A photograph of a forest path at night, illuminated by numerous glowing fireflies. The path is made of dirt and small stones, leading into the distance. The surrounding trees and foliage are dark, with the fireflies providing the primary light source, creating a magical and serene atmosphere.

2017 Sustainability and
Corporate Citizenship Report

ch2m.[®]



2017 Sustainability and Corporate Citizenship Report

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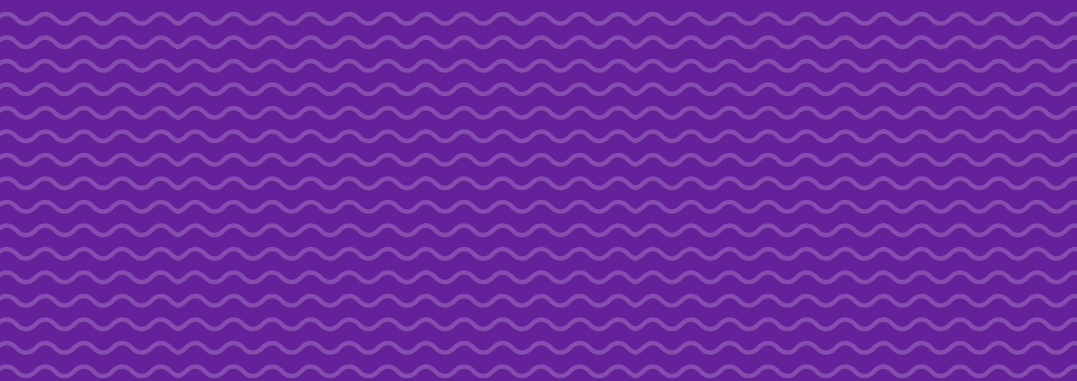
Upstanding sustainability and citizenship

Our passion for sustainability and corporate citizenship shines through in world-class ways, from improvements in our internal operations to milestones delivered in partnership with our clients that ultimately generate superior, triple-bottom-line results. As one of the first firms in our sector to publish a sustainability report aligned with the Global Reporting Initiative (GRI), CH2M demonstrates leadership advancing sustainability and upstanding citizenship in measures of ethics, health and safety and environmental, economic and social performance for clients, employees and stakeholders around the globe.

This *Sustainability and Corporate Citizenship Report* highlights progress achieved as of the calendar year ending December 31, 2016, marking our 12th consecutive year of GRI reporting.

Our philosophy

At CH2M, it starts with our purpose: laying the foundation for human progress by turning challenge into opportunity. But that's just the beginning.





A message from Chairman and CEO Jacqueline Hinman

As a professional services firm tackling our clients' toughest infrastructure and natural resource challenges with optimism and imagination, we've always approached our work a bit differently, driven by our purpose to pave the way for human progress.

If we zig when others zag or turn a problem upside-down to evaluate it from another angle, it's because we're looking for the most complete solution that returns value to our clients and stakeholders.

In 2016, we conducted a thoughtful, outside-in analysis to determine how we could operate and compete more effectively. We started first and foremost with our unwavering commitment to protect the health and safety of all stakeholders. We launched a global safety campaign where our management team, our employees and I reaffirmed our dedication to Target Zero. There's absolutely nothing more important than the safety of our people.

As a part of our analysis, we reinforced our industry-leading position in sustainability and corporate citizenship. As one of the first firms in our sector to publish a sustainability report, we know our most significant achievements stem from the work we deliver for our clients. That's why we elevated sustainability and citizenship as an integral part of our [2016 Integrated Summary Annual Report](#) and for the first time, we included aggregate measures of improvement achieved for our top 100 clients, in addition to our internal achievements. Reflecting our record delivering sustainable solutions and exemplary citizenship, CH2M became the first professional services firm ever to be honored with the World Environment Center Gold Medal Award for International Corporate Achievement in Sustainable Development, demonstrating our global leadership in influencing and delivering progressive environmental, social and economic outcomes.

Review our [2016 Integrated Summary Annual Report](#) for a complete assessment of the company's performance and prospects.

Sincerely,



Jacqueline Hinman
Chairman and Chief Executive Officer





Panama Canal Expansion project

Photo courtesy of Panama Canal Authority

Upstanding citizenship

CH2M's purpose is rooted in sustainability and exemplified by leadership as a corporate citizen. We pave the way for human progress, delivering better social, environmental and economic outcomes.

That purpose extends from the way we operate within the firm to the triple-bottom-line solutions we deliver for clients. Our [Sustainability Policy](#) governs our decisions and actions to deliver sustainable results for our stakeholders, aligned with the United Nations (UN) Sustainable Development Goals, while our [corporate governance](#) enables us to achieve our goals.

CH2M Chairman and CEO Jacqueline Hinman and our board of directors provide governance oversight for the company, including sustainable performance and responsible citizenship, supported by diverse business functions that contribute to decision-making, programs and services to advance these aims.

Our board's [Governance and Corporate Citizenship Committee](#) ensures focused engagement in setting goals, monitoring performance and reporting results toward the firm's sustainability and corporate citizenship goals.

We partner with nonprofit organizations, clients and stakeholders around the world to achieve these goals in our client work and citizenship initiatives. Backed by CH2M Foundation grants, corporate giving, client partnerships, employee contributions and volunteerism, our community investment programs focus on two overarching objectives:

- Advancing sustainable development of communities
- Supporting science, technology, engineering and math (STEM) education for students and teachers

The client-centric business model we established in 2016 serves clients holistically from pursuit to delivery and everything in between. Our model contains three global client sectors: national governments; state and local governments; and the private sector. We work with clients to deliver the better future they envision for their communities, constituents and commercial interests and achieve triple bottom-line performance improvements.

Sustainability is an expression of good corporate citizenship



Corporate citizenship

is a business approach that supports affecting the environment, society and the economy in a positive way.



Sustainability

is meeting the needs of the present while creating a healthy and vibrant economy, society and environment for future generations.




What we do

is solve the world's complex infrastructure challenges while promoting responsible natural resource use, economic growth and social inclusion.

Our clients

Because we place clients at the center of everything we do, we define and operate our business differently from industry peers. Our best sustainability opportunities come from loyal clients with whom we enjoy long-standing, valued relationships built on mutual trust.



Lee Tunnel, Thames Water's Thames Tideway Tunnel Program

Photo courtesy of Thames Water



Sustainable solutions delivered for clients

Iconic infrastructure



Heathrow Airport expansion

£211 billion boost for U.K. economy
Strengthening London's Heathrow Airport's standing as a sustainable hub airport, while creating 180,000 jobs and 10,000 apprenticeships



Chesapeake Bay, Virginia

18 million gallons
of nutrient-laden water kept out of Chesapeake Bay, Virginia, in Alexandria Renew Enterprises' Envision Platinum nutrient management facility



Metrolinx Rapid Transit Program

6 million people with mass transit
Serving a vibrant metropolis growing by 100,000 people each year through the Metrolinx Rapid Transit Program in Toronto



Crossrail tunnel boring

10% increased capacity
Dramatically reducing travel times and increasing London's rail capacity through Crossrail's high-frequency, high-capacity railway for London and the South East



Panama Canal expansion project

60% water recycled
Opened new locks on the Panama Canal that feature water-savings basins recycling up to 60 percent of the water used per transit



25 countries on 4 continents
Supporting USAID with infrastructure programs for humanitarian relief and international development around the world for 40 years

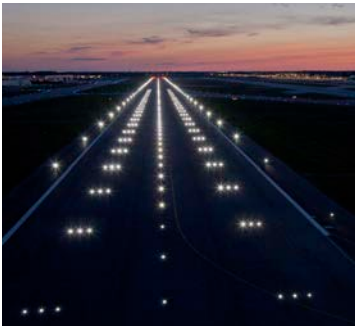


Kuala Lumpur-Singapore High Speed Rail

217

miles of high speed rail

Reducing travel time between Kuala Lumpur and Singapore to just 90 minutes



Airport runway

60%

power usage reduction

Designing an award-winning sustainable runway for the John Glenn Columbus International Airport in Ohio, the first runway in the U.S. to employ high-intensity LED runway edge lights that cut power use by 60 percent



Seattle Link light rail

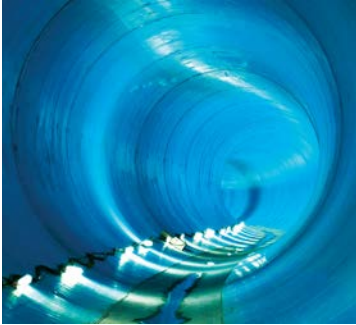
70,000

weekday riders by 2020

Boosting transit on the University Link Light Rail in Seattle (opened 6 months ahead of schedule and \$200 million under budget)



World-class communities

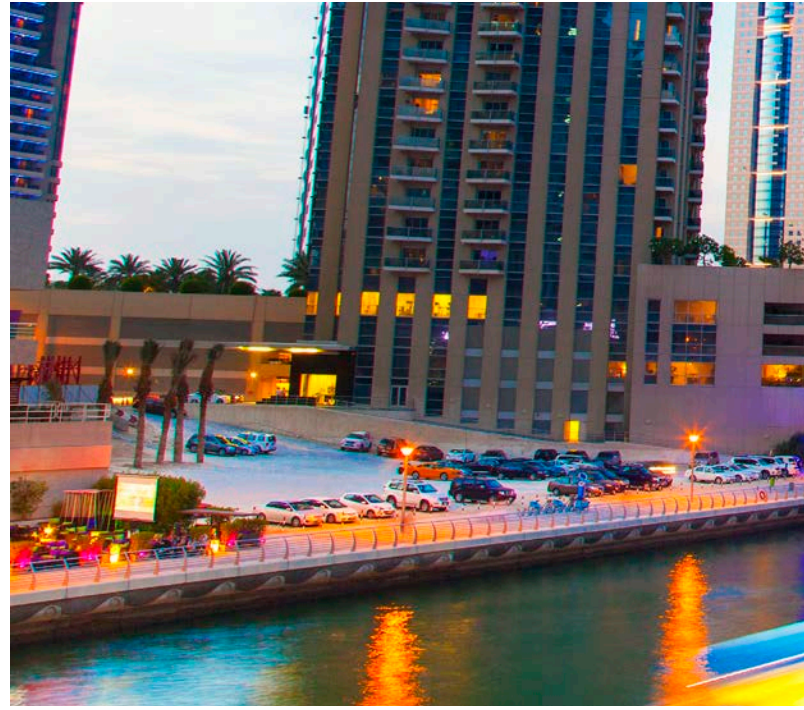


Singapore PUB Deep Tunnel Sewerage System

30 million

imperial gallons of desalinated water

per day, helping the country meet 85 percent of its water needs through desalination and high-grade reclaimed water in Singapore's fifth desalination plant



Thames River, London

16 million

tons per year

Reducing total wastewater discharge in the Thames River, U.K. by 40 percent



Detroit and Detroit River

13,000 acres

of Detroit open space

Using advanced analysis and collaborative funding to convert unused open space into recreation opportunities, urban farms, sustainable stormwater infrastructure and natural reserves



