

ESOP Testimony

Interview with Scott Goglia



How long have you been with Griffith Company? Since August 1987 - 6 years in the ESOP, 30 years in the Union.

What does working for an employee-owned company mean to you?

As the description states, it means being a partial Owner of a Company, and as part Owner, living with the performance and outcomes, good or bad, for the entire Company. It means performing the role I am assigned to the best of my abilities and not to let my other Employee Owners and their departments down. Seeing myself as a part owner reminds me of the crucial role each shareholder plays in shaping our company's culture. It's not just about tasks, it's about actively influencing our ethos through attitudes and actions. We all want great results, so we strive to make our Company better. I believe I have a unique and positive opportunity that most people do not ever get an opportunity to ever be a part of.

How has our ESOP benefitted you?

Through Griffith Company's successes my ESOP retirement account is receiving, growing, and outperforming my Union retirements. Our ESOP is also outperforming the Stock Market's typical mutual funds that handle private companies 401(k)'s and government

403(b)'s.

I also take pride and invest care in it every time I think about it and speak to people about it.

How does being an ESOP company affect our culture?

For me, it serves as a source of motivation. This motivation drives me to exert a positive impact on our Company through my role—not only trying to excel in my responsibilities but also actively contributing to the development of our daily culture, shaping attitudes, and fostering positive interactions among fellow Employee-Owners. It provides an opportunity to make a meaningful difference in the success of my Department, Regions, and the overall Company. I am committed to persistently assisting, teaching, coaching, exemplifying patience, setting positive examples, listening, smoothing learning curves where possible, and continually striving for improvement.

How do you view our ESOP versus a 401(k)?

Simply having additional money, such as a higher salary to self-fund a 401(k), wouldn't have necessarily made me a more adept investor. I know I would not have surpassed or outperformed the impressive returns Griffith's ESOP has had. My 6th year, 2023, certainly looks to be a very good one as well.

What advice would you give a younger or newer employee who might not understand the value of our ESOP?

Become very knowledgeable of the concept. Get more than a cursory knowledge of our ESOP. It is a unique opportunity to work for an ESOP company. Know what you have here at

Griffith, so you make sound decisions with your future. Most people do not get an opportunity to become part Owner the day they are hired.

Next, do the math - comparison math. Fully understand the benefit of your returns on your ESOP funding and investment growth, and how the ESOP performed toward your retirement goals. Be honest with your comparison, meaning would you really have invested as much of your own salary or beat our Company's returns with your own investing strategies?

How does being an ESOP company separate us from our competitors?

For me, it's a source of pride, motivation, and a heightened sense of responsibility to our team. From a functional standpoint, the ESOP serves as an additional income source, with the company's success directly contributing to your retirement account. The combination of ESOP and our Company's 401(k) program provides our employee-owners with two distinct opportunities for retirement income and funding. In contrast, non-ESOP companies typically offer only 401(k) plans, some with limited matching or none at all. Sharing our ESOP status with Owners and industry partners provides insights into our guiding principles and motivations for success, emphasizing the collaborative spirit where each team member's contribution matters.

How do you feel being an ESOP affects employee engagement?

Well, it really comes down to each employee and how actively they choose to get involved. The great thing about an ESOP is that it's built on the idea that every employee realizes their role, contribution, and attitude directly impact

their department and the overall performance of their Division and our Company as a whole. There's a sense of pride in being a part-owner, and I love sharing with others what makes this company so remarkable.

Another aspect that may not always be acknowledged is that our success provides the company with the resources and confidence to expand. This growth, in turn, offers Employee-Owners who are eager for it the opportunities and choices to advance sooner.

How has your perspective on the ESOP changed, if at all, during your years with Griffith?

My perspective on the ESOP at Griffith has evolved positively over the years. Grateful for my time as a Union member, I've come to appreciate the unique qualities of Griffith Company compared to other firms in our industry. Being part of the Union and earning retirement credits is good, but the financial benefits as an ESOP shareholder surpass expectations. The ESOP contributions are steadily growing, providing a substantial additional lump sum for retirement.

Looking ahead, I am committed to ensuring Griffith Company remains a great place to work, and a great place for the next generation to spend their work life at.

