Risk Factors Comparison 2024-02-28 to 2023-02-23 Form: 10-K

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Our business is subject to a variety of risks, including the risks described below as well as adverse business and market conditions and risks associated with our operations. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not known to us or not described below, which we have not determined to be material, may also impair our business operations. You should carefully consider the risks described below, together with all other information in this report, including information contained in the " Business, " " Management' s Discussion and Analysis of Financial Condition and Results of Operations, " and " Quantitative and Qualitative Disclosures about Market Risk " sections. If any of the following risks actually occur, our business, financial position, results of operations, and / or cash flows could be adversely affected, and we may not be able to achieve our goals. Such events may cause actual results to differ materially from expected and historical results, and the trading price of our common stock could decline. Economic and Strategic Risk Factors Economic downturns have historically led to reductions in demand for our services. Negative conditions in the credit markets, including rising interest rates, may adversely impact our results of operations and our ability to operate our business. The level of demand from our clients for our services has been, in the past, adversely impacted by slowdowns in the industries we service, as well as in the economy in general. When the general level of economic activity has been reduced from historical levels, certain of our ultimate customers have delayed or canceled projects or capital spending, especially with respect to more profitable private sector work, and such slowdowns adversely affect our ability to grow, reducing our revenues and profitability. A number of economic factors, including financing conditions, the prices of commodities, and energy prices, have, in the past, adversely affected the industries we serve and our ultimate customers' ability or willingness to fund expenditures. General concerns about the fundamental soundness of domestic and foreign economies may also cause ultimate customers to defer projects even if they have credit available to them. A prolonged stagnation or weakening in financial and macroeconomic conditions, including rising interest rates, supply chain challenges, inflation, and any continuing impacts of the COVID- 19 pandemic, could therefore have a significant adverse effect on our revenues and profitability. We are exposed to market risk for changes in interest rates for **any** borrowings under our credit ~~facilities~~ **facility** , which bear interest at variable rates. Throughout 2022 **and much of 2023** , the Federal Reserve Board ~~significantly~~ increased the federal funds rate ~~, further raised it in February 2023, and has indicated that rate increases are likely to continue through the remainder of 2023~~ . Increases in benchmark interest rates impact our interest expense and cost of capital, which may adversely impact our ability to make payments on **future** outstanding debt, raise ~~additional~~ funds through the issuance of debt, fund capital expenditures or other liquidity needs. Any of these impacts may adversely affect our liquidity, results of operations, and financial position. For further information on our ~~outstanding debt~~ **credit facility** and **associated** borrowing rates, refer to Note 9- Debt of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data. Many of our clients depend on the availability of credit to help finance their capital and maintenance projects. At times, tightened availability of credit or increased interest rates have negatively impacted the ability of existing and prospective ultimate customers to fund projects we might otherwise perform, particularly those in the more profitable private sector. As a result, our ultimate customers may defer such projects for an unknown, and perhaps lengthy, period. Any such deferrals would inhibit our growth and would adversely affect our results of operations. In a weak economic environment, particularly in a period of restrictive credit markets, we may experience greater difficulties in collecting payments from, and negotiating change orders and / or claims with, our clients due to, among other reasons, a diminution in our ultimate customers' access to the credit markets or potential bankruptcies. If clients delay in paying or fail to pay a significant amount of our outstanding receivables, or we fail to successfully negotiate a significant portion of our change orders and / or claims with clients, it could have an adverse effect on our liquidity, results of operations, and financial position. Our business has traditionally lagged recoveries in the general economy and, therefore, after an economic downtown we may not recover as quickly as the economy at large. Certain of our businesses, including those within our United States industrial services segment, are exposed to risks associated with the oil and gas industry. These risks, which are not subject to our control, include volatility in the price and production of crude oil, the development of and consumer demand for alternative energy sources, including as a result of a change in consumer preference, or in an effort to reduce greenhouse gas emissions or combat climate change, and legislative and regulatory actions. In addition, macroeconomic conditions, influenced by a variety of events and circumstances, can also affect customer demand for our services within these businesses and lower prices and production volumes, or perceived risk thereof, typically results in the curtailment or deferral of spending by our customers. ~~For example, during 2020, the escalation of geopolitical tensions between the Organization of Petroleum Exporting Countries (OPEC) and Russia contributed to a significant drop in the price of crude oil, impacting customers in the energy sector and the demand for certain of our services. On the other hand, the Russian invasion of Ukraine in February 2022 and the resulting supply chain disruptions and sanctionsimposed on Russian oil and gas exports caused the prices of crude oil and natural gas to increase significantly for several months.~~ While higher prices for our customers' products may increase demand for our services, significant increases in the price or demand for crude oil may also result in the short- term curtailment or deferral of spending by our customers, as facility downtime to perform certain of the services we provide comes at a higher opportunity cost. Continued **volatility** ~~uncertain conditions~~ within these markets, including the impact of geopolitical instability ~~and the lingering impacts of the COVID- 19 pandemic~~ , could negatively impact our financial position, results of operations, and cash flows. Our business is vulnerable to the cyclical nature of the markets in which our clients operate and is dependent upon the timing and funding of new awards. We provide construction and maintenance services to ultimate customers operating in a number of markets which have been, and we expect will continue to be, cyclical and subject to significant fluctuations due to a variety of factors beyond our control, including economic conditions and changes in client spending. Regardless of economic or market conditions, investment decisions by our ultimate customers may vary by location or as a result of other factors like the availability of labor, relative construction costs, or competitive conditions in their industries. Because we are dependent on the timing and funding of new awards, we are therefore vulnerable to changes in our clients' markets and investment decisions. Our business may be adversely affected by significant reductions in government spending, delays or disruptions in the government appropriations process or the failure to fund or implement recent legislation, including the CHIPS and Science Act of 2022 and the Inflation Reduction Act, both of which could benefit our business. Some of our businesses derive a significant portion of their revenues from federal, state, and local governmental agencies. As a result, reduced or delayed spending by the federal government and / or state and local governments may have a material and adverse impact on our business, financial condition, results of operations, and cash flows. Significant reductions in spending aimed at reducing federal, state, or local budget deficits, the absence of a bipartisan agreement on the federal government' s budget or raising the debt ceiling **(and any disruption caused by a federal government shutdown as a result thereof)** , renewed focus on budget deficits following ~~recent~~ increases in government spending in response to the COVID- 19 pandemic, personnel reductions, the closure of government facilities and offices, or other changes in budget priorities could result in the deferral, delay, disruption, or cancellation of projects or contracts that we might otherwise have sought to perform. These