



ANNUAL BENEFIT REPORT

What's important to you, becomes everything to us.



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January 5, 2026



■ **Keith P. Flaherty**
President and CEO

My fellow employee-owners, our clients, and members of our communities,

It is my pleasure to share the 2025 Annual Benefit Report for Hallam-ICS. As a Benefit Corporation, we are committed to transparency and accountability, and this report reflects how we measure, learn from, and share our progress.

Hallam-ICS is guided by a simple belief that our business exists for more than generating profit. This belief is deeply rooted in our culture of generosity and giving. When we became a Benefit Corporation in 2022, we formally defined these values and ensured that they remain central to how we operate and make decisions.

Under the New Hampshire Benefit Corporation Act (RSA 293-C), we have committed to creating both general and specific public benefits:

A General Public Benefit of:

- (i) Creating a material positive impact on society and the environment.

A Specific Public Benefit of:

- (ii) Providing an equitable distribution of wealth through our commitment to employee ownership and our ESOP.
- (iii) Promoting broad-based employee ownership as an equitable means of company ownership.
- (iv) Being a positive force to improve the lives of our employee-owners and the communities in which they live and work.
- (v) All business services and activities related thereto.

In 2025, we completed our five-year commitment to donate \$1 million to the Hallam-ICS Endowment, our donor-advised charitable fund. Beginning in 2026, this fund will match employee-owner charitable contributions and will serve as a long-term foundation for future giving.

We are grateful for our amazing employee-owners, clients, and our communities. We remain committed to continuing to evolve our practices to best serve all our stakeholders.

Sincerely,

Keith P. Flaherty
President and CEO
Hallam-ICS



ABOUT US

Hallam-ICS is an engineering and automation company. We design MEP systems for facilities and plants, engineer control and automation solutions, and ensure safety and regulatory compliance through arc flash studies, commissioning, and validation.

Our offices are located in Massachusetts, Connecticut, New York, Vermont, North Carolina, and Texas and our projects take us world-wide.

OUR FOUNDING STORY

In 1981, with his newly minted Professional Engineering license in Electrical Engineering in hand, David Hallam stepped away from his current employment to start his own company, where he and other employees could create the culture they desired, lead balanced lives, and continue their own personal and professional development.

David Hallam's Legacy



In the words of our founder...

“I think that I am most proud to have been surrounded by the wonderful friends who were and still are dedicated to taking care of each other, their families, and clients. The most meaningful value statement we developed is around “Stewardship.”

“Stewardship means that we each understand that this company is not “mine”, but that we are each entrusted, for a time, with the responsibility and benefits of this renewable resource. We will organize and perpetuate our ownership with a constant awareness that we must pass the company on in better condition than we received it.”

HALLAM-ICS TODAY

The concept of **STEWARDSHIP** is alive and well today, spreading from within Hallam-ICS to our local communities.

We formed the Hallam-ICS Giving Tree Committee in 1999, pledging 2% of profits to our local communities.

We became a partial Employee-Owned company in 2000 and 100% Employee-Owned in 2015.

We became a Certified B Corp in 2019 and a Benefit Corporation in 2022, formalizing our commitment to public good.



OUR GENERAL PUBLIC BENEFIT

Creating a material positive impact on society and the environment.

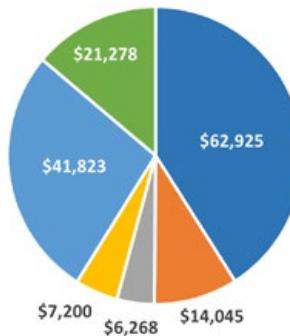
Through our Social Mission, we pursue a general public benefit by the sharing of our time, talents, and resources with our local communities.

Hallam-ICS has donated \$1,508,647 to our local communities thus far.

2025 GIVING – METHOD



2025 GIVING – PURPOSE



Total 2025 Donations:
\$153,539

Our Social Mission provides Hallam-ICS' employees with a means to impact and actively engage in their local communities by sharing time and money.

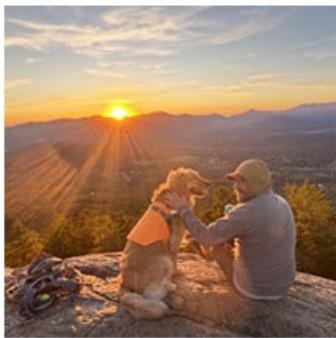




CONTRIBUTIONS

HALLAM 2025 CHALLENGE

The Hallam Challenge is an annual event that encourages employees to get physically active while raising money for non-profit organizations in each of our office locations. This event started back in 2020 when COVID restrictions prohibited us from conducting our annual office service days. The Hallam Challenge strengthens employee comradery and supports our social commitment.



