

CH2MHILL®



Sustainability Report 2012



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About This Report

As a leader in the industry and one of the first engineering and construction companies to publish a sustainability report in 2005, CH2M HILL continues a tradition of excellence and transparency in reporting on internal operations related to sustainability. Our goal is to both manage the impacts of our own operations and apply our company's portfolio of services to help our clients' organizations become more sustainable—whether dealing in master planning, program management, facilities and land development, sustainable cities, water, waste, transportation, energy and carbon management, environmental work, site revitalization, industrial systems, or long-term operations and maintenance.

Commitment to the United Nations Global Compact

As a signatory to the United Nations (UN) Global Compact, CH2M HILL ensures that our business policies incorporate and support the UN Global Compact's 10 principles. CH2M HILL's Board of Directors supports our actions to uphold sustainability goals and endorses the plans described in this report. This report also serves as our 2012 UN Global Compact Communication on Progress report. As part of our firm's commitment to the UN Global Compact, CH2M HILL's Chief Executive Officer (CEO) Lee McIntire endorses the CEO Water Mandate. CH2M HILL had previously incorporated several components of the mandate into our corporate policies and joined the mandate to partner with a growing number of international companies to help address the global water crisis. In addition, our Chief Legal & Ethics Officer, Margaret McLean, is a member of the Global Compact Working Group on Anti-Corruption. CH2M HILL makes it a priority to include transparency, anti-corruption, and good corporate governance as a part of our sustainability efforts. For more information about the UN Global Compact and the CEO Water Mandate, visit www.unglobalcompact.org.

Conformance with the Global Reporting Initiative

We continue to use the Global Reporting Initiative™ (GRI) indicators for sustainability reporting, because these indicators constitute a familiar, globally accepted standard for reporting to our stakeholders. In some cases, we have adjusted our reporting approach to reflect more accurately CH2M HILL's business model and the way we work. In all cases, we respond to the spirit of the GRI indicators and provide a transparent view of both our achievements and our shortcomings. The indicators were selected because they apply to our business in a meaningful and challenging way and represent areas where we have an effect on the world. For a full explanation of the GRI guidelines, visit www.globalreporting.org.

Scope

CH2M HILL does business through many legal entities around the globe. This report covers the business operations and activities of CH2M HILL Companies, Ltd. and its largest subsidiaries, but not its joint ventures with other companies, unless otherwise noted. The largest subsidiaries of CH2M HILL Companies, Ltd. contributing to the content reported within the 2012 Sustainability Report are as follows:

- ◆ CH2M HILL, Inc.
- ◆ CH2M HILL Constructors, Inc.
- ◆ CH2M HILL Energy, Ltd.

- ◆ CH2M HILL Engineers, Inc.
- ◆ CH2M HILL International, Ltd.
- ◆ CH2M HILL International BV
- ◆ CH2M HILL International Services, Inc.
- ◆ Operations Management International, Inc.
- ◆ NORCON, Inc.

This 2012 Sustainability Report focuses on activities and performance during the 2011 calendar year. Additionally, historical data for the past 4 years are included as appropriate and available to demonstrate trends. As reflected in previous sustainability reports, tracking for some of our sustainability metrics extends back as early as 2003. Forward-looking statements for 2012 and beyond are provided to indicate our goals in helping to create a sustainable future.

In November 2011, CH2M HILL completed the acquisition of Halcrow Holdings, Ltd., a global engineering firm with 6,000+ engineers serving clients in more than 50 countries. Because Halcrow has not yet completed its integration into the CH2M HILL family of companies, this report does not include information about Halcrow's 2011 operations. Independently, Halcrow is producing its own sustainability report. It is anticipated that CH2M HILL and Halcrow will complete their integration during the course of 2012 and will produce a consolidated report next year.

Unless otherwise noted, all monetary references are in United States dollars (US\$). Throughout the report, "tonne" refers to metric tons.

Message from Senior Leadership



Lee McIntire
Chief Executive
Officer
CH2M HILL

Elisa Speranza
Group President,
Executive Sponsor for
Sustainability
CH2M HILL

Three years ago the world crossed a new threshold: 50 percent of our growing population now lives in urban areas, and millions of people are moving from a subsistence diet to a higher-protein diet. At the same time, 783 million people do not have access to safe drinking water, and 2.5 billion are without adequate sanitation facilities. This global transformation, combined with water scarcity and resource depletion, is producing unprecedented demand on water, energy, and other resources.

As the world's demands for water, energy, and food grow, we need to think about how best to integrate individual systems into a cohesive whole that provides long-term stability for people and the environment. For many of our municipal clients, this requires careful

consideration of natural resources, energy use, transportation, and land development as well as the effect that economic growth has on water, energy, and the environment. Companies face this pressure, too, and are looking for growth options in this economic reality while managing costs and risk. Innovative engineering solutions are needed to address the water-energy-environment nexus.

The shifting demands of economies experiencing crisis, poverty, climate change, and water scarcity create a dynamic push and pull between business-as-usual and trying something new. CH2M HILL's strategy is a little bit different. We are not looking for a single, one-size-fits-most solution. In our view, innovative, cost-effective, and comprehensive solutions are required to address the

interconnected demands for water and energy while protecting the environment. For example, many utility companies and businesses require a steady supply of clean water for their customers or for use in manufacturing processes. Because a variety of sources may provide water, such as a treatment facility or an innovative capture-and-reuse system, we listen to our clients' needs and work with them to develop creative options to address their specific water supply, delivery, and reuse needs over time. We also help clients identify alternative financial sources for securing the funding necessary to implement their long-term goals.

Addressing the interconnected global issues of water, energy, and environment poses new challenges for us and for our clients. We recognize how critical these issues are—to our business, to the communities where we work, and to the world at large. In response, we are evolving as a company to serve our clients and communities better. For example, we have adapted our operational goals to help our clients build a more sustainable world. We are also aligning our organization to address resource constraints more effectively so we can better assist our clients in addressing resource constraints.

Resource Planning

Company leaders and governments around the world are concerned about the availability of resources. They want to know where they are going to find the water, energy, and raw products they need to keep their businesses sustainable and how they are going to deal with the waste streams? We are expanding our consulting capabilities to help our clients think through these types of challenges, identify risks and opportunities, and develop comprehensive solutions that achieve their business goals while protecting the environment and, in many cases, improving it. We also look for opportunities to benefit the people in the community, such as converting blighted land into a city park or bolstering the area's economic vitality to create new jobs.

Water, Energy, and Climate Change Adaptation Strategies

In most cases worldwide, cities are the heartbeat of a region. Cities require infrastructure, and we at CH2M HILL have the honor of being involved in all aspects of the planning and design of energy, water, and transportation systems that can sustain, restore, and revitalize an inner city core. Cities are simultaneously the best places to find synergies to reduce energy use and global greenhouse gas (GHG) emissions and the places most susceptible to the threat of climate fluctuation.

As a result, we are seeing an expanded need for climate change adaptation strategies and investments for the future in three key areas. The first area is water supply: water scarcity is driving the need to stretch dwindling resources to more people and bring the water where it needs to be. An example is the work we are doing with the United States (U.S.) Department of Interior, Bureau of Reclamation, to bring [systems thinking to the Colorado River Basin](#) in the arid western states. The second area is concern about too much water, and the stress to coastal cities and other locations that are expected to deal with more storms, stormwater, and flooding than historical records would predict. We have helped cities like Alexandria, Virginia, evaluate the [costs and risks of climate change through innovative modeling](#). The third area concerns the [balance between energy and water use](#), which is becoming more critical. As more water is pumped, more energy is used, and water is often used in hydro-, coal-fired, and nuclear plants to move the turbines to keep cities functional.

Partnership Approach

Most of our large, complex sustainability projects involve partnering with other firms, universities, institutes, nongovernmental organizations, and equipment suppliers. This allows us to create and lead the best team of partners to provide innovative, customized sustainable solutions for our clients. Our diverse technical skills and niche expertise focused in a programmatic approach help us create the most robust solutions. We have used this approach in the major programs we have led, including our work with the London 2012 Olympic and Paralympic Games and the Panama Canal expansion.

Sustainability is integral to our operational excellence, and it is a key component of our 2015 strategy. We strive to weave sustainability through the fabric of our work, and we completed our first, enterprise-wide GHG inventory of our operations in 2011. We continue to support the UN Global Compact principles, and we measure and report our performance annually. We're expanding this measurement to engage more robustly with our suppliers and subcontractors around the world. With our global presence and diversity of thought, we are excited to apply our technical expertise to solve some of the world's most complex challenges.



Improving Company Effects on Sustainability

Our company's effects on the environment, people, and the economy result from two distinctly separate spheres of activity: the conduct of our internal operations (facilities, procurement, and other functions) and the delivery of client projects.

Internal Operations: Risks and Opportunities

The environmental effects of our internal operations are managed primarily through Environmental Management System (EMS) programs based on International Organization for Standardization (ISO) 14001 guidelines. Currently, CH2M HILL has established formal EMS programs in North America, England, Australia, and Middle East-North Africa regions. The North American EMS has the most robust data set for the greatest number of employees, because it was the first to be established and because North America has the greatest percentage of our operations, including our corporate headquarters in Denver, Colorado, USA. The EMS team includes members from each major administrative unit within the company and reports to an executive sponsor. Throughout this Sustainability Report, each region around the globe produces reports as data are available.

Each EMS team uses the ISO 14001 process to set goals at the beginning of the year, document progress, and assess performance at regular intervals. A continuing challenge is to manage our environmental impacts within the context of leased office spaces, where direct measurement is difficult and improvement depends on the cooperation of property managers. Meeting these challenges in a collaborative way—within CH2M HILL, with our suppliers and subcontractors, and in the communities where we work—fosters lively discussions and helps create new agreements that further the sustainability of our operations.

We manage our company with the highest ethics, donate to organizations that align with our mission, encourage diversity and inclusiveness, support volunteer organizations that matter to our employees, and strive to make an economic difference in the communities where we live and work.

The entire industry is challenged with encouraging women and diverse populations to engage in science and engineering, and we address this challenge by providing networks within our business to support various groups and by reaching out to schools and universities to support science, technology, engineering, and mathematics (STEM) programs.

Client Project Delivery: Risks and Opportunities

Since 1995, CH2M HILL has pursued the sustainable solutions market through our corporate sustainability group, whose mission is to facilitate the integration of sustainability into business strategy and project solutions. The team includes representatives from all business units and operates under the executive operations and governance councils of the company. This collaborative approach enables us to deliver integrated sustainable solutions for our clients.

While improving the sustainability of our own operations expresses our values, improving the sustainability of the projects we deliver for clients offers the potential to address global issues in a much more powerful way. In partnership with our clients, we can help reduce the energy and fuel consumption of major civil works and industrial facilities; curtail GHG emissions; optimize efficiency in manufacturing and other processes to reduce material resource consumption; redesign processes to eliminate the use of toxic or hazardous substances; restore damaged lands and ecosystems; find beneficial uses for waste; and revitalize urban areas. Using proven practices and innovative technology, we are also helping our clients plan, design, and build sustainable cities and manage their operations over time.

In delivering these sustainable solutions, we help generate positive financial metrics for our clients, provide long-term social benefits, and act in accordance with the precautionary principle, which means that when confronted with a choice that affects the environment, we choose that which carries the lesser impact. Our people are energized by these opportunities to make the world a better place. In the last decade, we have attracted and trained talented people who offer expertise along the full spectrum of sustainable solutions – from organizational sustainability strategy and planning to natural water treatment, from energy and carbon management to climate adaptation, from lean manufacturing to solar energy, and from green buildings to social impact analysis.

The current global economy poses a significant challenge for our clients who want to integrate sustainability into their projects and for our staff who want to help them achieve their sustainability goals. Often the design choice and selection of materials can come down to cost, even when the business case can be made for positive return on investment over time with the more sustainable solution. We work closely with our clients to work within their economic constraints, while also maximizing their return on investment.

Another challenge associated with the rapidly evolving sustainability market is staying at the forefront of technical developments. Consequently, we invest in our people to attend courses, present papers, and participate in technical forums and professional committees such as the U.S. Environmental Protection Agency's (USEPA's) Sustainable Remediation Forum; the U.S. Green Building Council, which oversees Leadership in Energy and Environmental Design (LEED®) accreditation; the United Kingdom's Sustainable Remediation Forum (SuRF-UK); and the Business Council for Sustainable Development United Kingdom. Both CH2M HILL and Halcrow served key roles standing up the [Zofnass Program for Sustainable Infrastructure](#), a privately funded initiative at the Harvard Graduate School of Design to develop a widely accepted rating system for measuring the holistic sustainability of major infrastructure projects. In addition, we collaborate with our clients to work within challenging design constraints and develop specialized technical solutions.

When it comes to delivering solutions that involve the interconnected issues of water, energy, and food, traditional approaches no longer apply or have become too costly to use. Together with our clients, we have an opportunity to look at each challenge from an entirely new perspective and to develop tools and systems that creatively solve the issue at hand.

Sustainability Management Strategy

From a business perspective, sustainability trends present a range of issues and risks, as well as the opportunity to bring new value, services, and improved delivery systems and technologies to our clients. We infuse CH2M HILL with the sustainability-inspired principles, knowledge, technologies, tools, and methods that will lead to better management of our company and better long-term solutions for our clients—solutions that respond to critical global issues, the business realities of our clients, and the values important to stakeholders.

Our long-standing commitment to environmental stewardship has earned us a reputation for responsible and savvy treatment of environmental issues. Our Executive Sponsor for Sustainability with the Sustainability Leadership Board (SLB) ensures the firm's commitment to our Sustainability Policy. The Sustainability Leadership Board reports to Lee McIntire, the CEO and Chairman of the Board. The SLB team's charter includes identifying and managing sustainability project opportunities and risks; training staff to identify client challenges and propose sustainable solutions; and developing tools that provide breakthrough value for our clients. The team also includes members from our EMS programs, which seek to reduce our own environmental footprint and is implemented by a multidisciplinary internal team.

Future Outlook

The world is at a critical juncture. As we observe global population growth combined with crumbling and nonexistent infrastructure, increasingly scarce natural resources, demands for energy and water, and the potentially devastating effects of climate change, it becomes increasingly clear that everything in our world is connected. Businesses and governments must work together, across boundaries and jurisdictions, to create a thriving green economy that will sustain a safe world for those generations coming after us.

Our clients face uncertainty in many areas. Not only is the global economy still recovering, but also in the past few years, we have seen the price of oil rise and the outlook for renewable energy become questionable. How will we ensure that people have access to plentiful, clean water? In the face of decreasing tax revenues and pressing demands, how will we repair our deteriorating infrastructure in developed countries and build new infrastructure in the developing world? How will we manage the effects of climate change on water, energy, and the environment?

Solving these critical, interconnected questions requires courageous leadership, creativity, and technical innovation. Both governments and businesses play important roles and must be active partners in maintaining and improving people's quality of life. A shared vision and willingness to invest are essential to solve the challenges facing the world today.

CH2M HILL is helping clients address these interconnected challenges by applying our whole systems approach and technical expertise to turn sustainability strategy at the corporate board level into action. By integrating sustainability principles into each step of the project life cycle—from planning, design, construction, and operations to sustaining the project or program over time—we help our

clients develop creative ways to solve complex challenges and benefit their communities for the long term.

Sustainability is not only about being a good corporate citizen, but also about risk mitigation and economics, helping communities and organizations develop practical actions that save money and benefit the environment at the same time. Some of our most rewarding projects involve helping distressed communities work through conflicting agendas and bewildering technical options to create infrastructure, design green buildings, and achieve environmental mitigation that meets everyone's needs.

Whether remediating and revitalizing blighted neighborhoods and cities, designing buildings and infrastructure, developing GHG management plans for industries, identifying new sources of clean water, or developing creative ways to manage natural resources, CH2M HILL continues to apply our integrated technical solutions to solve the world's most complex challenges.

Profiles

The people of CH2M HILL help our clients imagine, design, and build a better world while living that vision in our offices and on our project sites. CH2M HILL's people are the firm. They demonstrate a personal commitment to sustainability every day and are dedicated to solving environmental, social, and economic challenges at work, in service to our clients, and outside the office. A few examples follow.

Lee McIntire



CH2M HILL Chairman and CEO Lee McIntire did not take the typical route to management. While fighting oil fires in Saudi Arabia after earning his civil engineering degree, he never imagined he would someday lead a global firm with 30,000 employees and annual revenue of US\$6.4 billion. Lee grew up working construction in Nebraska with his father. His passion for travel took him all over the world, working construction and odd jobs. Finally he settled into project management at Bechtel, eventually becoming partner and board director.

Throughout his career, he has designed and managed major projects worldwide, such as chemical and nuclear weapon facility closures, the Channel Tunnel rail link, and United Arab Emirates nuclear program. Lee looks for projects that improve quality of life and bring sustainable benefits, such as improving a blighted area in London for the 2012 Olympics or expanding the Panama Canal. He is energized by CH2M HILL's ability to bring new ideas to the environmental challenges facing the world.

Lee's passion for corporate citizenship is visible in his words and actions. In 2011, he received the [Woodrow Wilson Award](#) for Corporate Citizenship, recognizing his tireless work to improve the quality of life of those around him. He lends his leadership to the Business Roundtable; World Economic Forum; World Business Council on Sustainable Development; National Petroleum Council; Council on Competitiveness; Aspen Institute's Commission on the Arctic; and National Academy of Construction. In 2011, he met with U.S. President Obama, Brazil President Rousseff, and 20 American and Brazilian CEOs at the U.S.-Brazil CEO Forum.

Former U.S. Secretary of State Madeleine Albright traveled to the Arctic with Lee on a trip to assess the damage of global warming. In [this video tribute](#), she commends Lee for being one of the group's major intellectual contributors because of his "real determination to run a company that is built on sustainability."

Elisa Speranza



All over the world, people are taking notice that water scarcity is a universal issue that is impacting all societies, at all levels. Elisa Speranza is no stranger to global water challenges. As CH2M HILL's Executive Sponsor for Sustainability, President of the Operations & Maintenance Business Group, and former Board Chair of Water For People, Elisa has been on the frontline of developing solutions for clean and safe water and sanitation access for communities everywhere from North America to Africa. For more than 25 years, Elisa has helped clients challenged with aging infrastructure plan for a more sustainable future. While serving on the Water For People Board, she traveled to several of the 11 developing countries that the global nongovernmental organization assists with creating sustainable water and sanitation solutions. When asked about the differences between her professional work and her community service efforts, Elisa says there is no difference, citing the core values shared between CH2M HILL and organizations like Water For People.

"The shifting demands of economies in crisis, poverty, climate change, and water scarcity create a dynamic push and pull between business-as-usual and trying something new. Creating a sustainable future doesn't mean going back, or viewing the world in terms of diminished capacity for health, economic opportunity, or an impoverished environment. Realists at heart, we strive to make sustainable solutions practical. We're committed to figuring out how to weave sustainability into the fabric of our lives and allow humanity to flourish within our ecosystem, capitalizing on our interconnectedness in new and fundamentally better ways."

Brandy Wilson



Brandy Wilson embraces environmental stewardship and knows firsthand that there is an art to sustainability. Since joining the firm 16 years ago, Brandy has witnessed the evolution of sustainable engineering at CH2M HILL and has been instrumental in the adoption of sustainability practices in daily operations. Today, Brandy serves as the manager for our ISO 14001-conformant EMS for the U.S. and Canada, which monitors the firm's performance against sustainable business criteria. This and other roles grew out of Brandy's natural interest in sustainability and environmental preservation, along with support from colleagues who share her passion. She was instrumental in piloting the company's North American EMS program and helping make CH2M HILL the first in our industry to establish such a program. She helped start one of the firm's first Green Teams in 1995, raising awareness of sustainability issues and encouraging environmental stewardship in our offices. Brandy continues to provide sustainability framework consulting and environmental communication services for CH2M HILL clients and regularly publishes sustainability articles on behalf of the firm, such as *Embracing Environmental Stewardship* in *livebetter* Magazine.

Like many of her associates, Brandy considers sustainability more than a professional responsibility; it is a personal commitment. "I am truly passionate about growing opportunities that let our people shine for the environment, every day in the office," Brandy notes. "My job, more broadly, is to make

the complicated, interconnected, often highly scientific concepts around sustainability clear so that we, as a society, can make better decisions. I love to work with people from all backgrounds and political viewpoints to create a more sustainable world.” Brandy served on her city’s Planning and Zoning Commission for 8 years and currently serves on the Ada County Open Space and Parks Advisory Board. She participates in local, grassroots environmental preservation initiatives like the Foothills serial levy, which helped the City of Boise protect 10,300 acres of sensitive and undeveloped open space and celebrated its 10th anniversary in May 2011.

Margaret B. McLean



As CH2M HILL's Chief Legal & Ethics Officer, Margaret B. McLean looks after the company's ethics and integrity programs in more than 75 counties around the globe. Margaret joined CH2M HILL in 1998, after serving as the company's outside counsel for the prior 5 years. In her tenure with the company, she watched CH2M HILL grow from a strong regional water and environmental engineering firm to a major player in global infrastructure projects. As part of this growth,

Ms. McLean and her team developed and implemented an industry-leading, value-based integrity program that empowers and supports the ability of our 30,000 plus employees to make the right ethical decisions when working for our customers anywhere in the world, from Louisiana to Oregon and Argentina to Iraq and Thailand. This widely endorsed program is based on universally accepted core values of doing business with integrity and it translates across cultures and jurisdictions.

A native of Ukraine, Ms. McLean has lived in the U.S. for the last 35 years, with a detour in Europe in the 1990s. During her years in Central and Eastern Europe, Margaret had the opportunity to observe firsthand how corruption, conflicts of interest, and human trafficking harm communities and robs nations of future opportunities. She brings her passion for doing business ethically to CH2M HILL's ethics and compliance programs.

“Ethics and integrity are essential to who we are as a company. These core values were established by our company founders in 1946 and have been continuously championed by every generation of leaders since. Common sense tenets, like ‘Integrity is the all-important prerequisite to employment; the person must be honest with himself and others or we have no foundation on which to build,’ are woven into the fabric of our culture and guide the actions of our employees. At CH2M HILL, being ethical is not about checking the box or filling out a form, it is who we are and how we do business.”

Candice Hein



Building bridges comes naturally to Colorado native Candice Hein. A civil engineer in CH2M HILL's Denver office, Candice's passions for engineering, community service, travelling, and the great outdoors have led to inspiring projects with Engineers Without Borders and Bridges to Prosperity.

Candice is a Clemson University graduate with a master's degree in civil engineering. She joined CH2M HILL out of school and works in the Highways and Bridges Department within the firm's Transportation Business Group.

Candice's first project with Engineers Without Borders came while she was in graduate school. She travelled to New Orleans to clean up and restore homes devastated by Hurricane Katrina. After

joining CH2M HILL, Candice continued her work with Engineers Without Borders in the Denver Professional Chapter.

After 2 years with CH2M HILL, Candice took a sabbatical to devote more of her time and energy to community service. During her year off, she coached a soccer team in Hawaii, worked on four bridges in Guatemala and Honduras with Bridges to Prosperity, did sustainability work in the jungles of Peru, and helped build a community center in the former Inca capital of Cusco.

An avid soccer player, coach, and fan, Candice traveled to South Africa in the summer of 2010 to see the World Cup. After the tournament, she headed north to work with Bridges to Prosperity on five bridge projects in Zambia.

“Working with groups like Engineers Without Borders is rewarding on both a professional and personal level. The reason that we all went into this profession is to make a difference, and these projects are opportunities to work alongside and get to know the people whose lives you are impacting.”

Patty Keck



As Community Investment Director, Patty Keck connects CH2M HILL’s culture of service with its commitment to sustainability. For most of her 16 years with the firm, Patty has helped build enthusiasm about corporate social responsibility at CH2M HILL. She has secured leadership support and participation at all levels of the organization to ensure that community partners experience the same level of respect and delivery excellence indicative of CH2M HILL’s professional projects. Toward this end, Patty regularly engages employees in dialogue that helps improve the firm’s community investment efforts. As Patty notes, “It’s our expertise, our passion, our technical skill that’s an important part of our investment back into our communities. So much of service is in the hearts and hands of our people.”

During the past 3 years, Patty has been instrumental in focusing CH2M HILL’s community investment efforts in the areas of environmental sustainability and building a diverse and inclusive future workforce—areas that align with the nature and concerns of our business.

“I’m always looking for the best way for our company to give back and to contribute, not just through financial contributions, but also through meaningful volunteer opportunities with organizations like Engineers Without Borders and Water For People. Personally, I’m passionate about education and environmental issues, so it’s easy to translate that commitment into my work.”

Pawan Maini



Over 884 million people do not have access to safe drinking water and 2.6 billion are without adequate sanitation. Every day, nearly 6,000 people who share our planet die from water-related illnesses, and the vast majority of them are children. These figures are staggering. Fortunately people like Pawan Maini, CH2M HILL’s India Managing Director and Water For People International Board of Directors Member, are working to address those issues in sustainable, lasting ways. Pawan has over 20 years of experience in engineering design and project financing and witnesses firsthand the effects of

lack of sanitation and clean water in India. The success of Water For People programs heartens Pawan and inspires him to strive for more comprehensive access to safe water resources and sanitation access.

“*Jalabandhu* translates to “*water friend*” in Bengali. Water For People is committed to creating sustainable results. The *Jalabandhu Initiative* in West Bengal, India, is one of many ways that Water For People ensures that a project continues to provide community access to safe water long after construction and installation. Jalabandhus are mechanics who are trained to maintain and repair community water systems and they are paid by the community water committees for their services. In this way, Jalabandhus represent Water For People’s commitment to long-term safe water access, as well as the communities they serve. In addition to Jalabandhus, Water For People has various other projects in India, including arsenic filtration systems, community drinking water filtration systems, and sanitation facilities, particularly for school children. Water For People demonstrates a strong commitment to sustainability through consistent monitoring and project performance tracking after construction and implementation. This dedication ensures that communities not only feel the direct and indirect benefits of increased access to clean water and sanitation, but also they cultivate a pervasive and powerful community value for it. Pawan notes, “I’m most excited about helping Water For People capitalize on opportunities to expand its services in India. The impacts on the quality of life of India’s citizens and its economy will be immense.”

Ed Pieterick



As Sustainable Practice Leader for CH2M HILL’s Government Facilities & Infrastructure Business Group, Ed Pieterick is intimately familiar with the full spectrum of sustainable services offered by the firm. A LEED®-accredited architect with more than 25 years of experience in facility design, Ed knows that LEED® design is often at the forefront of our minds when it comes to sustainable design, but it is only a small fraction of what sustainability means for a firm like CH2M HILL, which has been recognized as a global leader in sustainability.

Ed has been instrumental in sharing innovations in sustainable design practices throughout the design industry, where he frequently lectures and writes about sustainable design. Ed leverages lessons learned and best practices from his own award-winning and LEED®-certified buildings to improve the quality of sustainable design at CH2M HILL. In 2009, Ed helped pioneer the firm’s Green Building Database that currently houses nearly 150 green building projects as a resource for the internal CH2M HILL design community. Since then, he has helped to expand the contents of the database and make it an even more valuable resource in the future delivery of green buildings.

“Sustainable design has become mainstream and third-party certification, like LEED®, has been instrumental with that. However, it is important to understand that sustainable design practice means more than just LEED® certification. We have people out there doing everything from marshland waste treatment, to biofuel production, to environmental cleanup. Those things aren’t addressed by LEED®. But these are all significant contributions to making our world livable,” Ed says.

“Within CH2M HILL there has always been a proud commitment to sustainability but a modest record of our achievements. Hopefully, the new Green Building Database provides an opportunity for everyone to see the extent of our achievement with information we can easily share with others.”

Lindsay Ritter



As the Sustainability Director for CH2M HILL's Operations & Maintenance Business Group, Lindsay Ritter catalogs best practices, develops stakeholder awareness, and integrates sustainable solutions into project delivery. She developed and leads the company's operations and maintenance sustainability program that empowers CH2M HILL employees to enhance the environment and generally improve the quality of life in their communities. She also serves on CH2M HILL's Enterprise Sustainability team, a cross-discipline group chartered with building the company's sustainable solutions business and delivering complex sustainability projects. When she joined CH2M HILL in 2006, Lindsay served on CH2M HILL's incorporation team for the City of Johns Creek, Georgia. Her responsibilities included establishing the city's facilities and developing the city's sustainability program.