potential events could impact the level of demand for our services and our ability to execute, complete, and receive compensation for our current contracts, or bid for and enter into new contracts with governmental agencies. Volatility in the prices or availability of certain materials and equipment used in our businesses and those of our customers, including as a result of inflation, geopolitical instability, and protectionist trade measures, could adversely affect our businesses. We are exposed to market risk of increases in certain commodity prices of materials, such as copper and steel, which are used as components of supplies or materials utilized in our operations. We are also exposed to increases in energy prices, particularly as they relate to gasoline prices for our fleet of approximately 13, ~~200~~ **800** vehicles. While we believe we can increase our prices to adjust for some price increases in commodities, there can be no assurance that price increases of commodities, if they were to occur, would be recoverable. Further, the timing of our price increases may lag the timing of the underlying increases in commodity or material prices. Additionally, our fixed price contracts generally do not allow us to adjust our prices and, as a result, increases in material or fuel costs could reduce our profitability with respect to projects in progress. For example, **in recent years,** we experienced supply chain delays, including long lead times for certain materials and equipment, as well as an escalation in material and fuel prices, to varying degrees ~~throughout 2021 and 2022~~ . These disruptions ~~, which are anticipated to persist throughout 2023,~~ resulted in declines in gross profit and gross profit margin for certain of our operations. Fluctuations in **the price of** energy **and** ~~prices as well as in~~ commodity ~~prices of~~ materials, whether resulting from fluctuations in market supply or demand, ~~or~~ geopolitical conditions, including **supply chain disruptions and sanctions on Russian exports as a result of** Russia' s invasion of Ukraine and **recent shipping lane** ~~the resulting supply chain~~ disruptions ~~and sanctions on Russian exports~~ **following maritime attacks in the Gulf of Aden** , an increase in trade protection measures such as tariffs, or the disruption, modification, or cancellation of multilateral trade agreements, may adversely affect our customers and as a result cause them to curtail the use of our services. On the other hand, because certain of our construction and service offerings are designed to improve energy efficiency in our clients' operations, or to assist in the generation of new sources of renewable energy, such as wind, solar, and geothermal generation, decreases in the costs of traditional energy sources such as oil and natural gas, including as a result of recessionary pressure and reduced demand, may lower our customers' demand for efficiency improvements and alternative energy sources, which could have an adverse effect on our financial position, results of operations, and cash flows. Business and Operational Risk Factors The loss of one or a few customers could have an adverse effect on us. Although we provide services to a diverse portfolio of end markets and have long- standing relationships with many of our significant customers, our customers may unilaterally reduce, fail to renew, or terminate their contracts with us at any time. A loss of business from a significant customer, or a number of significant customers, could have a material adverse effect on our business, financial position, and results of operations. Our industry is highly competitive. Our industry is served by numerous small, owner- operated private companies, a few public companies, and several large regional companies. In addition, relatively few barriers exist to prevent entry into most of the industries in which we operate. As a result, any organization that has adequate financial resources, and access to technical expertise, may become a competitor. Competition in our industry depends on numerous factors, including price. Certain of our competitors have lower overhead cost structures and, therefore, are able to provide their services at lower rates than we are currently able to provide. Our project and service work is frequently awarded through a competitive bidding process, which is standard in our industry. We are constantly competing for contracts based on pricing, schedule, and technical expertise. Competition can place downward pressure on our contract prices and profit margins, which may make it difficult to win the project or force us to accept contractual terms and conditions that are less favorable to us, thereby increasing the risk that, among other things, we may not realize profit margins at the same rates we have seen in the past or may become responsible for costs or other liabilities we have not incurred in the past. In addition, some of our competitors have greater resources than we do. We cannot be certain that our competitors will not develop the expertise, experience, and resources necessary to provide services that are superior in quality, and lower in price, to ours. Similarly, we cannot be certain that we will be able to maintain or enhance our competitive position within our industries or maintain a customer base at current levels. We may also face competition from the in- house service organizations of existing or prospective customers, particularly with respect to building services. Many of our customers employ personnel who perform some of the same types of building services that we do. We cannot be certain that our existing or prospective customers will continue to outsource building services in the future. If we are unable to compete effectively, we may experience a loss of market share, reduced profitability, or both, which if significant, could have a material adverse effect on our business, financial condition, and results of operations. Refer also to " Business- Competition " in Item 1 of this Form 10- K. We are a decentralized company, which presents certain risks. While we believe decentralization has enhanced our growth and enabled us to remain responsive to opportunities and to our customers' needs, it necessarily places significant control and decision- making powers in the hands of local management. This presents various risks, including the risk that we may be slower or less able to identify or react to external market conditions or problems affecting a key business than we would in a more centralized environment. Our business may be affected by weather conditions. Adverse weather conditions, particularly during the winter season, could impact our construction services operations as those conditions affect our ability to safely and efficiently perform work outdoors in certain regions of the United States, adversely affecting the revenues and profitability of those operations. **Unsafe outdoor air quality, such as that resulting from large wildfires in the United States or Canada, could have a similar adverse effect.** However, the absence of snow in certain regions of the United States during the winter could also cause us to experience reduced revenues and profitability in our United States building services segment, as a portion of their revenues is generated from snow removal contracts. In addition, cooler than normal temperatures during the summer months could reduce the need for our services, particularly in our businesses that install or service air conditioning units, and result in reduced revenues and profitability during the period that such unseasonal weather conditions persist. Our business may be affected by the work environment. We perform our work under a variety of conditions, including but not limited to, difficult terrain, challenging site conditions, busy urban centers where delivery of materials and availability of labor may be impacted, clean-room environments where strict procedures must be followed, and sites which contain harsh or hazardous conditions, especially at chemical plants, refineries, and other process facilities. Performing work under these conditions can increase the cost of such work or negatively affect efficiency and, therefore, our profitability. Our dependence upon fixed price contracts could adversely affect our business. We currently generate, and expect to continue to generate, a significant portion of our revenues from fixed price contracts. We must estimate the total costs of a particular project to bid for fixed price contracts. Cost and scheduling estimates are based on a number of assumptions, including those about future economic conditions, commodity and other materials pricing, cost and availability of labor, equipment, and materials, and supply chain efficiency, among other factors. The actual cost of labor and materials, however, may vary from the costs we originally estimated, something which we have experienced and may continue to experience due to inflationary pressures, supply chain challenges, and rising interest rates. These variations, along with other risks, inherent in the execution of projects subject to fixed