



**CH2MHILL**

## **2006 Communication on Progress For the UN Global Compact**

### **STATEMENT**

*As a member of the Global Compact, CH2M HILL's business policies incorporate and support the ten Global Compact principles. Our board supports our actions in working towards sustainability goals such as those contained in the UN Global Compact, and it endorses the plans we describe in this 2006 Communication on Progress Report. Our goal is to continue moving the agenda forward on performance related to human rights, labour rights, the environment and the fight against bribery and corruption.*

Signature

RALPH R. PETERSON

Printed Name

CHAIRMAN AND CEO

Title

04 DECEMBER 2006

Date

**Contact:** Andrea C. Ramage, Director, Sustainable Solutions  
**Email:** andrea.ramage@ch2m.com  
**Phone:** 425.233.3335  
**Fax:** 425.468.3100

	<b>Global Compact Principle</b>	<b>Action Taken &amp; Impact Achieved and/or Plans for the upcoming Year</b>
<p>x <input type="checkbox"/></p>	<p><b>1:</b> Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p><b>2:</b> and make sure that they are not complicit in human rights abuses.</p>	<p>CH2M HILL implicitly addresses human rights issues through a strong Business Conduct Policy and a company culture that highly values integrity and respect for others. However, our goal is to address human rights issues more explicitly, as the company expands its global operations into countries or regions where conditions have allowed human rights abuses to occur. In 2007, we plan to develop a clear company policy addressing the protection of human rights and avoidance of abuses.</p>
<p>x <input type="checkbox"/></p>	<p><b>3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>CH2M HILL supports the tenets of the National Labor Relations Act and employs thousands of union-represented employees in the United States and world wide. The Company employs Labor Relations staff positions at corporate and project/field levels to assure that represented employees and their collective bargaining agreements are integrated into productive work environments. Efforts in 2006 in the US include new or existing agreements renegotiated at government sites managed by the Department of Energy and the US Navy, waste and water treatment plants for municipalities and local governments, and project labor agreements for major construction projects.</p>
<p>x <input type="checkbox"/></p>	<p><b>4:</b> the elimination of all forms of forced and compulsory labour; and,</p> <p><b>5:</b> the effective abolition of child labour;</p>	<p>CH2M HILL stands with the international community in support of human rights. Therefore, and in response to new United States government (USG) requirements to adhere to a zero-tolerance policy, CH2M HILL has adopted a firm-wide policy against human trafficking. All employees are required to comply, and the policy has been incorporated as a new provision to the existing Business Conduct Policy.</p> <p>CH2M HILL has established a multi-disciplinary task force to help employees and subcontractors understand this issue and CH2M HILL's responsibilities. The task force oversees implementation and compliance with the new human trafficking clause, including the development of training materials to help ensure full understanding and compliance. Suspected violations of this policy can be reported on a firm-wide hot line, and the impacts of this new policy will be monitored as it is implemented.</p>

	Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
<p>x <input type="checkbox"/></p>	<p><b>6:</b> and the elimination of discrimination in respect of employment and occupation.</p>	<p>CH2M HILL continues to support and carry out its Equal Employment Opportunity and Affirmative Action Policy programs. Each year, U.S. offices develop Affirmative Action Plans, which monitor the diversity of our workforce compared with the available workforce and that of our clients. We also are implementing four strategies to diversify our workforce:</p> <ul style="list-style-type: none"> <li>• Participate in university minority engineering programs and the National Association of Minority Engineering Program Administrators.</li> <li>• Recruit through professional minority engineering societies such as the Society of Women Engineers, the National Society of Black Professional Engineers, and the Society of Hispanic Professional Engineers.</li> <li>• Support programs that educate youth about career opportunities in science, engineering, and technology – such as the Junior Engineering Technical Society.</li> <li>• Continue the firm’s corporate practice of negotiating language in all Union Collective Bargaining Agreements(CBA’) that prohibits any form of illegal discrimination for the workers covered by the respective CBA.</li> </ul> <p>In addition, CH2M HILL leaders are charged with fostering a culture of inclusion. A variety of recognition programs and company-sponsored social events assist toward this goal.</p> <p>The result to date is that the workforce split between male/female is about 60/40 percent. Ethnic percentages are approximately split as follows: American Indian (0.3%), African American (3.5%), Asian or Hispanic (3.7%), Pacific Islander (5.2 %), and Caucasian (79%).</p>
<p>x <input type="checkbox"/></p>	<p><b>7:</b> Businesses should support a precautionary approach to environmental challenges;</p>	<p>With respect to client work, implementing this principle requires technical capability and understanding among CH2M HILL employees, as well as clients who wish to adopt precautionary approaches. When these factors converge in a project, the project becomes a model for best practices – such as remediation of an atoll to restore a thriving reef environment, replacement of toxic chemicals with benign substances to reduce hazardous releases, and installation of energy-efficient technologies to reduce costs while cutting greenhouse gas emissions. In 2007, we will continue to promote precautionary approaches in technical solutions, through employee training sessions and in discussion with clients. In addition, we will address this principle specifically with respect to our firm’s actions in combating global climate change.</p>
<p>x <input type="checkbox"/></p>	<p><b>8:</b> undertake initiatives to promote greater environmental responsibility;</p>	<p>Since 2000, CH2M HILL has taken steps to continually improve the environmental responsibility of our company’s business operations. The most recent step taken in this regard is the implementation of a formal Environmental Management System (EMS), the scope of which covers procurement, fleet, facilities, and business travel in North America. In 2006, a greenhouse gas inventory was completed, which will form the basis for further improvements in 2007. Furthermore, we increased the number of hybrid vehicles in the fleet, drafted guidelines for green tenant improvements, and added environmental responsibility clauses to several national vendor agreements. An ongoing communications effort conveys issues and accomplishments to employees. In 2007, the EMS process of continuous improvement will receive ongoing corporate support.</p>

	<b>Global Compact Principle</b>	<b>Action Taken &amp; Impact Achieved and/or Plans for the upcoming Year</b>
<p>x <input type="checkbox"/></p>	<p><b>9:</b> and encourage the development and diffusion of environmentally friendly technologies.</p>	<p>With respect to the work performed for our clients, CH2M HILL continues to offer front-running, environmentally friendly technologies such as low impact stormwater management, membrane bio-filtration, natural water treatment systems, wind power, chemical replacement, riparian restoration, water reuse, desalination, composting, and many more. These technologies are implemented in partnership with our clients on projects around the world. In addition, our company's Sustainable Solutions program promotes sustainable technologies through training sessions, a firm-wide online conference, a Sustainable Solutions Community of Practice, and various communications. Our focus on "green" technologies will continue, as we strive to bring more value to our clients.</p>
<p>x <input type="checkbox"/></p>	<p><b>10:</b> Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p>All CH2M HILL employees must sign and follow the company's Business Conduct Policy, which addresses corruption, extortion, bribery, conflicts of interest, harassment, human trafficking, and other issues. This policy is a condition of employment by CH2M HILL. In addition, CH2M HILL is a signatory of the World Economic Forum's Zero-Tolerance Policy to Combat Corruption and Bribery. Both commitments will continue to be an important part of our company's way of doing business.</p>