Dubai Water Canal pedestrian bridge

16 miles

of canal

Adding new vibrancy to Dubai's ultramodern cityscape, to be used by more than 1 million people per year

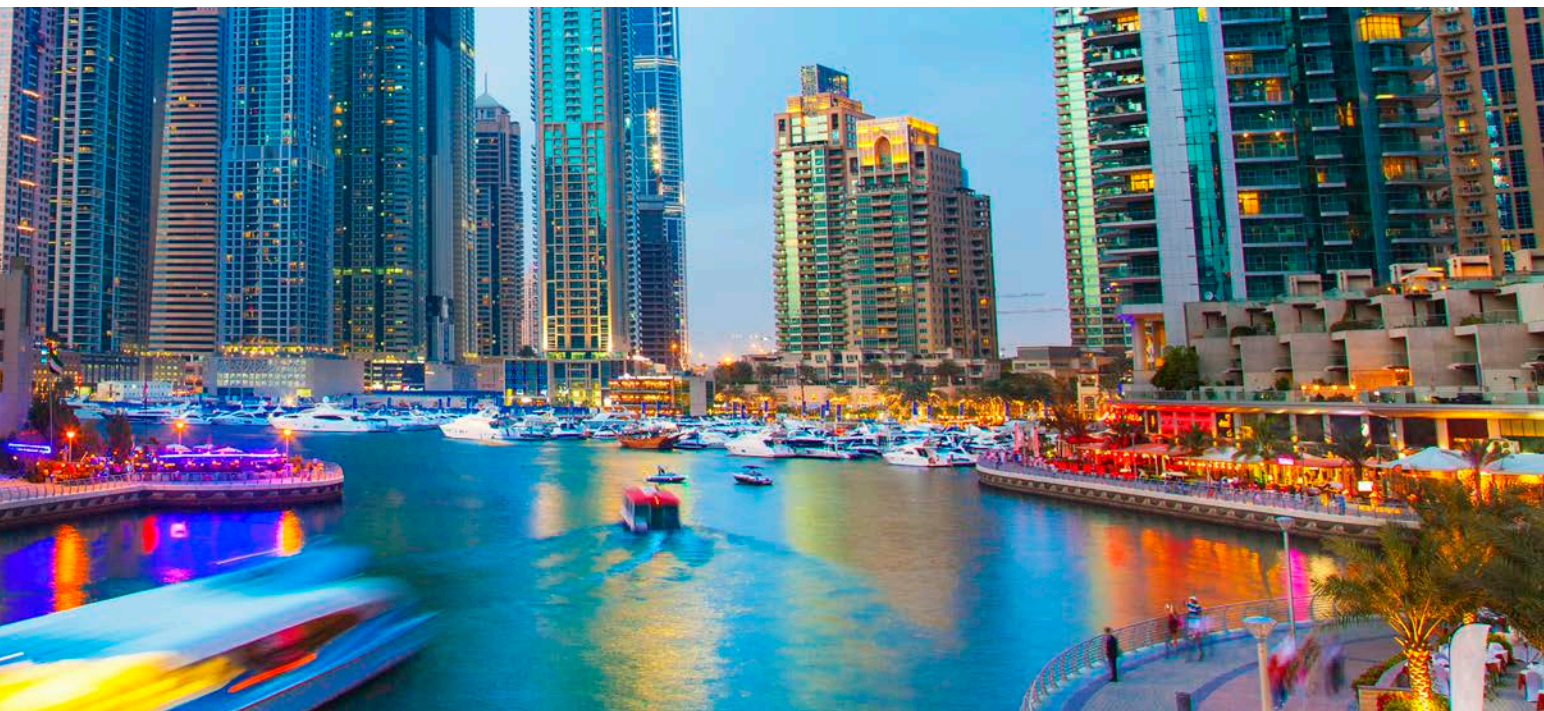


ICE South West Awards, Lyme Regis project

480 homes

protected

By stabilizing a historic landslide through the award-winning Lyme Regis environmental improvements project



>25 million

square feet

Dubai's world-class theme park destination including 15,000 LEGO® models, slated to attract 6.7 million visitors and create 4,000 jobs



National Western Center rendering

250 acres

of redeveloped land

Supporting Denver's transformation of the National Western Center campus into a year-round destination and regional asset



Travis Air Force Base

\$200,000

annual savings

Achieved operation and maintenance savings through green and sustainable remediation at Travis Air Force Base, California, reducing electrical use by 790,000 kWh and CO₂ by 930 tons annually



Rockaway Beach boardwalk

5 miles

of restored coastline

Restoring the Rockaway Beach boardwalk in New York City, a vital coastline recreational corridor that was destroyed by Superstorm Sandy

Environmental and economic resiliency



Agua Nueva Water Reclamation Facility, Pima County

4 clients

named as Utilities of the Future

The Water Environment Federation named Alexandria Renew, VCS Denmark, Pima County Regional Wastewater Reclamation Department and the City of Fayetteville as forward-thinking and sustainable utilities



Tacoma Central Wastewater Treatment Plant

2,500

foot-long floodwall

Providing flood protection to the Puget Sound, Washington, and Tacoma's Central Wastewater Treatment Plant



200-hectare

demonstration site

Planning an innovative research facility that uses seawater to raise fish and shrimp in the United Arab Emirates



City of New York coastal resiliency

1 mile

of enhanced waterfront, ecology and urban spaces

Providing coastal restoration and protection for 110,000 New Yorkers, reducing flood risks, facilitating waterfront access and creating enhanced natural areas





Lake Mead, Colorado River basin

50 years

of resilience

Helping seven Colorado River Basin states address uncertainties from climate-related water supply and demand risks



Oyster bed

6.5 miles

of East Bay restoration

Restoring a healthy, functioning oyster habitat with The Nature Conservancy in Florida



Thames barriers

1.3 million

people and £275 billion of property protected

Protecting London from tidal flooding through the Thames Estuary tidal flood risk management system



5

key energy and climate strategy pillars

Modeled future climate conditions and impacts in support of Newmont Mining in securing reliable, cost-effective power, minimizing energy use, advancing clean energy policy, reducing carbon footprint and adapting to climate change





Singapore Public Utilities Board (PUB) Active, Beautiful, Clean Waters Programme

Delivering sustainable results in operations management

CH2M provides operations, maintenance and management services for municipal and industrial clients' facilities. Each day, we treat approximately 1.7 billion gallons of water and wastewater, ensuring sustainable performance with best management practices that mitigate environmental impacts, enhance and protect ecosystems and actively engage with community stakeholders.

Facility Operations Management Successes

2016

- **3,170** hours volunteering
- **10.8** million kWh electrical consumption reduced
- **57,800** gallons fuel consumption reduced
- **633** tonnes CO₂ emissions reduced
- **US\$1.8** million savings from 2016 to 2017
- **19.6** billion gallons effluent reduced
- **9,525** tonnes biosolids reused
- **72** tonnes material recycled
- **3,735** gallons oil recycled
- **2,200** units universal waste recycled
- **8** enhancements to ecosystems
- **8** awards, certifications or recognitions

Since 2009

- **16,500** hours volunteering
- **70** million kWh electrical consumption reduced
- **169,000** gallons fuel consumption reduced
- **US\$11.8** million saved for our clients and our company
- **75.1** billion gallons effluent reused
- **38,011** tonnes of biosolids and recyclable waste diverted from landfills



Our award-winning, site-driven sustainability program

leverages our employees' passion to implement sustainable community projects, resource efficiencies and wildlife habitats. Now in the program's eighth year, we're continuously improving our clients' sustainable performance.



Northern Treatment Plant, Brighton, Colorado

Our clients' wastewater treatment facilities discharge to a variety of water bodies. Standard National Pollutant Discharge Elimination System (NPDES) permits require that 85 percent of all biochemical oxygen demand and total suspended solids are removed in the treatment process to protect water quality in receiving streams. We bring value to our clients and water resources by achieving removals above national standards at the 74 client water resource recovery facilities we manage throughout North America. In collaboration with our clients, we operate treatment plants aligned with their management and budget objectives and deliver global best-practice innovations in these local facilities.

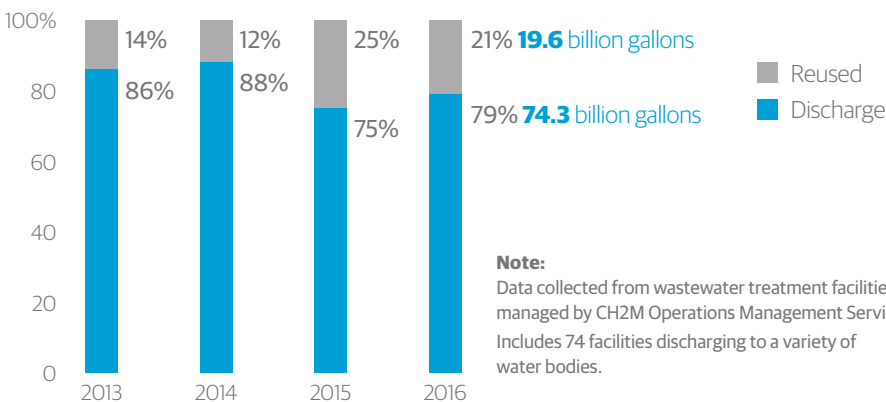
Accomplishments in 2016 at 74 water resource recovery facilities:

- **93.9 billion gallons** of wastewater treated
- **19.6 billion gallons** beneficially reused
- **97 percent** average biochemical oxygen demand process removal
- **97 percent** average total suspended solids process removal
- Treatment averages at **12 percent above** the NPDES average

Treated Wastewater Discharge & Reuse

| GRI 303-3, 306-1

North America



Our communities

In 2016, our investments continued to make significant impacts delivering greater social, environmental and economic benefits around the world.