"When we talk about sustainability, we automatically go to the built environment, and we generally focus on new construction," Lindsay says. "By expanding our focus on operations and maintenance, we can greatly reduce our impact through better management of existing resources. When you examine a facility's full lifecycle, the operational practices and behavior choices of the occupants greatly influence the amount of energy, water, and material consumption. A strong focus on sustainable operations and maintenance can yield great results with little investment."

Tom Searle



CH2M HILL Canada President Tom Searle is an impassioned voice for corporate social responsibility and business ethics. Born in Belize (formerly British Honduras), Tom was exposed at an early age to the importance of strong ethics and commitment to the community. Gwendolyn Lizzaraga, Tom's grandmother, was a chicle farmer, trade unionist, and senior minister in the Belize government. While she was only a high school graduate, she was instrumental in Belize attaining self-governance from Great Britain and had a passion for transparency and good governance. His parents and grandmother, along with his early experiences growing up in Belize, strongly influenced his ethical compass.

Tom joined CH2M HILL in 1977. He has served as President of the company's Water Business Group and Group Chief Executive of CH2M HILL International. Tom has also served on the firm's Board of Directors. In 2011, Tom was invited by the Canadian federal government to present CH2M HILL's best practices at a symposium on mining, oil and gas, and the extractive sector. In his speech at "Next-Gen Corporate Social Responsibility Forum: Elevating CSR Practices and Partnerships for Canadian Industry Abroad," sponsored by Foreign Affairs and International Trade Canada, he argued that an ethical culture requires careful cultivation, not only at the level of the board and senior leadership but also throughout the organization.

Awards and Ratings

CH2M HILL has won a large slate of awards for its environmental excellence and sustainable solutions, including the following awards and rankings earned from 2009 to 2012. Numerous additional awards are mentioned throughout this report.

Overall Sustainability Awards and Rankings

- **Verdantix**, an independent analyst firm focused on sustainable business issues, named CH2M HILL a leader in sustainable engineering in the Verdantix Green Quadrant®: Sustainable Engineering Firms (US) Report (2010). This recognition exemplifies our commitment to sustainable practices in our internal operations, our project delivery, and the communities we serve.
- The Ethisphere® Institute named CH2M HILL one of the World's Most Ethical Companies for the fourth consecutive year.
- **Engineering News-Record (ENR)** continually ranks CH2M HILL highly in the areas in which we provide services to our clients. A sampling of our rankings follows.
 - Top 500 Design Firms (2012):**
 - 1st Design Firm in Sewer/Wastewater Treatment
 - 2nd Design Firm in Water
 - 2nd Design Firm in Manufacturing
 - 4th Design Firm in Transportation
 - 4th Design Firm in Hazardous Waste
 - 5th Top 500 Design Firms
 - Top 100 Green Design Firms (2011):**
 - 7th Top 100 Green Design Firms
 - Top 200 Environmental Firms (2011):**
 - 1st Top 200 Environmental Firms
 - 1st Environmental Firm in Wastewater Treatment; Consulting/Studies; Engineering/Design
- **AmCham Argentina (American Chamber of Commerce in Argentina) Corporate Citizenship Award** ranked CH2M HILL number 14 on the list of sustainable management companies, alongside companies such as Toyota, Dow, Shell, and Coca Cola (2009).
- **League of American Communications Professionals, Silver Spotlight Award, 2011 Sustainability Report**, recognized CH2M HILL for "outstanding first impressions and narrative, exceptional visual design, superb creativity, and world-class production values" (2011).
- **Oregon Business Best Green Companies** celebrates Oregon businesses that go above and beyond when it comes to environmental stewardship in the workplace (2009, 2011).
- **Climate Change Business Journal (CCBJ) Business Achievement Award for Climate Change Practice** recognized CH2M HILL for our role as a consultant, owner's engineer, and engineering procurement and construction contractor for renewable power generation projects and solar photovoltaic (PV) manufacturing plants (2010).
- **Environmental Business Journal Business Achievement Award, Threat Reduction Practice**, recognized the growth in CH2M HILL's practice related to reducing biological threats from extensive biological warfare programs. Using skills developed from managing large-scale

infrastructure, decontamination, and environmental programs, CH2M HILL provides engineering and construction services for containment laboratories at Biosafety Level 3; integrating threat agent detection and response efforts; and developing cooperative research programs to harness the capabilities of scientists in the country of Georgia (2012).

Individual Employee Recognition

- **Paul Berg, President's Volunteer Service Award from President Barack Obama:** Berg was honored for his volunteer service in working to combat the scarcity of clean water by developing an innovative bicycle water treatment system for use in developing countries (2010).
- **Nancy Tuor, Profiles in Diversity Journal's "Women Worth Watching":** Tuor, group president and corporate sponsor for sustainability, was recognized for her work to advance women into senior leadership positions (2011).
- **Samantha Connolly, Building Magazine's "Top 50 Rising Stars of Sustainability":** Connolly, senior sustainability consultant, was named one of the United Kingdom's top sustainability leaders. Based on client nomination, the recognition highlights Connolly's accomplishments as sustainability assurance manager for the London 2012 Olympic and Paralympic Games program, widely touted to be the "greenest games ever" (2012).
- **Margaret McLean, Senior Vice President, Chief Legal & Ethics Officer:** McLean was recognized as "Lawyers who get it... Ethics" in 2011 by the Ethisphere® Institute.
- **James McGrath, Corporate EcoForum Sustainability Leadership Program:** McGrath, a LEED®-accredited and licensed landscape architect, was chosen to attend a prestigious sustainability leadership program in the Amazon Rainforest. Six of CH2M HILL's 30 applicants in this program landed in the top 20 of 150 entries (2012).



Environment

Environment Overview

With climate change, population growth, and water and energy supply issues, the environmental effects of unsustainable practices are now a part of the day-to-day global dialogue. Sustainability has become an integral part of many of our clients' operations and decision-making processes. Our company's effects on the environment result from two distinctly separate spheres of activity: the delivery of client projects and the conduct of our internal operations (facilities, procurement, and other functions).

CH2M HILL is **working with our clients** to find simple solutions amidst complex issues. While water supply, energy needs, climate change, and land development are each leverage points in themselves, solutions that address all four aspects in tandem have the potential to create a multiplier effect, with greater sustainable returns over the long term.

In addressing the environmental impacts of our own operations, we are working towards continuous improvement in our materials use and services, facilities management, carbon footprint, and water use. Within these broad categories, we address a range of day-to-day activities in our service-oriented business around the world.

Environmental Compliance

As the number-one ranked company on the ENR's Top 200 Environmental Firms list in 2011, CH2M HILL takes the protection of the environment seriously. Our environmental compliance program allows us to anticipate and mitigate risks to people and the environment. Through our Project Delivery System, the Health, Safety, and Environment (HSE) program, and other tools, we implement systematic environmental risk management practices that are integral to our project delivery system, and we do so in a manner that adds value to our clients, firm, staff, and projects. Our "Target Zero" philosophy includes a target of zero environmental compliance violations from CH2M HILL operations, which covers our internal operations as well as projects we deliver for our clients.

Given the variety and complexity of the projects CH2M HILL delivers, our environmental performance has been exceptional. CH2M HILL continues to have lower-than-industry-average environmental penalties for noncompliance, as well as few environmental fines and penalties for noncompliance compared with the scope of projects delivered. In 2011, CH2M HILL paid US\$1,920 for one environmental fine, compared with US\$6.3 billion in revenue. CH2M HILL had one fine in 2010 (US\$240), one fine in 2009 (US\$200), and two fines in 2008 (US\$960).

Our rigorous environmental program is established at the enterprise level, with expectations and the desired environmental culture expressed in policies, core standards, and standard operating procedures (SOPs). Each business group must meet or exceed the basic enterprise program and report progress. This platform provides tools, training, and resources to help projects and operations understand and comply with applicable environmental laws and regulations wherever we work around the world. Although environmental compliance liability is usually associated with field and construction projects, other types of projects and operations can present environmental

risks. A successful environmental program is not only essential in managing these risks, but also it is critical to the firm's reputation and ability to win work.

Our exceptional performance is the result of our deliberate, systematic process of evaluating environmental risk, requirements, and implementation processes. Each project's environmental manager evaluates environmental risks early during the planning phase of project delivery by identifying applicable environmental regulations and permits. This is essential because permitting may require months or even years to obtain. CH2M HILL requires field projects to have an environmental plan, which addresses legal requirements and permit conditions and establishes minimum project expectations. Project staff uses an online tool, the Field Project Start-up Form, to generate the draft environmental plan.

Environmental Spills

CH2M HILL has implemented a spill prevention program that includes comprehensive planning and preparedness in the event of a spill or release on a project site. Our program is adaptable to accommodate the wide variety of projects, materials, and equipment around the world. We use an online tool called the Hours and Incident Tracking System (HITS) for internally reporting, tracking, and trending spills and near-misses. Spills occurring from our subcontractor activities are also reported in HITS. Most of the releases documented in HITS are small in volume and occur on impervious surfaces and within containment systems. Root causes and contributing factors are noted in the HITS database and discussed by the project teams. For significant spills, our environmental managers investigate the cause and issue formal lessons learned statements to educate staff and prevent further incidents.

Significant spills are defined as those that exceed regulatory reporting thresholds as established by the U.S. Comprehensive Environmental Response, Compensation, and Liability Act of 1980. In 2011, CH2M HILL had only two significant spills as defined by regulations: 2.3 gallons of F032 hazardous waste and 800 gallons of contaminated waste oil and water. Although classified as "significant" under regulations, the spills were contained and had no critical impact to the environment.

Environmental Management

CH2M HILL's environmental performance is managed, monitored, and improved through formal EMS programs, guided by ISO 14001, in the following locations: North America (U.S. and Canada); our London office in the United Kingdom; Australia; and our Abu Dhabi, Dubai, and other offices in the Middle East-North Africa region. Approximately 85 percent of CH2M HILL employees are included within the scope of the EMS programs in these geographies. Throughout the world, environmental stewardship is encouraged and championed by informal green teams that address sustainability issues in their offices and communities, while environmental regulatory compliance is addressed through our firmwide HSE team. The overall performance and scope of each formal EMS program is described within this section, with specific information about how these programs address our environmental aspects provided throughout the Environment section of this report (refer to navigation bar to the left). Two programs are managed at a corporate level by the North American EMS team but have relevance across our global operations:

- Green Projects Database, which captures the impacts from CH2M HILL projects that have been certified or are eligible for certification under third-party programs, such as LEED®, Building Research Establishment Environmental Assessment Method (BREEAM®), Estidama, or Greenroads™.

- GHG Emissions Inventory, which includes CH2M HILL operations and projects where we have operational control, as defined by international GHG Protocols.



North American EMS

Since 2005, the North American EMS team has worked toward continuous improvement throughout our operations. The North American EMS includes annual targets for performance, as well as procedures for day-to-day operations, such as decreasing the amount of materials we use, increasing recycled content and improving other sustainability metrics on items we purchase, and seeking other ways to reduce our environmental footprint. Most of the reporting data in this Sustainability Report is from the ISO 14001-conformant North American EMS, as it includes 81 percent of our employees and presents the company's performance against targets set for the EMS through 2011.



"My job is to make the complicated, interconnected, often highly scientific concepts around sustainability clear to people so that we can make better decisions."

—Brandy Wilson, EMS Program Manager

The North American EMS reflects the division in our environmental footprint between the impacts of our internal operations and those of our projects. Historically, the EMS has focused on the footprint of our offices, including such metrics as paper use, employee commuting, and sustainable procurement. Over the past 2 years, we expanded the scope to include areas where we can accurately capture environmental impacts and metrics across selected portfolios of projects and programs. In 2010, we began with two service areas:

- **Green Buildings and Projects.** We have collected these projects into a Green Buildings Database and are gathering information on the energy, water, and other environmental savings generated by green buildings across this portfolio to assess the work we have done—the impacts of our product—in collaboration with our clients.
- **Water Conservation and Reuse, and Sustainable Services in Operations and Maintenance:** We established a formal procedure within the EMS for tracking water conservation at Operations & Maintenance Business Group sites, and we administer a sustainability program that is outside the scope of the EMS but includes year-over-year tracking in site-specific sustainability measures.

In 2011, we added another area that bridges the divide between operations and projects: our GHG emissions inventory. For the first time, we have completed an emissions inventory of the areas where we have operational control, from our offices to our business group operations.

The North American EMS program met most of the targets set for 2011. We achieved targets for reducing paper use, selecting a new supplier for electronics waste recycling services, increasing the number of teleworkers, completing our GHG inventory and offsets, and establishing a system and best practices for tracking water use. When the water tracking system was implemented, we discovered errors in the 2010 baseline for the “increasing effluent reuse” target, making the required comparison impossible to measure. Although we are not sure this target was achieved, we are committed to continuously improving our data collection systems—for water use and green buildings—to track results reliably in the future. Two targets are still in progress and have been carried from 2011 to 2012; both targets concern the development of more robust supply chain sustainability systems. The targets for expanding videoconferencing training and establishing commuter support programs to reduce vehicles miles traveled in two offices were not met and have been modified for 2012 based on lessons learned. We also learned that we have maximized our recycled-content paper purchasing rate, and we will continue to track this metric to confirm our purchasing rates are maintained.

The 2012 targets for the North American EMS are presented to illustrate how we plan to manage our environmental program in the future. The target for conducting and expanding the GHG inventory is a firmwide goal set at the corporate level and administered by the North American EMS team.

Within North America, we also have EMS programs that were developed specifically for projects. The CH2M HILL Plateau Remediation Company (CHPRC) supports U.S. Department of Energy (DOE) “Green Government” initiatives through an integrated Safety Management System and EMS program consistent with ISO 14001. The CHPRC team is engaged in safely and sustainably protecting the environment and the public while meeting the goals of cleaning up the Hanford Central Plateau and ensuring protection of the Columbia River. This EMS includes activities such as purchasing environmentally preferred products; enhancing recycling programs; conducting pollution prevention opportunity assessments; remodeling or constructing buildings to save energy and water; and reducing gasoline, paper, and toner consumption. To achieve these environmental and safety goals, CHPRC work collaboratively with the site contractors, regulatory agencies, Tribal Nations, stakeholders, and the public.

**2012 EMS Targets:
CH2M HILL North American
Office Operations**

Service and Materials
Reduce paper use by 6% compared to revenue over 2011 use
Conduct environmental performance surveys and verify performance for 6 suppliers in a cross-section of indirect procurement services; supplier ratings should exceed 80%
Build and implement the product phase of the Direct Procurement Sustainability Tool
Facilities Management
Increase the overall number of teleworkers by 20% over 2011
Carbon Footprint
Conduct and expand the greenhouse gas inventory for Scope 1, 2, and selected Scope 3 emissions by February 2013 for our 2012 emissions
Offset 35% of direct and indirect GHG emissions of North American facilities by purchase of carbon offsets and renewable energy products
Create 5 training modules for improving collaboration tool skills and use
Create a network of Employee Transportation Coordinators in five offices and track the impacts of their programs
Water Use
Engage our Operations and Maintenance Business Group clients in water stewardship improvements by discussing opportunities with 20% of clients by the end of 2012

Australia EMS

Australia holds external ISO 14001 certifications for both CH2M HILL Australia (since 2007) and CH2M HILL Australia Constructors Pty Ltd (since 2010). The system addresses the environmental management requirements for both offices and projects, with project implementation of environmental requirements achieved through the project delivery system. The Australian EMS implements policies to manage business efforts to reduce and recycle paper; manage electronic waste; and reduce energy use and GHG emissions, including both internal and project business travel. Through 2011, external surveillance audits reconfirmed compliance.

A 2011 project highlight is the completion of the Luggage Point Advanced Water Treatment Plant. CH2M HILL held the environmental operating permits during construction and the operating phase until the plant was handed over to the client for ongoing operations after performance proving. A comprehensive project-level EMS in accordance with ISO 14001 was implemented. The thorough and professional execution and management of compliance with permit conditions exceeded external auditor and client expectations. Many of the same targets will be carried forward in 2012, with specific EMS programs developed for projects as needed.

Numerous projects solved challenging environmental issues in accordance with the EMS requirements and business group project delivery methodologies. Several clients received external recognition of the environmental excellence of their projects, including the following:

- **The Gippsland Water Factory.** Winner of the [2011 Gold Banksia Award](#). CH2M HILL is an Alliance partner delivering the design, construction, and operation of the facility. The Banksia Award commendation states, "The project set a new standard for delivery of wastewater treatment infrastructure in Australia and resulted in a reduced volume and massive step-change improvement to the quality of treated industrial wastewater discharged to the ocean. Gippsland Water Factory goes well beyond compliance and is a project the community can be proud of. It incorporates sustainable design features, a water education centre, and is world-first in the way it treats industrial pulp and paper wastewater."
- **BHPBilliton's Hunter River Remediation Project.** Winner of the 2011 United Nations Association of Australia World Environment Day Environmental Best Practice Program Award. CH2M HILL's contribution was to provide a wide range of environmental and engineering design, consulting, and engineering management services.

London, United Kingdom, EMS

The London office achieved ISO 14001 certification in November 2010 and successfully implemented a full waste recycling program that includes cardboard, mobile phones, plastics, paper, glass, and printer toners. In 2011, the office implemented EMS training for employees and has reduced paper use. In addition, the London office set targets and began programs to promote the use of electronic collaboration tools in lieu of internal or project business travel; adapt waste management practices to changing regulations in the United Kingdom; work with suppliers to increase the range of green office products; and raise awareness of sustainability in the local community. One challenge for the London office is creating a baseline for measuring electrical consumption, which depends upon working with property management to improve equipment and mechanical system issues. Although collaboration technologies were aggressively promoted, business air and rail travel increased with accelerated business activity as we brought technical specialists to projects where they are needed, delivering benefits in terms of improved collaboration and project performance.

In 2012, the London office is relocating to share space with Halcrow, a company that CH2M HILL acquired in late 2011 and that already has ISO 14001-certified EMS programs in place at offices throughout the United Kingdom. Although the EMS team is in a transitional year with goals to establish new baselines and provide staff training, the office has embraced environmental objectives to reduce GHG emissions by 10 percent compared with 2008; reduce paper consumption by 3,500 sheets per person per year; reduce water use by 6.8 cubic meters per person per year (Environment Agency good practice benchmark); reduce landfill waste by 50 percent, compared with 2010, where the office is directly responsible for waste disposal; increase recycling; and recycle 100 percent of paper and toner cartridges.

Middle East-North Africa EMS

CH2M HILL's Dubai office launched its EMS in March 2010, followed by initiation of the program in Abu Dhabi on April 22, 2010 (World Earth Day), and spreading it to our other offices in the Middle East-North Africa region. The program is called, "Takleel—Eco Challenge," because the word "Takleel" is the Arabic word for "reduce." The EMS is well-implemented in the Dubai office, which in the first year purchased reusable stainless-steel water bottles for the employees; began recycling; set up printers for default double-sided printing; began pursuing suppliers for Forest Stewardship Council (FSC)-certified and recycled-content paper; purchased and began using durable kitchen items in lieu of disposables; began recycling electronic waste (e-waste); and instituted a "switch-it-off" campaign to conserve energy. However, in 2011, progress towards targets was mixed. For example, overall paper use increased, but recycling programs were put in place and targets for increasing the purchase of FSC-certified paper were met.

In early 2012, the Middle East-North Africa EMS team is planning to engage a network of office HSE coordinators across the region to assist in implementing EMS initiatives and submitting relevant data for quarterly EMS reports and statistics. Targets for 2012 include decreasing paper consumption, implementing more recycling programs, establishing sustainable procurement criteria, increasing recycled-content paper purchasing, reducing electricity use, and reducing GHG impacts from overhead travel.

Water Use

Our company history is built around clean water. The business started with clean water projects and continues to bring clean water to many communities across the globe. Given this history, we commit to conserving water in both spheres of our company's activities: the facilities that we manage ourselves for our own business needs and the water treatment or supply facilities that we operate on behalf of our clients.

Direct Water Use at CH2M HILL Facilities

As a service provider, CH2M HILL's direct water use comprises the water consumed in our corporate headquarters and the 170 area offices from which we operate worldwide. Our ability to monitor and report our water use depends on the office location. In the majority of our leased space, for example, we do not directly pay water bills or manage the facilities, so it is difficult to implement conservation technologies or quantify the results of water conservation efforts. We do, however, directly measure water use when we can, such as at our corporate headquarters in Denver, Colorado, where we operate our facilities, and at facilities that we manage in Alaska and Canada.

CH2M HILL views conservation as an ongoing process. We will continue to invest in new technologies to achieve our water conservation goals, as well as incorporate advancements in water-efficient technology in decision-making for our direct operations. We operate the buildings at our LEED®-certified headquarters and all of the campus buildings feature water-efficient fixtures. CH2M HILL also incorporates sustainability criteria as part of its procurement standards outlined in our EMS programs, although we do not specifically require water use reporting by our suppliers at this time.

Through our North American EMS program, CH2M HILL has long encouraged practices that use water wisely, which aligns with company values. As part of our environmental policies, we purchase water- and energy-saving appliances for our kitchen areas. Additionally, we eliminated bottled water in vending machines at our corporate headquarters, and we do not serve bottled water at meetings in our offices. We seek to avoid the additional environmental footprint needed to package and transport water, and instead use the safe, healthy municipal water systems that do not require the use of additional resources. In 2011, we took our policies further by establishing a procedure within the EMS to monitor and reduce water use in owned or operated facilities. As the first step, we conducted a baseline inventory of water use in these facilities from 2008 through 2011.

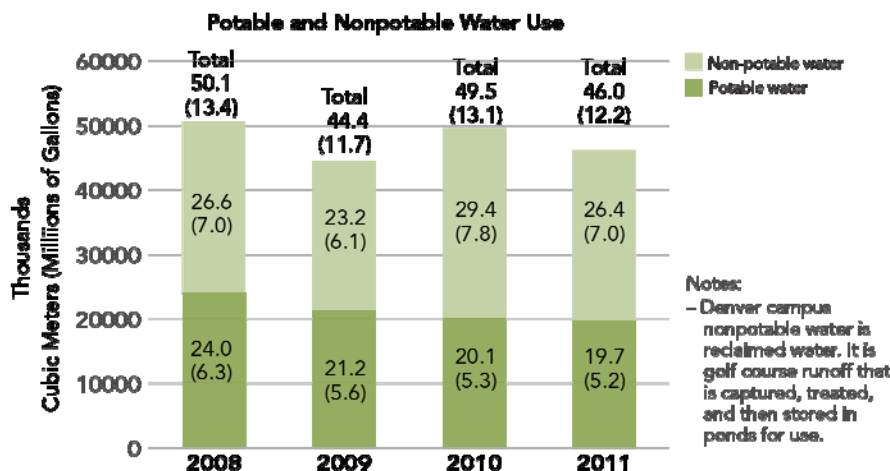
Corporate Headquarters

CH2M HILL uses both potable and reclaimed, non-potable water to support the water needs of our corporate headquarters. Potable water is used to meet human needs, while non-potable water is used for irrigation and landscaping.

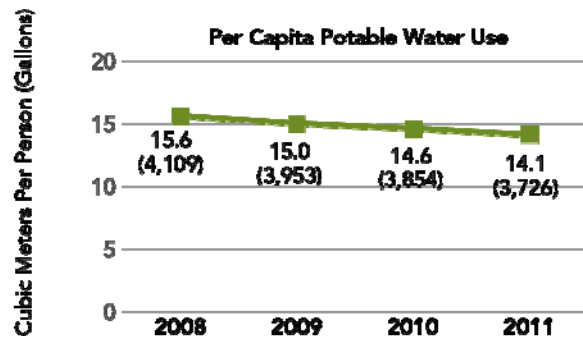
At our corporate headquarters, our potable water use per capita and total potable water use has decreased as a result of our implementing facility improvements. These improvements include promoting responsible water use as part of our corporate culture, installing low flow fixtures, and equipping the restrooms in all buildings with dual flush toilets to reduce the amount of water used for sanitation. Potable water consumption continued to decrease between 2010 and 2011 by approximately 100,000 gallons.

In an arid climate like Denver, Colorado, implementing creative water-saving irrigation solutions is imperative. Reusing reclaimed water for irrigation reduces demand on surface water and groundwater supplies. Additionally, we collaborate with the corporate business park management to assess opportunities for reducing overall landscape water consumption.

Water Use on CH2M HILL's Denver Campus EN8, EN10



Water Use on CH2M HILL's Denver Campus EN8, EN10



Facilities Owned and Operated in Canada and Alaska

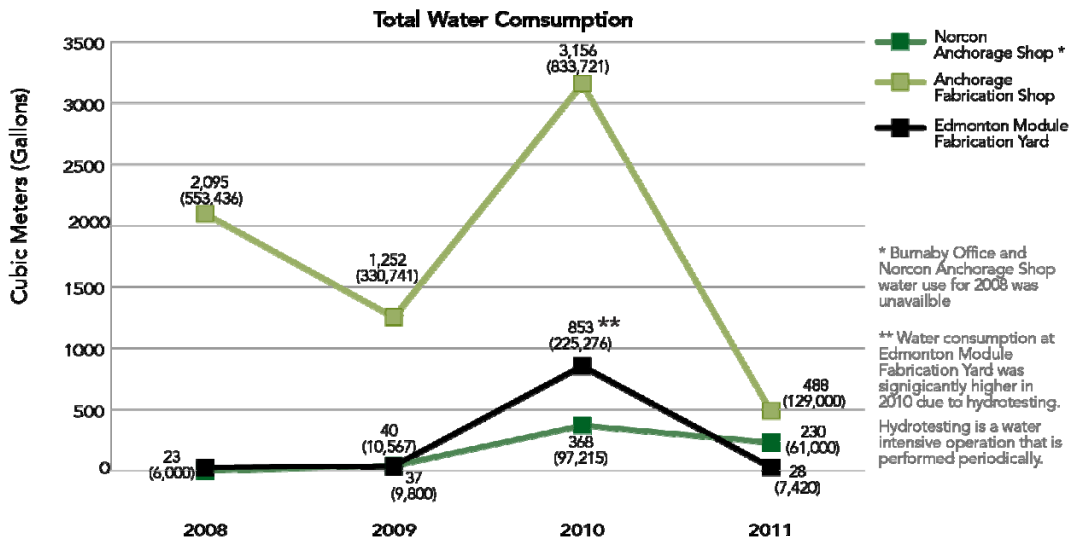
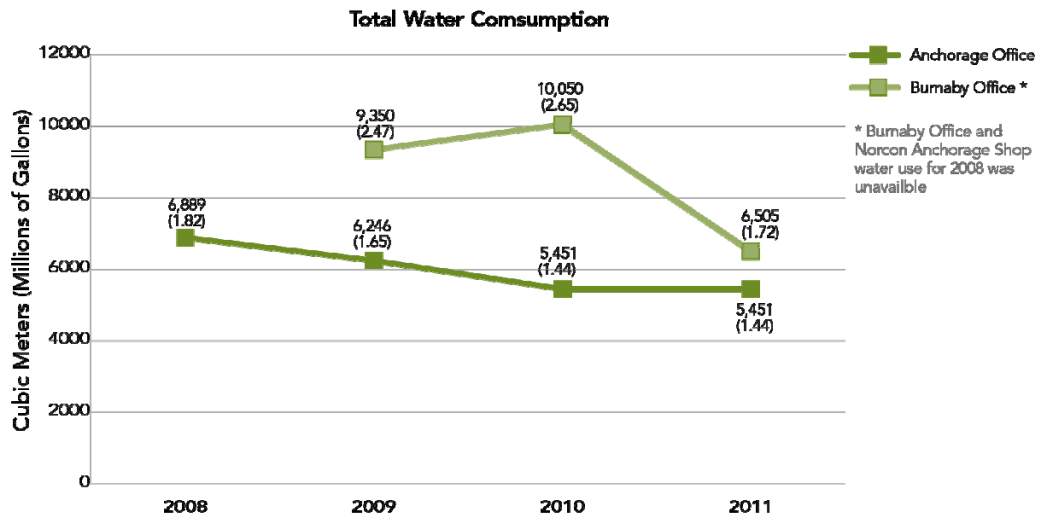
In Alaska and Canada, CH2M HILL owns and operates a number of facilities that support the energy and chemicals industry, including office buildings, fabrication yards, mechanical maintenance shops, and lodging. We have implemented a number of sustainability initiatives throughout these facilities. The annual direct water use for each facility is closely tied to the type of use. Additionally, water consumption correlates to the annual volume of work performed. Thus, water use at these facilities is highly sensitive to the economy.