price contracts, may cause actual gross profits from projects to differ from those we originally estimated and could result in reduced profitability or losses on projects. Depending upon the size of a particular project, variations from the estimated contract costs can have a significant impact on our operating results for any fiscal quarter or year. We could incur additional costs to cover certain guarantees or other contractual requirements. In some instances, we guarantee completion of a project by a specific date or price, cost savings, achievement of certain performance standards, or performance of our services at a certain standard of quality. For other arrangements, including those within our government services operations, the terms of our contracts may include provisions which require us to achieve certain minority participation or small or disadvantaged business " set- aside " goals. Such requirements have become more frequent in recent years and we expect them to be increasingly prevalent ~~, and more strictly enforced in the near future~~ , especially under the current administration in Washington, D. C. If we subsequently fail to meet such guarantees, or comply with such provisions, we may be held responsible for costs resulting from such failures, including payment of penalties or liquidated or other damages. To the extent that any of these events occur, the total costs of a project could exceed the original estimated costs, and we would experience reduced profits or, in some cases, a loss. Many of our contracts, especially our building and industrial services contracts, may be canceled or delayed on short notice, and we may be unsuccessful in replacing such contracts if they are canceled or as they are completed or expire. **For example, in 2023, our United States building services segment and our United Kingdom building services segment were unsuccessful in retaining certain contracts upon rebid.** We could experience a decrease in revenues, net income, and liquidity if any of the following occur: • customers cancel a significant number of contracts or delay services or projects; • we fail to win a significant number of our existing contracts upon re- bid; • we complete a significant number of non- recurring projects and cannot replace them with similar projects; or • we fail to reduce operating and overhead expenses consistent with any decrease in our revenues. Uncertainty surrounding the timing of contract awards, or project cancellations or delays, can also present difficulties in matching our workforce size with contract needs. In some cases, in anticipation of contract awards, we maintain and bear the cost of a ready workforce that is larger than necessary under our existing contract portfolio. When a contract is canceled or delayed, or an anticipated contract award is not received, it may result in lower profitability as a result of labor under-utilization, or additional costs resulting from reductions in staff, which could have a material adverse effect on our business, financial condition, and results of operations. We may be unsuccessful in generating internal growth. Our ability to generate internal growth will be affected by, among other factors, our ability to: • expand the range of services offered to customers to address their evolving needs; • attract new customers; and • retain and / or increase the number of projects performed for existing customers. In addition, existing and potential customers may reduce the number or size of projects available to us because of general economic conditions or due to their inability to obtain capital or pay for services we provide. Many of the factors affecting our ability to generate internal growth are beyond our control, and we cannot be certain that our strategies will be successful or that we will be able to generate cash flow sufficient to fund our operations and to support internal growth. If we are not successful, we may not be able to achieve internal growth, expand operations, or grow our business. Fluctuating foreign currency exchange rates impact our financial results. We have operations in the United Kingdom, which in ~~2022~~ **2023** accounted for approximately ~~4~~ **3** % of our revenues. Our reported financial position and results of operations are exposed to the effects (both positive and negative) that fluctuating exchange rates have on the process of translating the financial statements of our United Kingdom operations, which are denominated in the British pound, into the U. S. dollar ~~. For example, for the year ended December 31, 2022, revenues and operating income of our United Kingdom building services segment were negatively impacted by $ 53. 5 million and $ 3. 1 million, respectively, when compared to the results for the year ended December 31,~~

~~2021, as a result of unfavorable exchange rate movements~~ . The factors that impact exchange rate fluctuation, including macroeconomic and geopolitical conditions, are outside the control of the Company. As part of our risk management strategy, we are effectively self- insured against certain potential liabilities. Although we maintain insurance policies with respect to a broad range of risks, including automobile liability, general liability, workers' compensation, and employee- related healthcare, these policies do not cover all possible claims and certain of the policies are subject to large deductibles and retentions. In addition, we maintain a wholly- owned captive insurance subsidiary to manage certain of our insurance liabilities. Accordingly, we are effectively self- insured for a substantial number of actual and potential claims. Further, if any of our insurance carriers defaulted on its obligations to provide insurance coverage by reason of its insolvency or for other reasons, our exposure to claims would increase and our profits would be adversely affected. Our estimates for unpaid claims and expenses are based on known facts, historical trends, and industry averages, utilizing the assistance of an independent third- party actuary. The determination of such estimated liabilities and their appropriateness are reviewed and updated at least quarterly. However, these liabilities are difficult to assess and estimate due to many relevant factors, the effects of which are often unknown, including the severity of an injury or damage, the determination of liability in proportion to other parties, the timeliness of reported claims, the effectiveness of our risk management and safety programs, **denial of coverage by our insurance carriers,** and the terms and conditions of our insurance policies **and / or customer contracts** . Our accruals are based upon known facts, historical trends and our reasonable estimate of future expenses, and we believe such accruals are adequate. However, unknown or changing trends, risks, or circumstances, such as increases in claims, a weakening economy, increases in medical costs, changes in case law or legislation, or changes in the nature of the work we perform, could render our current estimates and accruals inadequate. In such case, adjustments may be required to increase our insurance liabilities in the period that the experience becomes known. External market conditions, including catastrophic losses resulting from an increase in severe weather events ~~and the prolonged pandemic~~ , among other factors, have resulted in an insurance market that is characterized by higher premiums, diminished capacity, and more conservative underwriting. If these market conditions persist, or if we experience an increase in the number or severity of claims incurred, insurance carriers may be unwilling, in the future, to provide our current levels of coverage without a significant increase in insurance premiums, self- insured retention limits, or collateral requirements to cover our obligations to them. Increased collateral requirements may be in the form of additional letters of credit, surety bonds, and / or cash, and an increase in collateral requirements could significantly reduce our liquidity. If insurance premiums or self- insured retention limits increase, and / or if insurance claims are higher than our estimates, our profitability could be adversely affected. Failure to provide our services in accordance with professional standards or contractual requirements could expose us to significant monetary damages. Our services often involve professional judgments regarding the planning, design, development, construction, or operations and management of complex facilities. Although we have adopted a range of insurance, risk management, and risk avoidance programs designed to reduce potential liabilities, a catastrophic event at one of our project sites or a completed project, resulting from the services we have performed, could result in significant professional or product liability and warranty or other claims against us, as well as reputational harm. These liabilities could exceed our insurance limits or impact our ability to obtain insurance in the future. Further, even where insurance coverage applies, such policies have limits and deductibles or retentions, which could result in our