



DOMEYKO TAYLOR
HOLDING COMPANY

2022 ANNUAL ESG REPORT

CONTENTS

GLOSSARY XI

A MESSAGE FROM THE OWNERS XIII

INTRODUCTION 01

ABOUT 01

PILLAR #1: PRINCIPLE OF GOVERNANCE 02

PILLAR #2: PEOPLE 12

PILLAR #3: PLANET 16

PILLAR #4: PROSPERITY 19

CONCLUSION 23

APPENDIX 27

GLOSSARY

1. ESG (ENVIRONMENTAL, SOCIAL, & GOVERNANCE)

An acronym that represents the three key areas of criteria used to evaluate a company's ethical, sustainable, and responsible practices. It emphasizes the need for businesses to prioritize stakeholder interests and contribute to global sustainability goals while measuring their impact beyond financial metrics.

2. SUSTAINABILITY

The practice of conducting business in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs.

3. WORLD ECONOMIC FORUM (WEF):

WEF is an international organization founded in 1971 that facilitates global discussions and collaborations among leaders. It is renowned for its annual meeting in Davos, Switzerland, and its focus on addressing a wide range of global issues.

4. WEF INTERNATIONAL BUSINESS COUNCIL (WEF IBC) MEASURING STAKEHOLDER CAPITALISM INITIATIVE

An initiative aimed at providing a comprehensive framework for assessing and reporting on a company's performance in terms of ESG factors. This framework combines elements from other existing ESG frameworks and standards, including the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and others.

5. SUSTAINABLE DEVELOPMENT GOALS (SDG)

A set of global goals established by the United Nations to address social and environmental challenges, such as poverty, climate change, and inequality.

6. STAKEHOLDERS

Individuals, groups, or entities that have an interest or stake in a company's operations, including employees, customers, investors, communities, and more.

7. STAKEHOLDER ENGAGEMENT

The process of involving stakeholders in decision-making and seeking their input and feedback on ESG issues.

8. MATERIALITY

The significance or relevance of ESG factors to a company's business, performance, and reputation.

9. MATERIAL RISK

A risk that could have a substantial impact on a company's financial, operational, or reputational performance.

10. BIODIVERSITY

The variety of life on Earth, including the diversity of species, ecosystems, and genetic variation.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

A company's commitment to operating in an ethical and socially responsible manner, often including initiatives to benefit society and the environment.

12. DIVERSITY & INCLUSION

Efforts to promote diversity in the workplace and ensure equal opportunities for individuals from various backgrounds and demographics.

13. GOVERNANCE

The framework of policies, practices, and decision-making processes that guide a company's management and operations.

14. TRANSPARENCY

Open and honest communication about a company's ESG performance, goals, and initiatives.

A MESSAGE FROM THE OWNERS

TO OUR STAKEHOLDERS,

When Clifton and I started New Economics & Advisory (the first of our companies) in 2010, we were deep into the Great Recession. At that time, my goal was to provide economic consulting services to developers and cities with as much flexibility as possible, for both clients and myself. Clients needed more streamlined analyses that were easier to digest. With a new company, I had the time, energy, and infrastructure to experiment and innovate.



We were also parents of two kids under the age of two, and we needed a more manageable balance of work and family time—when clients didn't need my attention, I wanted time to better meet the demands of parenting.

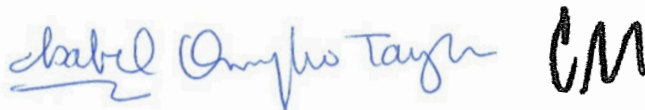
Six years later, Clifton had an opportunity to start Taylor Builders. Real estate development has been and continues to be Clifton's professional passion, and in the span of just a few years, Taylor Builders has become the Region's most active land developer.

Fast forward to 2022, a suite of businesses operates under the Domeyko Taylor Holding Company, including Taylor Builders, the Lincoln Potters Baseball Club, and New Economics & Advisory. While each of these businesses has a unique story and purpose, our values as business owners have remained largely the same: we want to help create great communities and build community pride, we want to grow our businesses and our minds, we want to operate with integrity and accountability, we want our team to flourish personally and professionally, and we want to sustain the regions where we work for future generations.

This ESG report describes our team, our operations, and how what we do interfaces with the environment, our social fabric, and decision-making dynamics. As the inaugural version, this 2022 report seeks to establish a baseline that documents where we fall in a variety of areas, identifies business operations that we can quantify versus those we have to describe in other ways, lays out new policies and practices that we can implement in short order, and envisions potential future improvements over a longer period of time.

As our impact on communities grows, sustainability remains central to delivering on our purpose and driving business results. Thank you for your interest in our ESG strategy and progress.

Sincerely,



Isabel Domeyko Taylor and Clifton Taylor
November 2023

INTRODUCTION

The Domeyko Taylor Holding Company (DTHC) annual Report includes data associated with the sustainability and societal impact of our line of business. DTHC voluntarily discloses our ESG efforts. This 2022 ESG Report covers the period between January 1, 2022, and December 31, 2022.

As a small and medium-sized business enterprise (SMBE) that is continuing to grow, DTHC chose to release an introductory ESG report. The purpose of this report is to help DTHC companies with their performance baselines. To achieve this goal, the report references standards from the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD). This report most closely adheres to the World Economic Forum (WEF) Measuring Stakeholder Capitalism Initiative, which employs a framework from all of the aforementioned standards. Additionally, DTHC adopted recommendations from the B Corp Impact Assessment SDG Action Manager Tool to enhance the report's effectiveness.

There are 21 core and 34 expanded metrics in the standard. We have chosen to fully report on the core Governance, People and Prosperity metrics but are not fully reporting on the Planet metrics as many of the environmental components, such as greenhouse-gas emissions, are things we do not currently measure.

ABOUT

DTHC is the parent company of Taylor Builders, LLC, Lincoln Potters, and New Economics & Advisory.

ESG stands for Environmental, Social, and Governance, and it represents a framework that evaluates the sustainability and ethical impact of a company's operations. Environmental "E" factors consider the company's impact on the natural world, such as its carbon emissions, resource consumption, and waste management practices. Social "S" factors focus on the company's relationships with its employees, customers, communities, and other stakeholders, including diversity and inclusion, labor standards, and community engagement. Governance "G" factors assess the company's leadership, accountability, transparency, and adherence to ethical standards, including board composition, executive compensation, and risk management. ESG provides a comprehensive approach to evaluating a company's performance beyond financial metrics, highlighting its commitment to responsible and sustainable practices, social impact, and long-term value creation.