Work hard and be accountable. Strive to be a high performer by learning and showing the ability to complete your duties extremely well and knowledgeable, so that you can train & lead others. Remain positive and persevere through tough times, and you will be at a place you want to go to work at, with people you want to work with. Celebrate the successes together, and one can enjoy the rewards of a well-funded ESOP account in retirement.

Griffith Grapevine

IN MEMORIUM

In Memory of Former Griffith Company President, Don McGrew

Retired Griffith Company President, CEO, and Chairman of the Board, passed away on January 24th, 2024 at the age of 93. Don worked at Griffith Company for 40 years, serving as Griffith Company President from 1983 to March 1992, and CEO & Chairman of the Board from 1987 to 1997. Griffith Company has a long and rich history, and Don McGrew was a big part of the company's growth as a

California contractor.

Don's career with Griffith Company began in 1957.

He was a grade foreman on the L.A. River flood control structures, and eventually became the superintendent on the El Toro widening project. Griffith Company paved the first concrete runway at LAX Airport in 1959, and Don was the foreman who oversaw that concrete operation. In 1975, Don became the Orange County District Manager, and two years later, in 1977, became the VP District Manager of the Los Angeles and Orange County districts. Don took over as CEO when, then President, George Griffith died. This was the first

time in company history that "one of the crew", and someone outside the Griffith family, had reached the top.

Don's legacy will be remembered and honored at Griffith Company. We send our deepest condolences to Dan McGrew and his family.

We Remember Fernando

"Ferry" Gonzalez, Paving Machine Operator for Griffith Company, passed away on January 15th, 2024. He is survived by his wife, Regina, and his three children, Jaylene, Joselyn, and Jamison. The memorial service for Fernando took place on February 9th,

2024 in Whittier, and was well-attended by many Griffith Company employees who knew and loved Fernando. Fernando was more commonly referred to as "Ferry" by friends, family, and his crew. Our paving crew was in attendance at the funeral and heard a eulogy from Ferry's brother-in-law that highlighted Ferry, not just as a father and husband, but a man who was proud to work in construction. He was particularly proud of the work that he had done while employed here at Griffith. His family shared that Ferry bragged about paving work that he had been part of at Sofi Stadium and Disneyland. Because of this, Ferry's wife asked that a red Griffith truck be included in the funeral procession. Tyler Roth, Ferry's fellow crew member, drove the red truck behind the family.

Those he worked with describe Ferry as hard-working, thoughtful, and someone the crew could rely on and confide in. He was the guy that would reach out to a co-worker to check on them if he knew they were dealing with a personal challenge. Ferry was an exemplary and exceptional man and will be missed here at Griffith Company.

SAFETY CORNER

By Randy E. Franklin, CSP, Director of Risk Management and Safety

Cal-OSHA Multi-Employer Work Sites

Griffith Company, as a general contractor, often partners with other contractors in the performance of our work through subcontracts. We also act as a subcontractor to other general contractors. This relationship creates a unique situation for Cal-OSHA that they call a "multi-employer work site". On multi-employer worksites, all of the employers must work together to identify and control hazards to meet Cal-OSHA standards for employee health and safety. Property and project owners have the same responsibility for employee safety. When Cal-OSHA identifies safety violations at a worksite, the agency evaluates the owner and contractor/employer hierarchy to determine which owner and/or contractor/employer is responsible for the violation.



Cal-OSHA identifies four categories of employers at a multi-employer worksite:

- The Creating Employer creates the violative condition or hazard (this could be any of the contractors or even owner on the site).
- The Exposing Employer employs the workers exposed to the violation, regardless of whether that employer created the condition (this is generally the subcontractor or employer whose employees are exposed).
- The Controlling Employer is responsible, by contract or practice, for the safety and health conditions at the worksite and has the authority to correct the violation (this is usually the general contractor, but could also be the owner).
- The Correcting Employer has the specific responsibility to correct violation conditions (this usually goes back to the contractor that created the violative condition).