assumption of exposure for certain amounts with respect to any claim filed against us. In addition, customers or subcontractors who have agreed to indemnify us against any such liabilities or losses might refuse or be unable to uphold their obligations to us, or we may be liable to our customers based on the terms of our contracts, which may require us to provide indemnification to them. An uninsured claim, either in part or in whole, as well as any claim covered by insurance but subject to a policy limit, high deductible ~~and~~ / ~~or~~ retention **, or the denial of coverage by an insurance carrier** , could have a material adverse effect on our business, financial condition, and results of operations. Our business strategy relies, in part, on acquisitions to sustain our growth, and these transactions present certain risk and uncertainties. As part of our growth strategy, we acquire companies that expand, complement, and / or diversify our businesses. However, there is no guarantee that we will be successful in identifying targets that meet our requirements for acquisition. We may also face increased competition from other potential acquirers who may have greater financial resources available to them or who may be in a position to offer more favorable terms to the target company. This competition may limit our ability to pursue acquisition opportunities. Additionally, circumstances beyond our control, such as rising interest rates, inflation and **potential disruptions resulting from public health emergencies, such as** ~~the~~ **those** ~~ongoing impacts of~~ **experienced in connection with** the COVID- 19 pandemic, may hinder our ability to pursue and complete acquisitions. Further, realization of the anticipated benefits of an acquisition, and avoiding or mitigating the potential risks associated with an acquisition, will depend, among other things, upon our ability to: (a) effectively conduct due diligence to identify and mitigate potential problems at companies we propose to acquire, (b) recognize incompatibilities or other obstacles to the successful integration of the acquired business with our other operations, and (c) gain greater efficiencies and scale that will translate into reduced costs or anticipated synergies in a timely manner. However, there can be no assurance that an acquisition we may make in the future will provide the benefits anticipated when entering into the transaction. Acquisitions we have completed, and future acquisitions we may make, could expose us to operational challenges and risks, including the diversion of management' s attention from our existing businesses, the failure to retain key personnel or customers of the acquired business, and the assumption of unknown liabilities of the acquired business for which there are inadequate reserves. Our ability to sustain our growth and maintain our competitive position may be affected by our ability to identify and acquire desirable businesses and successfully integrate any acquired business. In addition, while we work to rapidly implement or maintain internal controls and financial reporting standards and procedures in the businesses we acquire, including integrating such acquired businesses into our consolidated financial reporting systems and controls, we cannot be certain that such implementation and integration will be quickly and effectively completed. Our internal control processes and procedures with respect to such businesses may need to be adjusted or enhanced in order to ensure that such businesses are in compliance with the regulations we are subject to as well as our internal policies and standards. Such changes could result in significant additional costs to us and could require the diversion of management' s attention from our existing businesses or other strategic initiatives. Amounts included in our remaining performance obligations may not result in actual revenues or translate into profits. Many contracts are subject to cancellation or suspension on short notice at the discretion of the client, and the contracts in our remaining performance obligations are subject to changes in the scope of services to be provided as well as adjustments to the costs relating to the contract. The risk of contracts included in our remaining performance obligations being delayed or canceled generally increases during economic slowdowns **, periods of restrictive credit markets,** or in response to significant fluctuations in commodity prices. Accordingly, there is no assurance that revenue from remaining performance obligations will actually be realized. If our remaining performance obligations fail to materialize, we could experience a decline in profitability, which could result in a deterioration of our financial position and liquidity. We recognize revenue for the majority of our construction projects based on estimates; therefore, variations of actual results from our assumptions may reduce our profitability. As discussed in further detail in the " Critical Accounting Policies and Estimates " section included in Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations, revenue is recognized as performance obligations are satisfied and earnings or losses recognized on individual contracts are based on estimates of contract price, costs, and profitability. Changes in estimates of transaction prices as well as estimated costs are recognized on a cumulative catch- up basis in the period in which the revisions to the estimates are made. Consequently, changes in estimates, or variations of actual results from previous projections, on an unusually large project, or on a number of average size projects, could be material and could have an adverse impact on our financial condition, results of operations, and cash flows. We are increasingly dependent on sophisticated information technology systems; our business and results of operations are subject to adverse impacts due to disruption, failure, and cybersecurity breaches of these systems. We and our customers and third- party providers rely on information technology systems, hardware, and software **, including third party " cloud based " systems,** to run critical accounting, project management, and financial information systems. We rely upon security measures, **systems redundancy, and third- party** products ~~,~~ and services to attempt to secure our information technology systems and the confidential, proprietary, and sensitive information they contain. However, our information technology systems and data, and that of our customers and third- party providers, are subject to ~~cyber-~~ **cybersecurity incidents, such as hacking, computer viruses or other malicious or destructive software, ransomware, denial of service** attacks, **malicious social engineering** ~~hacking, nation state threats,~~ and other intrusions, encryption, erasure, failure, and damage ~~,~~ **by individuals (** which **may include our and our third party providers' employees), groups or nation states or state- sponsored threats. Such cybersecurity incidents** could result in operational disruption and information misappropriation, such as theft of intellectual property or inappropriate disclosure of customer data or confidential **, sensitive,** or personal information ~~. On February 15~~ , ~~2020, for~~ **or in reputational harm with customers** ~~example, we became aware of an infiltration and encryption of portions of our information technology network. This attack temporarily disrupted our use of the impacted systems~~ . While we maintain insurance coverage for these types of **cybersecurity** incidents, such policies may not completely provide coverage for, or completely offset, the costs associated with such incidents **, including losses from reputational harm or the costs to improve security against future similar threats** . We are continuously developing and enhancing our controls, processes, and practices designed to protect our systems, computers, software, data, and networks from attack, damage, or unauthorized access. This continued development and enhancement requires us to expend additional resources. However, we may not anticipate or combat all types of potential disruptions or breaches. ~~If any~~ **Threats are continually evolving and threat actors may adopt new or different means** of **breaching our information technology systems and data, including** ~~these~~ **the potential use of artificial intelligence (" AI ") tools to engage in automated, targeted, and coordinated attacks. As cybersecurity threats become more sophisticated and difficult to detect, our ability to promptly** ~~events~~ **prevent** ~~were to occur~~ **, detect and mitigate the effects of cybersecurity incidents may be impacted, potentially resulting in more material adverse effects. As such threats increase in frequency and sophistication** , we could be required to expend additional capital and other resources, including costs to deploy additional personnel and protection technologies, train employees, and engage third- party experts and consultants. Additionally, as many of our employees use our information technology systems to collaborate with colleagues