Burnaby, British Columbia, Canada, and Anchorage, Alaska, are the only two office facilities. The Burnaby Office receives metered municipal water from the City of Burnaby, but the office was sold in December 2011 and will not be included in our direct water use reporting in the future. The Anchorage office uses metered water from the City of Anchorage and total water use decreased by 11.6 percent between 2008 and 2011, on trend with a 10.4 percent decrease in total number of employees.

Activities at the Edmonton Module Fabrication Yard in Edmonton, Alberta, Canada, the Anchorage Fabrication Shop, and the Norcon Anchorage Shop relate to manufacturing and repairing equipment on Alaska's North Slope and in North Canada. Each facility's water consumption fluctuates based on the amount of business each year. During this recession, none of these shops have been running at full capacity. It is likely that the water use baselines established for 2008 to 2011 underestimate consumption compared with healthier economic conditions.

Water Use in Alaska and Canada Facilities

EN8, EN10

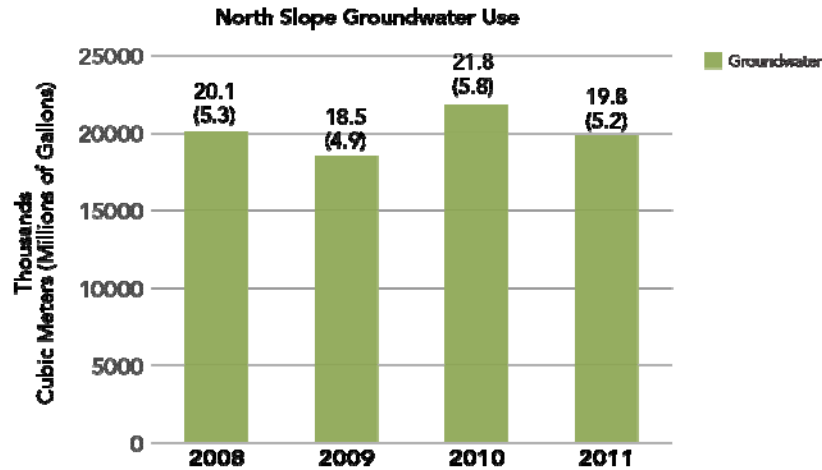


CH2M HILL owns three other facilities in Alaska: Norcon Fairbanks Shop and Office, Kenai Shop and Office, Beluga Lake Lodge, and BROCCamp. Norcon Fairbanks is mostly office space, Kenai functions primarily as a fabrication shop, and Beluga and BROCCamp are lodging camps. These facilities rely on pumped groundwater for their water supply. The water supply is not metered. Therefore, accurate consumption numbers are unavailable for this report.

The North Slope facilities are a combination of fabrication yards, small offices, mechanical shops, and lodging. Employees are housed onsite and use groundwater to meet domestic water needs. Overall, water use at the North Slope decreased from 5.8 million gallons in 2010 to 5.2 million gallons in 2011. The lodging camps are leased to a third party that has not consistently reported head count in the past, making it challenging to develop a baseline for per capita water consumption at our North Slope Facilities. One goal for 2012 will be to better coordinate head count tracking and reporting for lodging.

Water Use at CH2M HILL's North Slope Facilities

EN8, EN10



Water Conservation Strategies for Clients

Beyond our office facilities, CH2M HILL's culture of sustainability reflects our approaches to delivering consulting, program management, design, construction, and operations solutions for our clients. Our water experts work with clients to develop proactive strategies for sustainable water management, including water supply, stormwater management, and sanitation. In partnership with our clients, we help optimize efficiencies in their processes to reduce material consumption and generate positive financial metrics as well as social benefits.

CH2M HILL provides full service operation, maintenance, and management to municipal and industrial sites, treating more than 1 billion gallons (3.8 million cubic meters) of water and wastewater every day. Recognizing the importance of developing best management practices for sustainable operations, CH2M HILL integrates sustainability into our operations and maintenance processes to mitigate the environmental impacts of our services, enhance and protect ecosystems, and actively engage in the communities that we serve.



"A strong focus on sustainable operations and maintenance can yield great results with little investment."

—Lindsay Ritter, Sustainability Manager, Operations & Maintenance Business Group

[Read more](#)

Our sustainability practices were formalized in 2010 with a sustainability pilot program focused on our North American Western Region facilities. Throughout these projects, we have varying levels of control of the operations, from simply "turning the dials" to implementing facility improvements and upgrades. Therefore, our program is focused on engaging passionate CH2M HILL employee champions at each facility, working with clients to find ways to improve operations in whatever area is most appropriate for that site. Our program was recognized by the National Association of Water Companies with a first place innovation award in 2011. Building off the initial successes of this

program, the Operations & Maintenance Business Group expanded the sustainability program across its North America portfolio.

Water Reuse, Discharge, and Quality

Many new measures were put in place in 2010 and 2011 to track more accurately our wastewater treatment performance across the Operations & Maintenance portfolio of projects. CH2M HILL set a target in 2010 to increase the effluent reused in the Western Region of the U.S. by 50 percent beyond 2010 reuse levels. However, as we implemented an improved tracking system in 2011, we recognized errors in the 2010 baseline that made the comparison stated in the target impossible to measure, so we established a new baseline in 2011. Taking a comprehensive look at the overall quantity and quality of wastewater treated in 2011 at the 101 client facilities managed throughout North America, we treated 81 billion gallons of wastewater for the entire year. Of this total, 5 billion gallons of effluent were reused and 94 percent of the water was returned to the environment (rivers, lakes, or other water bodies) in a carefully monitored and controlled manner consistent with federal, state, and local regulations. National Pollutant Discharge Elimination System (NPDES) permits for site-specific discharge units vary across our portfolio of facilities. Standard NPDES permits require that 85 percent of all biochemical oxygen demand (BOD, or organic matter) is removed in the treatment process to prevent oxygen depletion in the streams. The average BOD process removal for our client facilities in 2011 was 98 percent, benchmarking our treatment process at 13 percent above the NPDES national average.

Water Discharge and Reuse, North America

EN10, EN21

Water Reused: 6% 19.1 million cubic meters (5 billion gallons)	Total Water Discharge: 94% 307 million cubic meters (786 billion gallons)
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Notes:

- These data are collected from the wastewater treatment facilities managed by CH2M HILL's Operations and Maintenance business group.
- North America includes 101 facilities that discharge to a variety of water bodies.

Regulatory requirements for wastewater process treatment include effluent quality; therefore, our broad compliance program ensures quality throughout our processes. Our goal for operational excellence is perfect compliance and perfect reporting of noncompliance. All compliance incidents and excursions are assessed by the compliance team, rated for severity, and reviewed for lessons learned and opportunities for improvement so we can minimize the likelihood of future incidents. By focusing on prevention, we have created a strong program dedicated to compliance training. When new associates are hired, their managers provide them with our DVD training, which helps ensure consistency across our projects.

Day-to-day treatment plant operation is conducted in collaboration with our clients, and we respond to their management and budget directives. In this shared operational control environment, we have rich opportunities to bring local innovations to a broader group of facilities across the U.S., where these innovations fit with our clients and their communities.

Paper Consumption

As a service-based business that depends on paper for countless communications, business proposals, and client deliverables, paper represents a significant portion of CH2M HILL's materials

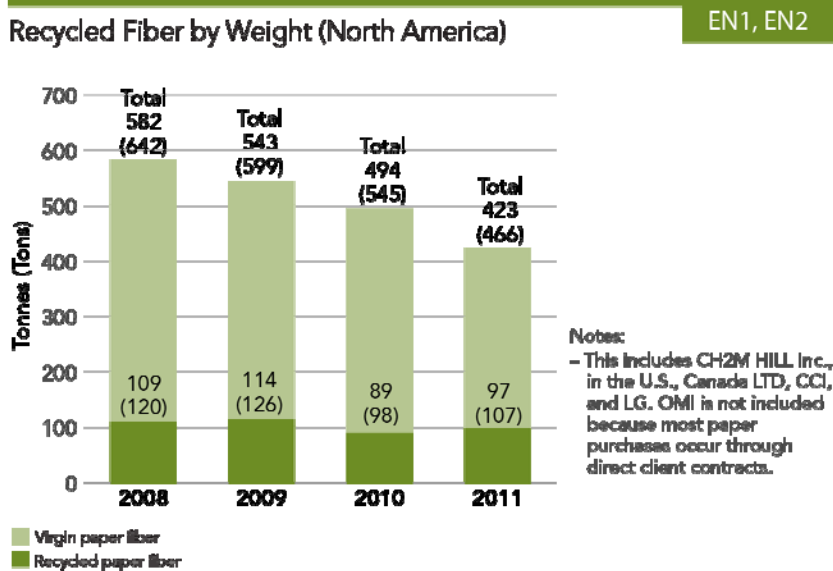
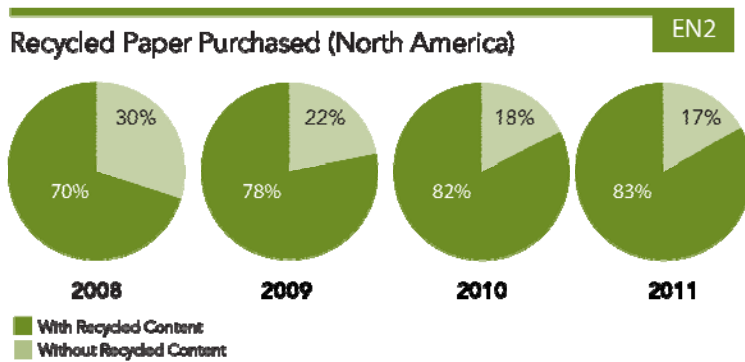
consumption. Paper consumption includes primarily white paper for use in copiers and printers. We are committed to leveraging technology continuously to reduce paper use, which represents much of our solid waste and material consumption in our offices.

North America

Paper Purchasing

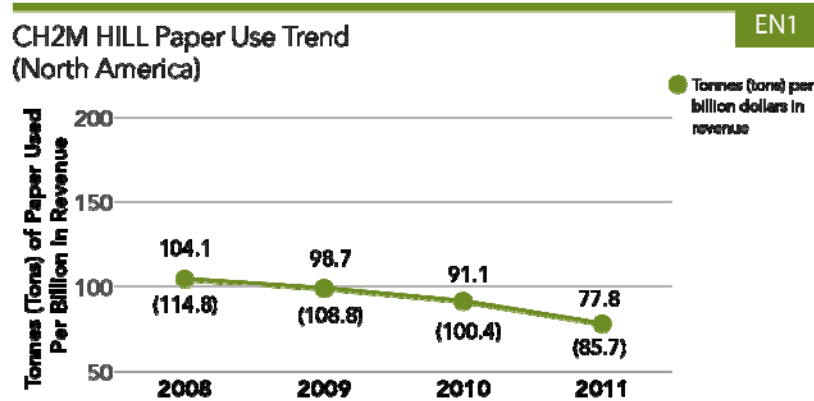
In North America, we purchase approximately 80 percent of our paper through a firmwide master contract. The remaining 20 percent is obtained from a myriad of regional and local suppliers and is not tracked systematically for reporting. In 2011, we achieved a recycled-content paper purchasing rate of 83.2 percent by focusing on education and requiring offices to purchase recycled-content paper as the standard for copiers and printers; however, we fell short of our target of 85 percent. We will continue to work with our suppliers to identify papers that would meet the requirements and seek to improve this over time. Of the recycled-content paper purchased, the content of recycled fiber in the paper varies from 30 percent to 100 percent.

In 2011 we purchased a total of 423 tonnes (466 tons) of paper, which contained 97 tonnes (107 tons) of recycled fiber by weight. We have standardized on the use of 30 percent recycled-content paper for printers and copiers.



Paper Consumption

The 2011 goal for our North American operations was to decrease paper use, as compared with gross revenue, by 6 percent compared with 2010. We reduced our consumption by 71 tonnes (78 tons) in 2011, which equates to a significant decrease of 14.6 percent compared with revenue. We were able to surpass our target of reducing paper use by 6 percent compared with revenue by continuing our communication about recycled-content paper use; emphasizing the use of electronic deliverables; employing duplexing and other printer technology controls; and adopting new document templates with narrower margins, tighter line spacing, and default duplex formatting.



London, United Kingdom

The London office has established a baseline for paper use at 195 reams, which will likely be refined as the office consolidates and merges into a single office with Halcrow. The office has set a 2012 target to reduce paper consumption by 3,500 sheets per person per year.

Middle East-North Africa

Most of the paper reduction and procurement initiatives within the Middle East-North Africa region in 2011 focused on the Dubai office. The Dubai office set up printers for default double-sided printing and began pursuing suppliers for Forest Stewardship Council (FSC)-certified and recycled-content paper. Surpassing its target to purchase at least 40 percent of FSC-certified or recycled-content paper, 69 percent of paper purchased in 2011 was recycled. The office also began producing employee business cards on recycled-content paper. Because of hard copy submittal requirements for several large proposals, the Dubai office saw an 11.5 percent increase in paper consumption in 2011 compared with 2010. While the office did not achieve its EMS target for reduction, it will continue to work towards reduction in the future.

Australia

The Australia EMS team set a goal of purchasing 100 percent of their paper stocks as 100 percent recycled-content paper. They achieved their goal in 2011 and will continue to purchase all of their standard, white office paper with 100-percent recycled content.

Recycling

Recycling is a key element of our corporate culture; most of our North American offices have formal recycling programs for general items, such as paper, aluminum, and glass, and 100 percent have materials reuse programs. Our offices and employees are aware of our commitment to expand our “Reduce, Recycle, and Reuse” program wherever possible. Examples of outstanding recycling success stories in 2011 include the following:

- **Sacramento, CA**, office won a 2010 CalRecycle Waste Reduction Award in recognition of California businesses that implement practices that help protect the environment and preserve our natural resources.
- **Swainsboro, GA**, office was recognized in the local newspaper for its battery recycling program, developed through our national battery recycling supplier because the community recycling center and nearby stores do not accept recycled batteries. This program keeps batteries out of the local waste stream.
- **San Jose, CA**, office held an event to encourage staff to bring items from home for recycling, including monitors, batteries, cables, DVD players, microwaves, stereos, TVs, toner, VCRs, and cell phones. The office also became recertified as a Santa Clara County Green Business.

While municipalities across the U.S. have various types of recycling available, our policy is to recycle whatever we can. In addition, several of our offices make composting available so employees can take compost home for their gardens. We also have national agreements in place for recycling the following:

- **Batteries:** Recycling batteries keeps heavy metals out of landfills and mitigates potential groundwater contamination. It also saves resources because recovered plastic and metals are used to make new batteries.
- **Pens:** Old pens, highlighters, and markers are collected and shipped to TerraCycle for plastic recycling. For each item recycled, CH2M HILL receives US\$ 0.02, which is donated to one of our strategic nonprofit partners, Engineers Without Borders-USA. In 2011, we recycled 2,814 writing instruments, resulting in US\$58.28 donated to Engineers Without Borders. TerraCycle remanufactures the discarded pens into trash cans.

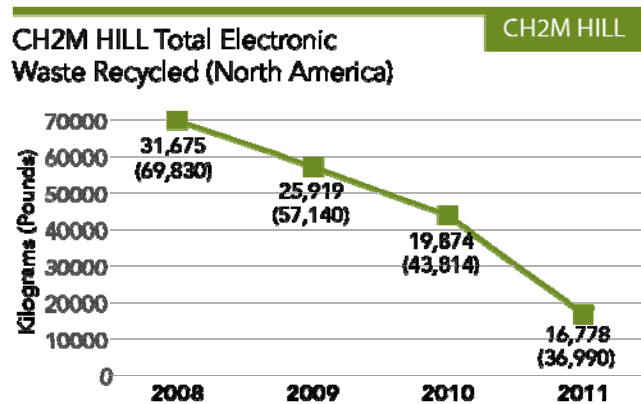
With more than 1,400 employees and an onsite cafeteria, our corporate campus has a unique opportunity to implement larger-scale recycling programs. For example, in cooperation with food supplier Sodexo and food recycling company Waste Farmers, we expanded composting from the café kitchen out to the cafeteria. Sodexo also began providing compostable “to go” containers that make composting easier for staff.

Media attention on recycling has focused on electronic waste, but there is a story behind paper recycling as well. More than one-half of paper collected for recycling in the U.S. is collected in comingled bins and shipped overseas for sorting and recycling, thus depriving U.S. paper mills of valuable raw material and jobs. Working collaboratively with our paper suppliers, the Denver office participates in a program to collect white paper separately from the comingled recycling stream and use a third-party recycler to transport it directly to paper mills, where it is de-inked and converted into process chlorine-free recycled-content papers, which are, in turn, sold back to the customer.

CH2M HILL was an early adopter of this closed-loop recycling approach and is in the process of identifying other large offices where we could work with property management to set up similar programs. This program helps to reduce transportation impacts surrounding recycled papers and to support communities that depend on pulp mills for economic health.

Electronics Recycling

Electronics waste recycling presents a large problem on a global level and a business concern from a security perspective. We began an electronics recycling program in North America in 2007 to capture compact discs, cords, cell phones, and other small devices that were not included in our corporate computer leasing programs. In 2011, 90 percent of our offices recycled e-waste, an improvement over the 85 percent in 2010. As shown in the following data point, 36,720 pounds were recycled, which is less than the 43,814 pounds in 2010. To boost our e-waste recycling rates and make the program available more widely, we identified a certified e-Stewards® electronics recycling supplier for global Information Technology asset disposal. The program was rolled out to North America in 2011 and will be expanded globally in 2012.



Recycling in London, United Kingdom, Middle East-North Africa Region, and Australia

Our London office EMS program changed waste management procedures to comply with changing national regulations. This involved considering the waste hierarchy and educating our landlord on the changes. The London office also implemented battery recycling and increased the amount of items recycled, thereby reducing its non-recycled waste by approximately 10 percent.

The Dubai office, within the Middle East-North Africa region, sent 100 percent of its paper waste to recycling companies and recycled 756 kilograms of paper.

In Australia, electronic waste and obsolete equipment are directed to reuse or recycling services. Office waste is segregated and recycled as appropriate for the local municipalities' programs.

Procurement

Procurement provides a valuable leverage point for CH2M HILL to lessen its environmental impact and influence supplier behavior, and we have committed to working with partners throughout our supply chain to reduce impacts and create markets for sustainable goods and services.

CH2M HILL's procurement organization separates management of direct (client) project enterprise agreements from indirect (overhead) procurement enterprise agreements. This separation allows us to assess the environmental performance of our key suppliers more robustly and improve our sustainability decision-making for the goods and services that we purchase for ourselves (indirect), such as paper, office supplies and furnishings. It also allows us to assess the robustness of the sustainability programs of our suppliers and subcontractors, and it provides our engineers and construction design professionals with tools to use with clients in selecting more sustainable construction materials and equipment.

Indirect Procurement

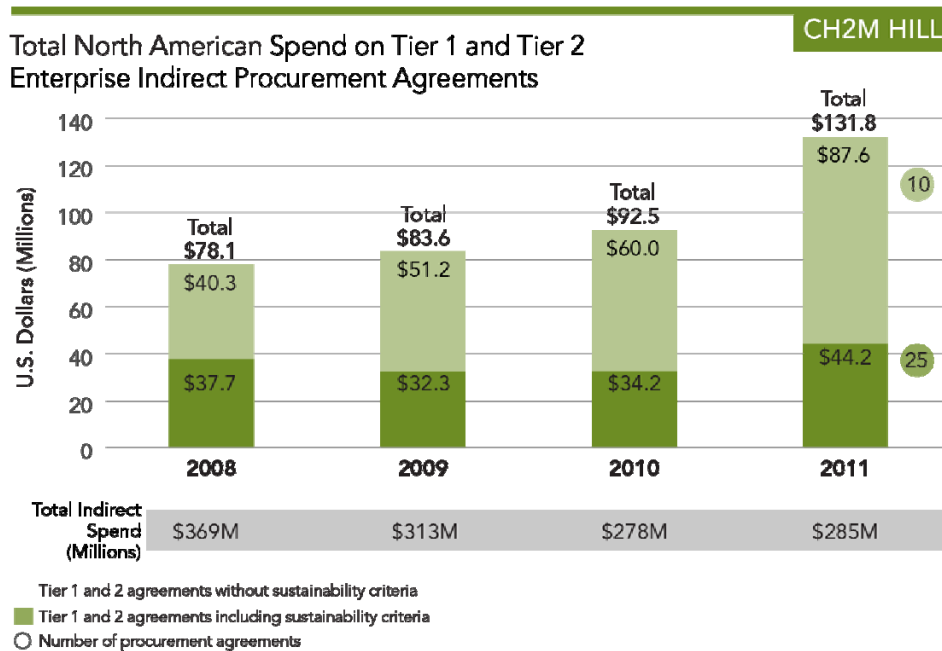
In a global supply chain consisting of hundreds of supplier relationships, we start by focusing on those suppliers who are willing to partner with us to reduce our environmental impact. These suppliers work with us to establish meaningful, effective, and industry-relevant contractual metrics that define specific sustainability objectives. Indirect Procurement segments suppliers into four tiers:

- Tier 1 – Strategic: Long-term, high-volume agreements
- Tier 2 – Preferred: Long-term but lower-volume agreements
- Tier 3 – Value Add: Shorter-term, lower-volume agreements with infrequently used suppliers
- Tier 4 – Tactical: Typically a one-time procurement with no ongoing relationships or expenditures

Tier 1 and Tier 2 agreements reflect those supplier relationships with significant spend, transaction volume, and business impact. Accordingly, these are CH2M HILL's most important indirect supply chain relationships and have become the focus of Indirect Procurement's sustainability program.

In 2010 we began requiring suppliers to respond to questions about their sustainability programs and demonstrate continuous improvement. We use four sets of sustainability metrics of increasing rigor with our Tier 1 and Tier 2 suppliers. We measure their performance against the contracted metrics as part of our supplier performance management system. In 2012, we plan to evaluate the performance of six such suppliers.

In 2011, our indirect spend with Tier 1 and Tier 2 suppliers with sustainability metrics in their agreements was US\$44.2 million, an increase of US\$12 million over the previous year. Out of our total indirect spend, about 15 percent is with Tier 1 and 2 suppliers with sustainability metrics. Sustainability metrics are added to new and renewing Tier 1 and Tier 2 supplier agreements so that over time, we move towards a majority of our indirect spend with sustainable suppliers.



When procuring office products and other supplies, Indirect Procurement places a priority on selecting green products (“eco” mark products). CH2M HILL purchased US\$730,000 in recycled products in 2011, and our percentage of recycled purchases rose from 38 percent in 2009 to 40 percent. In 2012, we are engaging with a new supplier for office supplies, selected in part for its global footprint and ability to enhance our sustainability program and track the results of our purchases.

In addition to indirect procurement activities in North America, our London office worked with a local stationary provider to increase the range of green office products. The Dubai office integrated a sustainable procurement procedure into administration department processes; employees now purchase most office items from local markets to reduce their carbon footprint.

Direct Procurement

In 2011, CH2M HILL’s Direct Procurement group began incorporating sustainability into the design, procurement, and construction of our projects by promoting the selection of suppliers and subcontractors that consider sustainability important. Our goal for 2012 is to implement a supply chain sustainability strategy for evaluation and selection of products, complete with procedures, tools, communications, training, and metrics for phased implementation.

Because no industry standard is currently available, CH2M HILL is a pioneer in the development of a direct procurement sustainability tool. Our concept for direct procurement addresses factors promoted by recognized authorities such as the World Business Council for Sustainable Development, Pollution Prevention Resource Center, World Resources Institute (WRI), and the Electric Utility Industry Sustainable Supply Chain Alliance, as well as CH2M HILL’s own Sustainability Program.

In the first phase of tool development, we enhanced our supplier qualification system to allow us to rank suppliers and subcontractors based on their response to a set of sustainability questions. Because the sustainability aspect of our system is new, only 3 percent of our supplier base had completed the sustainability questions by the end of 2011. As we gather more information into our

baseline study, we plan to identify areas where it makes sense to set targets for working with suppliers to improve performance.

The second phase of tool development will enable our staff to work with our clients in selecting more sustainable products from our suppliers. We plan to capture and report on the results of product evaluation and selection on the basis of recycled content, the presence of hazardous and polluting materials, natural resource conservation, embodied carbon, and product performance. Significant work will need to be done in 2012 to integrate this phase into our product selection tools and processes.

Greenhouse Gas Emissions

CH2M HILL has been seeking to understand, manage, and report on its energy use and carbon footprint. We completed our first GHG emissions inventory for Scope 1, 2, and selected Scope 3 emissions in 2011. We plan to inventory emissions annually so we can calculate and document GHG emissions that fall within CH2M HILL's organizational and operational boundaries. From a baseline perspective in 2011, we learned that the largest single source of emissions, accounting for approximately one-quarter of the total, results from electrical consumption in facilities. The next two largest sources are from business travel, specifically air travel and employee commuting (each source contributes just over 15 percent, for a total of 35 percent from this area).

CH2M HILL's policies and practices support the need to report GHG emissions. CH2M HILL has a commitment to consider the depletion rate of nonrenewable resources and use those resources in the most productive and beneficial way possible to forestall or avoid complete exhaustion of those resources. The GHG emission inventory provides CH2M HILL with information to develop future strategies for managing resources. We intend to use the results of the inventory to develop strategies for managing GHG issues in the future, including the development of policy and emission reduction goals. The overall emission estimate is presented in the next section and is followed by a description of specific initiatives undertaken by our formal EMS programs in North America and Australia.

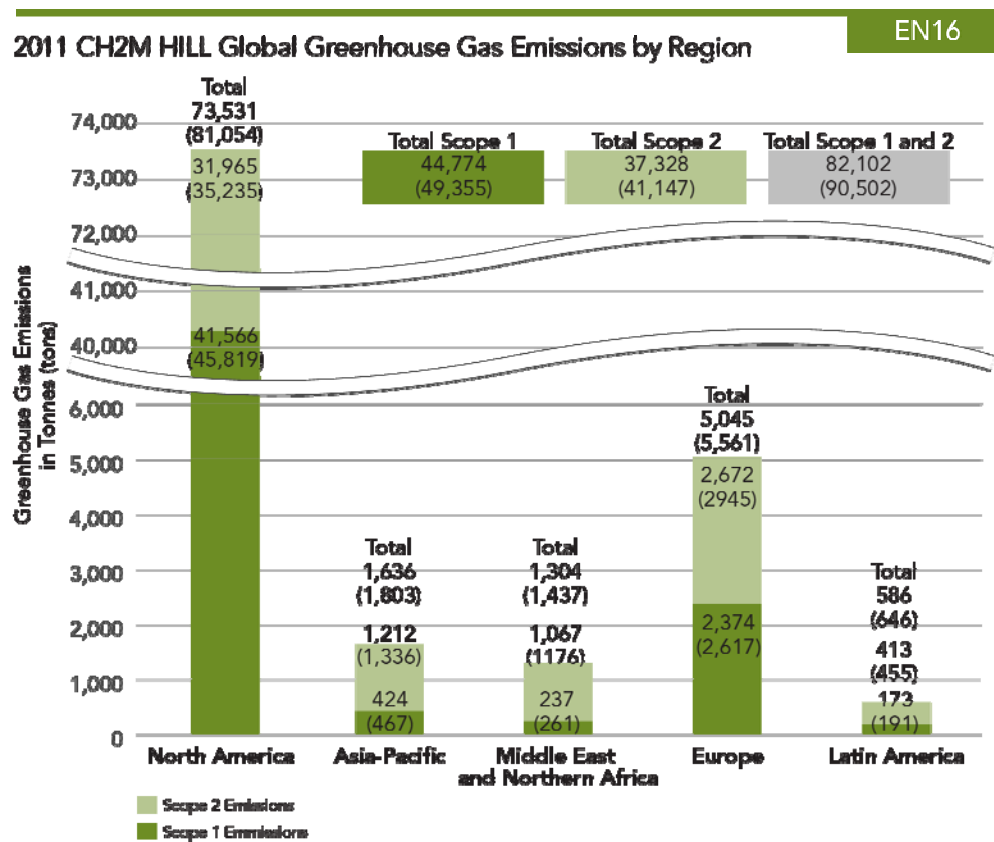
Emission Estimate

Using WRI and the World Business Council for Sustainable Development (WBCSD) *Greenhouse Gas Protocol Initiative—A corporate accounting and reporting standard* (Revised Edition, 2004) as guidance, we applied the "Operational Control" approach in defining our organizational boundaries for reporting. Operational control refers to the authority to develop and carry out the operating or HSE policies of an operation or a facility. With this approach, our company accounts for 100 percent of emissions from operations over which we or our subsidiaries have operational control (including leased space and vehicles). We do not account for GHG emissions from operations in which we own an interest in but have no control.

