finally, look for new connections. When you see a new member company join CHBC, we can help make that introduction and foster that growth."

Hydrogen's promise is real and realizing it is a shared enterprise. By staying active, informed, and committed, businesses like Caltrol can help build the cleaner energy future that hydrogen makes possible.

Social Impact



As we continue our sustainability journey, the Social Impact Committee remains focused on building a strong, connected, and engaged Caltrol community. Through initiatives that support our employee owners, strengthen our culture, and extend our impact beyond the workplace, the Committee continues to turn our values into meaningful action.

This year, our efforts centered on building upon the progress we've made while creating new opportunities for our people to grow, contribute, and thrive. By continuing to listen, learn, and evolve, we are finding new ways to support our employee owners and make a positive difference in the communities we serve. These efforts reflect an ongoing commitment to building on what we've accomplished together.

Our momentum is built on the belief that meaningful social impact doesn't happen through a single initiative or one year's efforts. It grows through continued investment, listening to our employee owners, learning from our experiences, and finding new ways to make Caltrol an even better place to work and contribute. We are proud of the progress we've made and look forward to carrying that momentum forward.

GOALS



Safety

Strengthen and advance our safety culture by investing in proactive programs, training, and employee participation that help protect our employee owners and their families.



Employee Engagement

Build a more connected and engaged employee-owner community by creating meaningful opportunities for growth, collaboration, recognition, and involvement both within Caltrol and in the communities we serve.

Initiatives

Benefits Optimization

We continue to evolve our benefits to meet the changing needs of our employee owners, building on our commitment to competitive, affordable, and holistic well-being.

Training & Development

We continue to invest in our employee owners through training, professional development, and opportunities to build skills and grow their careers.

Core Values

Our core values continue to shape how we work, lead, and interact, strengthening a culture grounded in respect, accountability, collaboration, and excellence.

Philanthropy

Our employee owners continue to build on Caltrol's tradition of giving back through volunteering, charitable giving, and community partnerships.

Diversity

We continue to foster an inclusive workplace where every employee owner feels valued and respected, recognizing that diverse perspectives strengthen our culture and organization.

Safety

We continue to advance our proactive safety culture through training, awareness, and employee participation, reinforcing that safety is everyone's responsibility.

Employee Engagement

We build momentum through open communication, collaboration, and opportunities for employee owners to connect, contribute, and be heard.

Core Values

Our core values are at the heart of how we work, connect, and grow together. They shape our culture, guide our decisions, and provide a shared foundation for how we show up for our employee owners, customers, and communities. As we continue our sustainability journey, we remain focused on turning these values into meaningful actions that strengthen our organization and the people who make it what it is.

Throughout 2025, we continued to reinforce our values through employee recognition and engagement. Our ongoing partnership with NectarHR provided opportunities to recognize employee owners for living our values, while the President's Council Award continued to celebrate individuals who demonstrate exceptional commitment to them. Looking ahead, we announced the transition to Awardco beginning in 2027, marking the next step in evolving how we recognize and celebrate the contributions of our employee owners.

Celebrating Excellence

The President's Council Award continued to recognize employee owners who exemplify Caltrol's core values through their leadership, dedication, and contributions throughout the year. This annual recognition celebrates those who go above and beyond to strengthen our culture and advance our shared success.

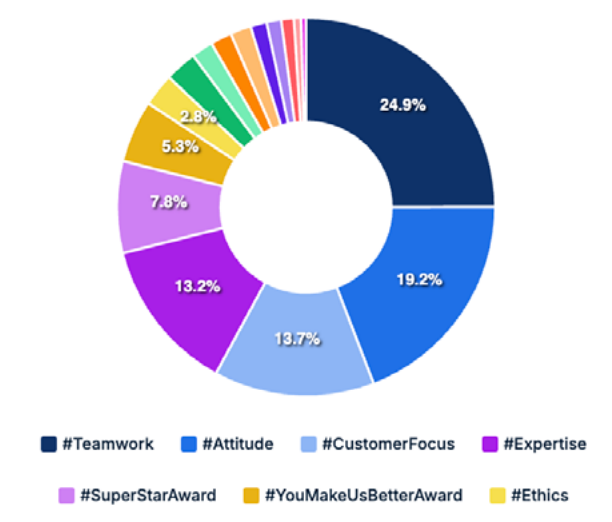


"For almost 20 years, the President's Council Award, as our company's highest recognition, honors employee owners who exemplify our core values and have made a lasting impact on Caltrol's success."

-Scott Bedell, Caltrol CEO/President

Recognizing Our Values

2025 NECTAR STATISTICS



6,558 Total Shoutouts
Top Value = Teamwork

Our partnership with NectarHR continues to give employee owners a meaningful way to recognize one another for putting Caltrol's core values into action. Through peer-to-peer recognition, employees can celebrate colleagues who demonstrate the behaviors and principles that strengthen our culture every day.