in different geographic locations and ~~periodically~~ access our systems **and those of our customers** remotely, we **and our customers** may be subject to heightened security risks, including the risks of cyber- attacks **. For additional information on our strategy and processes for assessing, identifying, and managing the risks posed by cybersecurity threats, and the management and oversight of such efforts, refer to Part I, Item 1C. Cybersecurity** . The proper functioning of our information technology systems could also be impacted by other causes and circumstances beyond our control, including malware embedded in third party applications, the decision by software vendors to discontinue further development, integration, or long- term software maintenance support for our information systems, or hardware interruption, damage or disruption as a result of power outages, natural disasters, or computer network failures **. Errors or other defects in the design or implementation of hardware or software applications by our employees or third- party providers could also disrupt our networks, information systems or data. System redundancy may be ineffective or inadequate, and the Company' s disaster recovery and business continuity planning may not be sufficient to address all potential cybersecurity incidents or other disruptions. We may also utilize new information technology tools, including AI tools, in certain business functions, and such tools could be subject to malfunction, security vulnerabilities, or algorithmic flaws (including AI generation of false or biased information). Unsettled regulations and case law regarding the ownership of intellectual property generated or used by AI could also expose us to claims of copyright or license infringement or other liability resulting from our use of such tools** . Key business processes are subject to interruption to the extent that our information technology systems, or those of our customers or third- party providers, are disabled for a long period of time. Such operational disruptions and / or misappropriation or inappropriate disclosure of information could result in lost or reduced revenues, negative publicity, loss of customers or contracts, or business delays that could have a material adverse effect on our business, financial position, and results of operations. In addition, new or evolving laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation (" GDPR"), the California Consumer Privacy Act, the California Privacy Rights Act, state biometric laws, and other emerging U. S. state privacy laws pose increasingly complex compliance challenges and could potentially elevate our compliance costs. Any failure to comply with these laws and regulations **, or an exposure or exfiltration of information covered by such laws and regulations, including, without limitation, in connection with a cybersecurity incident,** could result in significant penalties and legal liability, and increased costs in this area could have a negative impact on **our reputation and** our financial condition, results of operations, and cash flow. Financial Risk Factors A material portion of our business depends on our ability to provide surety bonds. We may be unable to compete for or work on certain projects if we are not able to obtain the necessary surety bonds. Our construction contracts frequently require that we obtain from surety companies, and provide to our customers, payment and performance bonds as a condition to the award of such contracts. Such surety bonds secure our payment and performance obligations. Under standard terms in the surety market, surety companies issue bonds on a project- by- project basis and can decline to issue bonds at any time or require the posting of collateral as a condition to issuing any bonds. Current or future market conditions, as well as changes in our sureties' assessment of our or their own operating and financial risk, could cause our surety companies to decline to issue, or substantially reduce the amount of, bonds for our work or to increase our bonding costs. These actions can be taken on short notice. If our surety companies were to limit or eliminate our access to bonding, our alternatives would include seeking bonding capacity from other surety companies, increasing business with clients that do not require bonds, or posting other forms of collateral for project performance, such as letters of credit, parent company guarantees, or cash. However, we may be unable to secure these alternatives in a timely manner, on acceptable terms, or at all. Accordingly, if we were to experience an interruption or reduction in the availability of bonding, we may be unable to compete for or work on certain projects. Increases in the costs of surety bonds could also adversely impact our profitability. Our results of operations could be adversely affected as a result of goodwill and identifiable intangible asset impairments. When we acquire a business, we record an asset called " goodwill " equal to the excess of the consideration transferred over the fair value of the net tangible and identifiable intangible assets acquired. Goodwill and indefinite- lived intangible assets are not amortized but instead evaluated for impairment annually, or more frequently if events or circumstances indicate that the carrying amount of the asset may be impaired. Impairment may result from a deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or changes in the manner in which acquired assets are used. ~~While no impairment was recognized during 2022 or 2021, we recorded $ 232. 8 million of impairment charges during 2020 as a result of certain of these conditions.~~ Significant judgment is required in determining whether goodwill and indefinite- lived intangible assets are impaired and assumptions utilized for purposes of our impairment testing may change in future periods. There can be no assurance that our estimates and assumptions will prove to be accurate predictions of the future. Significant adverse changes to external market conditions or our internal forecasts, if any, could result in future impairment charges. It is not possible at this time to determine if any future impairment charge will result or, if it does, whether such a charge would be material to our results of operations. For further discussion of our impairment testing, see Note 8- Goodwill, Identifiable Intangible Assets, and Other Long- Lived Assets included in Item 8. Financial Statements and Supplementary Data. Failure to maintain effective internal controls over financial reporting could adversely impact our ability to timely and accurately report financial results and comply with our reporting obligations, which could materially affect our business. Regardless of how internal financial reporting control systems are designed, implemented, and enforced, they cannot ensure with absolute certainty that our policy objectives will be met in every instance. Because of the inherent limitations of all such systems, our internal controls over financial reporting may not always prevent or detect misstatements. Failure to maintain effective internal control over financial reporting could adversely affect our ability to accurately and timely report financial results, to prevent or detect fraud, or to comply with the requirements of the SEC or the Sarbanes- Oxley Act of 2002, which could necessitate a restatement of our financial statements, and / or result in an investigation, or the imposition of sanctions, by regulators. Such failure could additionally expose us to litigation and / or reputational harm, impair our ability to obtain financing, or increase the cost of any financing we obtain. All of these impacts could adversely affect the price of our common stock and our business overall. Legal and Regulatory Risk Factors We are subject to many laws and regulations in the jurisdictions in which we operate; changes to such laws and regulations may result in additional costs and impact our operations. We are committed to upholding the highest standards of corporate governance and legal and ethical compliance. We are subject to many laws and regulations, including various laws and regulations that apply specifically to U. S. public companies. These include the rules and regulations of the New York Stock Exchange, the Sarbanes- Oxley Act of 2002, and the Dodd- Frank Wall Street Reform and Consumer Protection Act, as well as the various regulations, standards, and guidance put forth by the SEC and other **federal and state** governmental agencies to implement and enforce those laws. New laws, rules, and regulations, or changes to existing laws or their interpretations, could create added legal and compliance costs and uncertainty for us. In addition, our United Kingdom operations are subject to laws and regulations that are in some cases different from those of the United States, including labor laws such as the U. K. Modern Slavery Act and laws and regulations governing information collected from employees, customers and others, specifically the GDPR. These laws and regulations could increase the cost and complexity of doing business in the U. K. and