The pillars for WEF are #1 Principle of Governance, #2 People, #3 Planet, and #4 Prosperity.

PILLAR #1

PRINCIPLE OF GOVERNANCE

It is essential for DTHC as a holding company to prioritize good governance to ensure accountability, transparency, and responsible management of its portfolio companies. The “G” in ESG stands for governance, and it represents the set of practices, policies, and procedures that guide a company’s decision-making and control its behavior. Good governance helps to mitigate risks and protect the long-term interests of shareholders, employees, customers, and other stakeholders. By adhering to high standards of governance, DTHC can foster a culture of integrity and ethical behavior across its portfolio, which can enhance its reputation, attract capital, and create value for all stakeholders.

A. MISSION & PURPOSE

DTHC MISSION STATEMENT

To create and improve communities where individuals, communities, and the environment can thrive for generations to come.

VALUES STATEMENTS

SEEKING COMMUNITY-BASED OUTCOMES

We value engagement with a broad array of community stakeholders, both active and passive, around our endeavors. We pursue trade-off returns that improve community balance and foster our entrepreneurial culture, creating successful outcomes for our company, our employees, and our partners.

COMMITTED TO A GROWTH MINDSET

We strive to create a professional environment in which our employees have limitless opportunities. We support our employees’ efforts toward altruism, we cultivate a growth mindset, in which people thrive on and view challenge as a springboard for growth, and find encouragement and empowerment through motivation, collaboration, and achievement.

ADAPTING TO EVER CHANGING CIRCUMSTANCES

We believe that we live in an ever-changing world. We are dedicated to continuing to be nimble and adaptable as we work through projects and engage with others.

EMBRACING DIVERSE PERSPECTIVES

We offer respect by giving others a chance to be heard and honoring their opinions and input. We embrace a diversity of backgrounds and viewpoints and seek to keep an open mind as we respond to changing conditions, ideas, strategies, and processes.

OPERATING WITH INTEGRITY & ACCOUNTABILITY

We act with integrity. We tell each other the truth. We believe in taking responsibility for our actions and holding ourselves accountable for our actions. We demonstrate reliability and trustworthiness and strive to be people of our word.

COMMITMENT TO FUTURE GENERATIONS

We care about building communities in a manner that sustains the regions where we work for future generations. We actively pursue opportunities for our projects to reflect best practices in land use, environmental resources, climate resilience, preservation, health, accessible open space and quality of life.

BUILDING COMMUNITY PRIDE & RELATIONSHIPS

We enjoy engaging in fun activities that foster community cohesion. We also support participation in local entertainment, civic, recreation, sporting and/or industry events that align with our employees' own passions and provide an opportunity to strengthen personal relationships and community connections.

B. GOVERNANCE & LEADERSHIP

COMPANY OFFICERS

The Executive Officers of DTHC are Isabel Domeyko Taylor, Clifton Taylor and Katherine Hart.



Isabel Domeyko Taylor

After graduating from Middlebury College, Isabel began her career with a year-long stint in the Americorps Program, placed as a full-time volunteer at an affordable housing organization in inner-city Chicago. She subsequently earned a master's in Urban Planning & Policy at the University of Illinois at Chicago. Isabel then gained valuable feasibility, financing, and market analysis skills working at a real estate economics consulting firm in Sacramento for nearly a decade. In 2011, she founded New Economics & Advisory, an urban economics firm, which she ran for nine years. In 2019, Isabel became a shareholder and President of DTHC. She oversees the development of assets under development by DTHC and is specifically in charge of ESG, DEI, and philanthropic endeavors for the company and its subsidiaries. Isabel is an active member of the Urban Land Institute (and is currently the Chair of ULI Sacramento) and Rotary; she also serves on multiple non-profit boards, including the Tahoe Mountain Resorts Foundation.



Clifton Taylor

Clifton graduated from UC Santa Barbara, where he majored in Environmental Studies. After working as a Planner for the County of Yuba, Clifton gained experience at Centex Homes, followed by planning, entitlement, infrastructure, and management skills at Richland Planned Communities. He ultimately led Richland's Northern California Real Estate division for seven years. In 2017, with nearly twenty years of entitlement asset management and development experience, Clifton founded Taylor Builders, a real estate development company active in Sacramento, San Joaquin, the Bay Area, and Northern Nevada. He became a shareholder and CIO of DTHC in 2019. Clifton currently identifies and oversees the development of assets under development by DTHC, monitors financial transactions, and engages in strategic planning for the company.



Katherine Hart

For more than 20 years, Kate has dedicated herself to gaining and employing legal and practical skills to guide the responsible development of brownfields and greenfields, while simultaneously striving to conserve and integrate natural environments and local character. Kate’s work experience includes public sector roles, serving as outside counsel for various agencies, and Land Use Counsel for Richland Communities – all with a focus on CEQA guidance and litigation, regulatory permitting and land use compliance. Kate served as a Member of the Central Valley Regional Water Quality Control Board for seven years and has served on the Sacramento Valley Conservancy Board of Trustees since 2005. She currently sits on the Placer Conservation Authority Advisory Committee to assist in implementing the Placer County Conservation Program. Kate joined DTHC in 2021 as Legal Counsel and became an officer of the company in 2023. For DTHC, Kate handles legal matters for the company and its subsidiaries, including contractual agreements, guidance on industry-specific issues (land use, environmental, regulatory, permitting, etc.) and employment matters.

COMPANY OFFICER HIGHLIGHTS



SUBSIDIARY COMPANIES

DTHC is the parent company of Taylor Builders, the Lincoln Potters Baseball Club, and New Economics & Advisory.