Looking ahead, Caltrol will transition from NectarHR to Awardco in 2027, expanding the ways employee owners can recognize and celebrate one another. The new platform will build on our existing recognition efforts while creating additional opportunities to make appreciation a visible and ongoing part of our culture.

nectar

Benefits Optimization

Caltrol first made the decision in 2024 to move forward with self-funding for our medical insurance. With the 2025 year seeing this change, Caltrol has more control over our plan design, while still having access to Anthem's network and discounts. As part of this move, we have added a concierge telehealth option for our employees and their children and added a program to provide discounts on imaging. This has helped maintain insurance costs during a time where other companies are seeing double-digit increases in premiums and are needing to pass them on to their employees. Caltrol continues to partner with Nava Benefits to offer our employee owners access to the plan information and assistance 24/7.

Supporting the Next Chapter

As part of Caltrol's Educational Assistance program, our student loan match benefit helps employee owners continue to invest in their financial well-being after completing their education. Through our partnership with BenefitEd, Caltrol matches qualifying student loan payments, helping employee owners reduce their educational debt while supporting their continued professional growth.



In 2025, Caltrol matched **$34,665.61 in student loan payments for 18 employee owners**, providing meaningful support as they work toward greater financial freedom and their long-term goals.

BenefitEd™
A nelnet Company

Philanthropy

Values In Action Throughout Our Communities



Giving back is an important part of how Caltrol puts its values into action. Through the involvement of our employee owners and the support of our ESOP Committee, we continue to build momentum in our efforts to make a positive difference in the communities we serve. We support customer-led charitable events and organize participation opportunities in annual giving campaigns. Our philanthropy reflects a shared focus on helping others and strengthening the communities around us.

In 2025, Caltrol continued this tradition through partnerships and initiatives that brought employee owners together in support of meaningful causes. We help to provide essential school supplies, bringing holiday joy to local families, and support organizations making a difference in our communities. These efforts demonstrate that giving back is more than an annual activity. It is an ongoing part of how we live out our values through participation, partnership, and purpose.



Supporting Our Customers' Causes

Caltrol was proud to support the Los Angeles Refinery Golf Tournament Fundraiser, a customer-led charity event in 2025 that brought our employee owners together with the local community to help raise funds for a meaningful cause. Through our ongoing partnership and participation, we were able to extend our impact beyond our own organization and support a cause that matters to our customer and its community.

Back to School Supply Drive

Our annual Backpack Drive continued in 2025, bringing employee owners together to help local students start the school year prepared for success. Through donations and participation from across Caltrol, our team helped provide essential school supplies while supporting students and families in our communities through Boys & Girls Clubs, WestCare Foundation, and more.





Spreading Joy through Toys

The holiday season brought another opportunity for Caltrol employee owners to give back through our annual Toy Drive. Generous contributions from across the organization helped provide gifts to children and families in need, spreading a little extra joy during the holiday season. For the second year in a row, Caltrol Arizona employee owners focused their efforts on cheering up children receiving treatment at Tucson Medical Center for Children.

Cultivating a Greener Workplace

In celebration of Earth Day, our Pune team partnered with EcoBacs to encourage greener habits in the workplace and beyond. Together, they provided employees with 16 hand-painted glass planters featuring lucky bamboo, creating a simple and meaningful reminder that sustainability can begin with everyday actions. The initiative reflects Caltrol's belief that lasting change is built through collective effort. By bringing sustainability into the workplace in a personal and visible way, our Pune team continues to build momentum toward a more environmentally conscious future.



Our 2025 - 2026 Social Impact Partners

BOYS & GIRLS CLUBS OF AMERICA

WESTCARE FOUNDATION

the YMCA

CALIFORNIA STATE UNIVERSITY LONG BEACH Graduate Business Programs

EcoBacs™

Employee Engagement

At Caltrol, employee ownership is the foundation of our culture and an important driver of our continued progress. As an employee-owned company, our employee owners have a personal stake in our shared success and an opportunity to contribute to the future of the organization. This sense of ownership encourages engagement, collaboration, and connection, strengthening both our workplace and the communities we are part of.

Our ESOP Committee plays an important role in bringing employee ownership to life by creating opportunities for our employee owners to learn, connect, participate, and celebrate together. Through events, communication, recognition, and educational initiatives, the Committee helps strengthen understanding of what it means to be an owner while creating meaningful ways for employees to get involved. As we continue building on this foundation, our focus remains on creating an engaged and empowered employee-owner community that moves forward together.

THE ESOP COMMITTEE'S MISSION IS TO EDUCATE, COMMUNICATE, AND CELEBRATE THE BENEFITS OF CALTROL EMPLOYEE OWNERSHIP CULTURE

Bringing Employee Owners Together

Every three years, Caltrol brings all employee owners together in person for our Annual Shareholders Meeting, making this gathering a particularly special opportunity to connect as one organization. In 2025, employee owners from across Caltrol came together in Las Vegas for our annual meeting, celebrating our shared ownership and the accomplishments of the past year. The event also featured our traditional employee auction, complete with paddles and plenty of friendly competition, adding an element of fun to an important company tradition.