In 2009 and 2010, GHG emission estimates were limited to North America and included permanent leased office space. The emission estimates were also limited to Scope 1 stationary combustion for comfort heating, Scope 2 indirect electricity emissions estimates and Scope 3 business air travel emissions for U.S. Staff on commercial aircraft. Emission estimates for 2011 for these Scope 1 and Scope 2 sources have been expanded in North America to include emissions for temporary project offices and have been expanded globally to include our international office locations in Middle East—North Africa, Europe, Asia-Pacific, and Latin America.

Additionally, Scope 1 emission estimates were expanded in 2011 to include stationary combustion for non-comfort heating purposes (such as process-related project emissions), leased and owned mobile sources, and process and fugitive emissions (for example, wastewater treatment and air conditioning). Scope 3 emission estimates were expanded to include U.S. business ground travel, as well as global business air and ground travel. CH2M HILL calculates emissions based on actual data, where available, and estimates emissions per standard protocol guidelines where data are incomplete or unavailable. We are continually working toward improving data quality to better understand our emissions and our ability to impact reductions.

CH2M HILL’s absolute global 2011 GHG emissions for Scope 1 direct and Scope 2 indirect combined were 82,102 metric tons.



North American GHG Emissions Program

We calculate our carbon footprint using actual energy consumption data, where available. Since data on actual energy usage are unavailable for many of our leases, we calculate the majority of our carbon footprint using occupied square footage. Our office carbon footprint is used to set targets for purchase of carbon offsets and renewable energy credits (RECs). Specifically, we used data from the U.S. Energy Information Administration Commercial Buildings Energy Consumption Survey (CBECS) to estimate average office space electricity and natural gas usage for each of the five climate zones provided for North America. The CBECS program collects data on actual energy consumption of buildings across the entire nation and economy, and it reports averages by a number of factors, including building type, size, and climate zone. We then calculated GHG emissions based on the specifications of the General Reporting Protocol of The Climate Registry.

In 2011, the GHG impacts from energy use in our North American leased office facilities, including our Denver campus, prior to reduction for the carbon offset and REC purchases, were estimated as follows:

- Scope 1 (Fuel Consumption): 13,730 tonnes carbon dioxide equivalent (CO₂e) (15,135 tons)
- Scope 2 (Electricity Consumption): 31,970 tonnes CO₂e (35,241 tons)
- Total Scope 1 and 2: 45,700 tonnes CO₂e (50,376 tons)

In 2011, we increased our purchase of carbon offsets and RECs in order to reduce the net Scope 1 and Scope 2 impacts of our total North American facilities energy consumption by 30 percent. Climate Action Reserve-certified carbon offsets were purchased from a forestry project, a wastewater treatment facility project, and a landfill gas utilization project. The forestry project was an Improved Forest Management (IFM) project in the Van Eck forest of California. This project promoted sustainable forestry practices in an area that would otherwise have been extensively logged. The IFM resulted in increased sequestration of carbon in the forest while maintaining sensitive wildlife habitat.

We purchased RECs from Green-E-certified wind, biomass, and low-impact hydro projects from the Emissions and Generation Resource Integrated Database (eGRID) Midwest Reliability Organization (MRO) West subregion. Carbon benefits of RECs are evaluated based on the carbon intensity of grid power in the region where the renewable energy was generated, that is, based on the carbon intensity of the power that the renewable generation is theoretically displacing. The region from which these RECs were sourced has high grid emission intensity.

Australian GHG Emissions Program

The GHG impacts of activities continue to be measured, with the main contributors being air travel, office electricity consumption, and the hire of vehicles. In previous years, electricity conservation measures have included removing unnecessary lights, selecting energy-saving information technology hardware, and encouraging staff to switch off unnecessary lighting. A hire car policy of selecting small, fuel-efficient cars in preference to larger vehicles reduced fuel consumption by more than 20 percent over previous years. Early gains from both programs continue, but no further improvements occurred in 2011. No offset activities were funded in 2011.

Facilities Energy Use

Like most service-based businesses that occupy leased offices, do not manage their buildings, and do not directly meter or pay for power, we face challenges in reporting and managing our energy use and related GHG emissions. As a matter of policy, CH2M HILL purchases Energy Star-certified equipment and electronics for our North American offices; for our offices in other regions, we purchase equipment that uses less energy and that is certified under programs endorsing energy efficiency. Where we can, we implement direct programs to reduce energy use. We operate the buildings at our LEED®-certified headquarters campus and regularly assess our energy conservation practices.

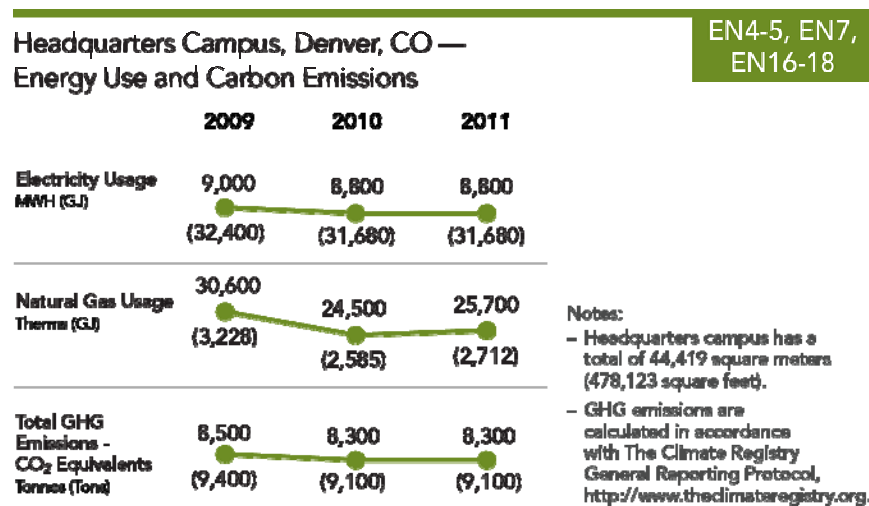
In locations where CH2M HILL has EMS in place, we implement procedures to reduce energy used in offices, even though we cannot directly measure the results. We also have active “Turn It Off” campaigns in the North America, Australia, London, and Middle East-North Africa regions as part of our environmental programs.

North American Facilities

In our North American offices, energy-conscious employees, managers, and landlords are taking steps to reduce our carbon footprint. In 2011, 23 percent of our leased offices were located in Energy Star-certified buildings. Last year, we also developed an *Energy Conservation Best Practices* document. This consolidated guide includes ways to conserve energy in our offices, featuring specific practices to implement, a guide for talking with landlords about energy conservation, and examples and success stories from various offices.

All the campus buildings feature water-efficient fixtures, have motion sensors to control lighting, offer comprehensive recycling options, and use recycled and local building materials. In 2011, we earned Energy Star ratings on all four of our Denver campus buildings. We track our energy usage monthly in Energy Star's Portfolio Manager System.

We view energy conservation as an ongoing process. We reduced energy use at our Denver headquarters by 11 percent in 2009 (through relamping, motion sensors, standardized temperatures, and energy-efficient equipment). Energy use continued to decrease slightly in 2010, by 2 percent, reflecting the additional conversion to more efficient lamps as replacement is needed. Electricity usage increased slightly in 2011 by 0.2 percent while natural gas usage increased by 5 percent. Electricity and natural gas usage increases most likely resulted from an increase in heating degree days from 2010 and 2011 and an increase in staff workload that required the heating and cooling of our facilities around the clock and through weekends beyond typical operating hours. Electricity usage also increased for our building that houses our data center as a result of an increase in the number of data servers installed.



London, United Kingdom

The London EMS team was unable to meet its facility energy use target because of unforeseen circumstances. Decreasing electrical consumption has been a challenge because of faulty electrical meters and heating issues. Efforts to improve will continue in 2012, particularly as the office transitions to a new location.

Business Travel

As our business expands, so does our travel footprint. CH2M HILL employees commute to work and travel to conduct both client and internal business—by personal vehicle, fleet and project vehicle, rental car, airplane, bus, ferry, rail, bicycle, and on foot. For an organization like CH2M HILL that seeks to bring technical experts to projects all over the world, this is a difficult metric. Travel that brings our best minds to global projects may actually produce a greater benefit to sustainability megatrends by developing new, more innovative sustainable solutions that arise from direct collaboration. Travel is an imperative and essential part of our business, but we continually question whether we can get the same, collaborative and innovative work done in a different way.

By offering a full suite of videoconferencing and virtual meeting tools, CH2M HILL has sought to reduce travel, find ways to build effective teams while controlling travel costs, and improve work-life balance by allowing employees to travel less. CH2M HILL executives are using LiveMeeting on a regular basis, and CEO Lee McIntire and other executives offer quarterly updates using video conferencing. Throughout our offices in all regions, we have increased usage of Microsoft Communicator to reduce the necessity of travel for meetings. We also collaborate with clients to cost-effectively manage meetings by evaluating together when face-to-face meetings are needed and when technology tools could meet the same need.

With all of the project and community variables, it is difficult for us to measure the effectiveness of our efforts surrounding business travel. However, we can track our air miles traveled and create a culture of environmental consciousness surrounding the impacts of travel. For example, our air travel booking tool displays the emissions associated with each flight when U.S. employees book travel online with our travel service provider. We conduct annual commuting surveys, conduct a 1-week awareness campaign every year on alternative transportation modes, and sponsor a firmwide bike-to-work day. CH2M HILL's efforts to minimize business travel fall into two main categories: air and ground business travel and employee commuting, which includes teleworking.

Bike to Work Day: 1,120 miles strong

CH2M HILL holds an alternative transportation "Try It" week to encourage employees to experiment with different commuting modes. Our second annual Try-It Week culminated in Bike-to-Work Day on Friday, May 20, 2011. A total of 53 employees in 16 offices participated in Bike-to-Work Day and logged 1,802 kilometers (1,120 miles). Over half of those who participated are not regular bicycle commuters. This year marked the first Bike-to-Work Day outside of North America (U.S., Canada, Italy, and the United Kingdom participated). Employees supported Try It Week and Bike-to-Work Day in many ways, including free bus tickets for the week, carpool interest sheets, a limited week parking pass for newly formed carpools, and increased availability of area pedestrian and bicycle maps.

Air and Ground Business Travel

As we bring technical specialists to projects all over the world, we need to balance the need to bring the right person to the job with the reality of the footprint from corporate air travel. Both the North America and Australia EMS programs have tracking systems in place for travel and the EMS teams work to raise awareness of when travel is appropriate and when virtual meeting technologies could be applied effectively.

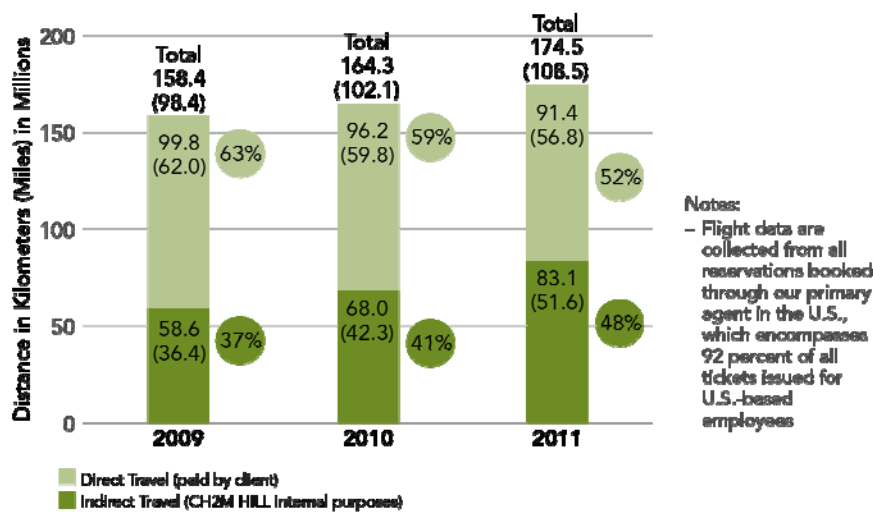
North America

The CH2M HILL Corporate Travel Department tracks both indirect (overhead) and direct (client billable) miles flown for annual reporting. Flight data are collected from all reservations booked through our primary agent, which encompass 92 percent of tickets issued to U.S. employees. Travel by employees may be to U.S. or international destinations.

In 2009, the effects of cost-cutting measures and the recession clearly showed a significant decrease in total travel for the firm. Those results have been difficult to sustain year over year in a growing business. In 2010 and 2011, the miles flown by U.S. employees continued to increase as the economy improved. In 2011, indirect travel totaled 83 million kilometers (51.6 million miles), an increase of 15.1 million kilometers (9.4 million miles or 7 percent) over the previous year.

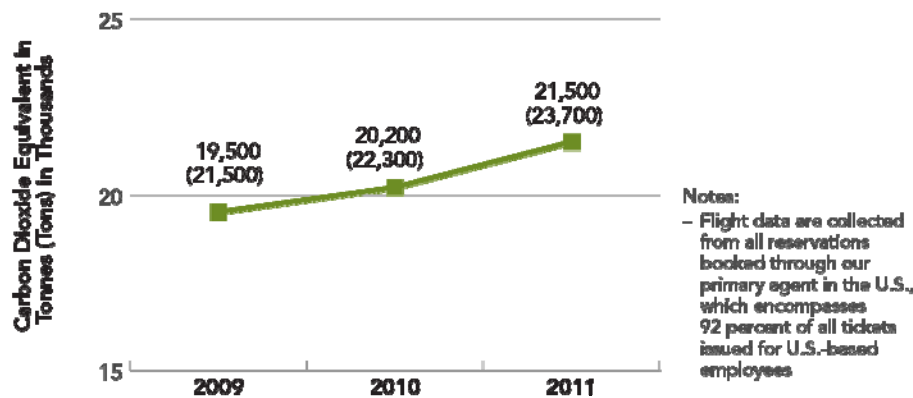
Total Distance Flown for U.S.-based Business Travel

EN17, EN29



Carbon Emissions from U.S.-based Air Travel

EN17, EN29



In 2011, CH2M HILL began collecting data on U.S. employee business ground travel. Data were not available to differentiate between indirect and direct travel purposes, so both are included. Business ground travel by U.S. employees totaled 19.0 million kilometers (11.8 million miles) and 5,704 tonnes CO₂e (6,288 tons CO₂e).

The CH2M HILL Travel Department continues to promote awareness and responsible choices through program communication, company policies, and the integration of suppliers that employ sustainable business practices. At the same time, our Information Technology group makes sure technologies are in place for virtual meetings. In 2012, the group plans to offer training on videoconferencing and other collaboration tools to help expand the use and adoption of the technology.

Australia

In 2009, CH2M HILL began collecting data for indirect and direct business air and ground travel by Australia employees. In 2011, total miles flown by Australia employees was 2.3 million kilometers (1.5 million miles), resulting in 398 tonnes CO₂e (439 tons). Australian hire car business ground travel totaled 0.1 million kilometers (0.08 million miles), resulting in 37 tonnes CO₂e (41 tons).

Employee Commuting—North America

CH2M HILL expanded its third annual employee commuting survey to 21 of the largest offices in North America that are either located in areas with impaired air quality or participate in local transit management programs. Of the 21 offices surveyed in 2011, we found that 67 percent of the weekly commute trips by employees are in a single-occupancy vehicle (a decrease from 69 percent in 2009 and 2010). The top three alternative forms of transportation are teleworking, public transit, and carpools; in fact, 2011 was the first year when teleworking outranked public transit as the top mode of alternative transportation. All U.S. employees have access to a program to use pre-tax dollars to pay for transit passes, and in 2011, bicycle benefits were added to the program. The program allows enrolled employees who commute by bicycle to receive a voucher for US\$10 to US\$20 per month for bicycle-related equipment or repairs.

In 2011, CH2M HILL began estimating GHG emissions associated with employee commuting data collected in North America. In 2011, North American employee commuting emissions for all employees were 20,431 tonnes CO₂e (22,521 tons).

The EMS alternative transportation leaders set a target to reduce vehicle miles traveled (VMT) in two offices by 5 percent; however, the target was not implemented successfully. In 2012, the team decided to try a different approach by supporting employee transportation coordinators (ETCs) for alternative commuting programs in five offices to see what types of programs are most effective before setting targets for VMT reductions. Several of our larger offices already have volunteer ETCs in place who work with local transportation management associations to provide commuter information and benefits, such as a “free ride home” program if employees miss public transit or have an emergency.

Teleworking and Flexible Work Schedules

CH2M HILL has strongly promoted full-time and part-time teleworking as a method to reduce our environmental impact. Last year, we increased teleworkers by 30 percent beyond 2010, ending the year with a total of 874 teleworkers, which reduces our leased footprint and saves energy. CH2M HILL also offers flexible work schedules, allowing employees to work full-time hours in

fewer days and reduce the amount of commuting. In 2011, CH2M HILL reduced 145,352 square feet of permanent leased office space, and the portion of that attributable to teleworking is 45,870 square feet.

Some offices are designed to exclusively support teleworkers and a mobile workforce. These offices feature a “touch-down” model, whereby employees do not have assigned work spaces. They work from home part of the time and come into the office occasionally for meetings.

Client Services Footprint

Mitigating the Environmental Impacts of Our Services

In collaboration with our clients, CH2M HILL offers sustainable design services that improve our built environment. For more information about these services, the projects where we have actively helped our clients reduce their impacts on the built environment, and the people who make it possible, visit [Sustainable Solutions](#). We offer sustainable solutions across a broad range of services, from remediation to climate change adaptation, and work throughout the energy-water-food sustainability nexus. From all of that work, we select a few service areas to focus on in this report. We discuss specific service areas where we have implemented programs to measure our environmental impacts and metrics accurately across a portfolio of projects and programs. We also report on projects and programs where we have operational control.

In this section we explain the sustainability impacts of our green building design and construction practice and facility operations and maintenance, as well as tools that help our clients and others to evaluate sustainability for Greenroads™ and sustainable highways. We also take steps towards improving oil and gas project facilities that we manage, and we list the awards that our projects and clients have earned.

Documenting Green Projects

After nearly 10 years of successful green building design, we established a database in 2010 to document our green projects. CH2M HILL ranked number 7 on the ENR Top 100 Green Design Firms list in 2011, and we have gathered these projects into a database to assess our environmental performance across this portfolio of services. We include projects that have received green building certifications such as LEED®, BREEAM®, Greenroads™, and Estidama, or projects that conform to these standards but may not have achieved certification. From projects collected during the past 2 years, we have documented savings of more than 11.7 million kilowatt-hours of electricity, 295,000 therms of gas, and 195.5 million liters (52.2 million gallons) of water annually. In collaboration with our clients, we diverted 58,000 tonnes (64,000 tons) of construction waste from landfills, restored 52 hectares (129 acres) of habitat, and created 6.5 megawatts of onsite power generation.



"It is important to understand that sustainable design practice means more than just LEED certification. We do a lot of LEED-certified design work, but that's a small part of the sustainable work we do."

—Ed Pieterick, Sustainable Practice Leader, Government Facilities & Infrastructure

Assisting Clients with Facility Operations and Maintenance

In 2009, CH2M HILL began a sustainability pilot program with our western U.S. municipal operations and maintenance clients to reduce operational impacts at water treatment plants and other facilities, separate from our North American EMS. Since we operate these facilities, we have a unique opportunity to be part of the day-to-day decision-making at varying levels of responsibility based on the contract. The program leverages the passion and ingenuity of our project employees to develop site-specific sustainability goals such as efficiency improvements, community projects, and wildlife habitat improvements. The Operations & Maintenance Business Group's Project Sustainability Pilot Program resulted in the reuse of 2.1 billion gallons of effluent, diversion of 5,600 tons of waste, and savings of 1.4 million kilowatt-hours of electricity, almost 12,000 gallons of chemicals, and a total of US\$1.2 million in catalogued savings—efforts that earned the company a 2011 National Association of Water Companies Management Innovation Award.

After seeing the outstanding results of the pilot program with 45 projects in the western U.S., the CH2M HILL Operations & Maintenance Business Group decided to make this program standard practice at all locations in 2011, representing more than 150 projects. Focusing on continuous improvement, each project site developed three new goals to capture and promote sustainable best management practices. The sustainability program engaged 110 sustainability champions who mobilized nearly 2,500 volunteer hours, resulting in impressive triple bottom line achievements. Highlights from 2011 included 660 tonnes (650 tons) of waste diversion, 1.9 million cubic meters (5 billion gallons) of beneficial effluent reuse, 5 ecosystem enhancement programs implemented, and US\$1.2 million in documented savings. The collective impacts of these goals are visually documented in a 2011 Operations & Maintenance Sustainability Summary to help our clients and employees better understand how their efforts have resulted in significant impacts that advance our environmental, social, and economic goals.

Water Conservation Strategies for Clients provides more information about the significant steps CH2M HILL has taken to conserve and reuse water in our western U.S. operations.

Siemens Sustainable Community Honorable Mention

The City of Fayetteville, Arkansas, and CH2M HILL earned an Honorable Mention in the Siemens Sustainable Community Awards program, a partnership between Siemens Corporation and the U.S. Chamber of Commerce Business Council. The award recognizes communities that demonstrate overarching economic and environmental sustainability.

CH2M HILL operates and maintains Fayetteville's two wastewater facilities and is a long-time partner on the community's sustainability programs. Together, Fayetteville and CH2M HILL have implemented a wide variety of sustainability improvements, from community collaboration and physical improvements at the wastewater plant itself to environmental improvements at the grounds. Overall, the improvements have decreased emissions, lessened fossil fuel use, diminished waste, and reduced annual operating costs for the City by at least US\$43,000.

Community collaboration highlights include establishing and updating long-term sustainability goals in City Plan 2030 and hosting a sustainability summit for residents and businesses. At the wastewater treatment plant, collaboration with the University of Arkansas led to advanced technologies to reduce energy consumption and save US\$30,000 per year in liquid oxygen and electrical reductions; this technology is now publicly available and can be applied worldwide. Other plant improvements reduced pollutant emissions to an average of 75 percent under NPDES

permit requirements through sustainable practices and process control. The City also created a 13.3-acre wildlife habitat on wastewater plant grounds with native plants certified by the National Wildlife Federation that include plant species to support wildlife; a bat colony roosting box; Eastern Bluebird nesting boxes; and a walking trail for citizens. To reduce GHG emissions, the plant implemented a no-idling policy, uses bicycles to transport staff throughout the site, and reduced exterior lighting by 46 percent, resulting in an annual savings of 47,085 kilowatt-hours. Switching to reusable mugs has prevented 1,200 Styrofoam cups from reaching landfills yearly, while eliminating bottled water has created US\$2,160 direct cost savings.

The Fayetteville-CH2M HILL partnership has been recognized with numerous honors, several focusing specifically on sustainability efforts, including awards from the U.S. Conference of Mayors and the National Council for Public-Private Partnerships.

Other Facility Operation and Maintenance Awards

- **American Academy of Environmental Engineers Excellence in Environmental Engineering Award, Albuquerque Bernalillo County Water Utility Authority's San Juan-Chama Drinking Water Treatment Plant**, which diverts and treats surface water rather than groundwater, providing a sustainable water supply for future generations (2010). CH2M HILL shared an *Environmental Business Journal* Business Achievement Award with the County for the Albuquerque Water Resources Management Strategy program (2009).
- **Environmental Business Journal Business Achievement Award, Brightwater Wastewater Treatment Plant**, for design of the largest membrane bioreactor installation in North America (2012).
- **National Association of Clean Water Agencies (NACWA) National Environmental Achievement Award, Douglas L. Smith Middle Basin Wastewater Treatment Plant Solids Improvements Project, Johnson County, Kansas**, for outstanding initiatives in wastewater treatment plant operations that are both cost-effective and environmentally sound (2010).

Greenroads™ to the Future

As one way to measure and mitigate the effects of transportation infrastructure, which is one of our primary service areas, CH2M HILL developed the **Greenroads™** rating system in partnership with the University of Washington. Environmental problems from roads include pollution, noise, advancement of sprawl, and degradation of natural habitat. Greenroads™ quantifies sustainable practices associated with the design and construction of roads. A Greenroad™ is defined as a roadway project that has been designed and constructed to a level of sustainability that is substantially higher than current common practice.

The foundation has rated more than 120 projects around the world; more than 20 projects are registered or pending registration in five states and Canada. In February 2012, the Greenroads Foundation certified the world's first Greenroad™, the Meador Kansas Ellis Trail in Bellingham, Washington. The project met the Greenroads™ silver certification standards, which represent a significantly higher level of sustainability than the typical road project. The Meador Kansas Ellis Trail spans six blocks of downtown Bellingham and it represents the final link of the popular Whatcom Creek recreational trail. The City of Bellingham incorporated many sustainable elements into the project's design, such as recycled porcelain aggregates from more than 400 crushed toilets; asphalt with recycled content; porous pavements that naturally treat runoff; and low-energy light-emitting diode (LED) street lighting. For the Greenroads Foundation, the certification represents the

culmination of a 5-year process to research, develop, and implement a sustainability rating system for the roadway industry.

Substantial interest is developing for further international and domestic use. CH2M HILL is working with the Municipality of Abu Dhabi to develop a version of the rating system for use, and we recently finished and delivered a version of the rating system to the National Road Agency in Ireland. The Greenroads Foundation has established a collaboration with an African consulting firm to develop a version of Greenroads™ for southern Africa.

Sustainable Highways Self-Evaluation Tool

As prime contractor to the Federal Highway Administration (FHWA), CH2M HILL developed the [FHWA Sustainable Highways Self-Evaluation Tool](#). This evaluation tool is unique because it accounts for the full life-cycle of highways, including system planning, project development, and operations and maintenance of an entire network. FHWA released the pilot test version, specifically for testing projects, on Earth Day, April 22, 2011. Now called the “Infrastructure Voluntary Evaluation Sustainability Tool,” INVEST is a practical, web-based collection of best practices that allow states to integrate sustainability into their transportation projects. The use of the tool is voluntary and can be used by states or other project sponsors to measure the sustainability of their projects. Version 1 of INVEST is scheduled for release in the spring 2012.

Improving Sustainability at Oil and Gas Facilities

When CH2M HILL acquired oil and gas contractor VECO in 2007, we also acquired over US\$200 million in capital assets in Alaska and Russia—real estate, 2,000 pieces of equipment, 350 fleet vehicles, and industrial facilities. In the past few years, we have been making changes to these operations to reap environmental benefits and cost savings that will continue for years to come.

Most of our buildings, equipment, and industrial facilities are in extreme locations, such as Deadhorse, Alaska, along the North Slope near the Arctic Ocean (2 hours by plane from Anchorage). The extremely low temperatures in such Arctic locations pose unique challenges in implementing environmental improvements, yet in 2011 we implemented a variety of sustainable solutions throughout our Alaska facilities. For example, by replacing two 1980s-era boilers that serviced the fabrication facility and main camp in Deadhorse, CH2M HILL reduced natural gas consumption while improving reliability and safety. Similarly, replacing more than 250 old windows and a 55,000-square-foot roof resulted in functional safety egress, improved insulation and noise control, leak prevention, and a dramatic drop in heating costs.