As stated previously Griffith often hires subcontractors to work on our projects and jobsites. If the subcontractor creates a health and safety violation, is the contractor subject to a Cal/OSHA citation? The answer is yes, but both the contractor and the sub may be responsible. Even if Griffith did not contribute to the hazard and had no employees in the area, as the general contractor (top of the employer hierarchy), we may still be responsible for overseeing the overall health and safety of all workers on the worksite. We must be critically vigilant and watch our subcontractor partners closely to ensure they are operating within Cal-OSHA laws and regulations at all times on Griffith Company projects. We simply cannot ignore their work as a subcontractor. We can be subject to the same fines and penalties as they are. We must ensure their operations are conducted with full compliance to Cal-OSHA regulations, and that means regular inspections, meetings, and discussion of work methods, hazards and jobsite inspection practices.

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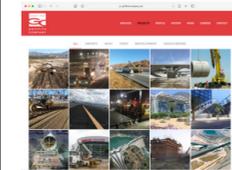
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Upcoming Events:

- Wednesday, April 24**
Administrative Professionals' Day
- Saturday, May 18**
Mark your calendar for this year's annual Safety Picnic at Knott's Berry Farm. Detailed invitations will be mailed in April to all current employees.
- Monday, May 27**
Memorial Day
- Monday, June 10**
Board of Directors Meeting
- Friday, June 21**
Summer BBQ

Visit us on the Web at:
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A Manager's Perspective:

By Mike Fenley
Structure Division

The Structures Division has undergone a lot of changes over the past several years as we navigate the ever-changing construction landscape. I would like to take this time to highlight two unique projects that

into the state from Nevada on interstate 40.

Caltrans emergency projects were a good source of steady work in 2023 for the structures group as we were working



Structures completed in 2023 to show how we are expanding our capabilities to secure new work.

The first is a Caltrans project in Needles where the structures group worked as a supporting division to this Landscape Division led project. Senior Project Engineer, Evelyn Yopez lead the coordination and execution of this work that included a new monument sign featuring precast lettering, a precast bear, colored shotcrete, and stone veneer. Griffith is literally "building California" where drivers are coming

on four different contracts throughout the year. This is a testament to Griffith's reputation as being the contractor of choice as these contracts are awarded to Contractors on the emergency list based on capabilities and competence. The second unique project I would like to talk about is the I-10 emergency fire. In the early hours of the morning on November

12th, 2023 a fire broke out underneath a bridge on the I-10 freeway in Los Angeles. Griffith received the phone call that Caltrans needed a contractor capable of doing environmental cleanup and potentially repairs of the bridge structure. By noon that same day management from the Structures Division and Environmental Services Division were onsite to meet with Caltrans and the Los Angeles Fire Department to assess the damage to the structure that had the entire freeway shut down before the holiday season. Environmental Services Division Manager, Michael Carpenter took samples of the debris from the wreckage, got a lab to open on a Sunday to do the analysis, and had crews removing debris by Tuesday morning. Griffith and our subs worked 24/7 after the area was



turned over to us to get the underside of the bridge clear. This included a total of 154 truck

Griffith Company is an equal opportunity employer and an employee-owned company.

continued

Executive VP'S View:

By Ryan Aukerman, Executive Vice President

2023 came and went very fast and it shaped up to be another great year for Griffith Company. We truly have the most amazing culture within our company that sets us apart from the industry. This is made possible because of careful planning, coordination, and solid execution of the work that we do best. It is further attributed to solid collaboration between our Estimators, Superintendents, Project Managers, Foremen, Project Engineers, field forces, accounting and administration. It takes every single person working together and helping one another to make our company the great company that it is.

Overall, our estimating teams bid 982 projects at a combined value of \$3.3 billion dollars. We were low on 138 of those projects with a value of \$445.7 million. The operation teams placed \$490.6 million worth of work in the ground spread out over 271 projects. Last year we launched our new Alternative Delivery Operations group,

successfully landing three broadband pursuits with Caltrans (\$300 million) and also Big Barstow with BNSF Railroad (\$1.5 billion).

As we focus forward into 2024, the company is sitting in a prime position to have another successful year. We have more backlog than ever before and the opportunities ahead of us are plentiful in every market we compete in. In addition to our bid-build backlog, the new projects I mentioned above are well underway. Design and preconstruction progression on Big Barstow will make significant headway this year and construction is expected to start on the broadband projects in early to the middle of summer. The addition of this work will significantly add to our topline growth, pushing us past the \$500 million mark.