negatively impact our financial position and results of operations. Our efforts to comply with evolving laws, regulations, and reporting standards may increase our general and administrative expenses, divert management time and attention, or limit our operational flexibility, all of which could have a material adverse effect on our business, financial position, and results of operations. Many of our non- public competitors and competitors operating solely in the U. S. are not subject to these laws and regulations and the related costs and expenses of compliance. Our failure to comply with environmental laws could result in significant liabilities. Our operations are subject to various laws, including environmental laws and regulations, among which many deal with the handling and disposal of hazardous or universal waste products, polychlorinated biphenyls (PCBs), per- and polyfluoroalkyl substances (PFAS), and fuel storage. A violation of such laws and regulations, or a release of or exposure to such substances, including mold, lead paint, and asbestos, has and may in the future, expose us to various claims, including claims by third parties, as well as remediation costs and fines. We own and lease many facilities. Some of these facilities contain hazardous materials, such as asbestos, and fuel storage tanks, which may be above or below ground. If there is a release of such hazardous materials, or these tanks were to leak, we could be responsible for the cost of remediation as well as potential fines. As a part of our business, we also install fuel storage tanks and are sometimes required to deal with hazardous materials, all of which may expose us to environmental liability. In addition, new laws and regulations, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or leaks, exposure to or the release of materials subsequently identified as hazardous by a governmental authority, the imposition of new clean- up requirements, or the exposure of our employees or other contractors to hazardous materials, could require us to incur significant costs or become the basis for new or increased liabilities that could harm our financial position and results of operations, although certain of these costs might be covered by insurance. In some instances, we have obtained indemnification or covenants from third parties (including predecessors or lessors) for such clean- up and other obligations and liabilities, and we believe such indemnities and covenants are adequate to cover such obligations and liabilities. However, such third- party indemnities or covenants may not cover all of such costs or third- party indemnitors may default on their obligations. In addition, unanticipated obligations or liabilities, or future obligations and liabilities, may have a material adverse effect on our business operations. Further, we cannot be certain that we will be able to identify, or be indemnified for, all potential environmental liabilities relating to any acquired business. Adverse resolution of litigation and other legal and regulatory proceedings may harm our operating results or financial position. From time to time, we are a party to lawsuits and other legal proceedings, most of which occur in the normal course of our business. These actions and proceedings may involve actual or threatened claims by customers, employees, or other third parties for, among other things, compensation or indemnification for alleged personal injury, workers' compensation, employment discrimination, breach of contract, property damage, or other general commercial disputes. In addition, we have been, and may in the future be, subject to class action claims alleging violations of the Fair Labor Standards Act and state wage and hour laws. Litigation and other legal proceedings can be expensive, lengthy, and disruptive to normal business operations, and their outcome is inherently uncertain and difficult to accurately predict or quantify. In addition, plaintiffs in many types of actions may seek punitive damages, civil penalties, consequential damages or other losses, or injunctive or declaratory relief. An unfavorable resolution of a particular legal proceeding or claim, whether through a settlement, mediation, court judgment, or otherwise, could have a material adverse effect on our business, operating results, financial position, and cash flows, and in some cases, on our reputation or our ability to obtain projects from customers, including governmental entities. See Item 3. Legal Proceedings and Note 15- Commitments and Contingencies of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, for more information regarding any significant legal proceedings in which we are involved. We may incur liabilities or suffer negative financial impacts relating to occupational, health, and safety matters. Our operations are subject to extensive laws and regulations relating to the maintenance of safe conditions in the workplace. While we have invested, and will continue to invest, substantial resources in our robust occupational, health, and safety programs, many of our businesses involve a high degree of operational risk, and there can be no assurance that we will avoid significant exposure. These hazards can cause personal injury and loss of life, severe damage to or destruction of property and equipment, and other consequential damages, and could lead to suspension of operations, large damage claims, an increase in employee turnover, and, in extreme cases, criminal liability. Any of the foregoing could result in financial losses or reputational harm, which could have a material adverse impact on our business, financial condition, and results of operations. Our customers seek to minimize safety risks on their sites and they frequently review the safety records of contractors during the bidding process. Accordingly, if our safety record were to substantially deteriorate over time, we might become ineligible to bid on certain work and our customers could cancel our contracts and / or not award us future business. Our failure to comply with anti- bribery statutes, such as the Foreign Corrupt Practices Act and the U. K. Bribery Act of 2010, or sanction regulations, could result in fines, criminal penalties, and other sanctions that could have an adverse effect on our business. The U. S. Foreign Corrupt Practices Act (the " FCPA "), the U. K. Bribery Act of 2010 (the " Bribery Act "), and similar anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business or securing an improper advantage. In addition, sanctions against foreign persons and entities have increased in recent years, especially as a result of the war in the Ukraine. Our policies require that all of our employees, subcontractors, vendors, and agents worldwide must comply with applicable anti- bribery and sanction laws. However, there is no assurance that our policies and procedures to ensure compliance with the FCPA, the Bribery Act, and similar anti- bribery and sanction laws, will eliminate the possibility of liability under such laws for actions taken by our employees, agents, and intermediaries. If we were found to be liable for violations under the FCPA, the Bribery Act, or similar anti- bribery or sanction laws, either due to our own acts or omissions or due to the acts or omissions of others, we could incur substantial legal expenses and suffer civil and criminal penalties, which could have a material adverse effect on our business, financial condition, and results of operations, as well as our reputation. In addition, whether or not such expenses, penalties, or sanctions are actually incurred, the actual or alleged violation of the FCPA, the Bribery Act, or any similar anti- bribery or sanction laws could have a negative impact on our reputation. Opportunities within the government sector could lead to increased governmental rules and regulations applicable to us. ~~As~~ **When we perform work as** a **federal** government contractor **/ subcontractor, or if we perform work on a project that has received federal government funding** , we are subject to a number of procurement rules and other regulations, any deemed violation of which could lead to fines or penalties or a loss of business. Government agencies routinely audit and investigate government contractors. Government agencies may review a contractor' s performance under its contracts, cost structure, and compliance with applicable laws, regulations, and standards. If government agencies determine through these audits or reviews that costs are improperly allocated to specific contracts, they will not reimburse the contractor for those costs or may require the contractor to refund previously reimbursed costs. If government agencies determine that we are engaged in improper activity, we may be subject to civil and criminal penalties and debarment or suspension from doing business with the government. Government contracts are also subject to renegotiation of terms by the government, termination by the government prior to the expiration of the term, and non- renewal by the government. Human Capital and Labor Risk Factors The departure of key personnel could disrupt our business. We