A New Approach to Listening

After three years of using Gallup for employee engagement surveys, Caltrol transitioned to the Predictive Index (PI) platform in 2025, introducing a more integrated and actionable approach to understanding the employee experience. In July 2025, we conducted our first company-wide PI engagement survey, establishing a new baseline for understanding employee sentiment across key areas including manager/employee performance, role specifics, and sentiment for the organization overall.

PI provides greater insight into the factors that influence engagement, helping Caltrol identify strengths, areas of caution, and question-level results that can inform action planning. The platform also gives us the flexibility to engage smaller groups through pulse surveys throughout the year, allowing us to track progress and gather more targeted feedback. As we continue incorporating additional PI tools across the organization, the platform is becoming increasingly familiar to both employees and managers, strengthening our ability to listen, learn, and turn employee feedback into meaningful action.

Celebrating Employee Ownership

Employee ownership is more than a designation; it is an important part of Caltrol's culture. As employee owners become fully vested, they reach an important milestone in their ownership journey and gain a greater stake in the future of the company. We are proud to recognize the growing number of employee owners who have reached full vesting and the commitment they bring to Caltrol each day.

2025 VESTING STATISTICS

Caltrol Vesting Stats	2023	2024	2025
Total Employee Base Fully Vested			
	37%	35%	34.5%
Increase in Fully Vested Employee Owners			
	21	13	8

"Employee Engagement is an investment we make for the privilege of staying in business."
-Ian Hutchinson, CEO Life by Design

Safety



Safety remains a foundational value at Caltrol and a central part of our commitment to the well-being of our employee owners. In 2025, we continued strengthening our culture of awareness and prevention through ongoing training and a greater focus on proactive employee engagement. Caltrol employees completed 4,959 hours of safety training, nearly doubling the 2,535 hours reported the previous year. That continued focus was also reflected in a 97% average score on Presidio Risk Assessments and 99% scores on audits from our principal partner, Emerson.

"More than anything, I think the program has helped reinforce that safety is a shared responsibility and everyone has a role in it."

— Tristan Alexander, EHS

Building on this foundation, Caltrol developed the Safety Awareness Tickets program in 2025 and launched it in 2026 to encourage employees to take an active role in identifying hazards, reporting near misses, and recognizing safe practices. The program was designed to get employees actively looking at their surroundings and "thinking about safety before something happens," creating an easy way for everyone to speak up and contribute to a safer workplace. Employees may submit tickets anonymously or include their names, providing opportunities to recognize those who actively look out for their colleagues.

Tristan Alexander, Caltrol EHS Manager, sees the program as another way to reinforce an important part of Caltrol's safety culture. She states, "Safety is a shared responsibility and everyone has a role in it." By giving employee owners a simple way to raise concerns, share observations, and recognize positive safety behaviors, the initiative helps make awareness and accountability part of everyday work. It is another step toward a proactive safety culture where everyone has the opportunity to look out for one another.

Our Safety Program Partners

Avetta Safety Program

ISNetworld® Safety

Veriforce/PEC Safety

2025 average scores of Presidio Risk Assessments and Emerson Premier Service Provider Audits

98%

Hours of Reported Safety Training

4959





Safety Beyond the Workplace: Roadside Fire

For Caltrol's service technicians, the safety mindset does not end when the workday is over. While returning from a job site in May 2026, a team of service technicians noticed a vehicle with a blown tire on a two-lane highway. Sparks from the tire had ignited a brush fire along the roadside. Recognizing the potential danger, the team safely pulled over, assessed the situation, and retrieved two fire extinguishers from their service vehicles. After using the extinguishers, they continued addressing the remaining hot spots with the water they had available until the fire was fully extinguished.

Our team encouraged the driver of the vehicle and trailer to contact emergency services and remain in the area until help arrived. The driver expressed gratitude to our employee owners for their quick response, which helped prevent the fire from spreading, and for providing assistance when others did not have the tools to respond themselves. The experience was a powerful reminder that awareness, preparedness, and care for others extend beyond the workplace. For the three employee owners on site, the response was simply an extension of the mindset they bring to their work every day: stay aware, be prepared, and look out for one another.

Special thanks to our employee owner team members involved: Guillermo Gaxiola, Tyler Manthei, and James Ramirez.

Training & Development



Veronica Jensen
Learning & Development Business Partner

At Caltrol, investing in our people is an important part of building a strong and sustainable organization. Learning and development provide our employee owners with opportunities to build skills, grow their careers, and adapt to the evolving needs of our business. By creating a culture of continuous learning, we strengthen both individual potential and the organization as a whole.

Central to this effort is the role of our Learning & Development Business Partner, who works to create meaningful development opportunities that support employees at every stage of their careers. In this Q&A, we highlight Veronica Jensen, who joined Caltrol in 2025, and her vision for continuing to build our Learning & Development program. Through her leadership, expertise, and focus on employee growth, Veronica is helping create a foundation for continued development and sustained momentum across Caltrol.