Taylor Builders

Taylor Builders was founded in 2017 and invests in and develops residential California. Taylor Builders was established to invest, entitle, and develop primarily residential real estate in the Sacramento Region, San Joaquin Valley, Bay Area, and Northern Nevada markets. A dedicated team of 15 professionals bring their expertise to every project, ensuring the highest in real estate development and investment standards. For more information, please visit: www.Taylor-Builders.com



Mountainside Builders

Mountainside Builders, a subsidiary of Taylor Builders, is a resort development brand and is the primary developer at Northstar California Resort in Placer County near Lake Tahoe. In partnership with Tahoe Mountain Realty, this entity serves as the master community developer of "Mountainside at Northstar" and creates luxury homes with a focus on active living and outdoor adventure. To learn more about the community, visit: www.MountainsideNorthstar.com



New Economics & Advisory

Founded in 2011, New Economics & Advisory was established as an urban economics consulting firm. For 10 years, New Economics provided analyses to developers, cities, counties, and nonprofit agencies around real estate economics. In 2021, Isabel decided to shut down active consulting services to pursue other personal and professional interests. For more information, please visit: www.New-Econ.net



Lincoln Potters Baseball Club

Clifton Taylor and Isabel Domeyko's significant contribution to the recreation and economic well-being of the region is their investment in the Lincoln Potters Baseball Club (LPBC). Clifton Taylor has been with the Lincoln Potters Baseball Club since 2016, and currently serves as its Treasurer and Secretary. He had previously been the club's President from 2016 to 2018. Isabel Domeyko became the President and CEO in 2019, while Matt joined as an owner and Vice President in the same year. Together, they have made significant contributions to the club's success and the local community's well-being.



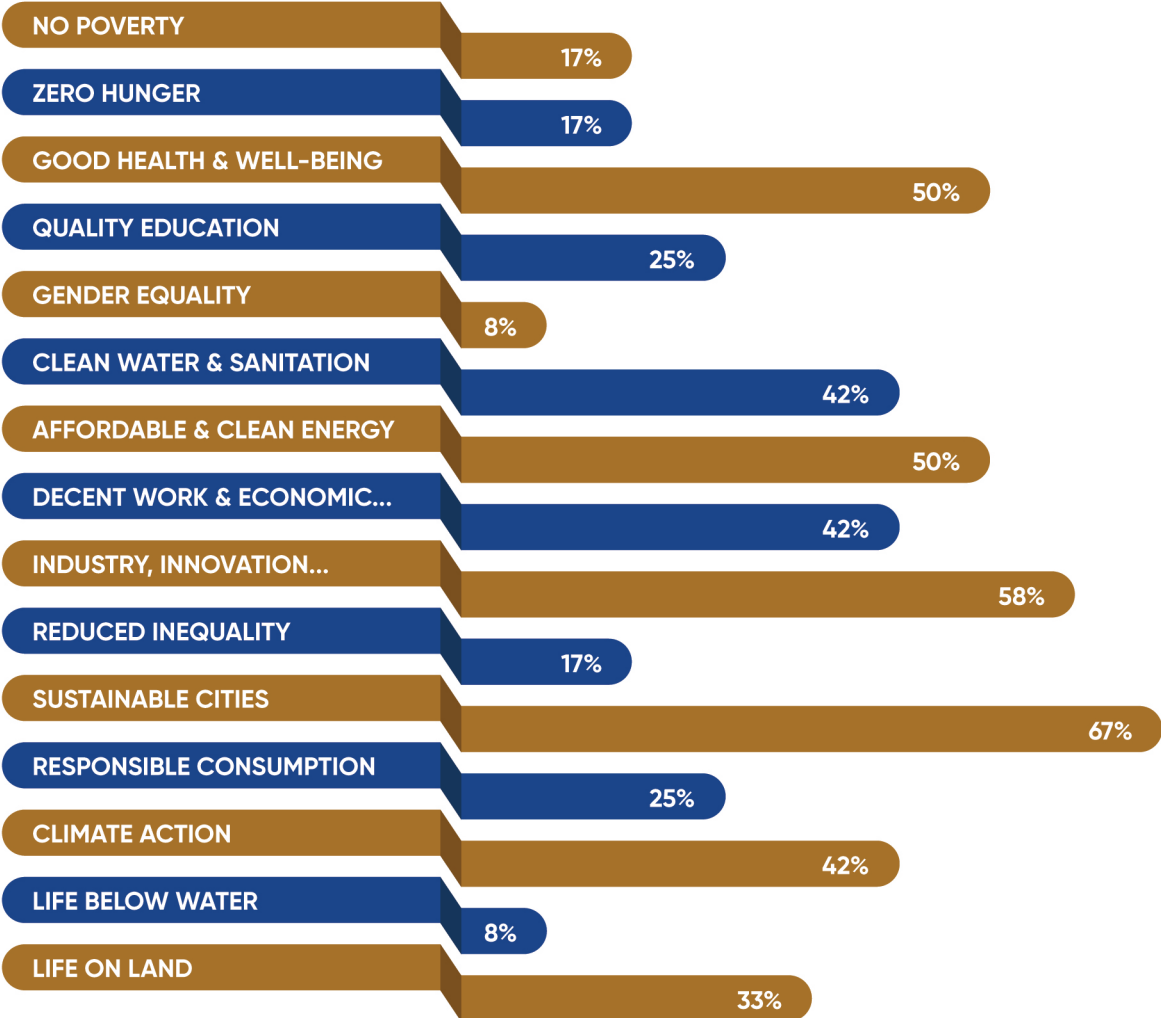
The summer league team offers college-aged players a chance to play 35 home games, with entertainment such as fireworks, music, food, and craft beers, drawing 1,000 spectators per game. The team has supported the redevelopment of the City of Lincoln's McBean Stadium, which is now also the home for the William Jessup University team. The Potters team has also provided an opportunity to partner with and promote other businesses in the Placer County region. The team promotes local businesses and provides family-friendly entertainment embraced by the Lincoln community. To check out more information on the baseball club visit:

www.LincolnPotters.com

C. MATERIAL ISSUES | MATERIALITY ASSESSMENT

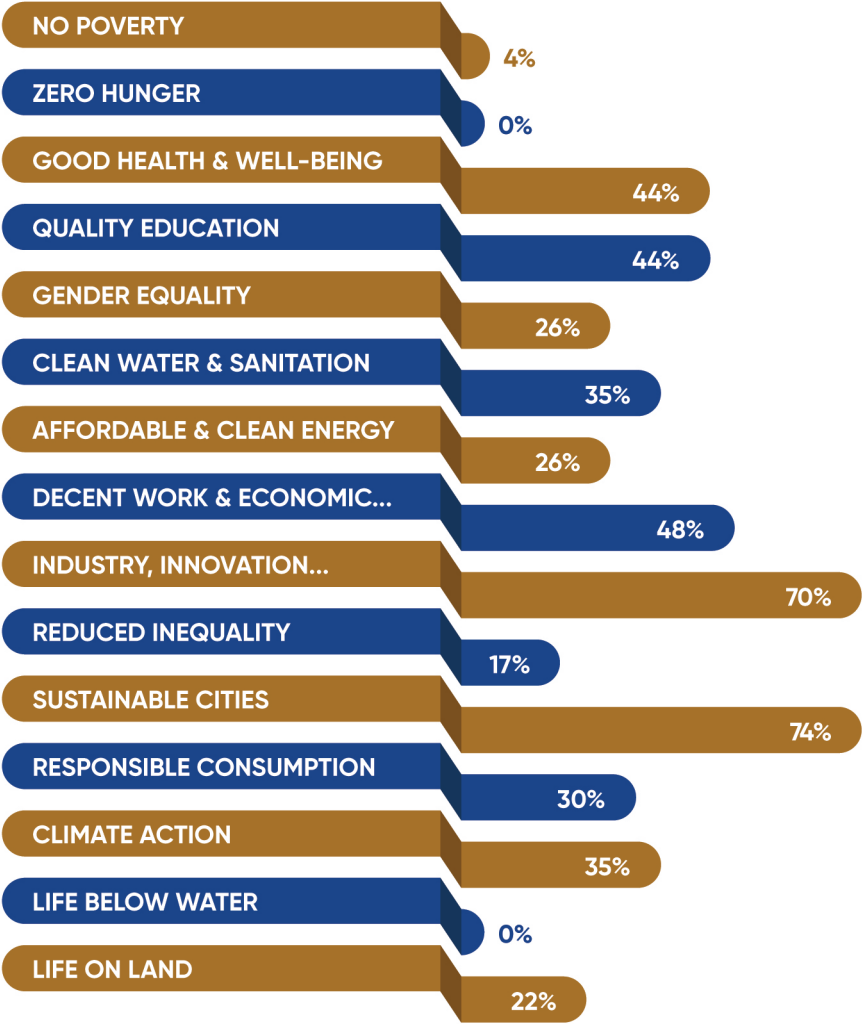
DTHC completed a stakeholder engagement process in June of 2022 with an overarching employee survey and an external stakeholder survey. Considering the large breadth of DTHC subsidiary companies, the primary stakeholders contacted for this survey most closely work with Taylor Builders. To help us identify the material topics impacting DTHC, our team chose to use the full list of the United Nation’s SDG and solicited feedback on which of the goals our staff and external stakeholders thought made the most sense for our company to focus on. The top three results from staff were “Sustainable Cities and Communities,” “Industry, Innovation and Infrastructure,” and “Good Health and Well-Being,” as shown in **Figure A**.

FIGURE A:
STAFF INPUT, MATERIALITY



The top results from our external partners were “Sustainable Cities and Communities,” “Industry, Innovations and Infrastructure,” and “Decent Work and Economic Growth,” as shown below in **Figure B**.

**FIGURE B:
EXTERNAL PARTNER INPUT, MATERIALITY**



These factors gave us insight into what metrics would be included in this report. As a result, DTHC paired these top four Sustainable Development Goals with applicable Core Metrics of the World Economic Forum’s International Business Council (IBC) themes and several expanded metrics (expanded metrics indicated with an asterisk*).

SUSTAINABLE CITIES & COMMUNITIES (UN SD GOAL #11)

- ▶ Land Use and Ecological Sensitivity
- ▶ Impact of Land Use and Conversion*
- ▶ Single-use Plastics*

INDUSTRY, INNOVATION & INFRASTRUCTURE (UN SD GOAL #9)

- ▶ Infrastructure Investments and Services Supported*

GOOD HEALTH & WELL-BEING (UN SD GOAL #3)

- ▶ Health and Safety
- ▶ Employee Well-being*

DECENT WORK & ECONOMIC GROWTH (UN SD GOAL #8)

- ▶ Economic Contribution
- ▶ Absolute Number and Rate of Employment
- ▶ Living Wage*

*To view the full list of WEF IBC themes that were considered in this report, visit:
www.WeForum.org/StakeholderCapitalism/Our-Metrics/*

Understanding which United Nations Sustainable Development Goals (SDG) resonate most with our stakeholders initiative is important to our organization. Aligning with these SDG can ensure that DTHC businesses better cater to community needs, creating shared value. We intend to use this information to promote long-term business resilience effective risk management and strengthen company reputation and trust.

STAKEHOLDER ENGAGEMENT

The DTHC stakeholder engagement process began in June of 2022 with an overarching employee survey followed by an external stakeholder and business partner survey.

For the full 2022 Taylor Builders Stakeholder ESG Survey Results, [click here](#).



D. POLICY & PROCEDURES

1. ANTI-CORRUPTION

DTHC ANTI-CORRUPTION STATEMENT/POLICY SUMMARY:

DTHC is committed to conducting business in accordance with the highest ethical standards and prohibits all forms of bribery and corruption. We will not seek to influence others, either directly or indirectly, by offering, paying, or receiving bribes or kickbacks, or by any other means that is considered unethical, illegal, or harmful to our reputation of honesty and integrity.

DTHC will release, at least annually, to its employees, a list of campaign contributions. Only members of the Governance Team can authorize campaign contributions on behalf of the company.

2. OTHER POLICIES & PROCEDURES

SUPPLIER SCREENING

DTHC screens suppliers to ensure compliance with all local laws and regulations, including those related to social and environmental performance. In the future, DTHC aims to create a formal screening policy to include good governance, including policies related to ethics and corruption, positive practices beyond what is required by regulations (e.g. environmentally-friendly manufacturing process, excellent labor practices), and third-party certifications related to positive social and/or environmental performance.