depend on the continued efforts of our senior management. The loss of key personnel, including a temporary loss as a result of illness, or the inability to hire and retain qualified executives, could negatively impact our ability to manage our business. We may be unable to attract and retain skilled employees. Our ability to grow and maintain productivity and profitability will be limited by our ability to employ, train, and retain skilled personnel necessary to meet our requirements. We are dependent upon a workforce of approximately ~~35~~ **38** , ~~500~~ **300** employees, including our project managers and field supervisors who are responsible for managing our projects, and there can be no assurance that any individual will continue in his or her capacity for any particular period of time. The loss of such qualified employees could have an adverse effect on our business. We cannot be certain that we will be able to maintain an adequate skilled labor force necessary to operate efficiently and to support our business strategy or that labor expenses will not increase as a result of a shortage in the supply of these skilled personnel. The availability and costs to adequately train and maintain a skilled labor force could be impacted by factors we cannot control, including changes in the unemployment rate, prevailing wage rates, benefit costs, **potential labor force disruptions resulting from public health emergencies, such as** ~~the~~ **those** ~~ongoing impacts of~~ **experienced in connection with** the COVID- 19 pandemic, and competition for labor from our competitors in the markets we serve. Labor shortages or increased labor costs, such as those currently being experienced throughout the United States and United Kingdom, could impair our ability to provide services to our customers, maintain our business, or grow our revenues. Proposed rules by the Federal Trade Commission to eliminate almost all non- competition agreements with employees, if implemented, may also impact retention of key employees by reducing barriers to individuals with such agreements leaving to work for our competitors. Our unionized workforce could adversely affect our operations; our participation in many multiemployer pension plans could result in substantial liabilities being incurred. As of December 31, ~~2022~~ **2023** , approximately 60 % of our employees were covered by collective bargaining agreements. **However, only two of our collective bargaining agreements are national or regional in scope, and not all of our collective bargaining agreements expire at the same time.** Although the majority of these agreements prohibit strikes and work stoppages, we cannot be certain that strikes or work stoppages will not occur in the future ~~. However, only two of our collective bargaining agreements are national or regional in scope, and not all of our collective bargaining agreements expire at the same time~~ . Strikes or work stoppages likely would adversely impact our relationships with our customers and could have a material adverse effect on our financial position, results of operations, and cash flows. We contribute to approximately 200 multiemployer pension plans. Under the Employee Retirement Income Security Act, we may become liable for our proportionate share of a multiemployer pension plan' s underfunding if we cease to contribute to that pension plan or significantly reduce the employees in respect of which we make contributions to that pension plan. Our potential liability for unfunded liabilities could be material. See Note 14- Retirement Plans of the notes to consolidated financial statements included in Item 8. Financial Statements and Supplementary Data for additional information regarding multiemployer pension plans. Risk Factors Related to the Ownership of our Common Stock Certain provisions of our corporate governance documents could make an acquisition of us, or a substantial interest in us, more difficult. The following provisions of our certificate of incorporation and by- laws, as currently in effect, as well as Delaware law, could discourage potential proposals to acquire us, delay or prevent a change in control of us, or limit the price that investors may be willing to pay in the future for shares of our common stock: • our certificate of incorporation permits our board of directors to issue " blank check " preferred stock and to adopt amendments to our by- laws; • our by- laws contain restrictions regarding the right of our stockholders to nominate directors and to submit proposals to be considered at stockholder meetings; • our certificate of incorporation and by- laws limit the right of our stockholders to call a special meeting of stockholders and to act by written consent; and • we are subject to provisions of Delaware law, which prohibit us from engaging in any of a broad range of business transactions with an " interested stockholder " for a period of three years following the date such stockholder becomes classified as an interested stockholder. Climate Change Related Risk Factors Climate change and related environmental issues could have a material adverse impact on our business, financial condition, and results of operations. Climate change related events, such as increased frequency and severity of storms, floods, wildfires, droughts, hurricanes, freezing conditions, and other natural disasters, may have an adverse impact on our business, financial condition, and results of operation. While we have invested in programs to mitigate the risk that these events disrupt our ability to serve our customers, and also maintain insurance coverage to offset the costs which could result, these events pose inherent risks regardless of where or how we conduct our business. For example, severe weather or a catastrophic natural disaster could negatively impact our and our customers' offices, facilities, or job sites. Access to clean water and reliable energy where we conduct our business is also critical to our operations. Accordingly, severe weather events or natural disasters have the potential to disrupt our and our customers' businesses and may cause us to experience work stoppages, project delays or cancellations, financial losses, and additional costs to resume operations, in addition to potential adverse impacts on the health and safety of our workforce and their ability to work or travel. Further, climate change poses direct physical risks to infrastructure across the ~~industry~~ **market** sectors we serve, both as a result of chronic environmental changes, such as rising sea levels and temperatures, as well as acute events, such as hurricanes, droughts, and wildfires. These impacts, and the costs to address them, could result in fewer resources for strategic investment by our customers, which could result in a decrease in demand for certain of our services. Any of these events could have a material adverse impact on our business, financial condition, and results of operations. We may be affected by market or regulatory responses to climate change. Growing public concern about climate change has resulted in the increased focus of local, state, regional, national, and international regulatory bodies on greenhouse gas (" GHG ") emissions and climate change issues. Legislation to regulate GHG emissions has periodically been introduced in the U. S. Congress, and there has been a wide- ranging policy debate, both in the United States and internationally, regarding the impact of these gases and possible means for their regulation. The Biden Administration has made climate change and the limitation of GHG emissions one of its primary objectives, including a renewed commitment to the Paris Agreement and a Nationally Determined Contribution under such agreement that aims to reduce U. S. emissions by 50- 52 %, compared to a 2005 baseline, by 2030. Several states ~~and geographic regions~~ in the United States have also adopted ~~legislation and~~ **laws that require reporting of GHG emissions, or that a percentage of our fleet be comprised of electric vehicles. Such laws or** regulations **enacted** ~~to reduce emissions of GHGs. Additional legislation or regulation~~ by the federal government or state and local governments or agencies, and / or any international agreements to which the United States may become a party that control or limit GHG emissions or otherwise seek to address climate change, could result in increased compliance costs for us and our clients or have other impacts on our clients, including those who are involved in the exploration, production, or refining of fossil fuels, or who emit greenhouse gases through the combustion of fossil fuels or through the mining, manufacture, utilization, or production of materials or goods. Such policy changes could increase the costs of projects for our clients or, in some cases, prevent a project from going forward, thereby potentially reducing the need for certain of our services, which could in turn have a material adverse effect on our business, financial condition, and results of operations **. In addition, compliance with legislation requiring us to increase the mix of electric vehicles within our