The biggest challenge



Ryan Aukerman

we will face towards these exciting growth opportunities is the need for qualified people to join our team in our operations, administration, and field forces. This will be critical

as the volume and size of our projects continue to increase. It is a great opportunity for our co-owners to support with identifying, attracting, and sharing talent across the company to accomplish this successfully. The thought of sustainable growth is exciting and very achievable if we execute the solid plan we have put in place. However, it only makes sense if we can maintain profitable growth that contributes to the growth of our ESOP at the same time.

More than just attracting new talent, Griffith has prioritized employee retention. In today's competitive business landscape, the value of employee retention

cannot be overstated. Retaining talented and experienced employees is crucial for the long-term success and growth of any company. High turnover rates not only disrupt workflow and incur high costs but also impact overall morale and productivity. This is where the concept of building future workforce pipelines comes into play as a proactive strategy to ensure a steady supply of skilled and knowledgeable employees for our future. Griffith holds one of the lowest turnover rates in the industry, and we want to continue to be intentional in ensuring this remains a top priority for our company.

We are in a solid position as we approach the closing of Q1: robust project pipelines, solid employee retention and a focus on attracting new talent. Griffith is in control of many factors that have significant impacts on our own success. I am truly looking forward to the challenges and opportunities ahead.

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loads over a 48 hour period that were classified and removed from the site. A total of 1003.7 TONS of rubbish and steel were removed from the site

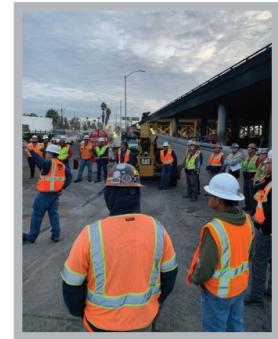


during that period. During the removals a plan was developed to support the structure itself and a second contractor was brought in to shore the bridge structure. While the structure was being shored, Griffith continued to work around the clock to manage the traffic in the area, assist Caltrans METS in sampling and testing the compromised structure, install new railing, replace damaged electrical systems, and replace damage signage. The initial estimate to reopen the freeway was three to five months. After the bridge was further

assessed, that estimate was reduced to three to five weeks. Due to the relentless work and coordination, the Vice President of the United States showed up to the jobsite to announce

that this section of freeway that supports over 300,000 cars each day would be opened just eight days after the initial fire. This was a great feat that required collaboration across all parties involved. This is a success story for Griffith's

internal collaboration, and a big thanks goes out to all managers, dispatchers, and especially the field crews that made this work happen.



EMPLOYEE focus

Point of View Interview with Johnny Yang



continue to learn and develop new approaches to plan the work and address issues.

What do you like to do during your spare time?

I try to stay active, whether it's playing tennis or chasing my kids around the backyard. When I do get some downtime to myself, I like to work on puzzles, like crosswords or Sudoku, or occasionally binge the latest hit television show.

When did you start with Griffith Company?

I started at Griffith Company back in September 2012. It's hard to believe it has been 10 years since.

What is your role here at Griffith Company, and what is a typical day like for you at work?

I am a Project Manager for the Southern Region operating out of the Santa Fe Springs office. Managing multiple projects at different stages (startup, ongoing, closeout), it becomes important to prioritize and allot my time appropriately. Besides the typical day-to-day project manager duties of communicating and coordinating with the field and project teams, I make it an effort to visit the project sites weekly and to plan ahead for future activities with the team to stay well-prepared.

What do you enjoy most about your job?

One of the main things that I enjoy about my job is the different types of projects I am on. Every project has its own nuances and challenges. This has given me the opportunity to

What would people be surprised to learn about you?

I have been playing the guitar for about 20 years now. Not knowing how to read music, I learned to play by ear over the years. I also played small gigs throughout my college days. Nowadays I like to pick up my guitar for an impromptu jam session, though lately my kids' requests have been Disney songs.

What do you value most about Griffith Company?

I value the people most here at Griffith Company. From our field teams to our home office personnel, the amount of knowledge, experiences, and resources that we have is such a valuable asset. Because we all share the common goal of doing what is best for the company, the people create an environment where we help one another to be successful. It is easy to be overwhelmed and stressed on the job, but having the support and camaraderie of our people definitely helps me through it.