Q: What is your background and experience in Learning & Development, and what brought you to this field?

A: As is the case with many folks in my field, I didn't make a deliberate decision to enter the L&D world (my formal education was centered around language & linguistics, psychology, and theatre). Rather, from the start of my professional career, no matter my role or field, I naturally fell into training, mentoring, coaching, and leadership roles. I'm that person who jumps in to figure things out so I can then help others get unstuck and support us all moving forward. I'm also naturally (or annoyingly) curious and love to understand how both systems and people work, and I'm always looking for ways to connect the dots between both similar and disparate things.

Following those impulses took me down the Learning & Development journey, and nearly two decades and multiple certifications & focuses later, I quite like where it's brought me. My brain likes to hang out at the intersection of people, culture, behavior, systems, and growth, and L&D has given me a way to continue to cultivate that capacity and get paid for its application.

One thing I love about L&D is the variety of different types of work one can get into, and you can see my love for variety show up in the functions I've served: facilitation, instructional design, program and operations management, leadership and organizational development, culture and engagement, coaching, and even voiceover work. I also enjoy supporting a whole rainbow of needs – from individuals to teams/groups, new hires to later-lifecycle employees, entry-level to C-suite folks, and technical skills to leadership & human skills.

I appreciate that my role at Caltrol lets me work across core L&D, HR, operations, and strategy, which satisfies both my love of variety and my brain's natural inclination toward systems thinking and design thinking.

Q: Why do you believe Learning & Development is important to Caltrol and to the growth and success of our employees?

A: Well, for one thing, L&D is essentially baked into our core values – you can't have Expertise or Innovation without Learning & Development!

I believe every person is innately a learner; it's part of what drives and motivates us. I also believe that people join Caltrol as employee-owners because they want to contribute and grow along with the company, but not everyone will want to do that in the same way. Some people may appreciate being able to consistently excel in a position that feels comfortable for them, perhaps growing in knowledge and skill but not scope or responsibility; some may want to expand into different levels of their field or become leaders; still others may want to be able to try new & different things while staying within the same company.

Learning & Development creates opportunities for employee-owners to grow and contribute, no matter where they are on that spectrum. The more our people understand, grow, and contribute, the stronger the company becomes. The more we build up the company, the more value employee-owners get from their investment. I see L&D as an integral part of that virtuous cycle of sustainability.

Q: What role does L&D play in creating opportunities for employees to learn new skills, grow in their careers, and reach their full potential?

A: You've actually summed up nicely what I see as L&D's main role in general – creating opportunities. Development doesn't belong to HR/L&D; every person owns their own development, but everyone also starts at a different place when it comes to information, experiences, connections, and confidence. L&D's supporting role here is to help remove barriers and make growth opportunities more visible & accessible so people have the tools they need to take ownership of their own development.

Q: Since joining Caltrol in 2025, what are some of the key L&D initiatives or programs you have helped implement, and what impact are you hoping they will have on our employees?

A: Much of my focus so far has been on building and expanding the infrastructure that makes future growth possible: improving learning systems, processes, technology, and access to development resources. Some of the most impactful L&D work can be largely invisible; these are the parts that aren't about adding or implementing courses or programs, but rather identifying and removing bottlenecks, friction points, or unnecessary layers. This type of work is always ongoing, with a goal of people spending more time actually developing and less time figuring out the logistics of doing so.

With anything that we do, my hope is always that we're driving toward greater clarity, confidence, engagement, and growth opportunities for employee-owners.

"Development doesn't belong to Human Resources and Learning & Development Departments; every person owns their own development... With anything that we do, my hope is always that we're driving toward greater clarity, confidence, engagement, and growth opportunities for employee-owners."

Q: How do you plan to engage employees and encourage a culture where continuous learning and professional development are part of the employee experience?

A: To me, a culture of learning is really a culture of curiosity, and we already have a strong foundation for that at Caltrol; our opportunity now is to strengthen it intentionally. As humans with busy lives, we naturally gravitate toward familiar routines, existing habits, and whatever feels most urgent in the moment, which means development can easily get pushed aside if it's treated as something separate from the work itself. Ideally, development isn't seen as one more thing added to someone's plate, but rather a natural part of how we deliver unique solutions for our customers and for each other.

As we continue building new programs and initiatives, I'd also love to spotlight the growth that's already happening across Caltrol. We have people learning new skills, taking on new challenges, sharing expertise, and helping each other succeed every day. The more we share and celebrate those stories, the more learning becomes part of who we are.

Q: How do you work with leaders and employees across Caltrol to identify learning needs and ensure our development opportunities are relevant to their roles and career goals?

A: The people closest to the work usually have the best insight into what's helping them succeed, where they're encountering challenges, and what capabilities are needed for the future, so I collaborate closely with leaders, subject matter experts, and employee-owners, who all play an important role in shaping development opportunities.