PILLAR #2

PEOPLE

For DTHC, it is essential to look at the social dimension within the ESG framework. This pillar emphasizes the importance of investing in human capital, fostering inclusive societies, and promoting social well-being. The People Pillar encompasses various dimensions, including education, healthcare, employment, social protection, and equality. It recognizes that a thriving society depends on equitable access to quality education and healthcare, the creation of decent and inclusive work opportunities, the provision of social safety nets, and the eradication of discrimination and inequality. The People Pillar encourages companies to create a space where all people can participate and benefit from the opportunities provided by a sustainable and inclusive economy.

A. DIVERSITY & INCLUSION

As a part of the June 2022 Employee Survey, DTHC collected data on staff demographics including, age, race, ethnic origin, gender and other indicators to have a better understanding of our staff composition. DTHC acknowledges that diverse teams are better able to innovate, attract top talent, improve its customer orientation, and enhance employee satisfaction.

FIGURE C:
STAFF DEMOGRAPHICS, AGE & SEX

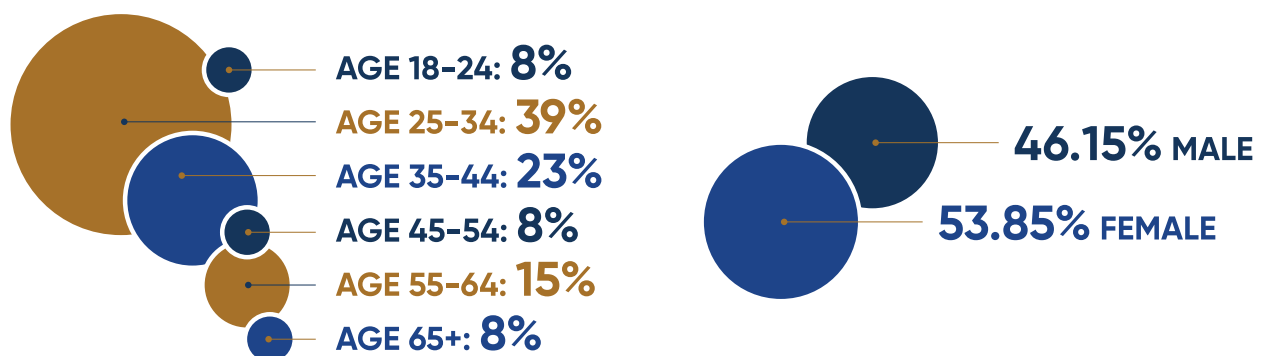
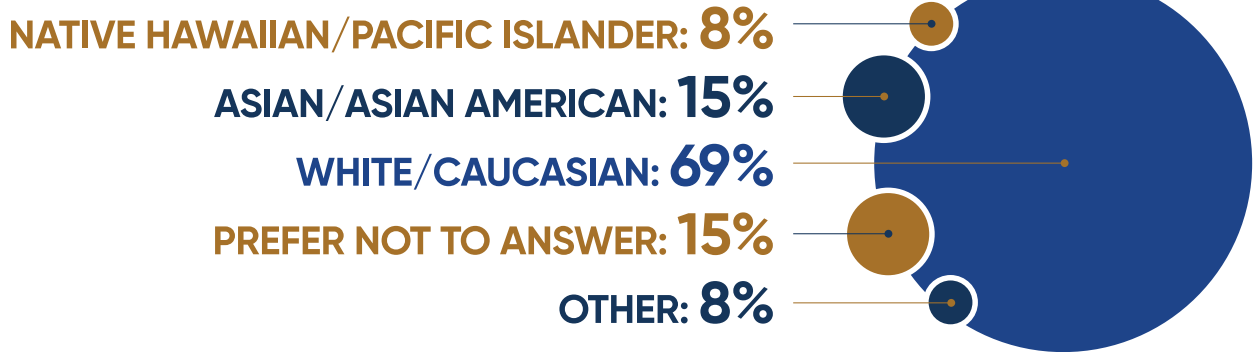


FIGURE D:
STAFF DEMOGRAPHICS, RACE



For the full Staff Survey results, click the links below:

2022 Potters Interns ESG Survey Results, [click here.](#)

2022 DTHC Employee ESG Survey Results, [click here.](#)

DTHC plans to establish future diversity, equity, and inclusion plans, encompassing several key initiatives. Firstly, we will prioritize Training and Education, offering comprehensive DEI training to all employees covering topics such as unconscious bias, microaggressions, and allyship. Leadership training will also be provided to promote a diverse and inclusive culture within teams and departments.

Secondly, in Recruitment and Hiring, we aim to attract and retain diverse talent by forming partnerships with organizations serving underrepresented groups. We will carefully review job descriptions and qualifications to ensure they are inclusive and free from bias. Additionally, we will set goals to increase the representation of underrepresented groups within our organization.

Thirdly, our Promotion and Advancement processes will undergo review to ensure they are inclusive and equitable. Leadership training will help identify and address biases and barriers that may hinder the progress of underrepresented groups within the company.

Lastly, we emphasize Accountability and Measurement. To track progress towards our DEI goals, we will establish clear metrics and accountability mechanisms. Regular assessments will be conducted to evaluate the effectiveness of our DEI strategies, and adjustments will be made as necessary.

At DTHC, we are committed to fostering a diverse, equitable, and inclusive workplace where every employee feels valued and empowered to contribute to our shared mission and goals. We firmly believe that our dedication to DEI will not only benefit our employees but also positively impact our customers, partners, and the communities in which we operate.

B. PAY EQUALITY

At DTHC, we recognize that ensuring pay equality is vital for fostering a fair and inclusive work environment, promoting employee satisfaction, and attracting top talent. Unfortunately, we can't meet the WEF standards that ask for detailed salary information broken down by demographic categories like gender and ethnicity, as the demographic data we've collected is anonymous. In the future, DTHC plans to do a pay equity analysis and coordinate with continued DEI efforts throughout various subsidiary companies.

C. WAGE LEVEL

The ratio of standard entry level wage by gender compared to local minimum wage is 2.35x minimum wage for both male and female.

The ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees is 2.21x the median income.

D. RISK FOR INCIDENTS OF CHILD, FORCED OR COMPULSORY LABOR

DTHC and its associated companies are firmly committed to ethical business practices and are not at risk for incidents of child, forced, or compulsory labor. Our procurement and partnership strategies prioritize U.S.-based companies that adhere to strict guidelines and regulations against such labor practices. By rigorously vetting our suppliers and business partners, we ensure alignment with both domestic and international labor standards, thereby upholding the integrity of our supply chain and reinforcing our commitment to social responsibility.