In 2025, we donated \$20,000 across six organizations selected by our offices.

Mohawk Hudson Humane Society, NY	\$7,000
Me Fine Foundation, NC	\$4,000
Rifles to Rods, MA	\$3,000
Scottish Rite Hospital, TX	\$2,500
Humane Society of Chittenden County, VT	\$2,000
The Cove Center for Grieving Children, CT	\$1,500



CONTRIBUTIONS

HALLAM-ICS GIVING TREE COMMITTEE

Formed in 1999, the committee is comprised of employees from each office. Each year, we designate 2% of our gross profits to be given to our Giving Tree Fund. Each region receives a share based on employee head count and decides how to distribute those funds to organizations in their area.

Some of our past recipients:

Adult Teen Challenge
ANew Place
Austin Angels
Backpack Friends
Boys and Girls Club Burlington
Brushbrook Community Farm
Camp Ta-Kum-Ta
Capital Roots
Chittenden County Humane Society
Chittenden Emergency Food Shelf
Circle of Hope
Comfort Food of Washington County NY
Committee on Temporary Shelter (COTS)
ConfiKids
Cropwalk
CVOEO Warmth
Daily Bread Food Pantry
Dallas Scottish Rite Hospital
Daniel's Table
Essex Teen Center
Fairfield Center School
Feeding Chittenden
Florida Urgent Rescue
Forever Paws
Franklin County Food Shelf (CVOEO)
Fredricksburg Area Food Bank
Gilead Community Services
Gilly's House
Global Foundation on Peroxisomal Disorders
Greater Boston Food Bank

Green Mountain Habitat for Humanity
Hebron Food Pantry
Howard Center for Human Services
Inter-Faith Food Shuttle
Just Basics
Kids on the Ball
Lake Champlain Land Trust
Lake Champlain Maritime Museum
Lake George Land Conservancy
Let's Grow Kids
Little Theater of Fall River
Lund Family Center
Mahana Magic
Make a Wish Foundation
March of Dimes
Me Fine Foundation
Miracle Network
Morris Memorial Association
New Hampshire Food Bank
Operation BBQ Relief
Otter Teen Network
Our Daily Bread
Peoples Health and Wellness
Pflugerville Foundation
PINS (Partners in Service)
Project Hoeppner
Raleigh Rescue Mission
RI Community Food Bank
Rifles to Rods
Ronald McDonald House-Durham

Rosie's Girls
Sail Beyond Center
Salisbury Community School
Sara Holbrook Community Center
Saratoga Bridges
Saratoga County Animal Shelter
Shelters of Saratoga
SLAM T1D
Sleep in Heavenly Peace
Special Olympics
Spectrum Youth & Family Services
St. Mary's Home for Children
St. Vincent de Paul Middletown
STEAM Train
Stern Center
TCNE Bloom
The Animal Support Project
The Arc of Bristol County
The Boston House
The Foundation for Fighting Blindness
The Green Chair Project Inc.
Turning Point Center
UNC Children's Hospital
Unity House of Troy
UVM Children's Hospital
Vermont Children's Aid Society
Vermont Food Bank
Vermont Youth Conservation Corps
Very Merry Theater
Very Special Arts of Vermont
Visiting Nurse Association
Westerly Area Rest Meals WARM Inc
Windham No Freeze Shelter
Women Helping Battered Women
Wren House
Wrentham Food Pantry
YMCA

**The Giving Tree Committee
donated \$92,003 in 2025.**



CONTRIBUTIONS

HALLAM-ICS ENDOWMENT FUND

Hallam-ICS established an Endowment Fund with the goal of creating a sustainable method for giving.

In 2021, we committed to contributing \$1 Million dollars over five years to build this fund. In 2025, Hallam-ICS donated \$50,000 to the Endowment Fund which completes our \$1,000,000 commitment. We did it!!!

\$1,000,000

LIVE WORK GIVE

2025

\$50,000

2024

\$50,000

2023

\$300,000

2022

\$300,000

2021

\$300,000



CONTRIBUTIONS

HALLAM-ICS IN ACTION

Hallam-ICS employees enjoy actively engaging in our local communities and 2025 found us building on past initiatives and expanding our reach to reflect the talents and growing interests of our employee-owners.