A significant study is underway at our Alaska facilities to assess our fleet vehicles. To meet new USEPA standards for heavy diesel-powered machinery and reduce the amount of particulate released to the environment, many companies are struggling with decisions on whether to rebuild their older fleets to save money or buy equipment with new, still-evolving technology with unknown maintenance and operating impacts. We are conducting trials with leased equipment to ensure the technology can reliably operate without affecting maintenance or driver safety for extended periods of time in extremely cold temperatures. After seeing positive results, we plan to invest in rebuilds with probable acquisition of some new tractors and equipment in 2012. In addition, we converted approximately 10 percent of our light-duty fleet vehicles from diesel to gas in 2011, reducing idle time, purchase cost, and maintenance, while providing more reliable startups and a safer workplace. CH2M HILL has also been test-driving a new propane-powered Ford F250 for Roush CleanTech in

Arctic conditions and we have been impressed with its reliability and low maintenance. Sourcing fuel for such a vehicle at our remote locations can be a challenge; however, this is one opportunity that could help us in the future.

Project Awards

The following list reflects the environmental awards earned by our projects in collaboration with our clients.

- **Federal Highway Administration Environmental Excellence Award, Bizz Johnson Trail Bridge No. 9**, for restoring dedicated bicycle and pedestrian access across the Susan River in Lassen County, California (2011).
- **American Society of Civil Engineers Innovation in Sustainable Civil Engineering Award, Menomonee Valley Industrial Center and Community Park project**, for promoting innovation in design and construction that advances the economic, social, and environmental principles of sustainability and for extending development and public understanding of sustainability in engineering design, construction, and operations (2011). This project has also won several other awards: Design Excellence (Urban Excellence Award), Engineering Excellence (ACEC), Economic and Community Development (IEDC, *The Business Journal*), and Brownfield Redevelopment (2009 Phoenix Award).
- **U.S. Fish & Wildlife Service Transportation Environmental Stewardship Excellence Award, State Route 79 Realignment Project Resource Agency Group**, in recognition of their partnership and commitment to protecting the Salt Creek Plain while meeting the increasing transportation demands of the region (2010).
- **Association of Canadian Engineering Companies Tree of Life Award and Award of Excellence—Water Resources, Pine Creek Wastewater Treatment Plant**, for outstanding environmental stewardship and excellence in environmental engineering and design. The project also won an Excellence in Environmental Engineering Award from the American Academy of Environmental Engineers (2010).
- **Sustainable Architecture & Building Canadian Green Building Awards, Shepard Wetlands Environmental Education Centre**, which is part of an overall stormwater management initiative to improve the quality of stormwater entering the Bow River (2011).
- **Business Commitment to the Environment Environmental Leadership Sir Peter Parker Award, London 2012 Olympic and Paralympic Games**, for minimizing environmental impacts of new venues and infrastructure, from procurement of suppliers and design of projects to construction work (2011).
- **CEEQUAL Outstanding Achievements Awards, London Olympic Park**, honored in three Outstanding Achievement categories, one of which was Overall-Project Environmental Management section (2011). CEEQUAL is the United Kingdom-based assessment and awards scheme for improving sustainability in civil engineering and the public realm (2011).
- **U.S. Department of Energy Environmental Management Sustainability Awards, Hanford Nuclear Waste Site**, received awards for 10 projects, including Best in Class Awards for SAM940 upgrades and maintenance and storage building modifications, and Honorable Mention Awards for wireless components in pump-and-treat groundwater treatment systems and super dump trucks (2011).

- **American Academy of Environmental Engineers Excellence in Environmental Engineering, Superior Achievement Award, Environmental Sustainability: Albany/Millersburg Talking Water Gardens**, a 39-acre functional wetlands system that provides cooling and additional natural treatment before water is discharged to the Willamette River in Oregon (2011). This project also won the American Public Works Association Julian Award for Sustainability (2011) and the USEPA Pisces Award (2011).
- **American Academy of Environmental Engineers Excellence in Environmental Engineering, Environmental Sustainability: Clayton County Water Authority Sustainable Water Supply project**, an innovative water recycling system that uses built wetlands and reservoirs to treat and supply water to a densely developed urban area (2011).
- **CCBJ Business Achievement Award, Renewable Energy, Niobrara Energy Park**, for developing new concepts of integrated conventional and renewable energy facilities in Colorado and Nevada (2011).
- **Diesel and Gas Turbine Worldwide, World's Best Power Plants, Darling Downs, Australia**, incorporated strong sustainability elements to reduce water consumption and cut GHG emissions (2011).
- **National Council for Public-Private Partnerships Service Award, City of Fayetteville, Arkansas**, for our partnership with the City in community outreach programs, green education conferences, and sustainable practices (2011).
- **CCBJ Business Achievement Award, Renewable Energy, Solar America Communities Program**, for supporting the U.S. DOE's Solar America Communities program to accelerate the adoption of solar energy in 25 U.S. cities. CH2M HILL developed a web-based Solar Mapping tool that allows a city's residents to assess the precise solar potential of each building in a neighborhood, rooftop by rooftop, through a combination of aerial imagery and advanced 3-D modeling, providing a proven method of jump-starting the conversion to solar energy (2012).
- **CCBJ Business Achievement Award, Renewable Energy, Star Peak Energy Center**, which targets development of geothermal, solar, and wind power and utility-scale energy storage on 10,000 acres of land approximately 110 miles north of Reno, Nevada (2012).



Society

Society Overview

If the goal of sustainability is to deliver a healthy planet into the hands of future generations, the social aspect of sustainability is an essential dimension for action. At the global level, increased population growth and urbanization are putting added pressure on the environment. At the same time, heightened public awareness has led to a proliferation of organizations that address climate change and other sustainability issues. We are seeing unprecedented levels of volunteerism and personal engagement with the issues, both within our own ranks and in the communities where we work.

As a corporation, we support the social well-being of communities in developing parts of the world through nonprofit organizations such as Water For People and Engineers Without Borders – USA. As part of our [consulting work](#), we are helping communities and companies around the globe identify forward-looking, low-impact ways to plan and construct infrastructure and meet natural resource needs. Some of our most rewarding projects involve helping communities work through conflicting agendas and bewildering technical options to plan a path to the future. As a leading, ethical employer, we put a strong emphasis on health, safety, and wellness, and we encourage diversity and equal opportunity for all staff throughout the enterprise in their career development.

Health and Safety

CH2M HILL is committed to promoting a culture of safety throughout our firm. We expect employees to value safety and to take responsibility for their own behavior and for the behavior of every employee around them.

Our formal HSE management system is integrated into our business and project delivery processes. Our Target Zero culture is found throughout all levels of CH2M HILL: everyone strives for zero injuries and illnesses, as well as zero adverse environmental impacts. All employees are empowered and expected to provide feedback on our health and safety program.

We continually promote our Target Zero culture through our HSE communications program. We produce and distribute communications that highlight our progress with key programs such as Office Safety, Ergonomics, and Environmental Compliance. Every June, we celebrate Global Safety Month with a video message from CEO Lee McIntire, followed by weekly communications on current health and safety topics. We publish short summaries of incidents, called “Lessons Learned,” including near misses, so that our employees can apply the information in a timely way and prevent a similar occurrence. To reach a wide audience or to target specific groups of employees, we use a combination of Virtual Office (CH2M HILL’s intranet) stories, posters, videos, and e-mails. We have developed and maintain a library of communications on the HSE Web site to provide our employees with information on a variety of topics they can use to help them stay informed and maintain their focus on safety. To herald our Target Zero achievements, we honor exemplary HSE performance by individuals, groups, and projects by presenting HSE awards and sharing these accomplishments throughout the company in Virtual Office articles.

In our 103 North American offices, a trained office safety coordinator conducts a comprehensive monthly audit at each office to ensure that regulatory compliance and minimum

physical standards are met. Verification of these measures is tracked through the completion of a comprehensive master HSE Task Tracking log. Additionally, these office safety coordinators are responsible for emergency preparedness at each office location, which includes verifying that at least 10 percent of office personnel are trained in frontline safety measures and conducting various quarterly emergency preparedness drills. Office safety coordinators also coordinate office moves and reconfigurations, select the subcontractors, request the safety plans, and carry out training and oversight during such events.

Office emergency responders are trained in First Aid, cardiopulmonary resuscitation, and the use of automated external defibrillators. They also serve as both medical first responders and fire wardens. They conduct severe weather drills, ensure that offices are prepared for emergency security situations, and make safety information and personal protective equipment available to employees and guests, thereby reducing the need to use state/local first responders.

Ergonomics is an important aspect of our health and safety efforts. To promote employee ergonomics awareness, communications are published throughout the year. Employees can request ergonomics support at any time through an online Ergonomics Self-Evaluation Worksheet, or employees may call the ergonomics phone message system. Ergonomics requests are reviewed each day, and our goal is to respond to employee requests within 24 hours. Employees receive assistance with adjustments to their work station, obtain needed equipment, and receive information on alleviating any discomfort they may be having. Business groups may require employees to complete an ergonomics evaluation periodically.

In 2011, more than 2,000 ergonomics evaluations were performed, with approximately 1,600 ergonomics risk factors eliminated. The goals are to eliminate employee discomfort related to the employee's work station and enhance employee productivity and work quality.

Injury Rates

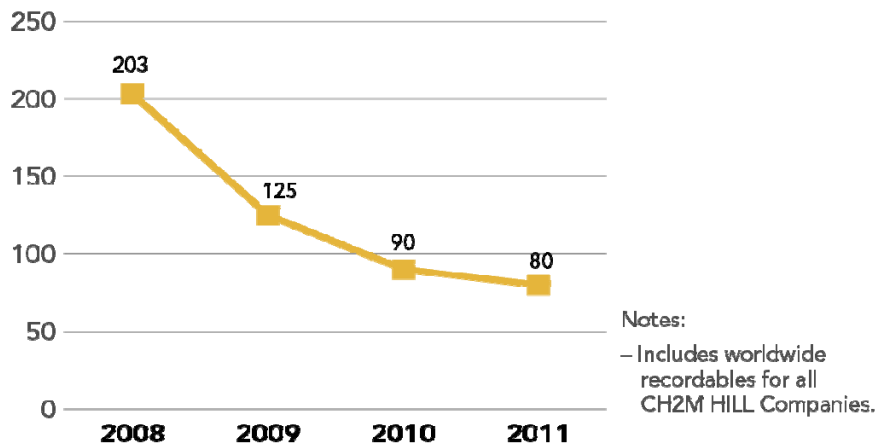
Our recordable and lost-time incident rates continue to decline. The 2011 employee recordable incident rate for CH2M HILL's global family of companies was 0.39 incident per 200,000 hours worked, 61 percent lower than the U.S. industry average of 1.0 (based on the 2010 data published by the U.S. Department of Labor, Bureau of Labor Statistics for Engineering Services North American Industry Classification System code 541330, which includes the majority of CH2M HILL companies).

The 2011 employee lost-time incident rate for CH2M HILL's family of companies worldwide was 0.12 incident per 200,000 hours worked, 70 percent lower than the U.S. industry average of 0.4. No CH2M HILL company had any occupational fatalities, whether employees or subcontractors, in 2011.

CH2M HILL applies Occupational Safety and Health Administration (OSHA) standards and best safe work practices, as well as local required standards, in all countries where we do business, even though these standards are required only in the U.S.

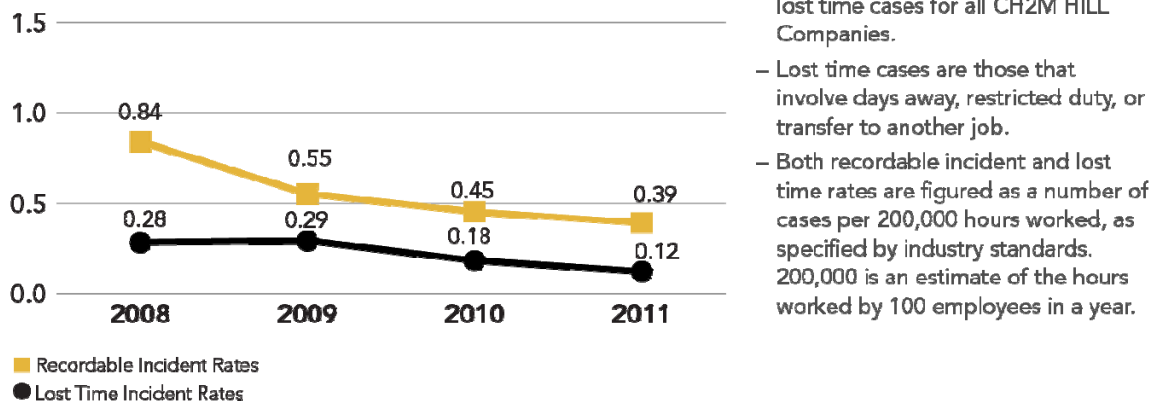
Number of Recordable Incidents for CH2M HILL Family of Companies

LA7



Recordable and Lost Time Incident Rates

LA7



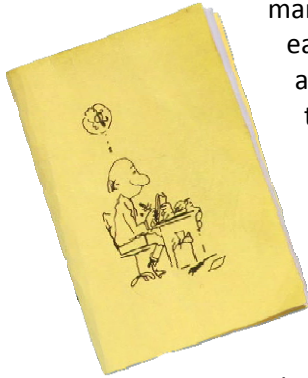
Safety Awards

CH2M HILL has received a number of awards for the company's safety performance. A few examples of these awards follow:

- **Royal Society for the Prevention of Accidents, Occupational Health and Safety Gold Award**, given to CH2M HILL's Singapore office for its commitment to accident and ill health prevention (2012).
- **National Safety Council (NSC) Corporate Culture of Safety Award**, given to only seven companies in the U.S., honoring the firm for receiving more than 50 NSC awards in 2011. (In 2011 alone, CH2M HILL received 221 awards from 121 locations) (2011).
- **NSC Occupational Excellence Achievement Award, Multiple Locations**, in recognition for having no recordable injuries or accidents on multiple site locations (2011).
- **U.S. Department of Energy, Voluntary Protection Program Star Award, Idaho Cleanup Project**, for exemplary safety programs with excellent safety systems and processes and employee involvement (2011).

Ethics

CH2M HILL was founded by remarkable professionals who put honesty and integrity above all else. Each generation since has built on that solid footing. CH2M HILL's unwavering commitment to management with integrity and corporate responsibility dates back to the early days in our history, when the company's co-founder, Jim Howland, authored the *Little Yellow Book*. The *Little Yellow Book*, known and beloved throughout the organization for its commonsense advice and simplicity, is legendary among CH2M HILL's current and former employees. Its simple wisdom is often quoted in company meetings and casual conversations as a way to confirm the core values of how CH2M HILL does business.



As a companion to the *Little Yellow Book*, we developed our *Employee Ethics & Business Conduct Principles* (our employee code of conduct). This work builds on simple and lasting concepts of the *Little Yellow Book* and translates them into clear policies and aspirational, value-based guidance for behavior that is expected from those who work for CH2M HILL. The Principles guide our employees through complex ethical decisions that must be made every day in the ever-changing global marketplace.

Our *Employee Ethics & Business Conduct Principles* is a living document that is periodically updated to reflect our changing business and evolving regulatory environment. It combines all CH2M HILL ethics and compliance policies and offers tools and practical advice on what to do when an employee encounters all too common ethical dilemmas in the workplace. Our new and seasoned employees, wherever they are based, are required to review the Principles annually and take a training course and quiz on the key components embedded in the document. As a condition of employment at CH2M HILL, our employees are also required to affirmatively attest their commitment to follow these *Principles*. The standards encompassed in the *Employee Ethics & Business Conduct Principles* are published in the nine languages most commonly used by CH2M HILL employees and are available on our intranet and on our Web site.

In 2011, we established and implemented a set of ethics and conduct principles for our suppliers, subcontractors and our business partners that are complementary to the employee ethics and conduct principles. The new *Supply Chain Ethics & Business Conduct Principles* and a companion Supplement for U.S. Government Work serve as the standard of expectations for entities that wish to work with CH2M HILL. Our suppliers, subcontractors and business partners must agree to comply with *Our Supply Chain Ethics & Business Conduct Principles* when registering and submitting their qualifications as a potential business affiliate. The terms and conditions of agreements to perform work with us for our U.S. Government customers directly incorporate the *Supply Chain Principles*.

Employee Reporting and Communications

Knowing that vigilance, transparency, access without fear of retribution, and oversight are imperative to ensuring that our employees around the world have the information and support they need to make difficult ethical decisions, we have instituted a variety of tools and educational programs.

The GuideLine, our confidential hotline, is a versatile phone- and web-based tool that employees and members of our supply chain can use to seek guidance, discuss ethical concerns, or report potential violations or laws or policies. *The GuideLine* is available 24 hours a day, 7 days a week,

365 days a year, anywhere in the world and offers users the choice of complete anonymity without fear of reprisals. The web-based hotline tool is also available in a smart-phone mobile app version and can be accessed in more than 75 languages. All contacts through *The Guideline* are investigated and addressed by a team of trained professionals whose objective is to make sure that the company does the right thing and deliver services to our clients with integrity.

In 2011, we received 213 contacts via *The Guideline*, which is an increase of 22 percent year over year. Of the 213 matters reported, 44 percent were Human Resources-related (categorized as harassment, discrimination, or employee relations), down from 56 percent of the year's total for 2010. We believe this drop results from the partnership between our Human Resources and Legal teams to upgrade our employee relations practices and processes as well as our renewed focus on proactive performance management and employee communication. This group actively trained managers and supervisors to recognize and address problems early, before the issues escalated, and communicated clearly to employees around the world.

By increasing employee awareness of our expectations on how CH2M HILL does business with integrity and by including open discussions about importance of ethics and integrity as a marketplace differentiator for CH2M HILL, we are seeing greater employee engagement in how we do business all over the world. This employee engagement is evidenced by an increase in the use of *The Guideline*, for example, to report concerns and ask questions on the best way to address ethical challenges. We are encouraged by these increases, as they speak to greater awareness among our employees about CH2M HILL's expectations in the ethics and compliance arena and the confidence employees have in our confidential reporting system. Moreover, the rise in contacts to *The Guideline* gives us an opportunity to assist our employees in making sound decisions before any action is taking instead of expanding time and energy on damage control after a wrong decision is made.

Regular messaging from senior leaders in the firm about our business ethics and expectations on how CH2M HILL does business—including featured news stories, reminders, links, in-house social media, and face-to-face and e-mail-direct communications—keeps our Ethics program highly visible every day. In addition, CH2M HILL has declared May as Ethics Month, and we take the opportunity through increased communication to heighten awareness among our employees about our expectations relating to how business is done at CH2M HILL, such as through this video to employees. As CEO Lee McIntire has said, "How we do business is just as important as how much business we do."

Another important component of the ethics program at CH2M HILL is our Ethics Ambassador program, launched in December 2010. It provides employees with direct access to local senior leaders who understand how business is done in local geographies and are able to translate our expectations about doing business with integrity into the local commercial context. Our Ethics Ambassadors are respected by their local peers and are perceived as safe and reliable sources of information and guidance. Today we have over 175 of these critically important subject matter experts who serve in more than 90 locations throughout our vast international footprint. They are

present in every major office and at every major project site and are an additional resource for ethics questions and guidance, offering a reliable way to connect our employees in the field to the home office, where ethics policies are set and preventive measures are enforced to ensure compliance. One of our Ethics Ambassadors, Tom Searle, cites his family history in Belize as the source for his ethical compass, and has presented corporate social responsibility perspectives at international forums.



“Ethics and integrity are essential to who we are as a company. These core values were established by our company founders in 1946 and have been continuously championed by every generation of leaders since. Common sense tenets, like ‘Integrity is the all-important prerequisite to employment; the person must be honest with himself and others or we have no foundation on which to build,’ are woven into the fabric of our culture and guide the actions of our employees. At CH2M HILL, being ethical is not about checking the box or filling out a form, it is who we are and how we do business.”



—Margaret McLean, Senior Vice President, Chief Legal & Ethics Officer

Anti-Corruption Policies and Procedures

CH2M HILL has operations in more than 50 countries on 5 continents, where we support private and public customers and do work for U.S. and other national and local governments. Since we do business in some of the most difficult places on the planet (as rated by Transparency International), our anti-corruption program is a cornerstone of our Employee Ethics & Business Conduct Principles and we train our employees and educate our supply chain on how to avoid corruption pitfalls that are common in many places around the globe. Wherever our work takes us, we follow our company’s core values for ethics and integrity. As a matter of principle, we neither seek nor are interested in attracting business through corrupt means. CH2M HILL conducts rigorous legal, ethical, and risk-based assessments as part of our standard procurement selection process. Our procurement procedures and policies on gifts, entertainment, and hiring political consultants govern how we engage with anyone who potentially could provide access or influence in helping us secure work. Before a political consultant is hired, we require thorough due diligence and senior executive review.

As part of our risk management process, we engage with each of our business units to keep them aware of the risks of corruption in jurisdictions where they work. This process includes training and providing easy access to tools and advice. For those business units with extensive project commitments in countries known for high corruption risk, we perform specialized training and periodic audits. We routinely engage with our business units in open and frank communication about the risk of corruption, how to recognize red flags that might be evidence of possible corrupt business activities, and what to do when employees become aware of corruption risk. CH2M HILL’s anti-corruption policies are reviewed and updated periodically to reflect the latest developments in laws and best practices on the subject. This is particularly important in countries that rank high on the Transparency International Corruption Perceptions Index.

We provide training on issues raised in the US Foreign Corrupt Practices Act, United Kingdom’s Bribery Act, and other similar anti-corruption mandates from jurisdictions where we do business. Additional anti-corruption training is provided as part of our project-specific risk management and mitigation planning. All senior employees also receive training focused specifically on corruption, conflicts of interest, and ethics and compliance in general.

When a corruption-related allegation is reported through our hotline or other tools, it is investigated by a multi-disciplinary team that includes representatives of legal, internal controls, and when necessary, forensic accounting staff. The investigation team obtains the relevant facts through document review, in-person interviews, and review of available computer data and arrives at an independent unbiased conclusion regarding the veracity of the complaint. Disciplinary and re-

training actions are taken quickly by management, if necessary, based on the recommendations made by this specialist team.

Government Participation and Lobbying

Public policy creates business opportunities and challenges that affect CH2M HILL and our customers. Our Government Affairs team promotes the business and professional interests of CH2M HILL and its employees and customers at national (including U.S. federal), state, provincial, and local levels. The team focuses on our business interests, important issues to the engineering and construction industry, and issues that affect the general quality of our communities. These government affairs professionals are responsible for managing firm-wide legislative initiatives, educating our employees about our ethics and compliance programs associated with political advocacy, supporting business development, managing the company's political action committees, and working with leading professional societies and relevant nongovernmental organizations.

CH2M HILL is actively engaged in staff-level briefings and consultations in the U.S. Congress, executive branch agencies, and state and local governments that address the realities of resource limitations and sustainable solutions to our communities' needs. Our Government Affairs team actively tracks key legislation and regulatory efforts in the areas of water, wastewater, and water resources. Our staff also serves in leadership positions in professional organizations that take positions on these issues, as described in the Public Water Policy section.

The Government Affairs team, in coordination with the Legal Department, carefully evaluates all political consultants with whom the company partners. We are cautious and conservative when selecting individuals to perform a lobbying or business development role on our behalf. We will do business only with those who share our zero tolerance policy for corruption.

Global Engagement

To promote ethics principles as our business imperative and to provide industry leadership on this important issue, CH2M HILL became a founding signatory of the World Economic Forum's



Partnership Against Corruption Initiative (PACI), a member of the UN Global Compact Working Group on the 10th Principle, and a member of the Construction Industry Ethics and Compliance Initiative. Recently, re-enforced our commitment to doing business with integrity by joining more than 480 other leading multi-national companies that are evaluated, ranked and assessed by Swiss-based Covalence, an independent ethics and reputation analyst.

As a testament to these proactive measures and the quality and ethical commitment of our dedicated employees, Ethisphere® Institute has named CH2M HILL one of the World's Most Ethical Companies for the fourth consecutive year.

Human Rights

CH2M HILL has concrete policies in place to respect and protect the human rights of those who work on our projects. It includes a zero tolerance for human trafficking and child labor. The company monitors engagement of suppliers, contractors, and labor brokers for human rights abuses.

We have developed special protocols to screen our labor brokers and vet the members of our supply chain to reduce our risks of inadvertently enabling human rights violations, including child or forced labor situations. If a CH2M HILL business unit contemplates the engagement of a supplier, contractor, or labor broker in a high-risk geographic location, as part of project chartering, we emphasize our expectations on acceptable labor practices and mandate that those who work with us acknowledge their acceptance of our requirements.



Our *Employee Ethics & Business Conduct Principles* includes specific policies about fair labor practices and against the practice of trafficking in persons. We will not knowingly do business with subcontractors, business partners, or suppliers who do not share our standards in this important and challenging area.

CH2M HILL continues to build on our proven track record of doing business in a manner that treats labor fairly. We are working with customers to ensure that international labor standards are met through strategic procurement, contracting, and performance monitoring systems. We use innovative processes and tools, including mandatory contract language and assurance protocols, to address workers' deployment and utilization standards on our projects. In all of these efforts, CH2M HILL strives to lead by example. As we look for new and sustainable solutions to achieve fair labor practices on large infrastructure programs, CH2M HILL is engaging with key stakeholders in the human rights and customer communities around the world.

On joining CH2M HILL, our new employees receive a copy of our *Employee Ethics & Business Conduct Principles*, which clearly outline our expectations about fair labor practices, trafficking in persons, and other important ethics principles of how CH2M HILL does business. As a condition of employment at CH2M HILL, our employees are required to review the *Employee Ethics & Business Conduct Principles* annually and recommit themselves to these rules of engagement by taking an ethics quiz and affirmatively signing an acknowledgement that they will abide by our *Ethics & Business Conduct Principles*, including fair treatment of labor on our projects. In 2011, in furtherance of our human rights and labor practices expectations, we distributed to our major suppliers an updated CH2M HILL *Supply Chain Ethics & Business Conduct Principles*, a companion document to our *Employee Ethics & Business Conduct Principles*.

As part of our training, we empower our employees, at all levels, to seek guidance from senior management directly or through a confidential hotline and to report any suspected human rights violations without fear of retaliation.

Read more about Employee Reporting and Communications at CH2M HILL.

Community Partnerships and Outreach

Corporate Philanthropy

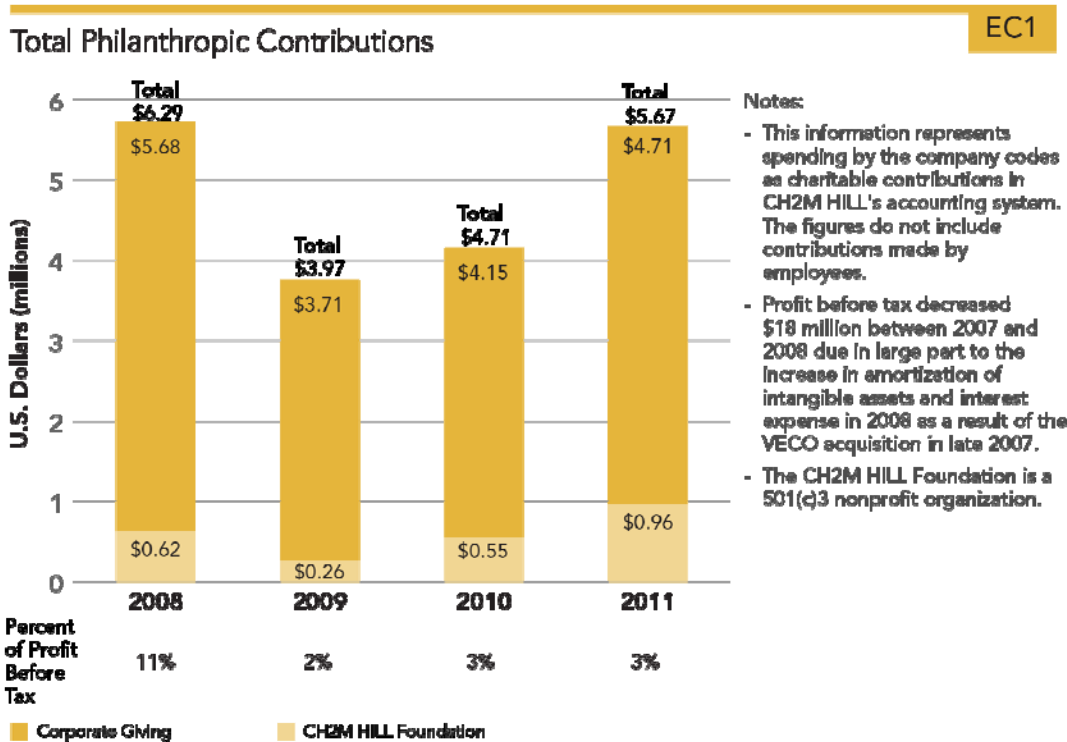
Executing projects to improve quality of life is only part of CH2M HILL's commitment to build and improve our communities. The other part, which is not seen in technical reports or engineering drawings, takes shape in the hands and hearts of our employees. We volunteer time, donate funds, and contribute in-kind gifts to support worthy causes in the communities where we live and work.