I tend to spend a lot of time listening and asking questions (and then more questions); my aim is to be a good consultative and strategic partner who helps make growth opportunities both intentional and practical. Every team has its own challenges, expertise, priorities, and perspectives. The relationships I've built are invaluable, and since I get to work with folks across different teams and business units, I look for ways to use my role to connect people, ideas, resources, and opportunities that might otherwise remain siloed.

Q: What do you see as some of the biggest opportunities or challenges in expanding L&D at Caltrol, and how do you plan to address them?

A: One of the biggest opportunities I see is that we already have an incredible amount of expertise throughout the organization – we just need better ways to preserve, share, and connect that tribal knowledge so more people can benefit from it. (I'm hoping one of the new tools we're launching soon will help with that!)

We also have several diverse business units with different learning needs across multiple locations. At the company level, our development strategy needs to feel cohesive (with clear career paths, accessible go-to places for resources, and consistent learning infrastructure) while still being flexible enough to support the unique needs of each area of the business.

I also think it's important to remember that training isn't always the answer. Sometimes people need a training course, but other times the real need is stronger communication, improved processes, better documentation, clearer roles & expectations, different technology, or rebalanced workloads. Part of my job is pointing out those potential gaps when I see them and helping to find the most effective path forward.

Q: What excites you most about the opportunity to shape Learning & Development at Caltrol, and what do you hope employees will say about their growth and development as these programs evolve?

A: I love collaborating and co-creating with people who get as excited about the work as I do, especially when we're building something with the potential to outlast us. Processes change, technology changes, and org charts change, but what we build here together can produce ripple effects that may last for years. I'm also glad for the opportunity to design development programs that are accessible to all employee-owners, not just future leaders, because everyone deserves the opportunity to grow in whatever direction is meaningful to them.

Ultimately, I hope employees will be able to say that they discovered possibilities they hadn't considered before, made the most of the opportunities available to them, pleasantly surprised themselves with what they were able to accomplish, and got as much out of their experience here as they gave to it (and had fun! That's always important, in my book).

Learning In Action

Learning and development are an ongoing part of the Caltrol employee-owner experience. Through our Learning Management System, employee owners access training throughout the year across areas such as safety, quality, compliance, professional development, and role-specific skills.

By bringing together internal training and resources from our learning partners, we continue to expand opportunities for employee owners to learn, grow, and build the skills needed for their success and the future of Caltrol.

2025 LMS STATISTICS

1346
Total Learning Hours

2776
Total Courses

100
Unique Courses

Our Learning & Development Partners

Diversity

"A diverse mix of voices leads to better discussions, decisions, and outcomes for everyone."

— Sundar Pichai, CEO of Alphabet & Google

True organizational momentum transcends mere representation—it is powered by the diverse perspectives of our employee-owners. Rooted in backgrounds that span various cultures, states, and nations, our team brings a rich mosaic of experiences to our daily operations. Continuously upholding strict equal opportunity standards and fair hiring practices, we celebrate these varied origins as a core competitive advantage. By actively deploying this wide range of unique perspectives, specialized skills, and global origins, we fuel the continuous innovation required to drive our long-term sustainable growth.