fleet will be difficult as the electric vehicles currently available do not meet our fleet requirements** . However, policy changes and climate legislation could also increase the overall demand for our services as our clients and partners work to comply with these policies, such as by decarbonizing their industries, transitioning from fossil fuels to renewable energy sources, reducing their energy consumption, and developing integrated and sustainable solutions, all of which could have a positive impact on our business. We cannot predict with certainty what the effect of such regulation may be on us or our customers. In addition, in March 2022, the SEC proposed new rules that would require significant climate- related disclosures by public companies, including evaluation and disclosure of material climate- related risks and opportunities, GHG emissions inventory, climate- related targets and goals, and financial impacts of physical and transition risks ~~(~~ **. Subsequently,** ~~the~~ **other** ~~" SEC~~ **legislation, including certain state laws, have been passed that would require similar** ~~Climate~~ **climate - related disclosure. Compliance with these new** ~~Rules~~ **rules may increase** ~~"). If the SEC Climate Rules take effect, in whole or in part,~~ our legal, accounting, and other compliance expenses ~~may increase significantly,~~ and ~~compliance efforts~~ may divert management time and attention. We may also be exposed to legal or regulatory action or claims as a result of these new regulations. All of these risks could have a material adverse effect on our business, financial position, and / or stock price. We may be unable to achieve our current or future climate commitments and targets, or we may incur substantial costs in meeting such targets. To help mitigate the impacts of GHG emissions on climate change, EMCOR has established initial carbon- based fuel consumption and GHG emission reduction targets and committed to ~~setting~~ **investigating the establishment of** science- based GHG emissions targets. However, achievement of such targets, or similar targets that may be established in the future, is subject to risks and uncertainties, many of which are outside of our control. These risks and uncertainties include, but are not limited to: (a) our ability to execute our operational strategies and achieve our goals within the currently projected costs and the expected timeframes; (b) the availability and cost of alternative fuels, electrical charging infrastructure, off- site renewable energy, and other materials and components; (c) unforeseen design, operational, and technological difficulties; (d) the outcome of research efforts and future technology developments, including alternate or more fuel efficient vehicles for our fleet, such as hybrid or electric vehicles, the availability of which has been impacted by the global shortage in supply of vehicles generally; (e) regulations and requirements that restrict or prohibit our ability to impose requirements on third party contractors; (f) an acquisition of or merger with another company that has not adopted similar targets and goals or whose progress towards reaching its goals is not as advanced as ours; and (g) **exogenous macroeconomic or supply chain shocks, such as** ~~the~~ **those experienced during** ~~pace of recovery from~~ the COVID- 19 pandemic, which could result in fluctuations in our fuel consumption and GHG emissions in a given period. In addition, we could be required to expend amounts in future periods as we continue to work towards achieving our targets, which may have a material effect on our business, financial condition, results of operations, or liquidity. General Risk Factors Public health emergencies, epidemics, or pandemics ~~, including the~~ **impact our business. The global spread of** COVID- 19 ~~pandemic~~ , ~~impact our~~ **and the responses of governments,** ~~business~~ **businesses** ~~. The continuing~~ **, and individuals to combat it, caused significant volatility, uncertainty, and economic disruption, which adversely** ~~impact~~ **impacted** ~~of~~ **our operations and** ~~the~~ **those** ~~global~~ **of our customers. A renewed significant** spread of COVID- 19, **new variants thereof** ~~and the responses of governments~~ , ~~businesses~~ **or new infectious diseases** , ~~and individuals~~ **could lead** to **similar** ~~combat it, have caused significant volatility, uncertainty, and economic disruption, which has and may continue to adversely impact~~ **impacts** ~~our operations and those of our customers~~ . Government authorities in the United States and United Kingdom have at various times recommended or imposed certain social distancing, quarantine, and isolation measures to varying degrees, with many such measures impacting large portions of the population **, including** ~~. These measures have included~~ limitations on travel and mandatory cessation of certain business activities ~~, some of which have been relaxed or adjusted and others of which remain in effect~~ . Both the outbreak and the containment and mitigation measures resulted in serious adverse impacts on the economy, ~~some~~ **and it is possible that such measures could return for future public health emergencies. The impact to our business and operations in another public health emergency will depend in part on the severity and duration** of **those measures and the extent and pace of economic recovery,** which are **difficult** ~~ongoing, and both the severity and duration of those impacts and the extent and pace of economic recovery continue~~ to **predict** ~~remain uncertain~~ . Our workforce and ~~ongoing~~ operations **were** ~~have been, are, and may continue to be~~ impacted by the COVID- 19 pandemic. For example, we ~~have~~ experienced disruptions that ~~have~~ impacted our ability to perform our work. Such impacts ~~include~~ **included** , but ~~are~~ **were** not limited to, access restrictions and temporary job site shutdowns, reduced labor efficiency resulting from adherence to physical distancing, quarantine, and isolation requirements due to illness or exposure to an infected person, and other enhanced safety protocols mandated at the majority of our worksite locations, and the deferral of maintenance and service projects by our customers. The extent to which ~~the COVID- 19 pandemic or~~ another epidemic, pandemic or public health emergency could impact our business and results of operations in the future remains highly uncertain and will be affected by a number of factors ~~. These include the duration and extent of the pandemic~~ , ~~epidemic or public health emergency; the potential for additional viruses or variants of viruses that are more virulent, contagious, or against~~ which ~~current vaccines are less effective; the duration and extent of containment and mitigation measures; the widespread adoption and long- term efficacy of vaccines and the availability and efficacy of other treatments; the cost and / or disruption of testing that may be required of our employees either by customer requirements or government mandates; the impact of the pandemic, epidemic or other public health emergency on economic activity, including on planning and funding for construction projects and our customers' demand for our services; supply chain disruptions or commodity price volatility that could impact our and our vendors' ability to source the supplies and materials needed to operate our business; our ability to effectively operate, including as a result of travel restrictions and mandatory business and facility closures; the ability of our customers to pay us for services rendered; any closures of our and our customers' offices and facilities; and any project delays or shutdowns. Any of these events~~ could have a material adverse effect on our business, financial condition, results of operations, and / or stock price. Additionally, ~~as~~ **public health emergencies** ~~many~~ - **may result in more** of our employees ~~continue to periodically access~~ **accessing** our systems remotely ~~, in part~~ as a result of ~~the COVID- 19 pandemic and the~~ potential business or facility closures or reduced or staggered in- person attendance ~~, we~~ **in response to such emergencies. This remote access** may ~~be~~ subject **us** to heightened security risks, including the risks of cyber- attacks. Further, if any of our key personnel are unable to perform their duties for a period of time, including as a result of illness, our results of operations could be adversely affected. Terrorist attacks and other catastrophic events could disrupt our operations and services. Acts of terrorism and other catastrophic events, and the actions taken by the United States and / or other governments or actors in response to such events, may result in property damage, supply disruption, or economic dislocations throughout the country. Although it is not possible to predict such events or their consequences, these events could increase the volatility of our financial results due to decreased demand and unforeseen costs, with partial or no corresponding compensation from clients.