“It’s our expertise, our passion, our technical skill that’s an important part of our investment back into our communities. So much of service is in the hearts and hands of our people.”

–Patty Keck, Community Investment Director

In 2011, the Sacramento Business Journal Partners in Philanthropy, recognized CH2M HILL for our philanthropic efforts in the greater Sacramento region.



Engineers Without Borders – USA

Engineers Without Borders – USA (EWB-USA) is a nonprofit organization helping to build sustainable infrastructure and improve the lives of people in developing communities around the world, while training future engineers to be socially responsible and culturally aware. CH2M HILL has supported EWB-USA since 2003.

CH2M HILL and EWB-USA maintain a shared commitment to deliver sustainable solutions while training a new generation of socially responsible and globally aware engineers. CH2M HILL is a founding sponsor of EWB-USA, and we take an integrated approach to our partnership by providing financial, in-kind, and leadership support. Since 2003, CH2M HILL’s financial support has totaled close to US\$1 million and has helped implement water, sanitation, energy, transportation, and other basic engineering projects.

More than 120 CH2M HILL employees volunteer with local student and professional chapters and participate in CH2M HILL’s internal EWB-USA community of practice, which provides a forum to

share ideas and lessons learned on projects. These individuals contribute countless hours to help grow the EWB-USA organization, mentor students, serve as public speakers and ambassadors, and bring sustainable engineering projects to life in countries such as Guatemala, Honduras, Mali, and Rwanda.

In 2010 and 2011, CH2M HILL awarded 12 US\$5,000 scholarships to university students involved with EWB-USA. The scholarships may be used to support students' academic studies or EWB-USA project work. The intent of the scholarships is to support directly the engineering education of future technical talent.

In addition to EWB-USA, CH2M HILL is forging partnerships with Engineers Without Borders organizations in other countries as well, including Panama, Canada, and Brazil.



"Working with groups like Engineers Without Borders is rewarding on both a professional and personal level. The reason that we all went into this profession is to make a difference, and these projects are opportunities to work alongside and get to know the people whose lives you are impacting."

—Candice Hein, Civil Engineer and EWB-USA Volunteer

Read what one of our employees has to say about his work with EWB-USA.

- ◆ **Helping One Little Corner of the World Build a Bridge for Prosperity**, by Todd Wang, CH2M HILL Senior Program Manager

Dollars for Doers

CH2M HILL promotes a culture of service that encourages employees to become active members in the communities where they live and work. To recognize and thank our professionals for their outstanding commitment to community service, we developed a program to support the nonprofit organizations directly with our employees who volunteer their time to serve. The Dollars for Doers Program matches an employee's volunteer time with a financial contribution from the company to the organization that the employee supports.

Through Dollars for Doers, CH2M HILL has contributed more than US\$400,000 to charitable organizations globally since 2010. Dollars for Doers grants have been awarded on behalf of employees in the U.S., Canada, Ireland, Italy, Panama, Brazil, and Mexico City.

Each of our local offices has its own unique culture, community needs, and employee interests. CH2M HILL professionals in local offices support the environmental, educational, and engineering causes that are important to their communities.

Educational Outreach

CH2M HILL partners with local primary and secondary schools as well as universities as part of our year-round educational outreach in the areas of science, technology, engineering, and math. Through global educational outreach efforts, CH2M HILL works with local schools to foster interest in engineering careers and promote environmental sustainability by addressing critical issues, like access to clean, safe drinking water.

Engineers Week and Engineering Month

Engineers Week (EWeek) aims to increase public understanding of engineering as well as boost pre-college interest and enthusiasm in the profession. Founded in the U.S. by the National Society of Professional Engineers in 1951, the program is now governed by a steering committee of more than 20 professional engineering societies and sponsored by more than 50 corporations.

CH2M HILL employees in the U.S. have supported EWeek since 1997. Each February, hundreds of employees from CH2M HILL offices across the country volunteer their time to serve as mentors, teachers, and judges in a variety of activities, including engineering competitions, technology and science fairs, classroom presentations, and project site visits. By engaging students in activities that help them understand how science, math, and technology can be used to solve real-world problems and make a difference in society, CH2M HILL is helping to inspire the next generation of engineers.

Similar to EWeek in the U.S., Engineering Month in Canada promotes the field of engineering as an exciting and fulfilling career choice. Employees from CH2M HILL offices across Canada engage in hands-on activities with local youths to show how engineering involves a lot of problem solving – and a lot of fun.

Read about how our employees are reaching out to young people during EWeek.

- [Engineering—One of My Favorite Team Activities](#), by Heidi Bauer, CH2M HILL Staff Engineer
- [Not Your Average Engineer—Yet](#), by Kasey Hurlbutt, CH2M HILL Staff Engineer

Enabling Education in Argentina

What began as a grassroots employee effort to provide a few local children with much-needed food has become a critically important 10-year partnership. CH2M HILL employees in Argentina collect personal funds each month to buy food for El Arca de Noe, a nonprofit association in the town of Glew. Located south of Buenos Aires, the town comprises dense neighborhoods of families with little or no income. With matching funds from the company, local employees raise enough money to provide 100 to 200 children with one meal a day. These efforts are critical to helping the children attend school well-nourished and able to learn.

Supporting Literacy for Tibetan Children

Employees in CH2M HILL's Shanghai office support the firm's commitment to education in a variety of ways. In 2011, employees organized a book donation drive to provide more than 150 much-needed dictionaries and science books for village children at the DuiLong GuRong primary school.



Students from the DuiLong GuRong primary school in Lhasa are all smiles as they receive new dictionaries, courtesy of CH2M HILL employees in the firm's Shanghai office. Employees organized the book donation event in 2011.

Lending Expertise and Funds to the Blind School of New Delhi

Prior to monsoon season in 2011, CH2M HILL employees volunteered their construction skills to help repair the roof of a school for the blind in New Delhi, India, which was heavily damaged and leaking. In addition, staff members from the firm's global engineering and design center in India, as well as CH2M HILL's office in Abu Dhabi, donated funds to provide a water cooler and complete other facility upgrades within the school.

Promoting Self-sufficiency and Social Mobility

In response to social unrest in London in 2011, CH2M HILL launched an educational program in partnership with House Recruitment to help re-engage and upskill disadvantaged young people and the long-term unemployed through a series of skill-development workshops. Human Resources professionals from CH2M HILL volunteered to host workshops on topics such as curriculum vitae (CV) development, interviewing techniques, and navigating digital recruiting. The workshops were extremely successful, and the United Kingdom Speaker of the House of Commons, the Right Honourable John Bercrow MP, recognized the firm's community contribution during an awards presentation in November 2011.

In Canada, CH2M HILL is promoting self-sufficiency through a partnership with Microskills, a charitable organization committed to helping immigrant and racial minority women enter the workforce. Since 2002, the firm has provided financial sponsorship, hosted workshops, and offered mentoring, among other volunteer initiatives, to help create opportunities and social mobility.

Preparing and Responding in Times of Disaster

Safety is a core value at CH2M HILL, so it is natural that the firm and its employees invest time and money into organizations that promote emergency preparedness and disaster response.

As a Corporate Centennial Partner of the American Red Cross Mile High Chapter, the firm serves as a leader among Denver, Colorado, USA, businesses in developing crisis and business continuity plans and providing funding to help the Red Cross promote corporate preparedness.

In addition, as possible, CH2M HILL matches employee contributions to Red Cross, Red Crescent, and RedR organizations globally when a catastrophic global disaster takes place. In 2011, the firm matched employee contributions to support victims of the earthquake and tsunami in Japan.

CH2M HILL is also actively engaged with the World Economic Forum Disaster Resource Partnership (DRP). CH2M HILL employees offer guidance and counsel as the DRP works to enact a framework for engaging the engineering and construction industry during relief, recovery, and rebuilding efforts following a natural disaster.

Supporting Children in Need

Finding opportunities to combine our technical expertise, volunteer passion, and financial support is the ideal mix for CH2M HILL's Community Investment programs. In the fall of 2011, employees in the firm's Denver office participated in a project offering multi-faceted engagement while supporting both the firm's focus areas of sustainability and education.

CH2M HILL made a financial contribution to the Colorado Coalition for the Homeless to fund an eco-classroom at its Renaissance Children's Center. The eco-classroom will enhance the development and quality of life of 200 children, many of them formerly homeless or from families at risk for homelessness.

Over three weekends, 44 CH2M HILL employees and 24 family members volunteered an impressive 550 hours of labor-intensive service. Nearly 10 distinct learning areas were created, including areas for building, a "messy materials" station, an area for wheeled toys, a garden, and a water feature—designed and built by 3 members of CH2M HILL's Water Business Group.

"The nature of being a CH2M HILL employee is to be giving, and this group demonstrated that we stick to our values as a company and support our community," said playground project manager Rebecca Hamlin, a staff planner in the Environmental Services Business Group.

"It was physically hard work, but everyone kept a smile on their face and overall had a great time," Hamlin added. "Because the focus of the project was helping children, this kept our spirits up despite the physically taxing labor the project entailed. I am thankful for the support we received from our Denver area staff; it is an honor to work at a company made up of people with big hearts and helping hands."

See our employees in action, constructing an [eco-classroom](#) for the Colorado Coalition for the Homeless.

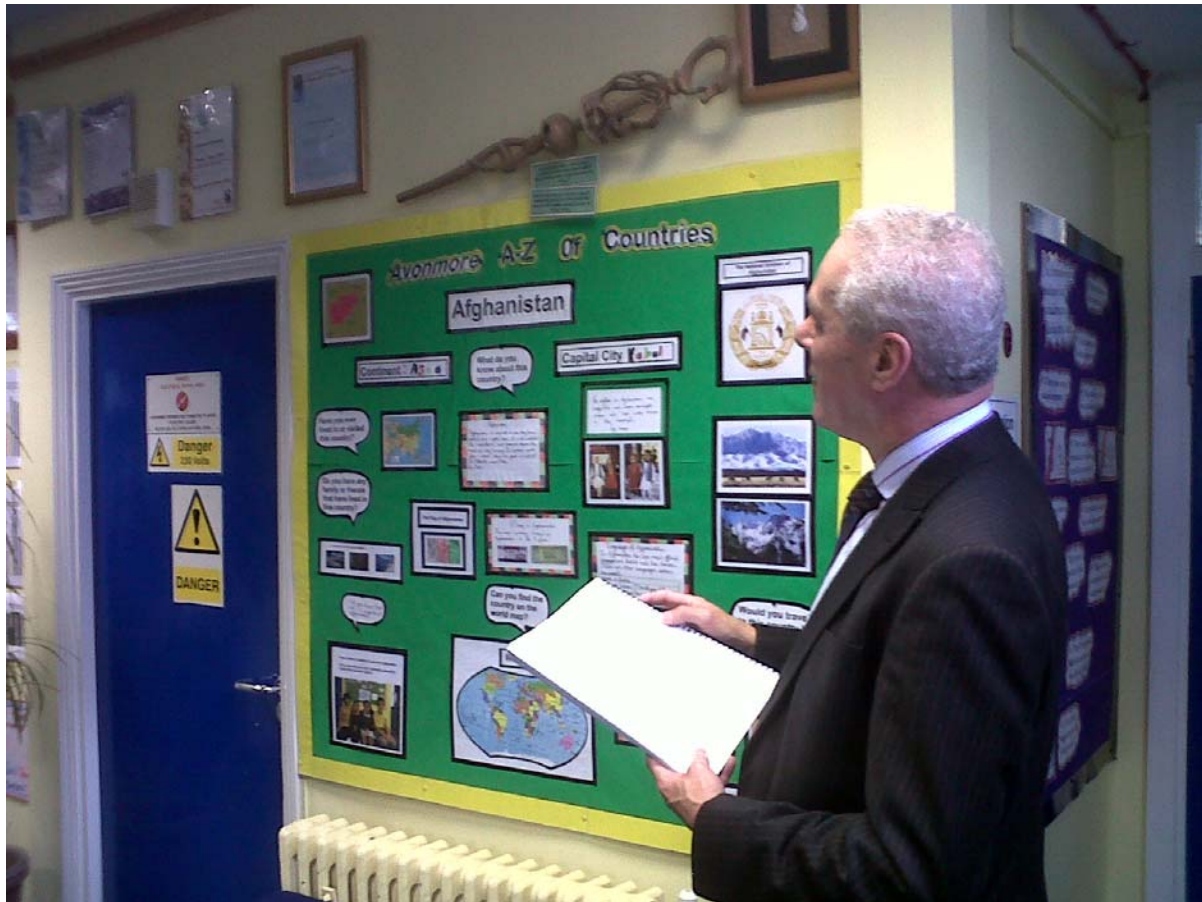
Partnering with Avonmore Primary School, Kensington, United Kingdom

During 2011, employees in CH2M HILL's Kensington office developed a strong relationship with nearby Avonmore Primary School. The school serves approximately 235 children aged from 3 to

11 years. The children, many of whom are non-native English speakers, come from a wide variety of countries and cultures.

In 2011, CH2M HILL organized two field trips for Avonmore students to local project sites. Employees also brightened up the school grounds by providing planters, peat, and flowers as part of an Earth Day initiative.

In July 2011, CH2M HILL's Peter Braithwaite, European Head of Sustainability, conducted a sustainability review for the school. This led to a number of energy efficiency and cost-saving suggestions as well as creative ideas for engaging the students in curriculum-related sustainability projects.



As part of the Kensington office's community partnership program, CH2M HILL's Peter Braithwaite, European Head of Sustainability, conducts a sustainability review for the Avonmore Primary School in London.



Portia Brown, of CH2M HILL's Kensington office, volunteered to help brighten up the school grounds during an Earth Day community event for the Avonmore Primary School in London.

Community Water Preservation and Policy

“At CH2M HILL we are committed to being an advocate for making clean water and sanitation available to people in every corner of the world. Executing projects to improve water resources is only part of this commitment. **The other part, not seen in technical reports or engineering drawings, takes shape in the hands and hearts of our employees;** we volunteer time, donate funds, and contribute in-kind gifts to support worthy causes. As water professionals, we continuously look to **protect and enhance economic and societal vitality** and preserve environmental resources for future generations. **Water awareness education is an important step in helping us protect and preserve a vital natural resource.”**



—Bob Bailey, CH2M HILL Water Business Group President, [CH2M HILL Access Water Blog](#)

CH2M HILL's employees are committed to engaging global communities in dialogue, learning, and collaborative problem-solving centered on the water issues facing today's world. We accomplish this in a number of ways. We invest our professional expertise, volunteer time, and financial resources in organizations and events such as Water For People, [World Water Monitoring Challenge™](#) (WWMC), Engineers Without Borders-USA, and WaterAid. We leverage innovative communication tools and techniques to engage a broader audience in the water dialogue. In fact, the excerpt above comes from CH2M HILL's Access Water Blog, one of many social media platforms CH2M HILL uses. CH2M HILL contributes to collective efforts aimed at positively impacting global water challenges through policy using frameworks such as the UN Global Compact's CEO Water Mandate, our client projects, and the participation of our employees in civil society organizations.

Community Engagement

As water professionals, we continuously look to protect and enhance economic and societal vitality and preserve resources for future generations. We do this professionally by offering financial support and expertise to worthy organizations, as well as personally as our employees donate their own time and money to support access to clean, safe water supplies.

Water For People

CH2M HILL has supported the international nonprofit organization Water For People since its founding in 1991. Water For People helps the most impoverished people in the world improve the quality of their lives by supporting locally sustainable drinking water, sanitation, and health and hygiene projects. Currently, the non-profit focuses on providing meaningful and sustainable programs in 11 countries, with a commitment to its “[Everyone, Forever](#)” approach. Every house, every school, every clinic works towards access to water and sanitation, and Water For People monitors for a period of at least 10 years to make sure the programs are sustainable. The organization was recently recognized with grants from the Bill & Melinda Gates Foundation in 2010 and the Skoll Foundation in 2011.

Elisa Speranza, CH2M HILL Operations & Maintenance Business Group President, recently completed her term as Board Chair for Water For People and has helped the organization evolve into a global thought leader on water and sanitation development. Additionally, CH2M HILL has hosted an annual giving campaign benefitting Water For People since 2003 and has raised more than US\$1 million to date, including nearly US\$223,000 in 2011. For the first time, CH2M HILL directed corporate giving funds in 2011 to assist with water and sanitation projects in a specific country served by the non-profit. With a business interest in India and local staff eager to become involved, CH2M HILL provided a one-time US\$150,000 grant to Water For People in 2011 to support existing and expanding work in India. In addition, CH2M HILL’s India Country Manager Pawan Maini joined the Water For People Board and is providing leadership and guidance as the organization continues to partner with communities in need to develop their own water and sanitation solutions. Water For People-India implemented programming in 148 communities and 138 schools in six districts in West Bengal in 2011. Water For People-India also is expanding its work beyond West Bengal and into the new state of Bihar with plans to pilot sanitation programming in the peri-urban areas surrounding Kolkata and Delhi.

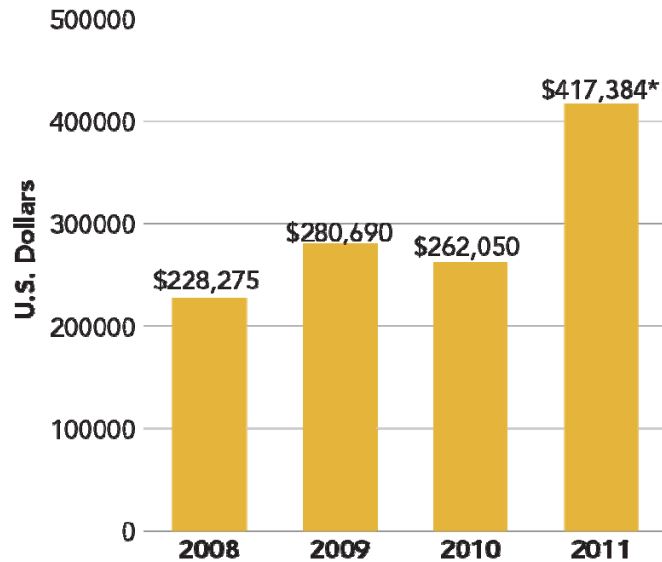


“I’m most excited about helping Water For People capitalize on opportunities to expand its work in India’s urban slums. The impacts on the quality of life of India’s citizens and its economy will be immense.”

—Pawan Maini, India Country Manager

Combined Contributions to Water For People from CH2M HILL and Our Employees

EC1



* In 2011 CH2M HILL donated \$150,000 to Water For People India. This contribution was in addition to \$223,000 in employee donations and \$194,384 additional corporate donations.

CH2M HILL employees also volunteer as members of Water For People's World Water Corps®. The World Water Corps® program matches the specific needs and requirements of Water For People's 11 country programs in Central and South America, Africa, and India with the skills and passion of individuals who want to enhance the impact of the organization's work. CH2M HILL employees have assisted with projects such as mapping to provide baseline data for development, monitoring the functionality of past projects, and evaluating overall program effectiveness.

World Water Monitoring Challenge

WWMC, formerly known as World Water Monitoring Day, is an international education and outreach program that builds public awareness and involvement in protecting water resources around the world by engaging citizens to help monitor local water bodies. Hosted by the Water Environment Federation (WEF) and the International Water Association (IWA), WWMC offers a fun and engaging way to educate students about our water resources and the role the students play as environmental stewards. Monitoring kits test four basic parameters of water quality: pH, temperature, turbidity, and dissolved oxygen. CH2M HILL HILL has supported WWMC since 2003.

In 2011, CH2M HILL employees across the globe partnered with local schools and community groups to develop WWMC activities. The Shanghai office organized a WWMC activity aligned with a local non-profit organization, Green Ribbon. Green Ribbon is dedicated to improving health for migrant children through various public activities. This year, 40 pupils from grades 3 to 5 conducted testing on the Suzhou River in Shanghai.

CH2M HILL's office in San Juan, Puerto Rico, coordinated with the Junior Girl Scouts to promote the importance of the protection of the environment and to learn about resource conservation specific to water. Girls enjoyed the hands-on nature of the event, which inspired their interest in the

sciences and environmental conservation. In Sydney, Australia, CH2M HILL hosted 20 home-schooled students at a water monitoring event where the students performed firsthand water quality monitoring of samples taken from a creek, stormwater drain outfall, and ocean.

CH2M HILL Inaugural World Water Day Social Media Campaign

Since 1993, March 22 has been designated by the UN as International World Water Day, a day designed to focus attention on the importance of freshwater and advocate for the sustainable management of freshwater resources. In 2011, CH2M HILL launched a social media campaign to raise awareness of freshwater issues and sustainable water management. Using platforms like our corporate Web site, online newsletters, Facebook, Twitter, and LinkedIn, CH2M HILL encouraged our employees, clients, and social networks to better understand challenges facing the world's water. As the messages were reposted and retweeted on Facebook, Twitter, and LinkedIn, thousands of individuals around the globe gained greater awareness about critical water issues.

Employees were also encouraged to enter a photo contest and share details of their project or community service efforts surrounding this year's theme, "Water for Cities: Responding to the Urban Challenge." From volunteer events in Santa Fe, New Mexico, to Barranquilla, Colombia, and Malawi and Rwanda, Africa, CH2M HILL employees shared details of their community service efforts to raise awareness and address water issues around the world. As part of the effort, the firm made a donation to Water For People on behalf of photo contest winners.

Anacostia Watershed Society, Washington D.C., US

The [Anacostia Watershed Society](#), or AWS, aims to protect and restore the Anacostia River and its watershed communities by cleaning water, recovering shores, and honoring heritage. AWS's ultimate goal is to restore the Anacostia as a swimmable and fishable river. AWS executes its mission through public involvement programs that facilitate interaction with the Anacostia River, corporate sponsorships and coalitions, and education. CH2M HILL has supported AWS's mission through financial contributions, thought leadership, and volunteerism since 2005.

CH2M HILL has donated over US\$30,000 to AWS. In 2011 CH2M HILL served as a formal corporate sponsor, donating US\$10,000. In addition to the financial support, Mike Tilchin, CH2M HILL Water Business Group Client Service Manager in Washington, D.C., serves as the Chairman of the Board of Directors. CH2M HILL employees have volunteered in a number of AWS events. Most notably, in 2011, CH2M HILL employees volunteered for [AWS's Earth Day Event](#). Over 2,000 total employees joined the effort to clean up the Anacostia Watershed. The volunteers successfully removed more than 40 tons of trash.

WaterAid, United Kingdom

CH2M HILL served as the principal sponsor of the 2011 British Water Annual Lunch in 2011 and organized a raffle during the event, which raised £3,554 to support WaterAid's efforts to bring clean, safe drinking water to impoverished communities. Earlier in 2011, members of CH2M HILL's Thames Tunnel project team retained their championship title at the Thames Water annual raft race. The overall race raised £60,000 for [WaterAid](#), supporting CH2M HILL's global community investment platform of sustainability.

Tools

CH2M HILL has embraced digital and virtual media to provide information and generate awareness about the status of our water resources. In doing so, we hope to create connections and inspire solutions to anticipated resource challenges.

Water Match Tool

To promote water reuse, CH2M HILL created [WaterMatch](#) to encourage connections among municipalities, industries, and agriculture. WaterMatch is a grassroots, goodwill initiative that harnesses the power of social networking to promote the beneficial reuse of municipal effluent for industrial and agricultural use at the local level.

An online map application allows industrial and agricultural water users to locate nearby municipal wastewater treatment plants as a potential solution for site-specific water resource needs, as shown in this [video](#). The map application includes locations of wastewater treatment plants worldwide. Users can search the map for nearby wastewater treatment plants, as a customer might search an area for a bookstore, by entering their location and choosing a search radius. The Matching Map enables personnel who work in municipalities, industries, and agriculture to find, connect, and collaborate with each other on a local basis. The Environmental Business Journal Industry Leadership Award was presented in 2012 in honor of the launch of the WaterMatch Web site.

The Global Water Tool

Since its launch in 2007, the CH2M HILL-developed [Global Water Tool](#) has become the globally accepted tool for use by companies to account for their water use within their operations, calculate their water metrics, and identify areas of high water risk through external mapping. It has been used by over 300 companies worldwide to report their water use. Now, the [tool has new, customized versions](#) created for oil and gas companies and power utilities. The tool will allow oil and gas companies, for example, to map their water use and assess risks for their overall global portfolio of sites considering each part of the oil and gas value chain. The tool will allow users to consider factors such as what percentage of the company's production volume is in water-scarce areas; how many refineries are in water-scarce areas and at greatest risks; and how many sites are in countries that lack access to improved water sanitation. The Global Water Tool facilitates the multi-sector, multi-stakeholder collaborations that we believe are vital to help businesses adapt to the changing climate and use resources in the most effective and sustainable way.

Access Water Blog

[CH2M HILL Access Water](#) is an ongoing program, launched in late 2009, designed to "provide innovation and insight on all things water all year long." Access Water Blog provides a unique forum for idea exchanges between CH2M HILL's water experts, our clients, and the public at-large. This exchange occurs via blogs, pages, videos, a quarterly client newsletter, and reader commentary. New blogs are marketed through a number of social media channels including our [Facebook™ page](#) and [Twitter™ account](#) (@CH2M HILL). The Access Water blogs have successfully increased awareness and generated productive dialogue on a variety of water issues; proven to help staff with career growth and development opportunities; and created business opportunities for CH2M HILL through our client readership.

Access Water was recognized with the 2012 Environmental Communications Honor Award from the American Academy of Environmental Engineers for its innovation, effectiveness, and creativity in conveying important environmental messages, as well as for providing future value to the water engineering profession.

Public Water Policy

CH2M HILL recognizes the importance of public policy in the ongoing dialogue about water sustainability. CH2M HILL actively seeks to advance the existing body of knowledge and support a

framework for sustainable water management through our direct support on projects for international governmental organizations as well as the grassroots participation of our employees in professional and civic organizations.

CH2M HILL's U.S. Government Affairs group actively tracks key legislation and regulatory efforts that impact our business segments, including the areas of water, wastewater, and water resources. The group maintains bipartisan relationships with leading stakeholder interests that include the federal government, state and local governments, trade associations, advocacy groups, coalitions, and think tanks. It also engages in advocacy and lobbying campaigns to support water infrastructure funding and development. More information on CH2M HILL's activities related to public policy can be found in this report under [Government Participation and Lobbying](#).

Our employees participate in more than 55 different professional, civic, and social organizations that address water issues. These include the American Water Works Association (AWWA), WEF, Water For People (and its World Water Corps®), World Economic Forum's Water Initiative, the National Association of Water Companies, IWA, Clean Water America Alliance, WateReuse Foundation and Association, RedR, WaterAid, and others. CH2M HILL employees also serve in industry leadership positions in these and other organizations that encourage the development and use of innovations in water technologies, raise awareness of water challenges, and positively impact change. A sampling of relevant organizations and our staff involvement follows.

American Membrane Technology Association

The American Membrane Technology Association (AMTA) is the leading advocate of membrane processes in the U.S. AMTA advocates for and advances the understanding and application of membrane technology for creating safe, affordable, and reliable water supplies. The AMTA serves as a voice for regulatory and legislative reforms essential to sustainable water management practices. Our employees work actively with the organization in its mission to improve water technology.