E. HEALTH & SAFETY

DTHC has a clean record of Health and Safety. In 2022, and years prior, there have been no fatalities as a result of a work-related injury.

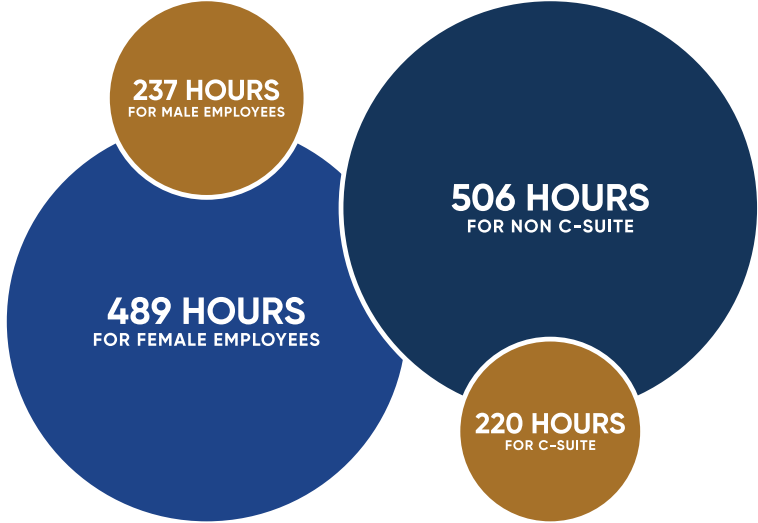
DTHC facilitates worker access to non-occupational medical and healthcare services by covering medical, dental, and vision utilizing a company-paid healthcare plan. A cash stipend is paid monthly to Lincoln Potters core staff.



F. TRAINING PROVIDED

At DTHC, we recognize the importance of staff and employee training to ensure that our employees have the skills and knowledge they need to perform their jobs effectively. Through training and development, our employees can enhance their professional skills, stay up-to-date with industry trends and best practices, and develop their leadership and management abilities. In addition, training and development can promote employee engagement, job satisfaction, and retention, leading to a more productive and motivated workforce. Overall, investing in staff and employee training is critical to our success as an organization and our ability to meet the evolving needs of our stakeholders. In the year 2022, staff completed a surveyed amount of 711 hours of total training, estimated at 42 hours per employee.

FIGURE E:
2022 STAFF TRAINING HOURS



PILLAR #3

PLANET

The Planet Pillar, as outlined by the WEF, is a key aspect of the environmental dimension within the ESG framework. It underscores the urgent need to address environmental challenges and promote sustainable practices to protect the planet's resources and mitigate the impacts of climate change. The Planet Pillar encompasses several key areas, including climate action, biodiversity conservation, resource efficiency, and circular economy. It emphasizes the transition to a low-carbon and resilient economy, reducing greenhouse gas emissions, promoting renewable energy, and adapting to the changing climate. Furthermore, it highlights the importance of preserving biodiversity, protecting ecosystems, and ensuring sustainable management of natural resources.

DTHC has chosen not to fully report on the Planet metrics as many of the environmental components, such as greenhouse-gas emissions and water usage are not currently measured. However, the below Planet section of the report will include rudimentary information on three environmental measurements as defined by WEF: 1) Land use & ecological safety, 2) Impact of land use and conversion, and 3) Single-use plastics.

A. LAND USE & ECOLOGICAL SENSITIVITY

In alignment with the WEF's Measuring Stakeholder Capitalism Initiative, DTHC is committed to assessing its environmental impact, including its relationship with Key Biodiversity Areas (KBAs) and protected zones. KBAs are specific sites that are identified as critical for the conservation of biodiversity on a global scale. These areas are essential for protecting significant species, ecosystems, and ecological processes.

As of the current reporting period, we are not aware of any overlaps between our owned, leased, or managed sites and such KBAs or protected areas. However, understanding the significance of biodiversity and its conservation, we plan to conduct a comprehensive analysis to definitively ascertain our proximity to these critical ecological zones in the future. This future analysis will enable us to ensure responsible land use and natural resource management in alignment with global sustainability standards.

B. IMPACT OF LAND USE & CONVERSION

As part of the broader sustainability goals of DTHC, particular attention is given to the environmental practices of our subsidiary, Taylor Builders, which plays a significant role in our overall impact on the environment. As a land developer, Taylor Builders acknowledges its inherent environmental impact; however, we remain steadfast in our dedication to implementing sustainable practices and reducing our carbon footprint as part of our ongoing commitment to environmental stewardship. For the fiscal year 2022, we were unable to measure our carbon footprint; however, we are committed to exploring methodologies to incorporate this crucial metric into our sustainability reporting for the upcoming fiscal year 2023. To further this commitment, we are actively strategizing to integrate environmentally friendly materials, incorporate energy-efficient designs to minimize energy consumption and implement advanced water conservation techniques in our landscaping projects. Beyond the built environment, Taylor Builders also endeavors to enhance the natural surroundings by creating green spaces within our communities, planting trees, and incorporating parks that provide habitats for local wildlife. By rigorously adopting these sustainable practices, Taylor Builders aims to significantly reduce its environmental impact and contribute to a more sustainable future, aligning with the overarching sustainability objectives of DTHC.

C. SINGLE-USE PLASTICS

The WEF model requests that organizations report estimated metric tonnes of single-use plastic consumed at each point along the value chain, disclose the most significant applications of single-use plastic identified, the quantification approach used, and the definition of single-use plastic adopted. When assessing DTHC's impact via single-use plastics, it makes the most sense to direct our attention to the Lincoln Potters Baseball Club (LPBC). Given the nature of their operations, which include hosting events with large crowds, LPBC has a notable consumption pattern involving disposable items.

Unfortunately, we are unable to provide specific data due to the fact that waste disposal at the baseball stadium is managed by the City of Lincoln. The City does not currently track plastics volume, in total or by location. Despite this, LPBC is committed to reducing its waste and use of single-use plastics at their events and have found alternative methods to estimate waste.