Our communities snapshot

Sustainable Communities

CH2M & Water For People

\$2.86 million

Raised for Water For People since 2003 in employee giving and CH2M contributions, with **\$2.2 million** from employee giving alone

CH2M & Engineers Without Borders

189 employees

Have volunteered with Engineers Without Borders, and we've given **\$100,000** each year since 2013 in charitable support

CH2M & Bridges to Prosperity

7 footbridges

built by **56 CH2M volunteers** and community members; **1,440 community members** served by 2 bridges built this reporting year



Water For People global impact

1.5 million people with access to safe water since 2011

3,520 communities working toward *Everyone Forever*

1,500 schools with proper water and sanitation

829,267 people with access to reliable sanitation



Engineers Without Borders' global impact

686 projects in 42 countries: total projects across the globe

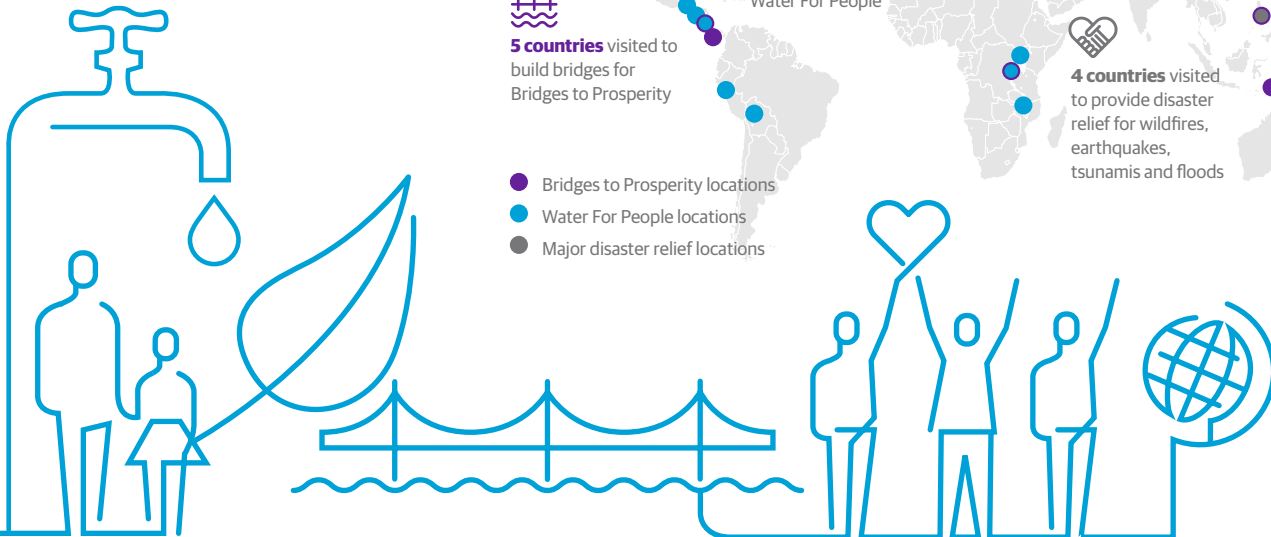
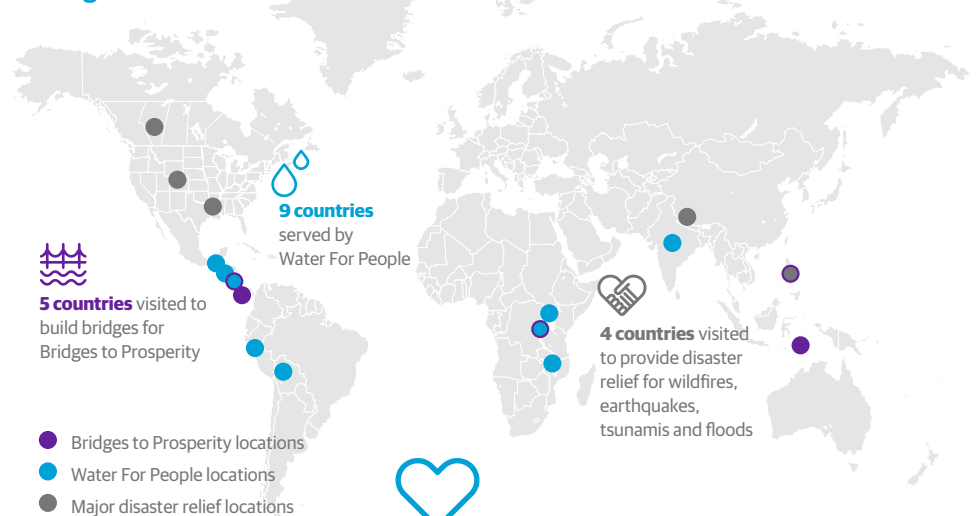


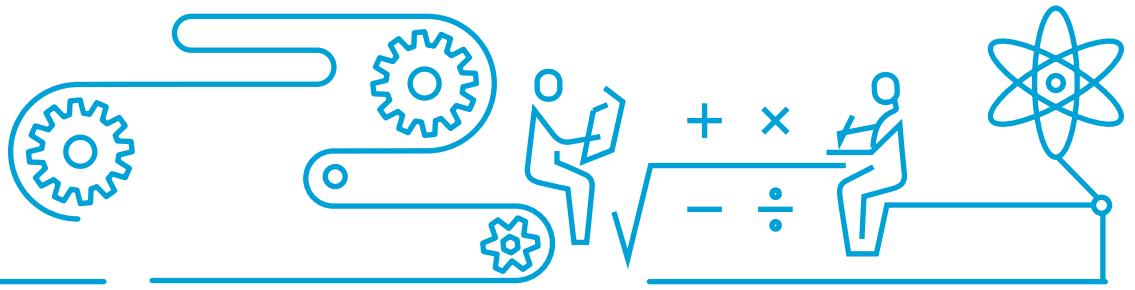
Bridges to Prosperity global impact

Nearly 1 million people connected by over 200 footbridges

Expanded to 18 countries across southeast Asia, Africa and Central and South America

Serving around the world





STEM

Denver School of Science and Technology

Denver, Colorado, U.S.

5,000

students served at 12 high schools

74% graduates attend universities

Hosted "day in the life of an engineer" and bridge-building competition for high-school freshmen

Emirates Foundation

UAE

3,000

students participated in the *Think Science Expo*

500 students

engaged at the Think Science Fair submitting



100 projects

with CH2Mers judging

Let's Talk Science

Canada

2,534

youth interactions through CH2M support in remote communities, in partnership with Chevron and Shell

Social Mobility Foundation

U.K.

65

students have participated in CH2M's residential engineering programme since 2014

70% of the students are studying STEM subjects at university

The Nature Conservancy/ WB Saul High School

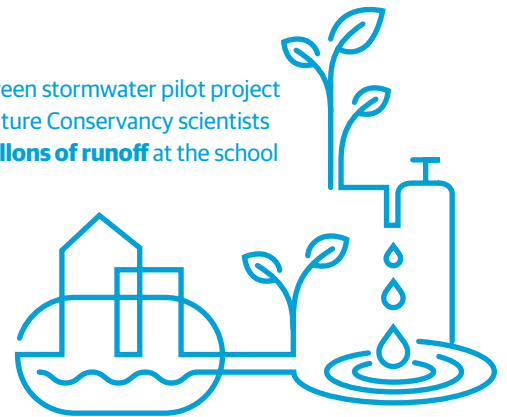
Philadelphia, Pennsylvania, U.S.

55

students to design and install a green stormwater pilot project with CH2M engineers and The Nature Conservancy scientists to manage 27,800 potential gallons of runoff at the school

Nearly 80% of students are minorities

Received the US2020 STEM Mentoring Award for Excellence in Public-Private Partnerships



Polish Children's Fund

Poland

35

students visited CH2M for a "STEM weekend," giving them tools to develop their math passion

2 days spent with professors from Jagiellonian University

10 employees worked with students on a pumping station project

Smithsonian Institution

U.S.

34

science teachers attended Smithsonian's six-day science academy in partnership with the Dow Foundation

50 local teachers received a day of hands-on training in Baton Rouge, Louisiana, through CH2M, Dow and the Smithsonian Science Education Center

Girls Inc.

Denver, Colorado, U.S.

30

girls enrolled in Eureka! STEM program for middle and high school girls

174 program hours per girl



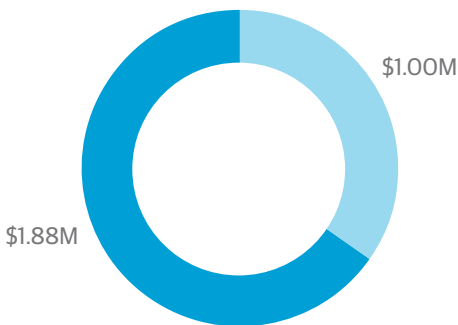
2016 Rwanda completed bridge build

CH2M Foundation and giving

CH2M contributes to nonprofit organizations around the world with a focus on two areas of giving and employee engagement: developing sustainable communities and promoting STEM education. We give globally and locally through grants from the CH2M Foundation and through offices and employees who contribute and volunteer for programs in their communities and around the world.

Philanthropic Contributions

| GRI 201-1



■ Corporate giving
■ CH2M Foundation giving

Note:

This information represents spending by the company codes as charitable contributions in CH2M's accounting system. The figures do not include contributions made by employees.

The CH2M Foundation is a 501(c)3 nonprofit organization.

In 2016, corporate giving represents 3% of profit before tax.

The CH2M Foundation extends the positive impact we make on the well-being of people beyond our client work.

Governed by an employee board, our award-winning foundation enables deeper partnerships with clients and communities by engaging employee volunteers.

In 2016, the CH2M Foundation awarded \$1 million to strategic partners promoting sustainability and STEM education, supporting social, environmental and economic benefits around the world.

"Our people make a difference in communities around the world through their daily work. The CH2M Foundation reinforces our commitment by focusing on areas of critical importance to our employees, our clients and the communities we serve."



Ellen Sandberg
Executive Director, CH2M Foundation

STEM education

The two most critical ingredients for an effective STEM initiative are students and teachers. The magic happens when both are empowered with the tools to succeed. The CH2M Foundation supports innovative programs to inspire students and enable teachers around the world through the following grants, awarded in 2016:

- [Dow-CH2M Smithsonian Science Education Academy for Teachers](#): A partnership with the Dow Foundation to send teachers to a week-long academy, heightening their ability to inspire and enlighten students in STEM education.
- [Summer Engineering Residential Programme](#): Through the Social Mobility Foundation, introducing high school students to engineering opportunities through hands-on activities, coaching and visits to London's most iconic infrastructure projects.
- [Green Infrastructure and STEM Education Pilot Project](#): Working with The Nature Conservancy at W.B. Saul High School in Philadelphia to design and construct a green stormwater project; received the [US2020 STEM Mentoring Award](#) for Excellence in Public-Private Partnerships.
- [STEM Partnerships Program, Denver School of Science and Technology](#): Funded development of special partnerships with universities and colleges, internship programs and career events to ensure DSST high school graduates persist and succeed in their higher education STEM studies.
- [Girls Inc. of Metro Denver](#): Providing funds and volunteers for the 5-year Eureka! STEM program for middle and high school girls, including a four-week summer program; a Transportation Engineering Week; an internship; and a travel-abroad experience.
- [Let's Talk Science Challenge](#): Supporting the Canada-wide program where 3,300 middle school students engage in team-based study and science competitions. Also working with Chevron and Shell to support STEM education in remote British Columbia schools.
- [Think Science Expo, Emirates Foundation](#): Sponsorship of "Think Science" Expo where 3,000+ Emirati high school and university students learn to design and build science-based innovations and hear from CH2M volunteers about the role STEM education plays in the world's infrastructure.
- [Polish Children's Fund, STEM Workshops](#): Supporting underserved, gifted high school students with math and innovation workshops in 2017.