HANG UP YOUR HARD HAT

Jason Spear - After almost 20 years of dedicated service, Jason Spear (former Chief Estimator, Southern Region) bid farewell to Griffith Company at the end of 2023. As he embarks on the journey of retirement, he leaves behind a legacy of hard work, professionalism, and invaluable contributions. From winning most of our largest contracts to training many of our estimating staff, Jason has been an integral part of our team, inspiring us with his passion and commitment. While he is already deeply missed, we celebrate his well-deserved retirement and wish him endless joy, relaxation, and fulfillment in this new chapter of life. Please join us in congratulating Jason on his remarkable career and extending our heartfelt best wishes for the future.



Griffith Quarterly Photo Competition

By Ron Roberts Jr., Recruitment and Talent Programs Manager

2023 Annual, 3rd and 4th Quarter Winners

Congratulations to the 3rd and 4th Quarter Winners and Runners Up of our Quarterly Photo Competition for Griffith Company Project Managers, Project Engineers, Superintendents and Foremen (listed below). A special commendation goes out to our 2023 Annual Winner (Levi Pivovoroff) whose photo was ranked the best of all of our Quarterly Winners for the year.

Thank you to all who submitted photos in 2023 for our Competition. We were pleased with the volume of quality photos we received and are looking forward to receiving many more in 2024.

3rd Quarter Awardees (2023)



• **Winner: Ruby Martinez**
Needles Route 40: "Placement of California and Bear".

• **Runners Up: Erick Garcia, Evelyn Yopez and Walt Weishaar**



o **Erick Garcia**
Needles Route 40.



o **Evelyn Yopez**
Needles Route 40: "Building California v2"



o **Walt Weishaar**
"Spray Paving in Watsonville v2".

PROMOTION KUDOS KORNER

Kudos to the following employees on their well-deserved promotions (January to Present).

- Taurean Cox** - Assistant Project Manager, Concrete Division
- Ryan Zimmerman** - Assistant Project Manager, Concrete Division
- Dan Leeper** - Assistant Regional Manager, Southern Region
- Ben Walnum** - Assistant Division Manager, Structure Division
- Scott Miles** - Chief Estimator, Central Region
- Caleb Reynoldson** - Senior Project Manager, Alternative Delivery Operations
- Baktash Karimi** - Project Manager, Southern Region
- Evelyn Yopez** - Senior Project Engineer, Structure Division
- Mario Mock** - Estimator II, Southern Region
- Myra Vazquez** - Lead Dispatcher, Montclair Office
- Ashley Gracia** - Labor Compliance Administrator, Corporate
- Johnny Yang** - Senior Project Manager, Southern Region
- Luis Cervantes** - Landscape Division Manager



New Griffith Company ONLINE STORE!

On January 8th, 2024, our online **Griffith Company Custom Brand Store** went live with a variety of approved company apparel, accessories, and equipment for all company personnel to purchase.

4th Quarter Awardees (2023)



• **Winner: Austin Boone**
Metro Rail to Rail Project: "Segment C of AC Paving at Sunset".



• **Runner Up: Evelyn Yopez**
Vincent Thomas Bridge Emergency Project.

Annual Winner (2023)



• **Levi Pivovoroff**
Bakersfield Roundabout: "Placing Concrete for the JPCP Roundabout Utilizing a 32M Pump".

WELCOME, NEW HIRES!



Pedro Arechiga
Senior Project Engineer



Leanne Armstrong
Accounts Payable Clerk



Jonah Carlos
Takeoff Engineer



William Erwin
Office Engineering Intern



Antoinette Huguez-Bellows
Estimating Coordinator



Bryan Igboke
Project Engineer



Andrea Jimenez
Receptionist



Jonathan King
Senior Project Engineer/
Estimator



Sara Kolbeck
Contract Administrator



Jose (Tony) Mendez
Senior Estimator



Mario Miranda Trujillo
Project Engineer



Christopher Munoz
Division Safety Manager



Jonathan Ramos
Office Engineering Intern



Pauline Rojo
Project Accountant



Erick Sanchez
Project Accountant
Assistant



Ruth Sanchez
Accounts Payable Clerk



Steven Spahn
Superintendent



Susanna Thomas
Marketing/Proposal
Coordinator