In 2022, LPBC worked hard to collect data on the produce, meat, beverages, paper products, cups, cleaning products, and laundry supplies that were used throughout the season.

This rudimentary assessment showed that the majority of stadium purchases were as follows:

- ▶ **Produce:** Strawberries, Grapes, Limes, Packages of Coleslaw
- ▶ **Meat:** Frozen Chicken, Tri-Tip, Hamburgers, Hot dogs
- ▶ **Bev Bottled:** Gatorade & Soda
- ▶ **Bev Canned:** Soda
- ▶ **Paper Products:** Plates & Trays
- ▶ **Cups:** Plastic 12oz and 16oz
- ▶ **Cleaning Products:** Disinfecting Wipes, Spray, Dish Soap
- ▶ **Laundry:** Detergent, Stain Remover

In general, meat production has a significant impact on the environment due to its high greenhouse-gas emissions, land use, and water consumption. Additionally, single-use plastic products such as cups, plates, and packages contribute to the growing plastic waste problem and harm wildlife and ecosystems. Cleaning products and laundry detergents can also have environmental impacts, especially if they contain harmful chemicals that can affect water quality and aquatic life.

The LPBC plans to encourage attendees to bring their own reusable water bottles and are considering the use of reusable cups and compostable food containers for fans. LPBC understands that implementing sustainable practices may require additional resources and funding, but believes it's their responsibility to reduce their environmental impact and promote sustainability within their community. The LPBC hopes these efforts will inspire other sports teams and organizations to adopt similar sustainable practices and make a positive impact on the environment.

In conclusion, the Planet Pillar is a key focus in DTHC's drive for environmental sustainability. Although full metrics reporting is in progress, we are disclosing preliminary data related to land use and ecological sensitivity via Taylor Builders and single-use plastics via the LPBC. Each company is adapting its operations to be more environmentally responsible, aligning with the guidelines of the WEF. As we move ahead, we will continue to fine-tune and report on our sustainability initiatives, further aligning ourselves with global standards for a greener future.

PILLAR #4

PROSPERITY

As outlined by the WEF, the Prosperity Pillar aims for sustainable, inclusive economic growth that covers key areas like company innovation and productivity. The Prosperity Pillar recognizes that economic development should go hand in hand with social progress, ensuring that the benefits of growth are shared widely and that opportunities are accessible to all.

A. ABSOLUTE RATE OF EMPLOYMENT

DTHC is continuing to grow and currently has 15 full-time employees. In 2022, there was one case of employee turnover and one new hire.

B. ECONOMIC CONTRIBUTION

The below information indicates the direct economic value generated and distributed (EVG&D) on an accrual basis, covering the basic components for the organization's global operations:

- I. Revenue:** \$7,794,778
Payments to Government (all companies): \$381,132
- II. Operating Costs:** \$5,621,188
- III. Employee Wages and Benefits:** \$3,891,12
- IV. Payments to Providers of Capital:** \$1,223,382
- V. Payments to Government:** \$381,132

COMMUNITY INVESTMENT

DTHC chooses to disclose its community contributions and political donations to promote transparency and accountability in its operations. By disclosing this information, we aim to build trust with our stakeholders and demonstrate our commitment to responsible and ethical business practices. Each year, DTHC also allocates funding to community organizations both on behalf of its companies and its employees.

Domeyko Taylor Holding Company 2022 donations of approximately \$21,000 included Lincoln Community Foundation, Placer Food Bank, Friends of the Portola Library, Tehama County Education Foundation, Acres of Hope, the Lea Marie Faraone Foundation, Capital Public Radio, NAMI Northern California, Placer County 4H and the Sacramento Valley Conservancy.

In 2022, Beneficiaries of Taylor Builders donations totaling approximately \$35,000 included Angels in the Alley, Blue Line Arts, Cystic Fibrosis Foundation, Truckee River Watershed, Tahoe Truckee Community Foundation. Lighthouse Counseling & Resource Center, Solano Mudcats, Toys for Tots, Bikes for Kids, and the Rotary Club of Lincoln Foundation.

LPBC made the following donations in 2022: \$1,000 to the Crystal Rodriguez Memorial Scholarship, \$1,450 to William Jessup Athletics, \$2,150 to the Placer County Association of Realtors Foundation, and \$2,500 to Lincoln Fourth of July Foundation.

POLITICAL INVOLVEMENT & ACTIVITY

DTHC made approximately \$30,000 in political contributions in 2022. Taylor Builders made approximately \$10,800 in political contributions.

C. FINANCIAL INVESTMENT CONTRIBUTION

As noted in the WEF framework, investment is a key driver of an economy's growth and a company's capacity to expand its operations and create additional employment.

1. TOTAL CAPITAL EXPENDITURES (CAPEX)

The total capital expenditures minus the depreciation is \$1,058,632. In 2022, DTHC purchased two properties for future development for a value of \$705,000

and received a third property from existing shareholders valued at \$239,719 in exchange for additional shares. Additionally, the Company spent \$113,913 in soft costs related to the long term development of the three assets. The Company's investment strategy is primarily focused around real estate development for long term hold, for sale residential real estate and related real estate services.

2. RETURN OF CAPITAL TO SHAREHOLDERS

The Company did not complete any share buybacks and/or dividend payments in 2021 or 2022. The Company strategy is to increase shareholder value through reinvestment of capital.

DTHC is the Managing Member of Taylor Builders, LLC. Taylor Builders provides investment management under its exclusive partnership with JEN Partners, LLC an institutional private equity fund manager based in New York. In 2022, Taylor Builders managed \$242,630,840 in real estate revenue through 47 separate real estate transactions that included 2,225 single-family and/or multiple family properties. At the end of 2022, Taylor Builders had \$194,000,000 of additional net capital invested on behalf of JEN.

D. TOTAL R&D EXPENSES

Costs related to research and development were not recorded in 2022.