Sustainable communities

The CH2M Foundation and our employees regularly support three strategic partners to advance sustainable communities. Water For People provides access to clean water for millions each year; Engineers Without Borders USA delivers life-sustaining infrastructure and services; and Bridges to Prosperity enables safe passage linking people to education, health care and economic opportunities. The following are highlights of our support in 2016:

- [Water For People](#): Awarded a grant for Nicaragua and raised \$200,000+ in employee donations to support Water For People's programs to ensure access to clean safe drinking water and sanitation. As of 2016, CH2M employees have raised \$2.2 million to support Water For People's programs.
- [Engineers Without Borders USA](#): Funded a study of a micro-hydro dam in Guatemala and provided support for planning, monitoring, evaluating and learning. Our funding has changed the landscape of what is possible for the organization.
- [Bridges to Prosperity](#): Funded employee-volunteers to build bridges in Nicaragua and Rwanda. Since 2014, 56 employees have built seven footbridges in Panama, Nicaragua, Rwanda, the Philippines and East Timor, improving thousands of lives.

The CH2M Foundation also provided matching funds for employee contributions to American Red Cross disaster relief in response to wildfires in Alberta, Canada, and flooding in Louisiana.



CH2M Foundation goals

For the first time, the CH2M Foundation has set the following impact goals for 2017:

- Inspire 1,000 STEM students and teachers
- Engage 500 employee volunteers
- Involve 50 communities
- Collaborate with 25 key clients

Our operations

Our unwavering commitment to integrity and corporate responsibility continued to guide our operations throughout 2016.





National Western Center Rendering, Denver, Colorado

Our values

We are respectful

We are collaborative

We are entrepreneurial

We are compassionate

We are positive





Ethics and business conduct

CH2M's unwavering [commitment to ethics, integrity and corporate responsibility](#) dates back to the firm's founding, as articulated in the [Little Yellow Book](#) by co-founder Jim Howland. An affirmation of the firm's core values, CH2M has published the [Little Yellow Book](#) in English, Arabic, French, German, Mandarin, Polish, Portuguese, Russian and Spanish.

CH2M's [Employee Ethics & Business Conduct Principles](#) serve as an employee code of conduct aligned with the simple and enduring philosophies outlined in the [Little Yellow Book](#), providing values-based guidance about the behaviors expected of all employees.

In addition, CH2M's [Anticorruption Compliance Guidance brochure](#) educates employees about compliance protocols to avoid corruption, while our [Supply Chain Ethics & Business Conduct Principles](#) and [Supplement for U.S. Government Work](#) detail requirements for our suppliers, subcontractors and business partners.

Employee reporting and communications

We exercise vigilance and transparency, empowering employees to make ethical decisions and report concerns without fear of retribution. Among a variety of training programs and reporting tools, employees and supply chain partners can use [The GuideLine](#) to seek confidential guidance, discuss concerns or report potential violations of laws or policies. Where allowed by law, individuals may report such issues anonymously.

In 2016, we received a slightly lower number of [The GuideLine](#) contacts (174) than the rolling 5-year average of 233 contacts. Contacts are categorized by concern, such

as ethics and integrity, accounting and fraud, human resources, safety and security. We saw more reports related to human resources than any other category (this includes bullying, discrimination, retaliation and workforce violence). Of [The GuideLine](#) contacts resolved during the year, which included concerns submitted before 2016, 35 percent were found to be substantiated. In addition, 36 requests for advice were tracked and answered via [The GuideLine](#) in 2016. A majority of the reports received in 2016 related to human resources issues. CH2M's Ethics and Compliance and Human Resources teams meet regularly to review the reports, status of investigations and lessons learned to assist employees in making sound decisions.

CH2M introduced a new, standalone non-retaliation policy in 2016 to promote and maintain a work environment free from all forms of retaliation. The policy briefly explains prohibited retaliatory behaviors and how employees and non-employees can recognize and report retaliation.

We regularly survey employees to test their knowledge and familiarity with our ethics requirements, training and methods of reporting. Our last survey indicated that over 90 percent of employees are familiar with our ethics materials and tools and believe CH2M demonstrates its serious commitment to ethics and integrity. The 2017 survey was conducted in April.

More information about our ethics program can be found on our [website](#).



 **9th consecutive**
year recognized by the
Ethisphere Institute as a
World's Most Ethical Company®



"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.



CH2M Little Yellow Book cover art

Anti-corruption policies and procedures

CH2M operates in more than 90 countries on five continents, where we support private and public clients including the United States and other national and local governments.

Because we do business in some of the most difficult places on the planet ([as rated by the global organization Transparency International](#)), we have made our anti-corruption program a cornerstone of our *Employee Ethics & Business Conduct Principles*.

We educate and train our employees and supply chain partners on how to avoid corruption pitfalls that are common around the globe. Late in 2016, we partnered with the Institute of Business Ethics in the United Kingdom (U.K.) to provide the “Say No” app as an immediate resource to avoid corruption and reference common questions about ethics.

Because CH2M sometimes works with political and government relations consultants, our Government Affairs and Legal teams carefully evaluate those engaged to perform lobbying or business development on our behalf, with a zero tolerance policy for corruption.

More details about our anti-corruption policies and procedures, government participation and lobbying activities can be found on our [website](#).

Global leadership in ethics

To promote ethical conduct as our business imperative, CH2M also leads by participating in global industry groups, including as founding signatory of the [World Economic Forum's Partnering Against Corruption Initiative](#). We also are active in the [UN Global Compact Anti-Corruption Working Group](#), which is tied to the 10th Principle; Ethisphere's Business Ethics Leadership Alliance; and the [Construction Industry Ethics and Compliance Initiative](#). As a testament to these proactive measures and ethical commitment demonstrated by our employees, the Ethisphere® Institute again named CH2M one of the World's Most Ethical Companies in 2016, marking our ninth consecutive year on the list.

Since 2012, CH2M has qualified for inclusion in the Covalence global ethics and reputation analysis service. Using six major international treaties as its framework – including the [UN Global Compact and the Organization for Economic Cooperation and Development's Guidelines for Multinational Enterprises](#) – [Covalence](#) applies 45 criteria to track ethical performance among more than 500 of the world's largest companies. In 2016, [Covalence](#) ranked CH2M in the top 2 percent of global companies for ethics and integrity. The firm ended the year ranked No. 10 overall of 581 companies surveyed, and No. 1 of 31 firms reviewed in the construction and materials sector.



Rwanda bridge build team safety moment

Health, safety and environment

We place the utmost priority on our commitment to [protect the health and safety](#) of all stakeholders and the quality of our environment. At CH2M, this is more than just a goal; it's a way of work and life for everyone associated with the firm.

Our health, safety and environment [\(HSE\) policy](#) employs a management systems approach to ensure that everyone goes home safely, every day, on every job. We look out for each other through an intensive, ongoing focus on safety, well-being, security and environmental impacts, in the office, out in the field and at home.

CH2M's HSE management system, branded as "Target Zero" for the aim of zero adverse incidents, injuries or environmental impacts, is based on the American National Standard for Occupational Health and Safety Management System. Target Zero is embedded in our training and operational protocols to continuously improve our safety performance in everything we do.

In 2016, we intensified our commitment to Target Zero with a ["Safety 2.0" campaign](#). We chartered a Global Safety Discovery Team of operational supervisors and frontline advocates to improve our safety record to as strong or better than our best-performing clients. The team visited work sites to observe safety practices and identify improvements, and ultimately strengthened critical safety rules.

To reinforce our Target Zero culture, we published the *Little Safety Book*, a pocket-sized guide that summarizes our vision, philosophy and practices, while raising awareness about the most common workplace safety hazards. In addition, we published safety toolkits throughout the year to foster dialogue about the hazards and actions to avoid them. Each week focused on specific topics, including wellness tips, emergency preparedness, materials handling and safe lifting. In 2016 we performed nearly 5,000 ergonomics evaluations and addressed more than 1,500 concerns, eliminating ergonomic discomforts and injuries while enhancing productivity.



HSE training

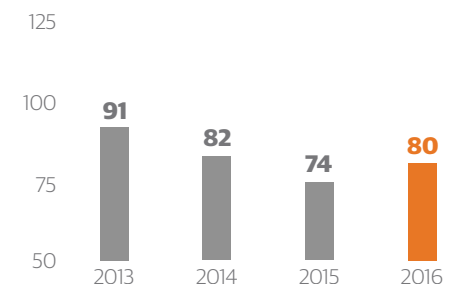
Our environmental training program covers field and construction services, as well as stormwater, chemicals, waste, air, wetlands and natural and cultural resource management. All of our project managers are required to take an environmental program awareness course and participate in HSE courses throughout the year, ranging from hazardous waste remediation and construction site safety, to ergonomics and

behavior-based loss prevention. Some of the courses are mandated for compliance with jurisdictional regulations, while others exceed minimum compliance requirements, providing increased development for employees, who completed 135,484 hours of HSE training in 2016.

Injury rates

The 2016 employee recordable incident rate (recordable incidents per 200,000 hours worked) for CH2M and affiliated companies was 0.34, which is 51 percent lower than the U.S. engineering industry average of 0.7 (based on 2015 data published by the U.S. Department of Labor, Bureau of Labor Statistics for Engineering Services, North American Industry Classification System Code 541330).

Recordable Incidents | GRI 403-2



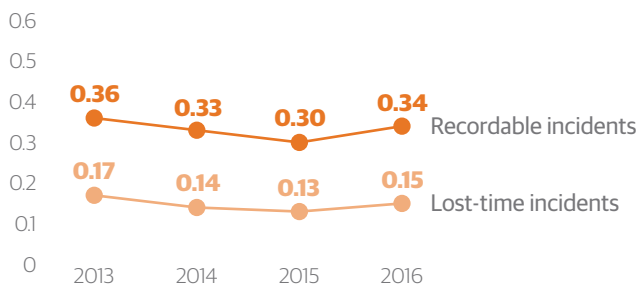
Note:

Includes incidents for CH2M family of companies.

CH2M's lost-time incident rate, recorded for incidents resulting in days away or restricted duty per 200,000 hours worked by employees, was 0.15, 63 percent lower than the U.S. industry average of 0.4. CH2M experienced no occupational fatalities among employees or subcontractors in 2016. CH2M applies U.S. Occupational Safety and Health Administration recordkeeping standards in calculating global incident rates.

Employee Recordables & Lost Time | GRI 403-2

Incident rates per 100 employees/work year



Note:

Lost-time incidents are those that involve days away, restricted duty or transfer to another job.

Both recordable and lost-time incident rates are figured as a number of cases per 200,000 hours worked, as specified by industry standards. 200,000 is an estimate of the hours worked by 100 employees in a year.

Includes worldwide recordables and lost-time cases for all CH2M companies.

Human rights

In our commitment to maintain the highest levels of health, safety and well-being in our work, we prioritize [protecting the welfare of workers](#). Wherever we advise or manage projects, we maintain a zero-tolerance policy for human trafficking, child labor and forced labor.

As program manager and engineering consultant on projects around the world, CH2M generally does not engage in construction work or employ construction labor. However, we hold project subcontractors and partners to the highest worker welfare standards, and we lead our industry in defining measures for clients and project supply chains to ensure fair and safe labor conditions for migrant workers. In these efforts, we worked with fair labor expert [Verité](#) to develop and implement a Worker Welfare Policy championed by our chairman and CEO and our board of directors, to expand our corporate citizenship scope to include worker welfare.