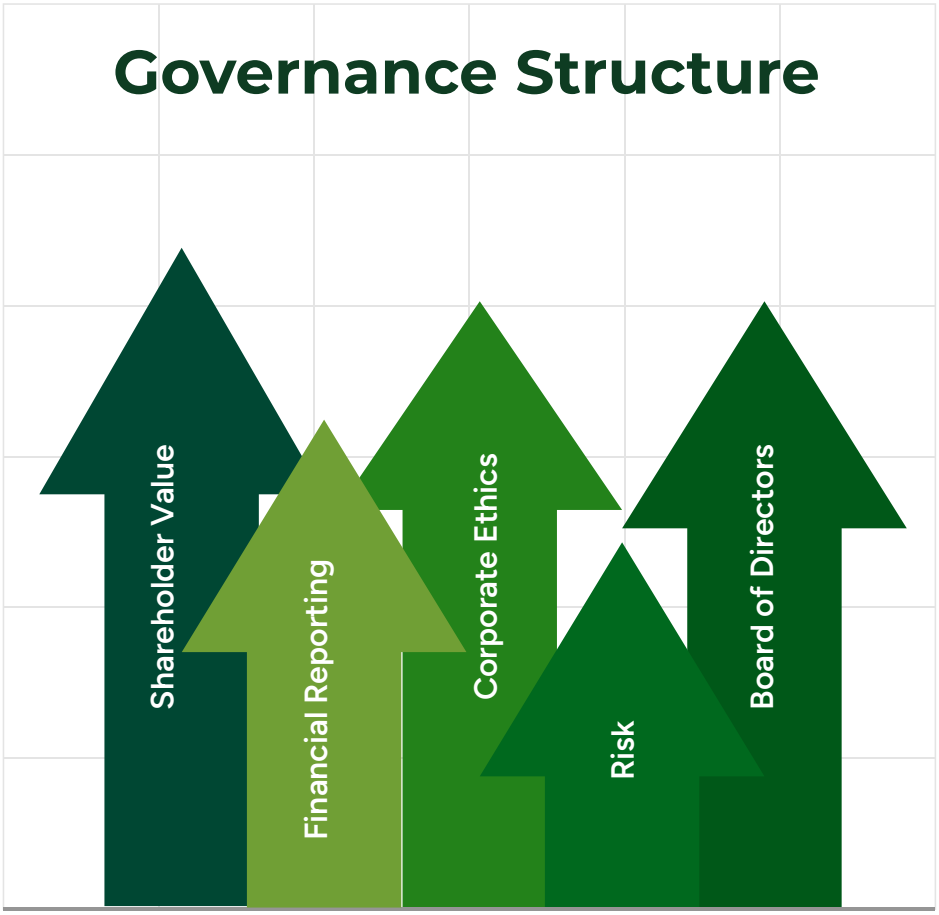


WE ARE MORE THAN COWORKERS, WE ARE BUSINESS PARTNERS.

Governance

SHAREHOLDER VALUE

At Caltrol, shareholder value is built through profitable, durable growth and disciplined long-term investment—from our people to our operating systems. Regarding financial performance, our bookings reached a three-year high in 2025, while revenue accelerated, reflecting sustained financial momentum across the reporting period.



Our Approach

As a 100% employee-owned ESOP company, Caltrol's approach to shareholder value is both personal and purposeful. Every financial result has a direct impact on our employee owners—which is exactly why we manage growth with discipline, invest with intention, and measure performance against standards that go beyond the current quarter.

Value, As We Define It

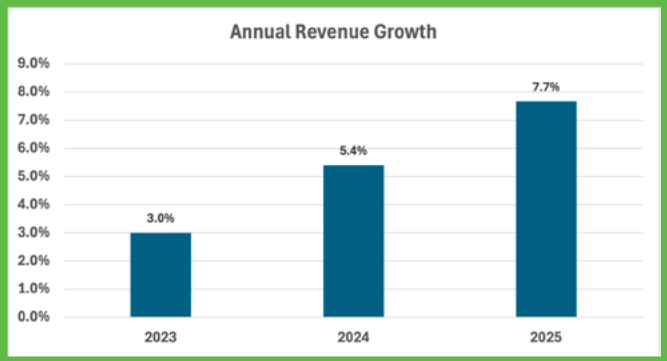
At Caltrol, shareholder value is shaped not only by current financial performance, but also by the long-term investments we make to strengthen our workforce, operating systems, and infrastructure in support of future growth. That means shareholder value, as we define it, encompasses:

- **Profitable, durable growth**
- **Investments that improve future operating performance**
- **Stronger employee capability and ownership culture**
- **Infrastructure that supports scale**
- **Processes that improve efficiency, quality, and resilience**

This framing matters because short-term gains achieved at the expense of organizational health are not the type of gains we pursue. Caltrol's sustained momentum is the product of decisions made across all five of these dimensions—year after year.

What the Numbers Say





These results confirm that Caltrol's growth is not episodic—it is structural. The accelerating revenue trajectory points to an organization that has invested wisely and is now realizing the returns of those investments.

Built To Last

The financial results presented here do not exist in isolation. They are the product of a workforce that is technically capable and deeply engaged, infrastructure built to support an expanding operational footprint, and systems and processes refined to deliver consistent quality at scale.

Caltrol's ESOP stock price performance relative to the DJIA, S&P 500, and NASDAQ reinforces what the bookings and revenue data make clear: Caltrol is an organization generating real, compounding value for its employee owners. Not by cutting corners, but by getting the fundamentals right.

Sustained momentum is not a tagline. It is the measurable result of doing the right work, consistently, over time.

	CAGR	
	3 YR	5 YR
Caltrol	8.9%	11.7%
DJIA	13.4%	9.6%
S&P 500	21.3%	12.8%
NASDAQ	30.8%	12.5%

Facilities Strategy

Caltrol's facilities decisions don't happen in a vacuum. Each one—whether a consolidation, an expansion, or a lease renewal—reflects a deliberate set of priorities: bring people together, support local customers, build capacity where it's needed, and make choices that reflect our values while holding up under scrutiny. The changes made between 2025 and 2026 tell a clear story about where we are headed as an organization and how we intend to get there.

Financial Stewardship: Decisions Built on Due Diligence

As an employee-owned company, we hold ourselves to strict standards concerning how and where we invest. Decisions about facility changes are not made lightly. Each change is vetted for financial viability, operational impact, and long-term value to employee owners, customers, and other stakeholders.

While consolidations, where they occur, are evaluated for cost synergies, financial savings are never the only factor. When we assessed the Las Vegas headquarters expansion, for example, leadership reviewed multiple options across the market before concluding that expanding the existing facility offered the best combination of cost-effectiveness and minimal operational disruption. The same rigor applied to our Southern California facilities consolidations.