Through regular participation and sponsorship of events, Hallam-ICS supported organizations with whom we have built lasting relationships. Some of our employees mark their calendars in anticipation of participating in running events, sleepouts, rowing challenges, homebuilding, and decorating contests to name a few. New employees are encouraged to share their interests and introduce Hallam-ICS to events that have been meaningful for them.

Using the green space adjacent to one of our offices, our Garden Groupies built on their previous success by adding a second garden bed - doubling our available growing space. This year 153 lbs. of fresh produce including cucumbers, tomatoes, tomatillos, beans, and zucchini were delivered to the local community food shelf and the addition of some pretty flowers helped brighten the garden space for our neighbors as well.

At Hallam-ICS, we love a challenge and if it means we can be active, participate in some friendly competition, and raise money too - count us in! This year, we combined our annual Community Service award donations with our month-long wellness challenge - the Hallam Challenge. Our participation remains solid with over 80 employees and their family members getting out and getting active - a total of 7,765 miles were walked, run, hiked, biked, paddled, and swam. The winning office secured \$7,000 for their organization of choice and the remaining \$13,000 was spread amongst our other offices based on their performance.





VOLUNTEERING

HALLAM-ICS ANNUAL SERVICE DAY

In 2025 employees spent 470 hours during five separate Service Days volunteering in their local communities. Our New York office supported Capital Roots, packing produce and prepping garden beds at the Urban Grow Center. In Vermont, colleagues readied Camp Ta-Kum-Ta with trail clean-ups and facility touch-ups. The Massachusetts and Connecticut crews aided the Marilyn Rodman Performing Arts Center with backstage prep, repairs, and event set-ups. In Texas, our team volunteered at the Pflugerville Education Foundation Golf Tournament, staffing registration and playing to raise classroom funds. And in North Carolina, teammates joined Habitat for Humanity of Wake County on a build day—framing, siding, and site clean-up alongside future homeowners.



HALLAM-ICS PAID VOLUNTEER TIME

In 2025, Forty Hallam-ICS employees used 231 hours of paid volunteering time. Launched in 2022, this program is gaining traction with employees and supports their pursuit of volunteer opportunities that are meaningful to them. Employees used volunteer hours to serve on community boards, coach local sports teams, and mentor children in their areas of interest including engineering and coding. Hallam-ICS further supports these employee efforts by posting volunteer opportunities internally and organizing some smaller group activities.

In 2025, employees volunteered 470 hours for service days.



In 2025, Hallam-ICS provided 231 hours of paid volunteering time of 40 employee-owners.



OUR SPECIFIC PUBLIC BENEFIT

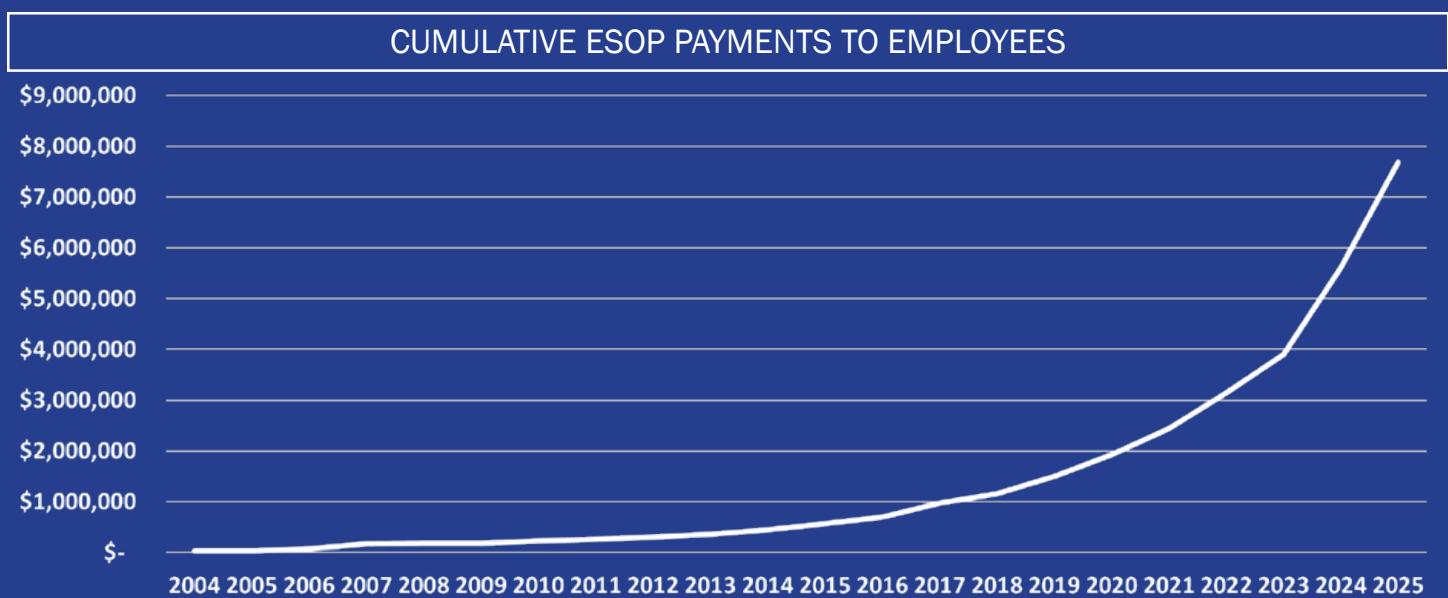
- (i) *Providing an equitable distribution of wealth through our commitment to employee ownership and our ESOP.*
- (ii) *Promoting broad-based employee-ownership as an equitable means of company ownership.*