Training

Our [Worker Welfare Policy](#) – including the U.K. Modern Slavery Act – is included in our mandated annual ethics training for all global employees, and we empower employees at all levels to seek guidance or report concerns on human rights, either directly or through our confidential hotline, without fear of retaliation. Upon joining CH2M, new employees receive the [Employee Ethics & Business Conduct Principles](#), which include expectations on fair labor practices, human trafficking and other ethical principles. Furthering our expectations on human rights and fair labor practices, we distribute [Supply Chain Ethics & Business Conduct Principles](#) to our suppliers as a companion document to our [Employee Ethics & Business Conduct Principles](#). In 2016 we advanced progress on human rights and worker welfare issues in our industry through the following activities:

- **Screening suppliers:** Applied new supplier screening procedures, including social criteria, to screen 100 percent of our new suppliers, aligned with our Worker Welfare Policy.
- **Technology advancement:** Successfully piloted a [new mobile app](#) to equip more than 100 workers on a major client project in the Middle East with technology to identify worker welfare concerns. Developing and applying the app further in 2017, with the goal of industry-wide adoption.
- **Industry collaboration:** Hosted a series of high-level roundtables to promote collaboration on human rights issues in partnership with the [Institute for Human Rights and Business](#). Led founding of [Building Responsibly](#), a new industry group of major engineering and construction firms that will work to protect the rights and welfare of workers.
- **Public policy engagement:** Strategized with government officials in the United States, U.K. and Middle East on ways to improve the conditions of migrant workers in the construction sector.
- **Benchmarking:** Sharing experiences and insights at international forums focused on ethical supply chain management and worker welfare, including an educational roundtable hosted with Verité for industry peers focused on the latest Federal Acquisition Regulation for Combating Trafficking in Persons, required for U.S. government contractors.

2016 Economic performance

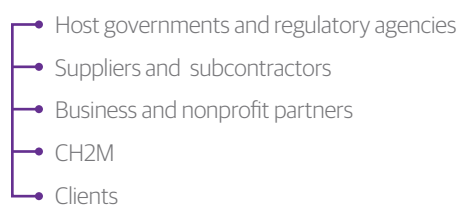


Stakeholders, memberships and partnerships

CH2M's value chain involves a range of stakeholders – from the regulators, suppliers and subcontractors upstream of our work, to clients, delivery partners and constituents served downstream – whose social, environmental and economic interests must be considered in the work we do.

With a purpose rooted in sustainability, we take a systems approach in our value chain to enable greater triple-bottom-line returns, even when we cannot directly track, measure or take credit for measures beyond our operational footprint. This means we often engage in spirited, constructive dialogues and collaborations with partners and clients on how to drive sustainable outcomes, particularly in the delivery of complex, large-scale projects and programs with many stakeholders.

CH2M Value Chain | GRI 102-46



CH2M's sustainability and corporate citizenship stakeholders, memberships and partnerships include:

Clients

Our clients seek to improve their supply chain sustainability and, as dedicated partners with them, we strive for disclosure and transparency in metrics that are important to our customers. Many of CH2M's projects and clients require or request reporting on sustainability progress as a part of the bidding process or as part of supplier sustainability surveys.

Employees

Employees are actively engaged in sustainability and corporate citizenship efforts through local volunteer efforts, our Sustainability Community of Practice, our Environmental Management System (EMS) and social media.

Shareholders

We report on all aspects of company performance, including sustainability and corporate citizenship, to owners of CH2M stock, including current and former employees and our minority investment partner Apollo Global Management, LLC.

Business and joint venture partners

In our work with joint-venture partners, we influence further consideration of sustainability measures.

Governments, policy makers and regulators

By nature of our work, and in accordance with various statutory and regulatory requirements ranging from local to national governance associated with that work, we advocate, provide insights and report on risks and opportunities to sustainable performance with the following parties:

- Local, state/provincial and national permitting agencies
- Local, state/provincial and national policymaking bodies and advisory committees
- National government agencies providing oversight on procurements and contracts
- U.S. Securities and Exchange Commission
- National and international trade and customs agents

Business and professional associations

CH2M engages with professional societies and advocacy groups to benchmark best practices. We lend support and technical expertise, and also learn from others to drive continuous improvements, in our involvement with the following organizations:

- Air & Waste Management Association
- American Academy of Environmental Engineers and Scientists
- American Association of State Highway and Transportation Officials
- American Council of Engineering Companies
- American Institute of Certified Planners
- American Road & Transportation Builders Association
- American Society of Civil Engineers and other engineering and scientific professional associations
- American Society for Engineering Education
- American Water Works Association
- Business Roundtable
- Chartered Institution of Water and Environmental Management
- Construction Management Association of America
- Construction Specifications Institute
- Design-Build Institute of America
- EFCG, Inc.: Financial and Strategic Advisors to the Architecture, Engineering/Consulting and Construction Industry



Photo courtesy of Water For People

- Global Social Investing Council
- Institution of Civil Engineers
- Institute of Environmental Management & Assessment
- Institute of Transportation Engineers
- International Project Finance Association
- International Society of Soil Mechanics and Geotechnical Engineering
- International Water Association
- National Association of Environmental Professionals
- National Association for Environmental Management
- National Council for Public-Private Partnerships
- Project Management Institute
- Society of American Military Engineers
- Society of Environmental Toxicology and Chemistry
- Sustainable Remediation Forum
- U.S. Green Building Council, Emirates Green Building Council and European Green Building Council
- Value of Water Campaign
- Water Design-Build Council
- Water Environment Federation
- WTS (Women's Transportation Seminar) International
- Zofnass Program for Sustainable Infrastructure, Harvard University

Nonprofit organizations

We partner with nonprofits directly and through our CH2M Foundation, which focuses on environmental stewardship, global access to water and sanitation and STEM education, as described in "Our communities." Other nonprofit partnerships, such as corporate networks and compacts that share a mission of creating a safer, more abundant world for the next generation, are directly tied to sustainable business:

- Bridges to Prosperity
- Building Responsibly
- Business in the Community
- Business for Social Responsibility
- Business Roundtable
- Emirates Foundation
- Engineers Without Borders USA
- GreenBiz Executive Network
- Humanity United
- IMPACT 2030
- Institute for Human Rights and Business
- Social Mobility Foundation
- The Nature Conservancy
- UN Global Compact
- Water For People
- Wildlife Habitat Council
- World Environment Center

Communities where we live and work

We engage with stakeholders in our local communities through in-office environmental education, community cleanups and volunteer projects.

Suppliers and subcontractors

We drive sustainability into our supply chain by assessing suppliers and subcontractors for their safety, environmental and ethics programs, as explained in the "Supply chain management" section that follows.



2016 Rwanda bridge build team

Supply chain management

In our procurement process, CH2M influences suppliers to advance sustainable performance measures, including efforts to reduce environmental impacts by increasing reliance on sustainable goods, delivery methods and business practices.

We expect our suppliers to endorse CH2M's commitment to corporate social responsibility, including fair labor and operating practices, environmental protection, diversity and supplier development. [Our Supply Chain Ethics & Business Conduct Principles](#) are accepted by every supplier during the registration and qualification process and incorporated into every contract.

Our centralized supplier qualification and performance management system enables us to consider sustainability attributes in sourcing decisions, contract formation and

supply chain performance management. For example, we collect information on key performance indicators associated with planning, production, products and services delivered, energy consumption, carbon and transportation impacts. We use such metrics, as well as stakeholder surveys and supplier scorecards, to evaluate suppliers on their actual sustainability performance.

We use the [United Nations Standard Products and Services Code](#) to analyze where we spend our money, identify cost-effective vendors and make use of electronic commerce capabilities. These are the major categories of our supply chain and the percentage of our total spending.

Our procurement organization distinguishes between procurement for client projects (direct procurement) and procurement for internal operations (indirect procurement).

We assist engineers and construction designers in selecting more sustainable construction materials, equipment and services on our client projects, in collaboration with clients and consideration of budget constraints. We also implement sustainability screening on long-term, high-value agreements for internal operations such as technology, services, paper, office supplies and furnishings.

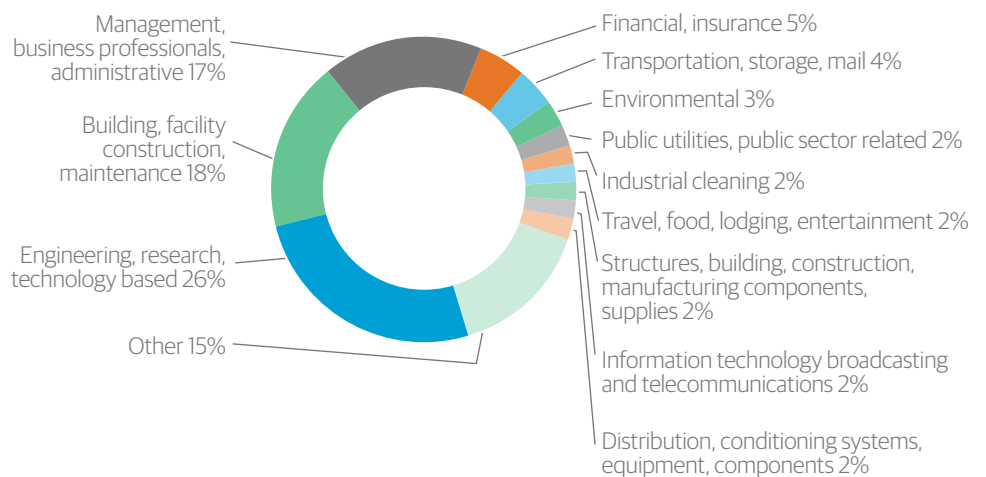
Sequence of Supply Chain Activities

| GRI 102-9

- 1 Establish plan
- 2 Specify requirements
- 3 Qualify & select bidders
- 4 Evaluate proposals
- 5 Establish agreements
- 6 Manage agreement for compliance

Main Elements of the CH2M Supply Chain

| GRI 102-9



Note:
2016 Spend by United Nations standard products and services code categories.

Procurement for client projects

Suppliers and subcontractors provide materials, engineered equipment, fabricated products, professional and technical services and construction services on our projects. Decided at the project level, sources may include local, domestic or global suppliers; large or small and disadvantaged business enterprises; and manufacturers, fabricators, distributors and brokers.

We have suppliers in all [regions](#) where we operate, and we have not had any significant changes in our supply chain in the last several years as a result of organizational changes or acquisitions.

We use a methodology and toolset to identify and select suppliers and subcontractors with robust sustainability programs: suppliers whose products achieve project sustainability targets and subcontractors that will implement acceptable sustainability solutions on our construction sites. The majority of CH2M's spending (86 percent) supports client projects.

Procurement for internal operations

We actively manage our internal supply chain for environmental, social and economic sustainability issues. Our EMS focuses on internal operations because we have more control over these company-wide, global agreements than specific client contracts.