E. TOTAL TAX PAID

The below information includes the total global tax borne by DTHC in 2022, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category:

- ▶ **Federal Income:** \$190,149
- ▶ **State Income:** \$97,866
- ▶ **Other Taxes:** \$258,521
- ▶ **Subsidiary Payroll Tax:** (Hard to calculate, included in Other Taxes above)

AWARDS & RECOGNITION

- ▶ Clifton Taylor, Sacramento Business Journal Most Admired CEO Award
- ▶ Taylor Builders, Sacramento Business Journal Fastest Growing Business Award

FIGURE F:
**TAYLOR BUILDERS, LLC
(SINGLE FAMILY LOTS DELIVERED BY YEAR)**

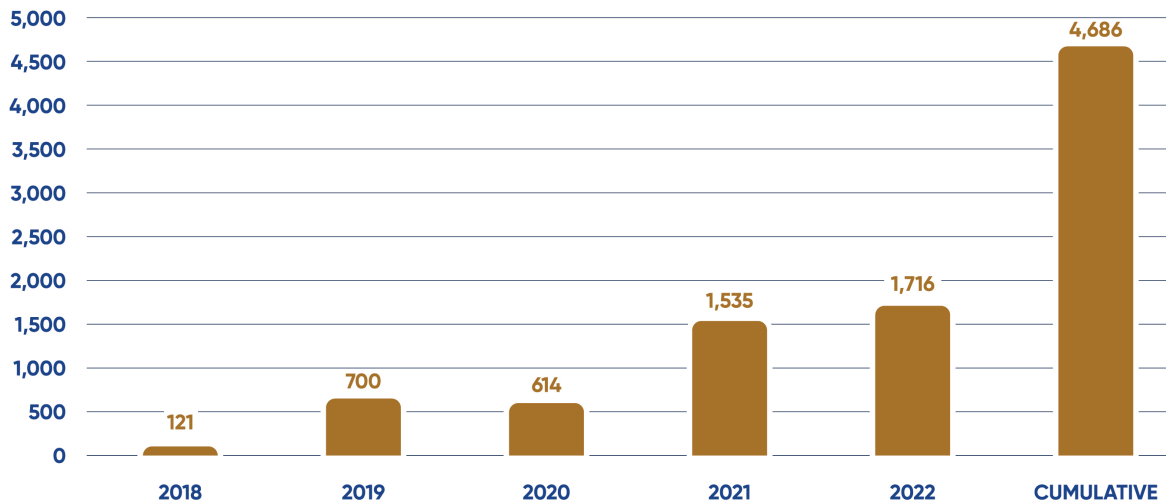
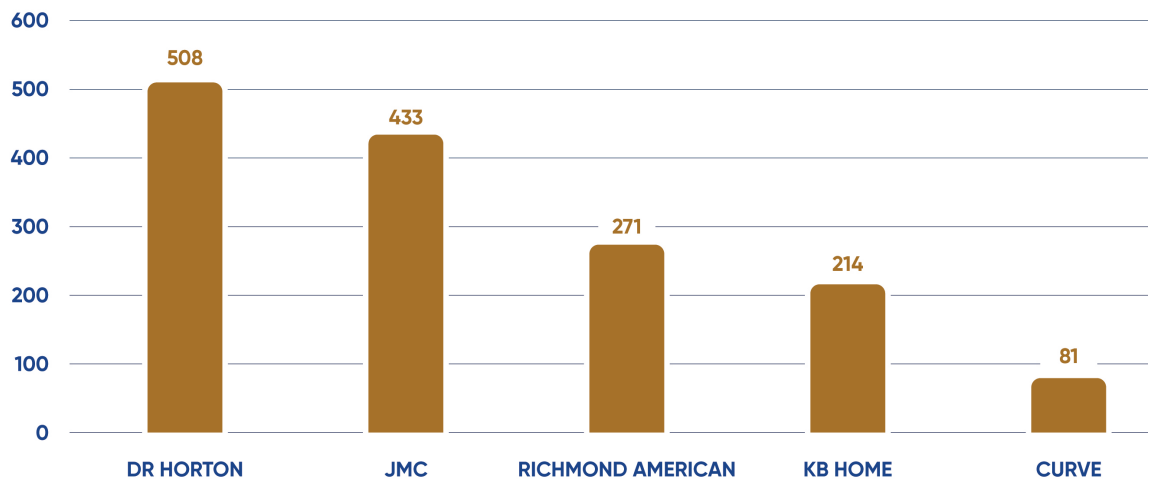


FIGURE G:
TOP FIVE BUILDER CUSTOMERS (2022)



CONCLUSION

In conclusion, DTHC's dedication to transparency and responsibility shines through in our commitment to ESG reporting. Despite our classification as a small and medium-sized business enterprise, we are acutely aware of the role we play in shaping a sustainable and ethically responsible future. While our current reporting capabilities have enabled us to delve deeply into Governance, People, and Prosperity metrics, we acknowledge the room for growth in environmental areas like greenhouse gas emissions and other Planet metrics. As we continue to expand and evolve, our intention remains steadfast: to not only achieve our business objectives but to do so in a manner that respects our environment, empowers our communities, and upholds the highest governance standards. We are grateful to our stakeholders for their continued trust, and we remain committed to making a meaningful impact in all areas of our operations.

The future landscape of ESG reporting in the U.S. is anticipated to undergo significant transformation. With increasing global awareness about climate change and its implications, regulatory bodies and industry leaders are moving towards more stringent, standardized, and comprehensive reporting requirements. These changes aim to ensure companies are held accountable for their environmental footprint and societal impact. DTHC recognizes this evolving paradigm. As a forward-thinking organization, we are not only committed to meeting the evolving standards but also to setting new benchmarks in corporate accountability. Our resolve to continuously improve stems from our understanding of the pressing threats posed by climate change and the changing socio-economic landscape. We view these challenges as opportunities to innovate, adapt, and reaffirm our commitment to sustainable business practices. Our pledge is to be at the forefront of this evolution, ensuring that DTHC remains a symbol of integrity and responsibility in the industry.

Looking ahead, a central component of our strategy involves capturing and analyzing data from 2023, with an emphasis on areas where we previously had gaps. By harnessing this information, we aim to achieve a more holistic view of our operations and their impacts. Beyond data collection, we are also in the process of formulating additional policies and refining our company practices. Our goal is not merely to meet industry standards but to exceed them, setting a precedent for excellence and responsibility. As we navigate this journey, continuous improvement remains our beacon. We are steadfast in our commitment to evolve, innovate, and ensure that DTHC stands as a paragon of sustainable and responsible business in the years to come.