Bob Bergman, Vice President and Technology Fellow for CH2M HILL, was inducted into Global Water Intelligence's Desalination Hall of Fame. Members of the Hall of Fame include the researchers, teachers, leaders, and the veteran field engineers who have shaped desalination. All members have been active for at least 30 years. Bob has also been presented with the AMTA Presidential Award for his tireless service to the organization. The Presidential Award acknowledges individuals who have made significant contributions to the growth and development of the AMTA.

American Water Works Association

CH2M HILL employees have served in leadership roles with AWWA since our company's founding in 1946. AWWA is an international, nonprofit scientific and educational society that focuses on safeguarding water through improvement of drinking water quality and water supply. Currently, CH2M HILL has more than 40 individuals in the U.S. and Canada serving in leadership roles with AWWA.

Clean Water America Alliance

CH2M HILL's [Pat Karney](#) serves on the board of directors for the Clean Water America Alliance, an organization established by the National Association for Clean Water Agencies to influence U.S. water policy. Additionally, in 2011 CH2M HILL sponsored the CWAA's inaugural U.S. [Water Prize](#).

Environmental and Water Resources Institute of the American Society of Civil Engineers

The Environmental and Water Resources Institute (EWRI) is a specialty institute of the American Society of Civil Engineers (ASCE). EWRI brings technical expertise to influence public policy towards achieving its mission of promoting environmentally sound and sustainable infrastructure to minimize impacts on air, land, and water resources. CH2M HILL employee Udai Singh is Past President of EWRI and other CH2M HILL employees serve on technology and special topic committees, including water management, emerging and innovative technologies, and urban water resources research committees.

International Ultraviolet Association

The International Ultraviolet Association provides a forum for all scientific and technological issues that relate to the use of ultraviolet (UV) light, including the regulatory issues and application of UV disinfection for drinking water, water reuse, and wastewater applications. CH2M HILL's Paul Swaim has been active in the organization for several years and currently serves as president.

International Water Association

In 2012, CH2M HILL's [Glen Daigger](#) will complete his first term as president of IWA. IWA is a global research and networking organization that actively aims to influence policy around UN Global Compact goals for developing nations, like the recent Vienna Charter on urban sanitation. In his role as president, Dr. Daigger provides leadership and guidance on IWA policy and programs; takes a key role in global water policy events such as Singapore International Water Week; and has participated in global water initiatives like the World Bank's World Water Week 2011 in Washington D.C.

For World Water Week 2011, Dr. Daigger prepared a [video](#) that addressed issues of population growth, urban living intensification, outdated infrastructure systems, and the need for a new urban water paradigm. The video was shared with conference attendees, which included the World Bank's invited clients, donor organizations, nongovernmental organizations, and private sector representatives.

Linda Macpherson of CH2M HILL is Chair of IWA's Women In Water Committee and is also active in IWA, advancing awareness and opportunity for women in the water industry around the world. More than a dozen other CH2M HILL employees serve in leadership positions with IWA, lending expertise to various technology task groups and the IWA Journal.

National Climate Assessment Development and Advisory Committee

Jan Dell of CH2M HILL has been appointed by the U.S. Secretary of Commerce Gary Locke to serve a 3-year term as a member of the National Climate Assessment Development and Advisory Committee. One specific objective of the committee is to produce a National Climate Assessment, a status report on climate change science and impacts to water and other systems. The Global Change Research Act of 1990 requires the National Climate Assessment report to be submitted to the U.S. President and Congress every 4 years. The purpose of the report is to inform the understanding of and ability to adapt to the changing climate system. Members of the committee include preeminent scientists and engineers along with regional and sector climate change experts.

Singapore Water Association and Singapore Society for Trenchless Technology

NC Tan was elected in September 2010 as vice president (finance) for Singapore Water Association, and Chee Yon Ho was elected in 2010 as vice chairman of the board of directors for the Singapore Society for Trenchless Technology (SgSTT).

U.S. Environmental Protection Agency Science Advisory Board

U.S. Congress established the USEPA Science Advisory Board (SAB) in 1978 with the broad mission of advising USEPA and Congress on technical matters. In the 33 years since, the SAB has several standing committees, ad hoc committees, and panels on diverse environmental science topics affecting the world's populations. These include committees for drinking water, ecological processes and effects, environmental economics, environmental engineering, exposure and human health, and radiation advisory. In 2011, CH2M HILL's Russell Ford was named to the SAB's Drinking Water Committee, a panel of the top minds in the U.S. to provide advice to the USEPA Administrator on the technical aspects of USEPA's national drinking water standards program. CH2M HILL's Bill Bellamy currently serves on the SAB as part of the Homeland Security Advisory Committee, which advises USEPA in protecting against the environmental and health consequences of terrorism.

Water Design-Build Council

The Water Design-Build Council (WDBC) advances the development and rehabilitation of the municipal water and wastewater systems in the U.S., as it promotes the use of design-build and construction management at-risk methods of project delivery to do so. The WDBC shares best practices and facilitates collaborative relationships between service providers and owners. CH2M HILL's Mark Alpert is a past president of the organization and currently serves as a board member.

World Economic Forum

The World Economic Forum is an independent international organization committed to improving the state of the world by encouraging businesses, governments, and leaders to work together on global, regional and industry agendas. CH2M HILL's Bob Bailey serves on the Water Steering Board for the World Economic Forum, and in 2011 he was appointed to the Forum's Global Agenda Council on Water Security. As part of his role on the board, Mr. Bailey is working with nations such as India, Jordan, and Mexico on water policy frameworks and subsequent capital plans on a regional scale. Mr. Bailey and CH2M HILL CEO Lee McIntire co-authored a chapter in the World Economic Forum's book, *Water Security: The Water-Food-Energy-Climate Nexus*, released in 2011.

Water Environment Federation

The WEF is a nonprofit technical and educational organization aimed at preserving and enhancing the global water environment. WEF regularly tracks, monitors, and actively comments on legislative, regulatory, and compliance issues that impact our water resources. WEF organizes and sponsors congressional briefings and outreach activities to help educate the U.S. Congress and elected officials about pressing water issues and develops position and policy statements on timely water quality topics. CH2M HILL's Bob Bailey serves on WEF's Global Water Strategies Council. CH2M HILL's Terry Krause and Scott Cummings serve on the WEF Board of Trustees. Nearly 50 CH2M HILL employees actively participate in these initiatives and serve in leadership roles on other committees.

Additionally, [Tom Johnson](#) was selected by the WEF Board of Trustees as the 2011 recipient of the [Outstanding Young Water Environment Professional Award](#) for his demonstrated contributions to enhancing the activities of WEF, contributions to WEF Member Associations and WEF Committees, and improvement in the fundamental knowledge of performance of wastewater collection and treatment systems, water resource protection, and research on issues important to the water environment.

WaterReuse

WaterReuse is a nonprofit trade organization focused on improving the quality of and increasing local water supplies. The organization works on an international level and in tandem with other organizations to promote beneficial and efficient use of water resources through water reuse and desalination. In addition to offering technical resources and expertise to the water industry, WaterReuse is also instrumental in tracking and influencing legislative and regulatory issues that impact sustainable water resources. CH2M HILL's Linda Macpherson serves on the board of directors and is instrumental in many of the organization's committees, including public education, research advisory, and international and executive committees.

Workforce Distribution

The scope of this report includes the entire CH2M HILL family of companies, as shown in the total employee distribution numbers. Our workforce decreased in 2009 and 2010 as a result of the global recession, but it rebounded in 2011 to near pre-recession levels (20,285 employees worldwide). By the end of 2011, employees in the U.S. and Canada accounted for just over 81 percent of our total global staff.

Workplace Culture

When asked how our workplace culture contributes to CH2M HILL's success, it is a simple answer—we would not be winning the work we have if it were not for the values upon which the company was founded and the culture our employees and leaders have created.

Our firm was established in 1946, and while we have entered new industries, markets, and geographies since then, our four founding values have remained the same:

- **Stay true to our integrity and honesty**
- **Do right by employees**
- **Take care of clients**
- **Deliver great work**

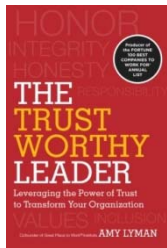


These values on which the firm was built are captured in CH2M HILL's *Little Yellow Book*, written in 1978 by founder James Howland. This book is handed out to every employee worldwide on their first day and is available in nine different languages: Arabic, English, French, German, Mandarin, Polish, Portuguese, Russian, and Spanish.

Our employees stay at CH2M HILL for four reasons:

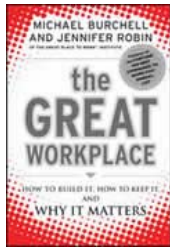
- **They work with the industry's best professionals on great projects.**
- **They have numerous professional development opportunities.**
- **They are making a difference in the communities where they live and work.**
- **They come to work in a respectful environment that values people.**

CH2M HILL Featured in *The Trustworthy Leader* book



The Trustworthy Leader, featuring several CH2M HILL leaders, is authored by Great Place to Work® Institute co-founder, Amy Lyman. The Institute is responsible for determining the annual **FORTUNE 100 Best Companies to Work For®** list, which featured CH2M HILL and 99 other companies in 2003, 2006, 2008, 2009, and 2011.

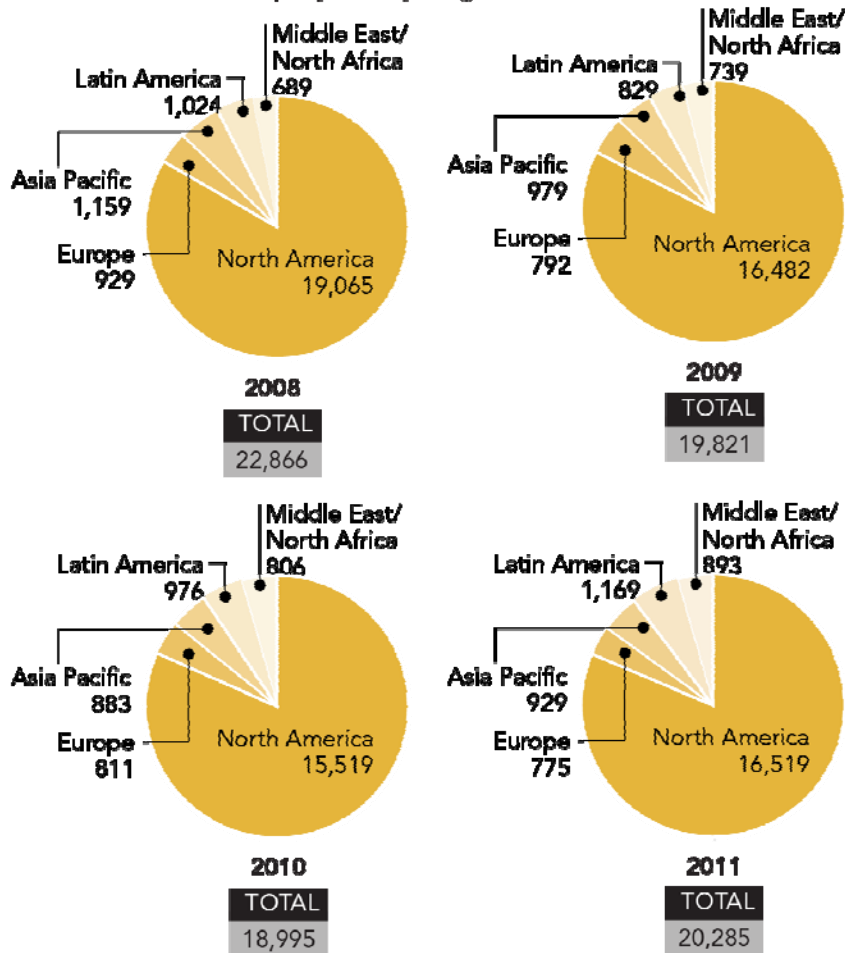
CH2M HILL Highlighted in *The Great Workplace* book



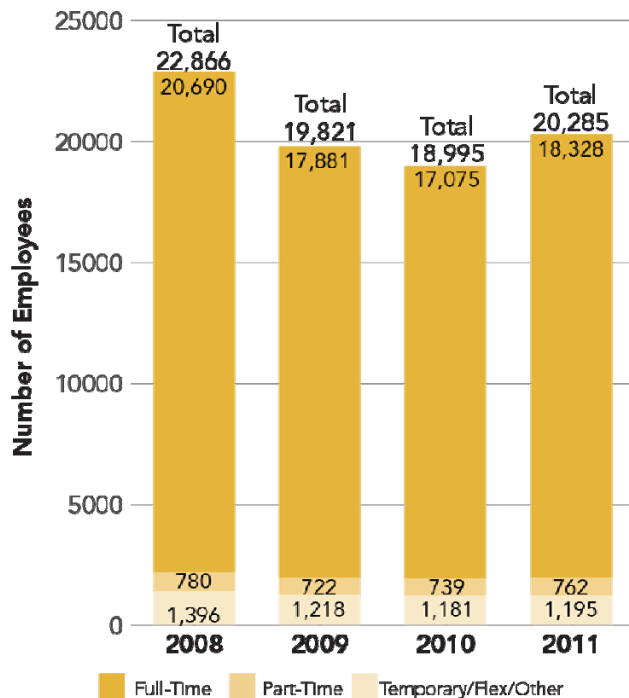
The Great Workplace: How to Build It, How to Keep It, and Why It Matters features CH2M HILL and 11 other companies that are considered the “best of the best companies.” After reviewing more than 25 years of research comprising surveys from more than 2 million people and 6,000 companies, co-authors Michael Burchell and Jennifer Robin chose CH2M HILL because our unique employee ownership culture, values, and collaborative work approach differentiate us from other organizations.

Total Number of Employees by Region

LA1



Total Number of Employees by Employment Type and Contract LA1



Workforce Diversity and Inclusion

CH2M HILL's diversity vision is to foster fairness and respect for all employees, value the differences and similarities in employees' backgrounds and skills, and maximize each individual's potential.

Diversity statistics are available only for CH2M HILL, Inc., in the U.S. and for the Board of Directors. U.S. employees represent 75 percent of our global staff. We track diversity metrics of gender, age, and race for hiring and attrition. By understanding these metrics, we can more effectively attract, engage, and retain women, people of color, and individuals of many ages and life experiences.

Several employee network groups share information, ideas, experiences, and resources. These groups provide peer support, career development, and mentoring, as well as raise awareness through a variety of discussion groups and activities that are open to all:

- African American Professional Network
- Hispanic Employee Network
- LIFE – Leadership Inspiring Full Equality (Gay, Lesbian, Bisexual, and Transgender Employee Network)
- SHARE – Sharing Across Respective Ethnicities (for employees of all ethnicities to collaborate and learn from one another)
- Women's Network

Each of these groups has a senior executive sponsor to guide and reinforce the importance of these efforts and provide mentoring to staff who may not otherwise have access to senior leadership.

CH2M HILL is also actively involved with the Hispanic Engineer National Achievement Awards Corporation, the National Society of Black Engineers, the Society for Hispanic Professional Engineers, the Women’s Transportation Seminar, and the Society of Women Engineers.

CH2M HILL has been fortunate to be recognized as a leading employer in diversity and inclusion, as follows:

- *FORTUNE* 100 Best Companies to Work For: Most Diverse (2009 and 2011).
- *The Black Collegian* Top 100 Employers for the Class of 2010.
- *Minority Engineer’s* List of Top 50 Employers, recognized as providing a positive working environment for members of minority groups. CH2M HILL debuted on the list at No. 5 (2012).
- Best Jobs USA Select 50 Diversity Employers of Choice: Recognizing our commitment to hire candidates from a diverse range of backgrounds and dedication to providing opportunities to all regardless of race, sex, creed, or sexual orientation (2010 and 2011).

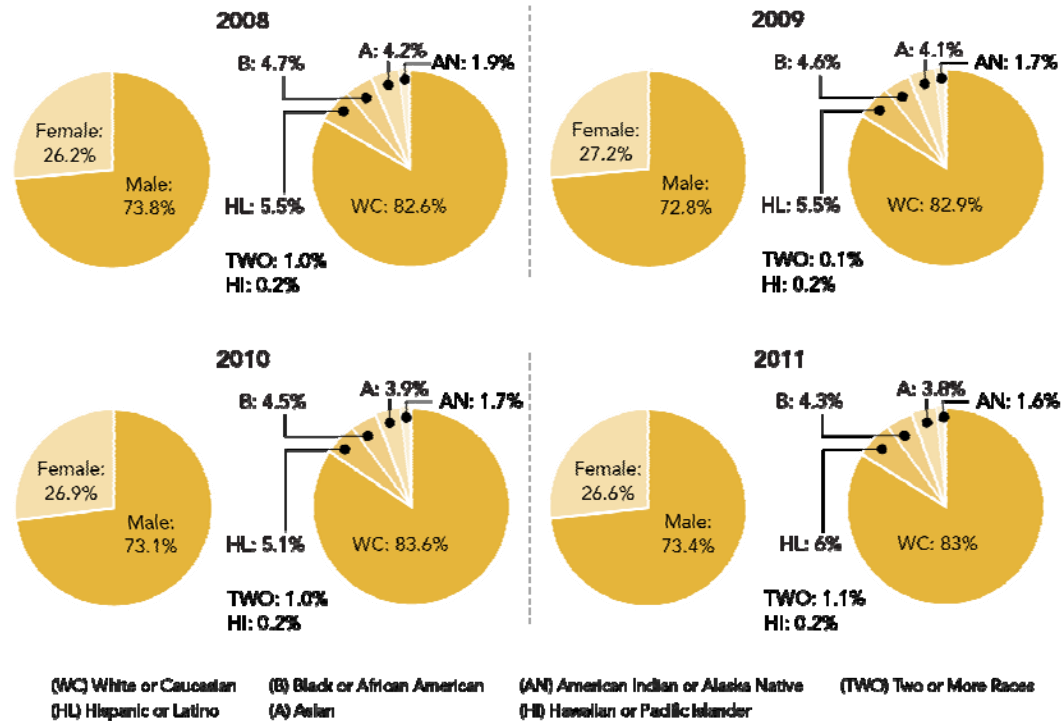
CH2M HILL Board of Directors Demographics LA13

Category	2008	2009	2010	2011
White or Caucasian	■ ■ ■ ■ ■ ■ ■ ○ ○ ○	■ ■ ■ ■ ■ ■ ■ ■ ■ ○ ○ ○	■ ■ ■ ■ ■ ■ ■ ■ ○ ○ ○	■ ■ ■ ■ ■ ■ ■ ■ ○ ○ ○
Hispanic or Latino	—	—	■	■
Black or African American	■ ■	■ ■	■ ■	■
Asian	○	—	—	—
American Indian or Alaska Native	—	—	—	—
Two or More Races	—	—	—	—
Hawaiian or Pacific Islander	—	—	—	—

■ Male ○ Female

Percent of U.S. Employees by Demographics

LA13



Employee Turnover

Because of the economic pressures facing our clients across the globe, CH2M HILL's turnover rates were higher from 2008 to 2011 than in previous years, with a high of 31 percent turnover (22.7 percent involuntary and 8.7 percent voluntary) in 2009. However, we are seeing signs of improvement. Although turnover in 2011 was still higher than we experienced in pre-recession years, it was less than turnover during 2008, the first year of the Great Recession.

Our turnover rate numbers are near those of other companies in our industry. As depicted in the chart, our greatest generational turnover rate occurs among Millennials (Generation Y), who are generally defined as those born between 1981 and 1999. We understand that companies across a wide range of industries also face challenges in attracting and retaining Millennials. To develop the most diverse and inclusive work force possible and stem this concerning and expensive turnover trend, we have designed engagement and mentoring programs to assist people who are new to their career or the industry. One example is JuMP Network (Junior and Mid-level Professionals). JuMP was established in 2007 and seeks to foster a culture within the North America Water Business Group that invests in developing the future leaders of CH2M HILL; maximizes the potential of junior- and mid-level staff; understands and bridges generational gaps; and enhances morale and retention. These goals ensure CH2M HILL's position as an industry leader by providing valuable networking and mentoring opportunities to help young professionals build meaningful careers.

AlumniConnect

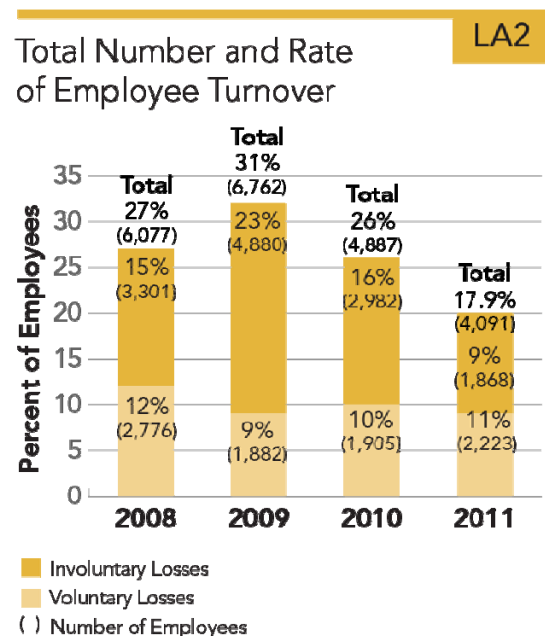
CH2M HILL has implemented an Alumni and Retiree Relations Program to keep in contact with its retirees, Emeritus employees, and alumni employees. Alumni are defined as nonretired former

CH2M HILL employees. The program’s new Web site and online community, AlumniConnect, has attracted attention worldwide, with 32,467 visits to the site, including visitors from 108 countries and territories. Fifty-seven percent of our alumni members are actively engaged with the online community. We have found that rehiring alumni improves our efficiency and reduces costs. They are easily integrated back into the organization and bring knowledge, skills, and abilities already tailored to the organization’s workplace. They also offer additional insights from their work outside of the firm. Many of our top executives have been rehired after periods away from the firm. These rehired employees tend to be strong performers and are likely to stay at CH2M HILL longer. AlumniConnect provides an excellent source of high-quality candidates and referrals.

Emeritus Program

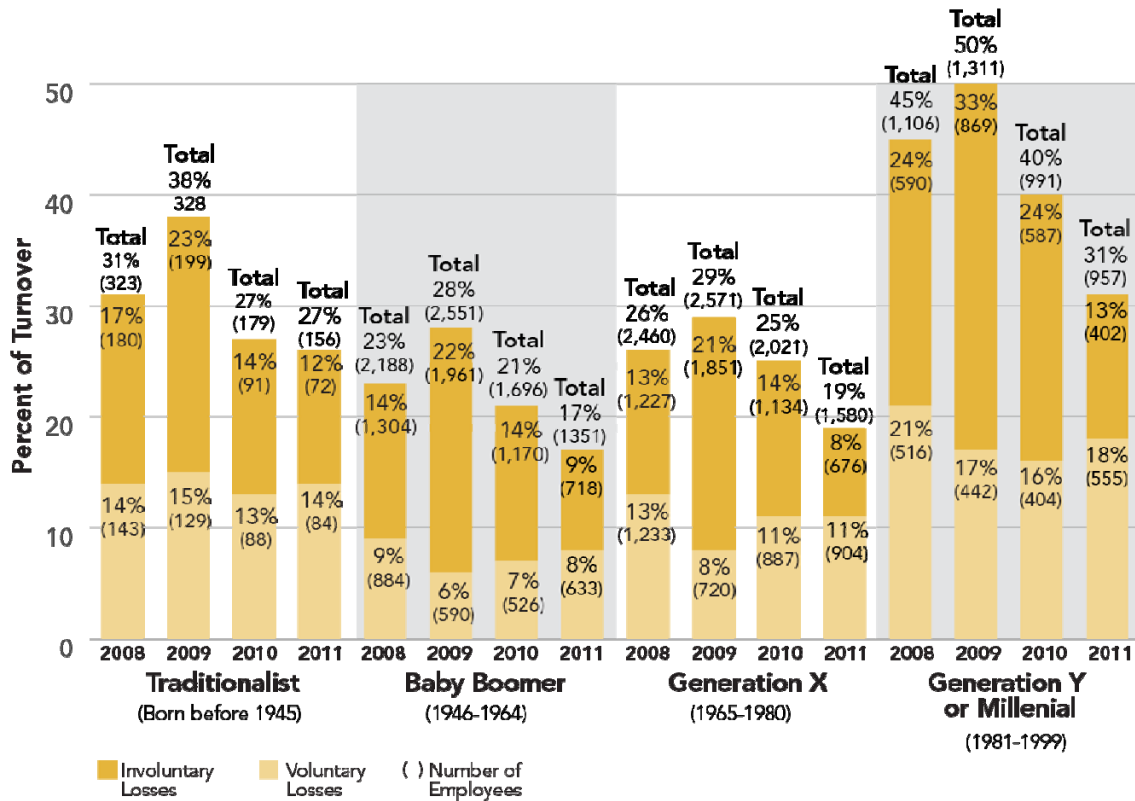
In 2009, we instituted an Emeritus Program, which allows older employees to phase into retirement while mentoring the younger generations and continuing to contribute in their areas of expertise. The Emeritus Program gives employees who are nearing traditional retirement age more control over their work-life balance and additional time to invest in community activities, hobbies, and families, while still adding value to the firm. Phased retirement is especially important in CH2M HILL’s industry, as highly specialized jobs are harder to fill and the number of engineering, math, and science graduates has decreased significantly in recent years.

CH2M HILL has a community of over 550 employees eligible to participate in the Emeritus Program, and nearly half are actively engaged through either active employment or enrollment in our Web site and online community, AlumniConnect. Our Emeritus Program has engaged members at all levels, including receptionists, reprographics specialists, facilities staff, major project/program managers, chief financial officers, and business group presidents.



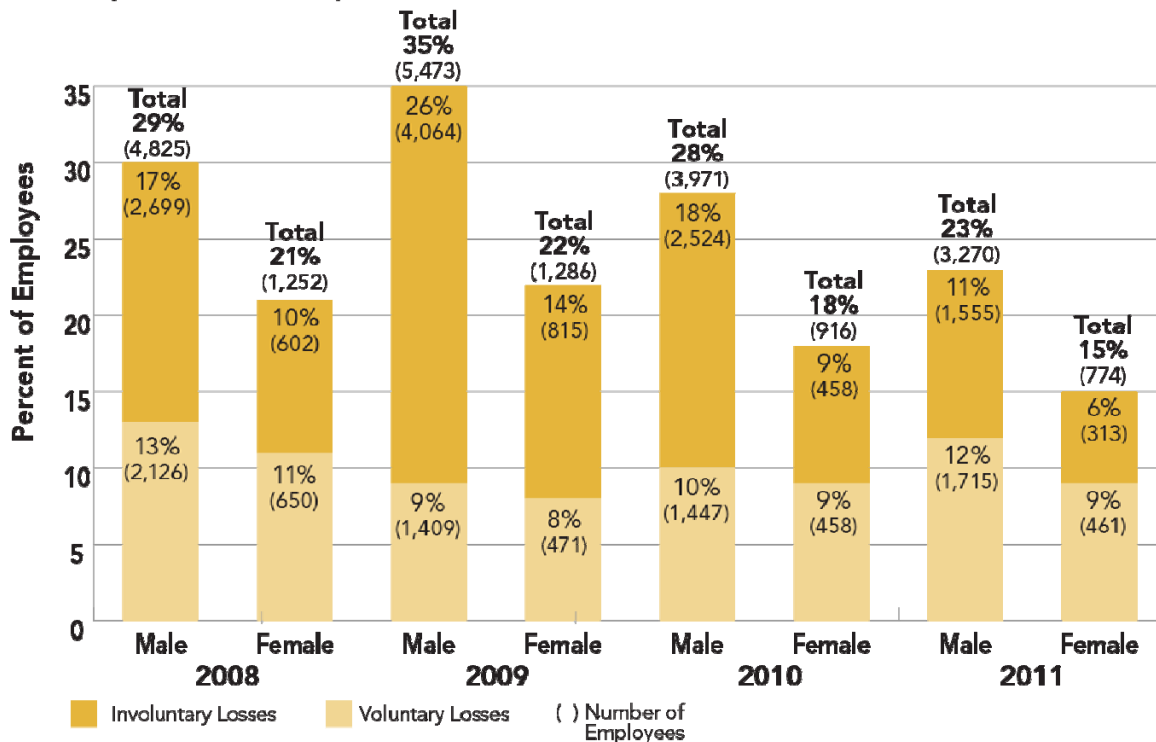
Employee Turnover by Age Group/Generation

LA2



Employee Turnover by Gender

LA2



Training and Development

Each of us must be better tomorrow than we are today, or we—as individuals and as a company—risk falling behind. Enter the CH2M HILL University, where the motto is, “Be curious, seek advice, think creatively; it’s your journey, learn at every turn.”