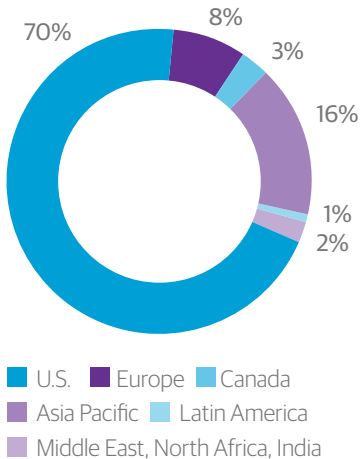
In a global supply chain consisting of thousands of suppliers, we focus on suppliers that want to work with us to establish meaningful, effective and industry-relevant sustainability metrics. We segment these suppliers into four tiers:

- 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

We focus on Tier 1 and 2 agreements because they afford the greatest opportunities. In 2016, we spent \$181.2 million with Tier 1 and 2 suppliers that have sustainability criteria in their agreements, a decrease of \$7 million compared to the previous year. This decrease reflects less spending overall in 2016.

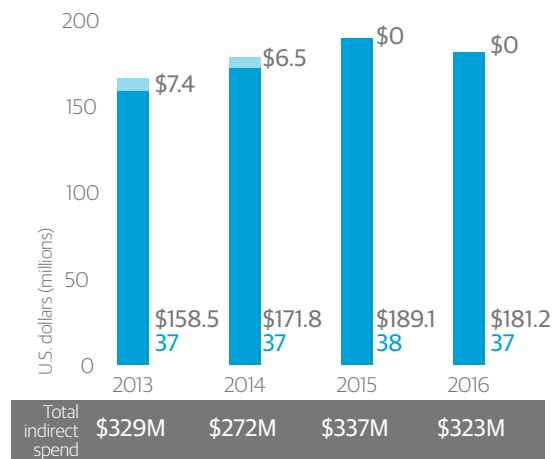
Procurement Commitments by Region | GRI 102-9

Percent of total spending for client projects



Total Spend on Firmwide Indirect Procurement Agreements | GRI 308-1

Tier 1 & 2



- Tier 1 & 2 agreements without sustainability criteria
- Tier 1 & 2 agreements including sustainability criteria


Business partnerships: local and diverse spending

We have a long-standing commitment to fostering relationships with small and diverse businesses. We partner with local, small and diverse firms and provide business opportunities, training and mentoring to help them develop and grow.

CH2M pursues subcontracting opportunities with small, disadvantaged, LGBT, minority, veteran-owned and woman-owned enterprises for our commercial, industrial, U.S. federal and municipal contracts. We make inquiries with local chambers of commerce and professional organizations to increase diversity in our supplier database and foster local partnerships where we have active projects.

Supporting the local economy is always a high priority, but with so many projects around the world, it is difficult to identify the proportion of spending on local suppliers. Numbers and percentages fluctuate each year because of our acquisitions of other companies, the nature and amount of work that can be subcontracted and the fact that some businesses expand and no longer qualify as small businesses according to the U.S. Small Business Administration (SBA).

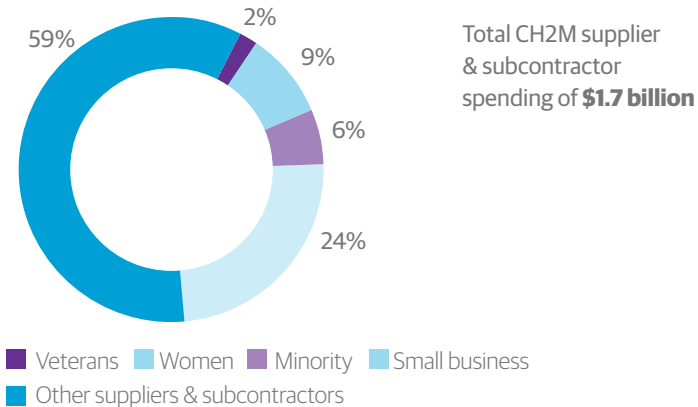
Our Supplier Diversity and Small Business Program succeeds because of our employees' commitment to providing subcontracting opportunities to small and diverse businesses. We recognize these individuals, projects and subcontractors for their dedication in supporting the firm's deliverable requirements and our clients' socioeconomic initiatives.



CH2M's Supplier Diversity and Small Business Program has maintained the government's highest rating possible – "Outstanding/Exceptional" for 19 consecutive years.

We participate in the SBA's Small Business Subcontractor of the Year program to recognize our best small business subcontractors. Since 1996, we have nominated 46 subcontractors for this award. We also maintain strong mentor-protégé relationships with minority- and woman-owned businesses under the U.S. Department of the Defense, Department of Energy, Environmental Protection Agency, Agency for International Development and SBA programs.

Supplier & Subcontractor Spending | GRI 204-1
U.S.

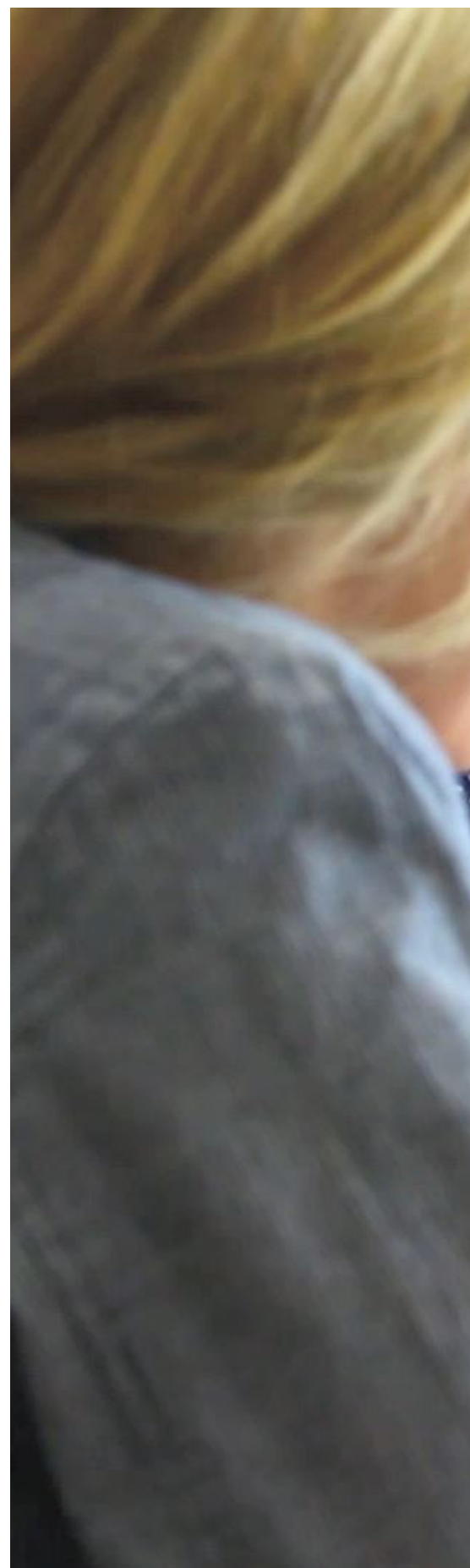


Note: Includes spending on client projects, internal operations and miscellaneous categories.

Our people

Workforce diversity and inclusion

At CH2M, we believe that [diversity and inclusion](#) enhance our competitive advantage in the marketplace and make us extraordinary. We are deeply committed to a culture of belonging and respect. Global diversity and inclusion are strategic advantages, supporting our business growth while allowing us to attract, develop, engage and retain the best talent and serve the needs of an increasingly global and diverse customer base.

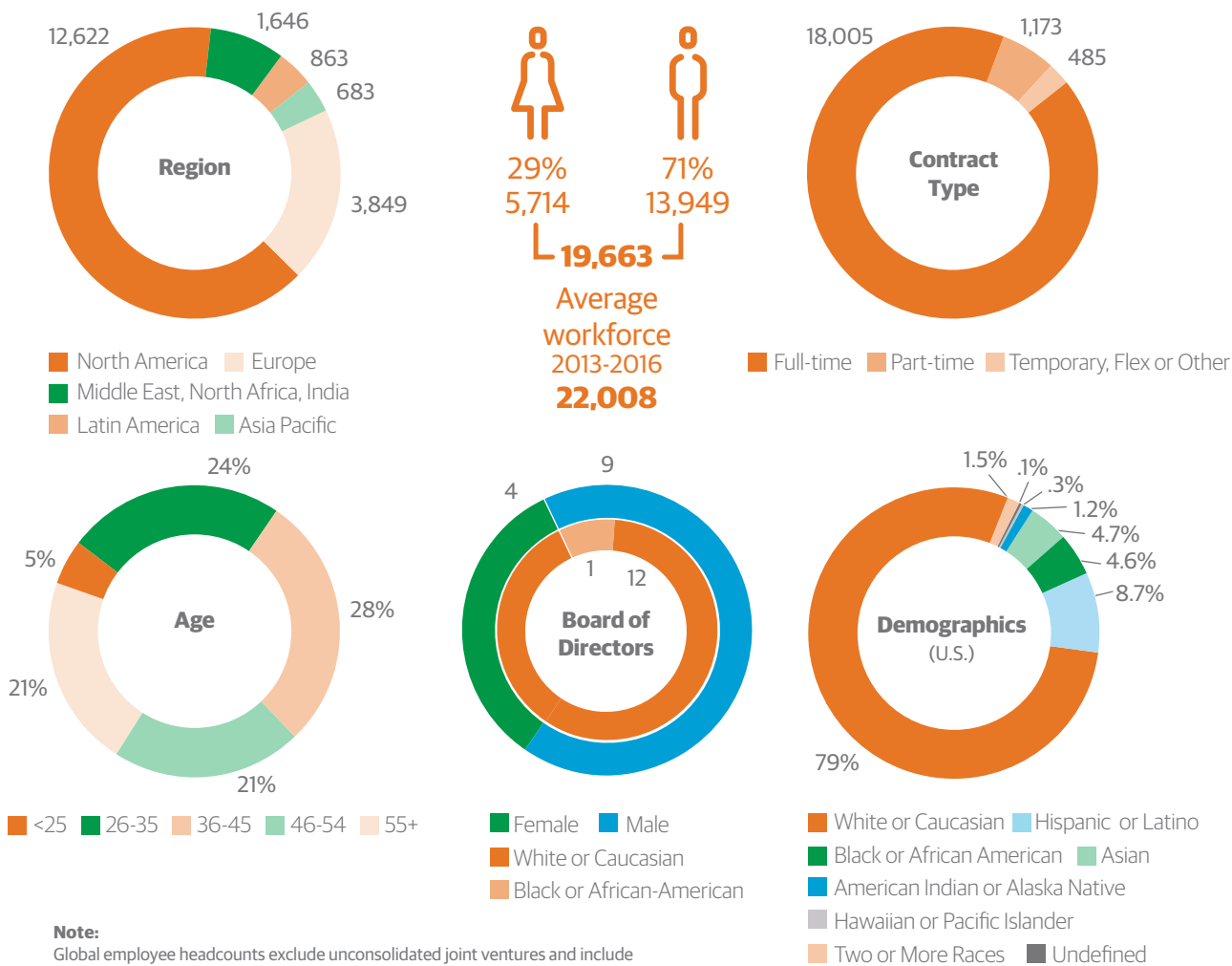




We track gender globally, and in the United States, we track racial data with hiring and attrition. By understanding our diversity metrics, we can implement outreach strategies to attract, engage and retain women, people of color and individuals of many ages and life experiences.