Total Contributions from Company to ESOP - \$15,824,500

Hallam-ICS provides a specific public benefit by championing the equitable distribution of wealth through our ongoing commitment to employee ownership both in action and through education. As an Employee-Owned company, we believe that employee ownership provides a stake in the company to all employees and serves as a stabilizing force in the local economy by maintaining quality employment.

Our Employee Stock Ownership Plan (ESOP) is cyclical in nature. Hallam-ICS contributes annually to employee accounts as a means of sharing the wealth generated by employee-owners. If the company prospers and the value increases, the value of individual employee-owner accounts increases. Employee-owners eventually receive their account value when the plan distributes funds as a retirement benefit.

We share the benefits of employee-ownership beyond Hallam-ICS by supporting other local ESOPs and participating in the continuing education of others in the community through our involvement in roundtables, conferences, and gatherings.



In 2025, Hallam-ICS contributed \$1,350,000 to our Employee Stock Ownership Program. These funds were allocated to the accounts of qualified employee-owners of Hallam-ICS as a means of sharing the wealth generated by their efforts.

Hallam-ICS then distributed \$2,078,291.31 to current, former, and retired employee-owners from the Hallam-ICS Employee Stock Ownership Plan, helping them to reap the benefits of their earlier efforts.

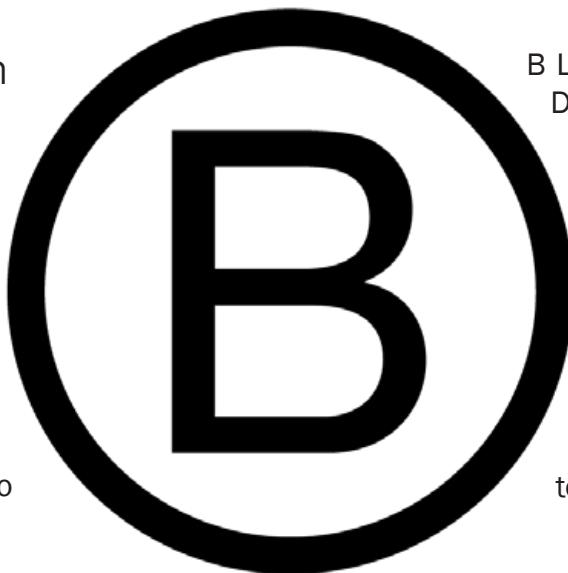


THIRD PARTY STANDARD

Certified

Hallam-ICS has been a Certified B Corporation since 2019.

Hallam-ICS has selected B Lab's B Impact Assessment as the third-party standard used to measure our public benefit.



B Lab was selected by our Board of Directors because they serve as a global standard "for certifying B Corporations, which are companies that meet high standards of social and environmental performance, accountability and transparency."

There is no connection between Hallam-ICS, its officers, or directors, and the B Lab.

Corporation

We continuously work on improvements, and it is reflected in our increased scores on the B Lab Assessment for 2025:

- Establishing a Leadership Development Program
- Energy Use Optimization
- Intern Hiring Practice Policy
- Annual Employee Engagement Surveys

	2016	2017	2020	2025
OVERALL	84.3	89.8	108.6	113.1
Governance	6.3	8.9	15.4	17.2
Workers	62.2	61.3	67.4	70.8
Community	13.1	16.2	19.1	16.3
Environment	2.5	3.2	3.3	5
Customers			3.2	3.6

Minimum Overall score required for B-Corp certification – 80
Median Overall score for ordinary businesses – 50.9

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Hallam **ICS**
AN EMPLOYEE OWNED COMPANY