Learning and development at CH2M HILL is a daily experience of individual choice, supported by a learning community comprising a vast network of colleagues and the enterprise. Employees have access to hundreds of technical and professional e-learning courses, virtual classrooms, and traditional instructor-led opportunities, and we continue to build upon this important educational platform. The real and challenging conditions, stretching skills by providing people assignments outside their comfort zone, guided by their colleagues across the organization who mentor and coach, is the richest and most rewarding learning experience. It happens over the course of the employee’s career. All combined, this is the cultivating environment that is CH2M HILL University.

Formally, the University is governed by executive leadership and its mission is to provide structured learning opportunities and foster a companywide culture of career growth for all employees; informally, it is driven by each individual as well as engaged employees serving as on-the-job “faculty.” Its formal structure is built on a sturdy foundation dating back to our roots of providing opportunities for employees who are personally seeking career development in their current discipline or by crossing over into new territory. Commonly, employees at all levels of the organization move up, down, and laterally to gain experience and round-out their capabilities.

A building block of career development is knowing the business of our business. Understanding the company’s goals and objectives and the financial engine that makes all things possible is directly relevant to every employee, regardless of role or rank. This greater awareness helps employees as they guide their personal development through our online Performance Enhancement Process (PEP) tool, which is used to track goal setting and performance. Equally important, employees are strongly encouraged to complete an Individual Development Plan (IDP) annually to help identify learning and development needs and opportunities specific to their short- and long-term goals and aligned to the company’s strategy. Both PEP and IDP are created by the individual employee, with support from his or her manager, and the engagement of their selected peers, who serve as performance observers.

Training

CH2M HILL continually expands its enterprise learning program to meet the needs of employees as they strengthen their skills and guide their careers. Using CH2M HILL University’s learning portal, employees have access to curricula that is aligned to the company’s values and customer focus. Extensive training is readily available in these disciplines:

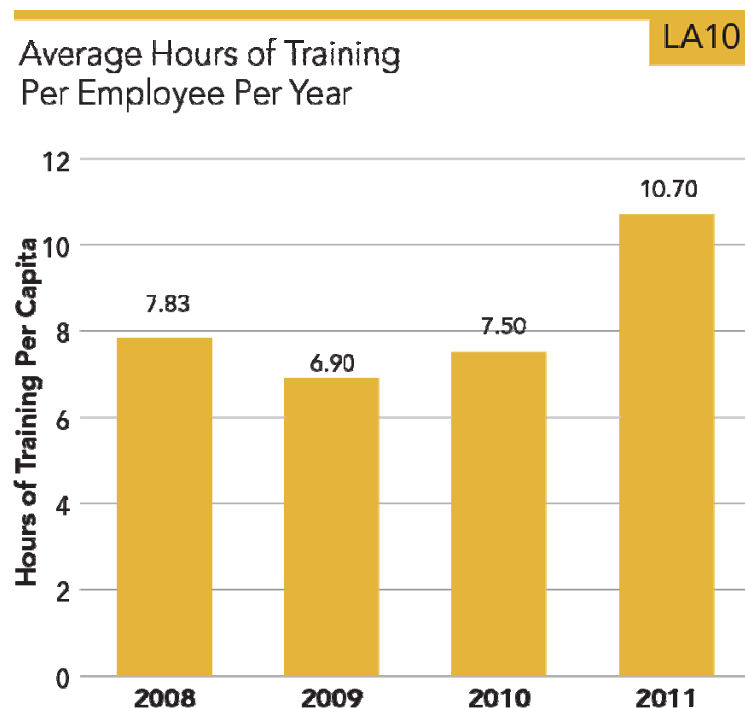
- Technology and Innovation
- Ethics and Compliance
- Business Development
- Health, Safety, and Environment
- Leadership and Management
- Project Management
- Program Management
- Business and Risk Management
- Procurement

As an example of our growing e-learning portal, the Electronic Performance Support “Automation Design Library” hosts more than 6,000 separate videos. This system provides just-in-time learning and support for engineers who use a wide variety of complex, automated engineering design tools.

We also have increased advanced leadership and management coursework for each level of leadership in the firm. Significantly more training is now available via e-learning, which is more efficient and accessible to employees worldwide, rather than in traditional classroom sessions.

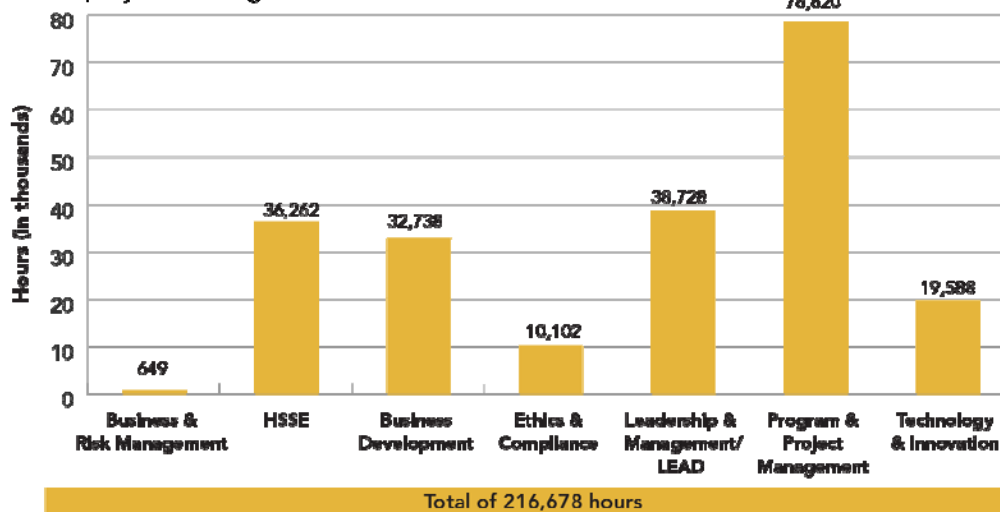
Our environmental training program includes courses related to field and construction services and courses in management of storm water, chemicals, waste, air, wetlands, and natural and cultural resources. Field project managers are required to take the CH2M HILL environmental program awareness course at a minimum, and our office employees are encouraged to take EMS awareness training. Our health and safety training program offers numerous courses ranging from construction site safety to ergonomics and behavior-based loss prevention. Some courses are mandated by regulation while others exceed compliance, resulting in increased benefit for our employees.

In 2011, CH2M HILL employees received an average of 10.7 hours or more of training, representing more than 216,600 hours logged through our University curriculum and business unit-aligned courses. This average represents an improvement of more than 43 percent over 2010 and reflects the reinvigorated commitment by CH2M HILL’s executive team to promote learning and development as a strategic differentiator for the firm.



Total Employee Training Hours for 2011

LA11



Note:

- Training hours shown are firmwide.

Sustainability Training

CH2M HILL has a focused employee engagement program for sustainability that includes training for staff. Training is offered through the HSE curriculum for both the EMS ISO 14001 and environmental stewardship at work and at home. To date, nearly 800 employees have taken the formal training, and many more have attended presentations about these topics that were not registered as training. EMS training is required for staff members with implementation responsibilities and is offered to all employees who are interested.

Within our population of employees, as within the world population at large, people have different definitions of “sustainability.” To create a common understanding of how sustainability applies to our projects and the challenges our clients face in this space, we strategically selected leaders and champions throughout all of our business groups and professional disciplines to participate in sustainability training sessions. The approach is intended to bring sustainability back to each of the groups through more than 400 trained sustainability ambassadors. The lesson plan was organized to give attendees an understanding of how to think about the work we do every day through a sustainability lens. This has helped to mature an ongoing process to drive sustainability throughout the fabric of all our work. By creating a deeper understanding of sustainability, we aspire to help clients operate more efficiently and sustainably from an economics perspective while improving on environmental and social performance.

Career Development Reviews

CH2M HILL has a goal for 100 percent participation in the annual PEP process, which culminates in a formal review discussion between the manager and each of his/her employees. In 2011, 80 percent of employees completed their PEP evaluations with their supervisors, representing all of our divisions or business groups. We continually strive to improve participation and the quality of the review conversation that our staff and managers conduct. Given the diversity of our organization, there are some categories of workers, such as craft workers, for whom it makes sense to use a more condensed version of the PEP tool. It is through tailoring the enterprise process to the specific needs of our workforce that we are able to engage all of our employees in this most important process, which is designed to benefit our employees’ performances and our company’s continued success.



Economy

Economy Overview

While people have been harvesting the resources of the natural environment since the dawn of humankind, we are just collectively beginning to recognize that “ecosystem services” have a quantifiable value. The growing focus on sustainability is reshaping our understanding of economics, revealing how value flows between natural systems and infrastructure, describing new opportunities for business and redefining how value is measured.

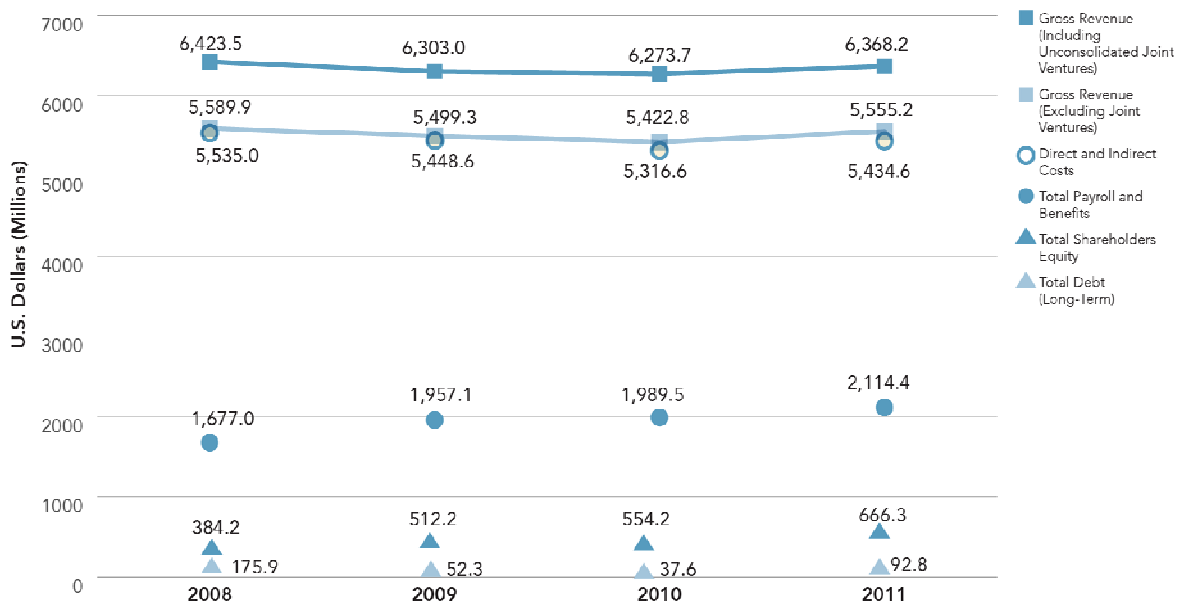
CH2M HILL’s work encounters all of these changes. We are helping clients to factor the value of natural resources into business, industrial, and community planning to find **exciting solutions** that support the environment, the social fabric, and the bottom line. As we work in this dynamic space, we consciously distribute economic value through **donations and community investments**, as well as through **subcontracting arrangements and partnerships** that support small, local businesses.

Economic Performance

In 2011, the gross revenue of all CH2M HILL companies was US\$5.6 billion, excluding joint ventures. Including prorated revenues from joint ventures, the total gross revenue was US\$6.4 billion, an increase of US\$95 million over the total gross revenue in 2010. After debuting on the FORTUNE 500 list at 436 in 2009, CH2M HILL ranked 422 in 2011. Information on charitable giving is contained in Corporate Philanthropy.

Financial Data: CH2M HILL Family of Companies

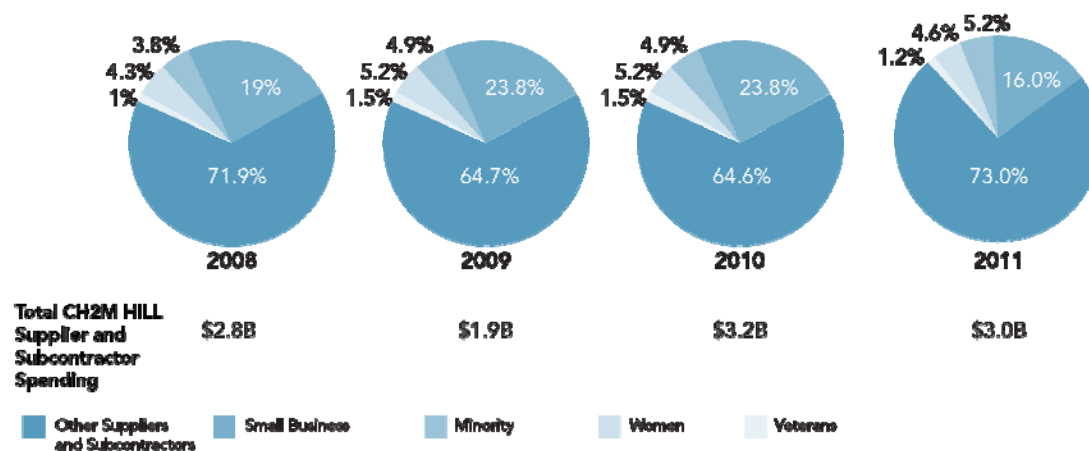
EC1



Business Partnerships

The CH2M HILL family of companies has a long-standing commitment to fostering relationships with small and diverse businesses. We promote participation by partnering with local small business firms and providing business opportunities, training, mentoring, and other resources to help them develop and grow. We make inquiries with local chambers of commerce and minority, women, veteran, small business, and lesbian, gay, bisexual, and transgender (LGBT) professional organizations to increase the number of small and diverse businesses in our supplier database. Numbers and percentages fluctuate from year to year because of our acquisition of other companies, the nature and amount of work that can be subcontracted, and the fact that some businesses “grow up” and no longer qualify as small businesses according to the U.S. Small Business Administration (SBA) definition.

CH2M HILL Supplier and Subcontractor Spending

EC6 & EC9


Note: Total CH2M HILL Supplier and Subcontractor Spending is inclusive of client project spend, indirect procurement spend, and miscellaneous non-project categories. Client project spend totaled US\$2.5 billion in 2011.

In 2011, the CH2M HILL Office of Supplier Diversity & Small Business initiated several award programs to recognize individual employee and project accomplishments:

- Two employee recognition awards (for program/project managers and contract/subcontract administrators) recognize employees that provide small business opportunities for subcontracting, nurturing relationships, and enhancing small and diverse businesses' skills to compete for larger scopes of work.
- Three levels of project/program recognition (Diamond, Platinum, and Administrator's Awards) recognize project teams for meeting or exceeding their contractual small business subcontracting goal requirements.

CH2M HILL also participates in the SBA's awards program to recognize our great suppliers and subcontractors. The SBA's Small Business Subcontractor of the Year awards program allows large business contractors, such as CH2M HILL, to nominate its best and brightest small business suppliers and subcontractors for national recognition. Since 1996, CH2M HILL has nominated 35 small business suppliers and subcontractors for this award.

We also maintain strong mentor-protégé relationships with minority businesses and participate in more than 30 small business networking events each year under programs offered by the following

U.S. federal agencies: SBA, USEPA, DOE, Department of Defense (DOD), and Department of Homeland Security (DHS).

Strengthening Local Communities

CH2M HILL works to build local economies by strengthening small or minority-owned companies. The following two examples demonstrate our commitment to local communities and small and disadvantaged businesses.

Baton Rouge, Louisiana

The Office of the Mayor-President, the Department of Public Works, and the Sanitary Sewer Overflow (SSO) Program Management Team (CH2M HILL, Sigma Consulting Group Inc., and ILSI Engineering) are working in partnership to strengthen local business capacity and promote small and minority-owned business participation on Baton Rouge SSO Program projects through three supporting programs:

- **Mentor-Protégé Program.** CH2M HILL entered into and completed the first mentor-protégé program in Louisiana state history. CH2M HILL and Parns Construction LLC, a Baton Rouge-based minority business enterprise, signed an agreement for CH2M HILL to provide assistance in strengthening the construction firm's management and technical capacity. As part of this mentoring program, Parns Construction staff received training in construction administration and field observation. Recently Parns Construction successfully completed the mentor-protégé program and a second mentor-protégé relationship with Bonton Associates, LLC, a local engineering design firm, was initiated.
- **Land Acquisition Agent Apprenticeship Program.** To strengthen the capacity of local and minority businesses to provide land acquisition services, the SSO Program team, with support from the Office of the Mayor-President, developed a land acquisition agent apprenticeship program. Under this initiative, nine local minority or disadvantaged businesses were trained in federal procedures and practices for land acquisition related to infrastructure projects. The agents completed a two-part training program, where initially they were closely supervised, followed by limited supervision as they managed the process of acquiring subsequent parcels. This program has been extremely successful.
- **Outreach to Local Small/Disadvantaged Businesses.** In addition to the formal initiatives, CH2M HILL's Disadvantaged Business Enterprise Coordinator monitors minority or disadvantaged business enterprise and local business participation in SSO program projects and provides support to small and disadvantaged businesses in Baton Rouge that are interested in providing services and participating on the program. Business owners are provided information on program contractors, upcoming projects, registering with the City-Parish's database, and available support and resources. In addition, Program team members assist business owners in developing capabilities statements and provide instructions on how to access solicitations for services. CH2M HILL also partners with local organizations and participates in training, outreach, and networking events sponsored by the Louisiana Economic Development, the Small Business Administration Louisiana, Southern University Small Business Development Center, and the Louisiana Procurement Technical Assistance Center.
- As of March 2012, 326 contractors are working on 107 active projects in the SSO Program. Of those, 181 have offices in the East Baton Rouge Parish, 244 have offices in Louisiana, and 115

are small, minority, or disadvantaged business enterprises. Of the 107 projects, 48 projects have at least one disadvantaged business enterprise.

Vieques Island Environmental Restoration Program

On a US\$20 million environmental restoration program with the U.S. Navy in Puerto Rico, CH2M HILL has been providing environmental restoration opportunities to small and disadvantaged businesses. We have provided environmental services to the Navy on Vieques Island, Puerto Rico, since 1999, including construction management services (for munitions removal), environmental restoration, munitions investigation services, and community involvement activities. To date, over 12 million pounds of munitions- and range-related debris have been removed from Vieques.

During fiscal years 2010 and 2011, over US\$22 million, or more than 50 percent, of the Vieques program's prime contracts were awarded to small businesses, which exceeded the Navy's small business prime contract goals. In addition, one of the prime contractors subcontracted over US\$5 million in small business contracts (over 80 percent of its contracts) to small businesses. These small business contracts included woman-owned small businesses, small disadvantaged businesses, and Historically Underutilized Business Zones (HUBZone) contractors.

In addition, CH2M HILL and the Navy have trained and hired 81 local residents of Vieques to conduct munitions response. The residents were Occupational Safety and Health Administration (OSHA)-trained and subsequently hired by the munitions removal contractors to assist in the cleanup by removing vegetation and collecting munitions-related debris. To ensure their safety, the trained locals work alongside experienced technicians. The integration of this local workforce has had significant benefits to the project and the local economy. The salaries of local workers have contributed more than US\$5 million to the local economy during the last 2 years, and project costs have been reduced by over US\$12 million.

For the second year in the last 3 years, the CH2M HILL-Navy Vieques team won the Environmental Restoration Team Award presented by the Chief of Naval Operations. The Navy Environmental Awards recognize ships, installations, and individuals or teams for exceptional environmental stewardship.

Sharing the Wealth

CH2M HILL has been recognized for our commitment and contributions to the small business community. Our recent awards include the following:

- **U.S. Department of State, Small Business Subcontracting Award, October 2011 and September 2010.** CH2M HILL was recognized for exceeding the contractual small business subcontracting goal of 40.0 percent and for achieving 50.6 percent small business subcontracting performance. We also were recognized for exceeding our small disadvantaged business, woman-owned small business, and service-disabled veteran-owned small business goals.
- **U.S. Environmental Protection Agency's Administrator's Award for Outstanding Accomplishments by a Prime Contractor for Fiscal Year 2008 and Fiscal Year 2010 (awarded in 2009 and 2011).** CH2M HILL received these awards for its mentoring and use of small businesses. CH2M HILL is instrumental in awarding more than 86.0 percent of subcontracting dollars to small businesses in support of our efforts on this project. The team also is mentoring a woman/minority-owned small business (Environmental Design International, Inc.) in areas such as site investigations and characterizations; remedial design and remedial construction; and surveying and mapping.



Sustainability Performance Indicators

Our company's effects on the environment, people, and economy result from two distinctly separate spheres of activity: the conduct of our internal operations (facilities, procurement, and other functions) and the delivery of client projects. In both arenas, and as a signatory to the U.N. Global

Compact, our executive leadership is fully committed to ensuring that our business policies incorporate and support sustainability goals for the environment, people, and economy.

As a leader in the industry and one of the first engineering and construction companies to publish a sustainability report in 2005, CH2M HILL continues a tradition of excellence and transparency in reporting on internal operations related to sustainability.

This summary index contains a list of GRI indicators and additional, industry-specific indicators that we measure (labeled "CH2M HILL"), followed by the section of this report (shown in italics) in which the reader can find more information. While some of our metrics extend back to 2003, others are new this year. Our Web site lists performance for the past 4 years, where available, and is updated annually. Following are CH2M HILL Sustainability Reports available for download on our Web site at www.CH2M HILL.com/sr:

- CH2M HILL Sustainability Report 2012, text version
 - CH2M HILL Sustainability Report 2012 Brochure (US)
 - CH2M HILL Sustainability Report 2012 Brochure (A4)
- CH2M HILL Sustainability Report 2011, text version
- CH2M HILL Sustainability Report 2009
- A World of Ingenuity: 2007 Sustainability Report
- Engineering a Sustainable Future: 2005 Sustainability Report

Environment

GRI No.	Indicator
EN2, EN1	Materials used by weight or volume and percentage of materials used that are recycled input materials <i>Paper Consumption</i>
EN4, EN5, EN7	Indirect energy consumption by primary source, energy saved through conservation and efficiency improvements, and initiatives to reduce indirect energy consumption <i>Facilities Energy Use</i>
EN16, EN17, EN18	Total direct and indirect greenhouse gas emissions, other relevant indirect greenhouse gas emissions, and initiatives to reduce emissions <i>Greenhouse Gas Emissions and Business Travel</i>
EN10, EN21, EN25	Percentage and total volume of water recycled and reused, total water discharge by quality and destination, and water bodies and habitats affected by water discharge and runoff <i>Water Use: Water Reuse, Discharge, and Quality</i>
EN23, EN28	Compliance with environmental laws and regulations, and total number and volume of significant spills <i>Environmental Compliance</i>

Environment

GRI No.	Indicator
EN29	Significant environmental impacts of transporting products and other goods, and transporting members of the workforce <i>Business Travel</i>
CH2M HILL	Environmental management of our internal operations and projects <i>Environmental Management</i>
CH2M HILL	Recycling a wide variety of materials, including electronic waste <i>Recycling</i>
CH2M HILL	Expanding relationships with sustainable suppliers through purchasing agreements <i>Procurement</i>

Society

GRI No.	Indicator
HR2, HR3, HR6, HR7	Human rights screening on suppliers and contractors, operations identified as having significant risk for incidents of child labor violations, operations identified as having significant risk for incidents of forced or compulsory labor, and human rights training for employees <i>Human Rights</i>
HR4	Incidents of discrimination and actions taken <i>Ethics: Employee Reporting and Communications</i>
LA1	Total workforce by employment type, employment contract, and region <i>Workforce Distribution</i>
LA2	Employee turnover rates by region and according to indicators of diversity <i>Employee Turnover</i>
LA6, LA7	Workforce representation in health and safety committees and injury rates <i>Health and Safety</i>
LA10, LA11, LA12	Employee training, programs for skills management and lifelong learning, and percentage of employees receiving regular performance and career development reviews <i>Training and Development</i>
LA13	Composition of governance bodies and employees according to indicators of diversity <i>Workforce Diversity and Inclusion</i>
SO2, SO3	Business units analyzed for risks related to corruption and training for employees in anti-corruption policies and procedures <i>Ethics: Anti-Corruption Policies and Procedures</i>
SO4	Actions taken in response to incidents of corruption <i>Ethics: Employee Reporting and Communications</i>
SO5	Participation in public policy development and lobbying <i>Ethics: Government Participation and Lobbying</i>
CH2M HILL	Participation in international organizations to improve conditions for people, as well as local community partnerships <i>Community Partnerships and Outreach</i>

Economy

GRI No.	Indicator
EC1	Economic value distributed, revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments <i>Economic Performance</i> <i>Community Partnerships and Outreach: Corporate Philanthropy</i>
EC6, EC9	Policy, practices, and proportion of spending on locally-based suppliers, and description of significant indirect economic impacts <i>Business Partnerships</i>

UN Global Compact Principles

No.	UN Global Compact Principles/CH2M HILL Commitment
1 – 5	Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor. <i>Human Rights</i>
6	The elimination of discrimination in respect of employment and occupation. <i>Workforce Diversity and Inclusion and Ethics: Employee Reporting and Communications</i>
7	Businesses should support a precautionary approach to environmental challenges. <i>Improving Company Effects on Sustainability and Client Services Footprint</i>
8	Undertake initiatives to promote greater responsibility. <i>Environmental Management</i>
9	Encourage the development and diffusion of environmentally friendly technologies. <i>Improving Company Effects on Sustainability and Client Services Footprint</i>
10	Businesses should work against all forms of corruption, including extortion and bribery. <i>Ethics</i>

CEO Water Mandate Elements

No.	Water Mandate Elements/CH2M HILL Commitment
1	<p>In our Direct Operations, we pledge to assess our water use, set targets related to water conservation and wastewater treatment, seek and invest in new technologies, raise awareness of water sustainability within our corporate culture, and include water sustainability considerations in business decision-making.</p> <p><i>Water Use: Direct Water Use at CH2M HILL Facilities and Water Conservation Strategies for Clients</i></p>
2	<p>Where appropriate, over time, we pledge to address Supply Chain and Watershed Management by encouraging major suppliers to report regularly on progress achieved related to goals and to improve their water conservation, quality monitoring, wastewater treatment, and recycling practices.</p> <p><i>Procurement</i></p>
3	<p>We pledge to take Collective Action in addressing water sustainability issues and policies by working with national, regional, and local governments and public authorities, as well as civil society organizations. We pledge to encourage and develop new technologies and support the work of existing water initiatives involving the private sector and other intergovernmental organizations.</p> <p><i>Community Water Preservation and Policy</i></p>
4	<p>We pledge to be advocates for water sustainability in global and local Public Policy discussions by clearly presenting the role and responsibility of the private sector in supporting integrated water resource management and partnering with governments, businesses, civil society, and other stakeholders.</p> <p><i>Community Water Preservation and Policy: Public Water Policy</i></p>
5	<p>In our Community Engagement, we pledge to be active members of the local community and encourage or provide support to local government, groups, and initiatives seeking to advance the water and sanitation agendas. We will also undertake water-resource education and awareness campaigns in partnership with local stakeholders and work with public authorities to support water infrastructure development.</p> <p><i>Community Water Preservation and Policy: Community Engagement</i></p>
6	<p>Our continuing commitment to Transparency is reflected in our reporting as part of CH2M HILL's annual Communications on Progress for the UN Global Compact and includes the water indicators found in the Global Reporting Initiative™ (GRI) Guidelines. We pledge to publish and share water strategies in our reporting and to be transparent in dealings and conversations with governments and other public authorities on water issues.</p> <p><i>Water Use: Direct Water Use at CH2M HILL Facilities and Water Reuse, Discharge, and Quality</i></p>



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