Caltrol's approach reflects a broader principle—that responsible stewardship means examining every angle before committing, and prioritizing decisions that deliver value across multiple dimensions.

Expanding Capabilities for Growth

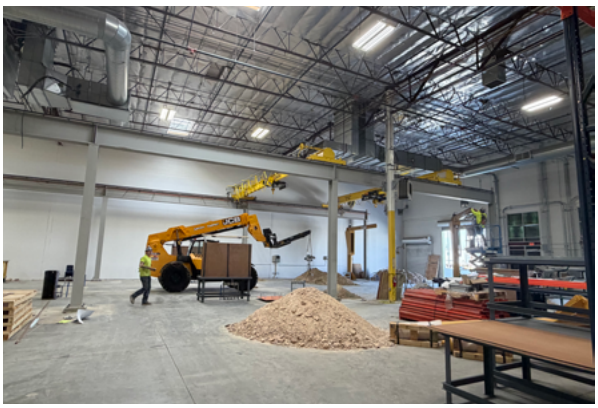
Las Vegas: A Flagship Investment in Capability

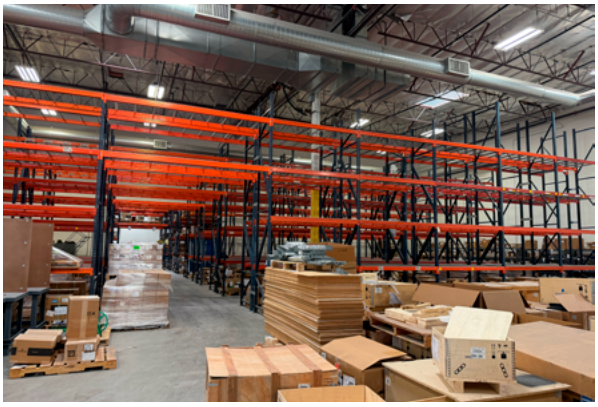
The most significant facilities development to mention in this period is the ongoing expansion of Caltrol's Las Vegas headquarters. This project consolidates shop assembly and service capabilities under one roof and represents a meaningful step forward in what we can offer customers, locally and across other regions.

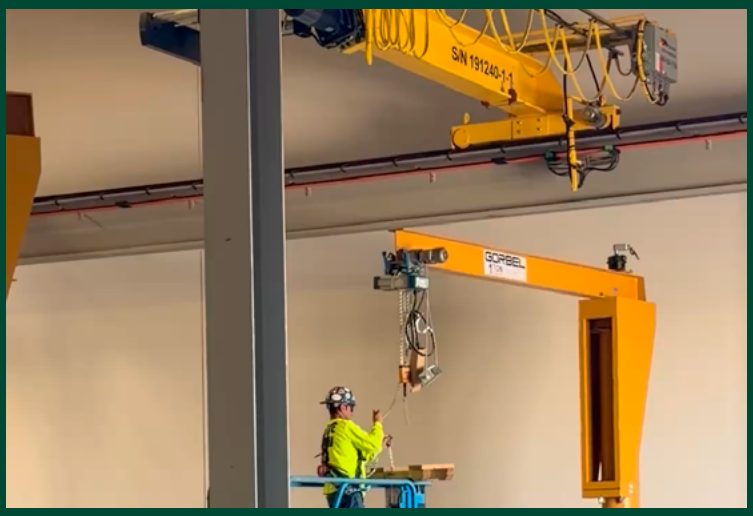
The expansion includes:

- **A 10-ton overhead crane, enabling Caltrol to take on larger, more complex work**
- **Approximately 150% increase in inventory capacity, supporting greater responsiveness and output**
- **A 50% increase in offices and workstations, growing from approximately 60 to over 90 in total**
- **Upgraded conference rooms with improved audiovisual capabilities, enhancing how teams meet, collaborate, and present**

Las Vegas is not just a renovation—it's an investment in Caltrol's capacity to serve a growing customer base and take on work that wasn't previously possible. The design also includes changes that will benefit our employee owners' wellbeing and enjoyment of working in this location.







"Collectively, these investments reflect a very deliberate strategy to consolidate where it improves our employee owner teamwork and efficiency. We are expanding where additional capability is needed to build the infrastructure that is required to support our next phase of growth."

— Kelley Lowery
VP of Sales Operations | Caltrol

Irvine: Bringing SoCal Together

A planned expansion at Caltrol's Irvine office, expected in 2027, will bring the Ontario and Irvine teams together under one roof. The primary motivation is collaboration—creating a single, cohesive environment where people who work closely together can actually be in the same space. The decision is fundamentally about what kind of working environment best serves Caltrol's employee owners and the customers they support.