Diversity in Employment and Governance

| GRI 102-8, 102-22, 405-1



CH2M's global female percentage is 33% of our full- and part-time, non-craft population.

In 2016, CH2M's workforce included approximately 3,400 direct-hire craft employees, around 9 percent of which are represented by unions. Most of the employees covered by collective bargaining agreements work for CH2M's joint ventures, which are created to manage specific projects. Including our joint-venture population, approximately 24 percent are represented by unions.



CH2M 2016 Network Group Joint Summit

Promoting diversity through our network groups

Our [eight employee network groups](#) provide opportunities for CH2Mers to share knowledge and support each other in reaching career goals. These groups support our diversity and inclusion strategy, assist with business development, connect with local communities and encourage leadership development. In September 2016, we gathered 30 employee network group members in Denver for a joint summit, Growth Through Diversity. Colleagues from around the world discussed how we can leverage our diversity to drive personal and company success.

Training and development

We engage, develop and empower employees to advance their careers through experiences on the job supplemented by mentoring, coaching and formal learning. We also conduct succession planning and talent reviews to identify employees for leadership, building a talent pipeline for future needs. We consider both performance and advancement potential to engage and retain our critical talent.

CH2M regularly expands our learning and development programs to help employees strengthen their skills and guide their careers. In 2016, we focused on in-depth training with senior sales teams, project managers and emerging leaders. Employees received an average of 17.4 hours of training, a total of 341,553 hours. Our executive team supported this level of investment despite pressure on the company's financial performance, demonstrating our unwavering commitment to learning.

“Meeting with these groups showed me that CH2M isn't kidding around about equality. This was the most pronounced instance I have experienced in my working life where my employer has openly and honestly demanded respect and equality for all, by all, with no exceptions.”

—
Joint Summit attendee

We offer sustainability training through the HSE curriculum for both EMS ISO 14001 and environmental stewardship. We require EMS training for staff members with implementation responsibilities, but it is available to all employees.

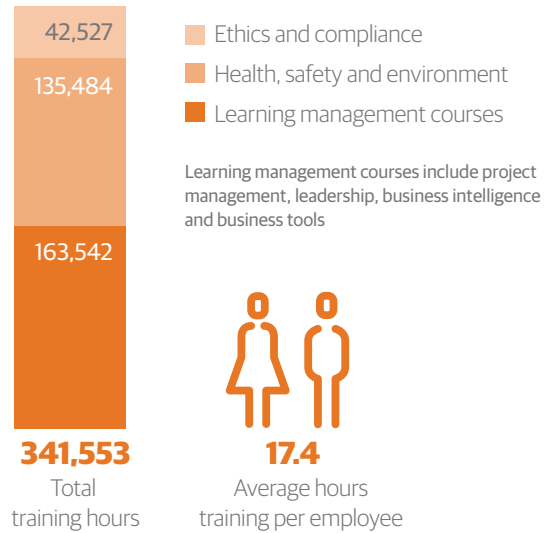
To share how sustainability applies to our projects and the challenges our clients face, we host sustainability communities of practice, where subject matter experts share innovations and new ideas.

Career development

CH2M aims for 100 percent participation in the firm's annual performance management process, which culminates in a formal review between supervisors and employees. In 2016, 94 percent of employees completed performance evaluations. We also launched MyJourney, a talent management platform that helps employees and leaders establish expectations and develop goals that align to company strategy and support their professional development goals.

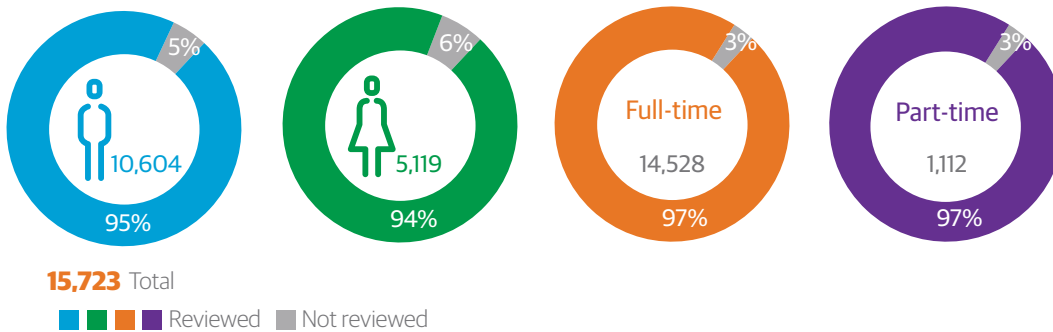
Training

| GRI 205-2, 404-1, 404-2, 412-2



Employee Performance & Career Development Reviews

| GRI 404-3



Note:
 New hires with 2 months or less of service by the end of the year are removed from counts since they were not eligible to participate in the performance management process.
 Performance reviews are optional for flex and contract employees. Approximately 18% of these employees voluntarily participated in the performance review process in 2016.

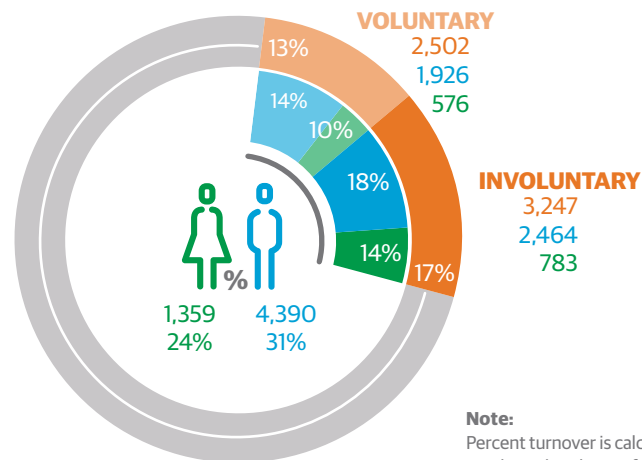
Employee turnover

By measuring employee turnover and analyzing exit surveys across the company, we work hard to understand the fluctuations of turnover to better support our employees' and company's success. Acquisitions, changing demographics and changes to our target markets and geographies all play a part in turnover. In 2016 our workforce decreased based on project work coming to an end, the company choosing to end operations in certain market sectors or reorganization. Two-thirds of this decrease was attributed to the low oil prices affecting our energy business. While turnover rates in recent years primarily reflect the effects of weak energy markets, retirements and restructuring, our voluntary turnover rate for non-craft, full- and part-time employees declined by 2 percent in 2016, the lowest voluntary turnover rate recorded for this group in 4 years. For the entire workforce population, including craft and temporary-flex employees, we saw a 13 percent voluntary turnover rate for 2016.

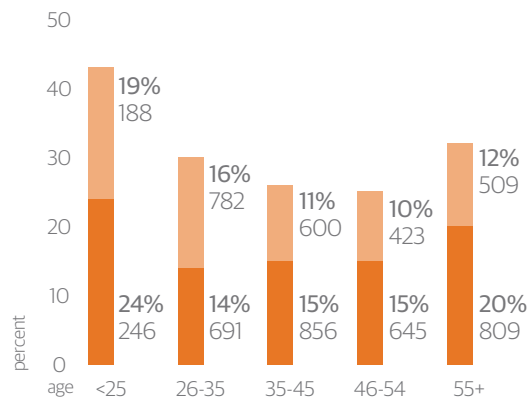
Employee Turnover

| GRI 401-1

By rate and gender



By age



Note:

Percent turnover is calculated by dividing the annual number of losses by the end-of-year active employee headcount for each group.

Our planet

Environmental responsibility

Our employees infuse CH2M with sustainability-inspired principles, knowledge, technologies, tools and methods needed to achieve better management of our company and better long-term solutions for our clients. Reinforced by our history of environmental services and invigorated by our employees' passion, we take our environmental responsibility seriously. We believe it is not only the right thing to do, but also sets us apart in the marketplace. With our EMS we monitor resource use such as water, paper and energy and track waste reduction and our carbon footprint.





Environmental management


CH2M's environmental performance is managed, monitored and improved through formal EMS programs guided by ISO 14001:2004. Most employees work in offices with EMS programs.

Safety & Environmental Management Systems

North America

Canada and USA 

USA Projects

- Idaho Cleanup Project 
- CH2M Plateau Remediation Company (Washington) 
- CH2M B&W West Valley LLC (New York) 









Latin America

Argentina

- Buenos Aires, Campana, Bahia Blanca 

Mexico

- Mexico City 

ISO 14001:2004	OHSAS 18001	AS/NZS 4801	ISO 9001
 Certified	 Certified	 Certified	 Certified
 Conformant	 Conformant	 Conformant	 Conformant

Certification = Certified Management System
 Conformance = Conforms to standard, not a certified system
 Additional CH2M offices hold ISO-9001 certified Quality Management Systems

Europe

- Ireland 
- Italy 
- Poland 
- Romania 
- United Kingdom 

Asia-Pacific

- Australia
 - Sydney, Melbourne, Brisbane 
- Hong Kong 
- Singapore 

Middle East, North Africa, India

Qatar

- Doha 

United Arab Emirates

- Dubai, Sharjah, Abu Dhabi 

India

- Noida, Mumbai, and Hyderabad 

Most of our environmental aspects and impacts are managed locally in accordance with local regulations and opportunities. Select programs, like the carbon emissions inventory, are managed at a corporate level. Throughout the world, environmental regulatory compliance is addressed by our firmwide HSE team.

United States and Canada

The ISO-14001 conformant EMS for the United States and Canada, in place since 2005, manages our environmental footprint in North American offices, including our corporate headquarters in Denver, Colorado. Using a framework of continual improvement, we set goals, track and record progress and evaluate performance to manage our impacts.

In 2016, we surpassed our paper reduction goal by 26 percent and achieved an all-time low in paper consumption. Our headquarters made strides toward reducing electricity consumption by taking the first steps toward implementing a demand response program. Last year we also set an aggressive goal of removing all single-use disposable plastic from

2017 EMS goals: North America offices

Internal CH2M footprint

- Eliminate single-use disposable plastic by the end of 2018
- Reduce electricity consumption at company headquarters by 850 MWh by 2018, compared to 2016
- Reduce CH2M's Scopes 1 and 2 carbon footprint by 25 percent compared to our 2012 baseline by the end of 2017*

* We have made this commitment to reduce our absolute GHG footprint globally.



our offices by 2018. We rolled out our strategy, analyzed our current single-use purchase trends and evaluated durable goods gaps in our kitchens. To promote potable water use and reduce purchase of single-use plastic bottles, we asked employees to pledge to “tap in” and commit to drinking tap water.