Employee Owners: The People Behind the Plan

Every facility decision Caltrol makes ultimately comes back to people. Consolidating locations isn't about reducing headcount or cutting costs at the expense of employees—it's about creating environments where employee owners can do their best work. Fewer, more capable locations mean stronger team cohesion, better communication, and a daily work experience that reflects the investment Caltrol makes in its people. Combining the Irvine and Ontario offices, expanding collaboration spaces in Las Vegas, and upgrading the tools teams use every day—these are signals that Caltrol takes seriously its responsibility as an employee-owned company to invest in its workforce, not just its infrastructure.

Building the Infrastructure for What Comes Next

Caltrol's facilities strategy for 2025–2026 is best understood as a platform for growth. Consolidations eliminate inefficiency. Expansions add capability. And every decision—vetted for financial soundness, assessed for environmental impact, and evaluated for how it best serves our customers and employee owners—reflects the kind of stewardship that defines what it means to be an ESOP company.

ISO 9001:2015
Our Commitment to Quality

ISO 9001:2015 is one of the most recognized quality management standards in the world—and for Caltrol, maintaining it is a direct expression of the accountability we hold ourselves to.

At its core, the certification signals to customers, partners, and the broader industry that Caltrol operates within a disciplined, well-documented quality management system. Earning this certification was only the first step. Sustaining it—year after year, across audits, leadership changes, and evolving business conditions—is what defines a genuine commitment to quality.

Why It Matters: Customers & Operations

ISO certification is not a one-time accomplishment. It is an ongoing demonstration that a company has implemented the processes, documentation, training, and oversight necessary to consistently deliver quality products and services.

For Caltrol, the certification was customer-driven from the outset. Customers in the industries we serve expect a quality management system to be in place, and our ISO certification provides the internationally recognized framework to demonstrate exactly that.

Beyond customer expectations, the certification supports risk reduction. Non-conformances—instances where a process breaks down or is not followed—carry real costs. A robust quality management system helps identify gaps early, enabling Caltrol to address problems proactively rather than reactively.

"ISO is important to Caltrol because it allows our customers to build trust, knowing that we are always going to provide them with quality products and services—and that if we fall short, there is accountability and preventive action in place to make sure it doesn't happen again."

Kelli Nibarger
Quality Coordinator | Caltrol

Performance & Ongoing Commitment

Caltrol's 2025 surveillance audit, conducted by DNV, resulted in zero findings—a strong outcome that reflects the consistency and discipline built into the quality management system over time. It also shows the work of a quality team that takes this responsibility seriously, and an organization that has built the infrastructure required for success.

For Caltrol's employee owners, maintaining ISO certification reinforces a shared responsibility. The policies and procedures upheld under this standard are not abstractions—they govern how work gets done, how issues get resolved, and how customers experience Caltrol as an organization, including our products and services.

How It Works: Caltrol Quality Management System

Caltrol's ISO 9001:2015 certification covers its Las Vegas and Livermore locations, which serve as the certified hubs of the quality management system. While formal certification applies to these sites, the policies and procedures established under ISO are expected to be followed across the entire organization.
The quality management system is built on several interconnected elements:

- Documented Policies & Procedures
- Employee Competency Monitoring
- Internal Audits
- Surveillance Audits
- Triennial Recertification
- Management Review
- Annual Quality Policy Review

Sustained Momentum in Quality

ISO certification represents more than compliance. It is a structural commitment to doing things right—and to having the systems in place to identify and correct it when they fall short.
As the company continues to grow, the quality management system will evolve alongside it—shaped by management reviews, continuous improvement efforts, and the consistent expectation that every Caltrol employee, regardless of location, operates to the same standard.



Sustaining Momentum, Together

Across this reporting period, Sustained Momentum has been more than a theme—it has been a guiding principle. Supported by our framework of Greening OF, BY, and WITH Caltrol, we advanced progress on many fronts.

Environmentally, we reached the five-year milestone of our sustainability program and drove our cumulative CO2 reduction to 31.14% since 2021, while extending our impact through the DeltaV Industrial Control System skid donation to the UC Irvine Clean Energy Institute. Socially, we nearly doubled reported safety training to 4,959 hours. We strengthened employee-owner well-being, and gave back to the communities we serve. Also, through disciplined governance, we delivered record bookings, revenue growth, and a zero-finding ISO 9001:2015 audit—proof that responsible practices and durable growth advance together.

Our adherence to remaining disciplined will shape what comes next. In 2027, we will unite our Irvine and Ontario office teams under one roof, transition employee recognition to the Awardco platform, and continue building the infrastructure required to support our next phase of growth. These are investments in our people, our operations, and the future we are building for our employee-owners, customers, and communities.

We are energized by the road ahead and grateful to everyone whose contributions made this progress possible. Our next report will follow our new rolling reporting cycle, ensuring no meaningful progress falls between periods and that our commitment to transparency remains strong. Explore what's next with us as we keep leading with purpose, building for tomorrow.

Thank You,
The Caltrol Team



CALTROL

Automating the Essential Needs of Modern Life.

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Las Vegas, NV 89119

2025-2026 Annual Sustainability Report

Visit our website to learn more and see previous reports.