In our Operations Management sustainability program, we continued supporting client projects in reducing fuel and energy consumption. Our 2016 goals included reducing fuel consumption by 20,000 gallons and energy consumption by 5 million kilowatt-hours (kWh) on behalf of our clients. We surpassed these goals, achieving a fuel reduction of 57,800 gallons and an energy reduction of an estimated 10.8 million kWh.

Europe

The Europe EMS sets goals to decrease impacts, maintain performance below recognized benchmarks and improve understanding of our environmental impacts so we can set future reduction targets. We have ISO 14001-certified EMS programs in the U.K., Ireland, Poland, Italy and Romania. The EMS footprint has grown, and in 2016 we added ISO 14001 certification for our Global Design Production Center in Krakow, Poland.

Our EMS programs are developed around office activities and environmentally

responsible delivery of projects. All European offices now report on environmental impacts associated with their office activities and business travel, and our data accuracy continues to improve.

In the U.K. CH2M continues to focus on changes needed for the [Energy Savings Opportunity Scheme \(ESOS\) Regulations 2014](#). Large businesses are required to undertake ESOS assessments every 4 years. CH2M’s U.K. operations qualified as a large undertaking on Dec. 31, 2014, and complied with the ESOS requirements for the first compliance period from July 17, 2014, to Dec. 5, 2015.

Our ESOS assessment was incorporated into the U.K. sustainability program in 2016. Although participants are not required to implement the identified energy-saving opportunities, we have begun tracking them as part of our continual improvement and active management of energy use across our U.K. business.

Our EMS programs keep our employees involved in environmental management and help them understand how environment relates to home and work, in the office and on projects. Regular external audits from our certifying bodies confirm certification.

2017 EMS goals: Europe offices

- Continue reducing carbon emissions for office activities through energy-saving opportunities where economically viable
- Maintain paper consumption at less than 3,500 sheets per employee per year
- Reduce water use to less than 6.4 cubic meters per employee per year (following industry and government good practice benchmarks)
- Reduce waste and increase office recycling
- Where electricity is procured directly by CH2M and within our control, procure electricity from a supply backed by the Renewable Energy Guarantees of Origin
- Review use of lease and hire vehicles, including vehicle selection criteria, with respect to CO₂ emissions and miles per gallon
- Sponsor a graduate development project with a sustainability theme

Additionally, we are audited by other external parties, such as Achilles Verify, which confirm our system's performance on behalf of our utility sector customers. In our most recent audit performance from Achilles Verify, we continued to achieve a score of 100 percent.

We continue to measure and report on environmental and sustainability measures, including reporting to our clients to help them understand their own supply chain sustainability. In 2016, we again supported the Environment Agency in its supply chain sustainability analysis program, using Trucost's data collection tool. We also participate in the Corporate Assessment of Environmental, Social and Economic Responsibility, a system used by the U.K. government. This online self-assessment measures sustainability performance in the areas of environment, socioeconomics, equality and diversity. CH2M will continue to use this self-assessment when required to do so; the results feed into our EMS program.

Latin America

Latin America's EMS began in early 2012 and launched the first ISO 14001-certified program in Buenos Aires in 2013. The program has since expanded to include external ISO 14001:2004 certification in Campana, Argentina; Bahia Blanca, Argentina; and Mexico City. External surveillance audits reconfirmed compliance. The Sao Paulo, Brazil, office is ISO-9001 certified and compliant with OHSAS 18001. In 2016, the Latin America EMS focused on office activities and environmentally responsible delivery of projects, such as:

- Included environmental aspects of design in our training plans. In our first stage of

implementation, we focused only on office activities; we have included project delivery in the second phase, starting in Argentina and Mexico.

- Worked with the DISCAR Foundation in Argentina and the MT Corporate recycling company to provide programs for the disabled to collect recyclable toners and printer cartridges.
- Featured articles about sustainability and the environment in newsletters and posters.
- Shared our EMS evaluation process with more clients that are including EMS requirements as an important part of their evaluations.

Middle East, North Africa, and India (MENAI)

CH2M has EMS programs in four of our Middle Eastern and three Indian offices. As a result of an external assessment of our EMS programs on United Arab Emirates (UAE) and Qatar projects and in regional offices in late 2014, the Middle East EMS program was recommended for certification for ISO 9001 (Quality), OHSAS 18001 (Health & Safety) and ISO 14001 (Environment). In 2015, a third-party surveillance audit resulted in continued certification.

In 2016, we set the following goals to improve performance and implement best practices across Dubai, Abu Dhabi and Sharjah in the UAE; Doha in Qatar; and the India offices:

- Use less than 22.3 kilograms of paper per employee
- Purchase 20 percent of all paper with recycled content
- Increase volume of paper recycled by 5 percent as compared to 2015

- Achieve electricity consumption at a level of less than 2,065 kWh per employee

By the end of 2016, we achieved one of the goals by increasing paper recycling from 62 to 78.5 percent (an increase of 16.5 percent). The paper and electricity consumption goals were not achieved. Paper consumption increased by 0.9 percent, from 22.2 to 23.1 kilograms per person. Electricity consumption increased by 14 percent, from 2,065 to 2,399 Kwh per person. On average, 1 percent of our paper had recycled content (only in Doha, Qatar). Most MENAI offices have difficulty identifying a supplier for recycled paper because the local market lacks high-quality paper with recycled content. However, the majority of the virgin paper purchased across the Middle East is certified by the Forest Stewardship Council.

We established new goals for 2017 to improve our environmental performance: stabilizing paper consumption, increasing purchase of paper with recycled content, increasing our paper recycling and decreasing electricity consumption in UAE, Qatar and India.

2017 EMS goals: MENAI offices

- Reduce paper consumption by 3 percent per employee*
- Achieve 5 percent of all purchased paper as recycled content
- Increase volume of paper recycled by 3 percent*
- Reduce electricity consumption by 3 percent*

*as compared to 2016 levels

Resources and recycling

Water use

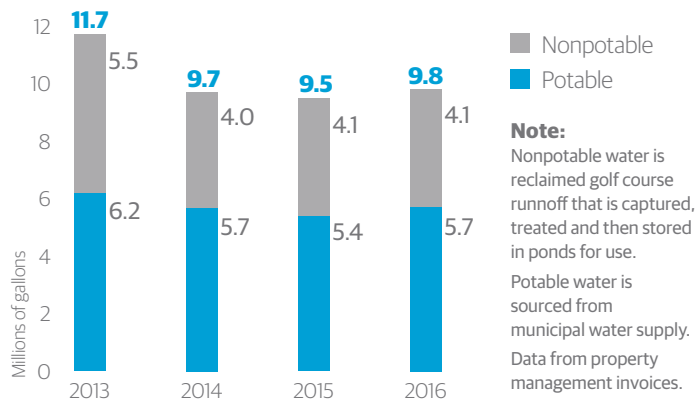
We track and report on water consumption for facilities that CH2M owns or operates on behalf of clients. Our ability to monitor and report our own water use depends on office location. In most of our leased space, we do not directly pay water bills or manage facilities, so it is difficult to track consumption, implement conservation measures or quantify results of conservation efforts. We do, however, directly measure water use when we can, such as at our corporate headquarters where we operate our facilities and receive invoices.

Corporate headquarters

CH2M uses both potable and reclaimed water at our corporate headquarters. Potable water is used for drinking, washing and building cooling. We reuse reclaimed water for landscaping and irrigation to reduce demand on surface water and groundwater supplies and decrease costs. We also purchase water- and energy-saving appliances for our kitchen areas. Consistent with our commitment toward safe and healthy municipal water systems, we do not offer bottled water in vending machines at our corporate headquarters. We have been documenting water use on our Denver campus since 2008, and total water consumption has remained steady during the last 3 years.

Water Use at Our World Headquarters | GRI 303-1

Corporate headquarters, U.S.



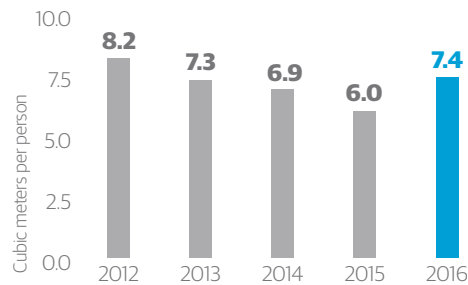
Water use in Europe

Our objective is to reduce water consumption and monitor both actual absolute reductions and the ratio of water per employee. Our overall goal is to reduce and maintain water consumption per employee to less than 6.4 cubic meters per year.

We review water consumption at our offices in the U.K. and mainland Europe and wherever possible, record the data. In 2015 we achieved a water consumption figure below the good practice benchmark of 6.4 cubic meters per person per year, and we have seen a 10 percent reduction since 2012. However, a number of factors resulted in increased water consumption in 2016. We will continue to monitor and where possible, reduce our water consumption in 2017.

Potable Water | GRI 303-1

Use per capita - Europe



Note: Includes data recorded for 11 U.K. offices. Wherever actual data has not been available, water consumption has been estimated.

Paper consumption

Because we are a service-based business that depends on written communications, white paper represents a significant portion of CH2M's materials consumption and waste generated. We have reduced consumption by eliminating excessive and unnecessary printed paper, standardizing to double-sided printing and printing-on-demand features. In 2016, we further expanded our on-demand, PIN-based print management system, which we began in 2014 in North America. We have rolled out PIN-based printing to 45 percent of our offices outside of the United States and Canada, and we increased the number of printers that default duplex to 96 percent. In addition to saving paper, the program has been economically valuable, saving equipment replacement costs and providing flexibility to grow and shrink as our geographies change.

We are seeing clients move away from hard copy reports and documents, with an increase in electronic submissions and online file sharing. Our paper reduction is supported by communications to raise employee awareness about decreased costs and waste minimization, because good management of resources makes good business sense.

United States and Canada

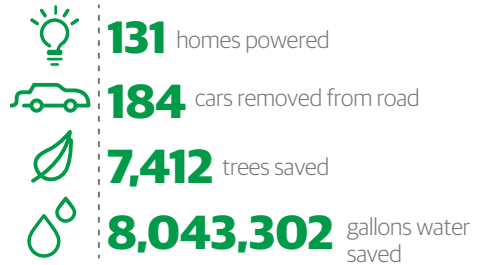
We began tracking our paper consumption in 2005. Now approximately 90 percent of our paper is purchased through a firmwide contract. The remaining 10 percent, obtained from a myriad of local suppliers, is not tracked for reporting.

We establish goals to decrease paper consumption while increasing recycled content. To date, we have saved 417 tonnes of paper since 2005. Our print management system enables PIN-based printing at 100 percent of capable printers, 99.9 percent of which are configured to print in duplex as a default setting.

In 2016, we set an ambitious goal to further reduce paper consumption by 36 tonnes. We surpassed that goal, achieving a 46-tonne reduction. Our recycled content purchases currently exceed 84 percent. We achieved this through paper standardization, communication and close monitoring of paper purchasing. The actual post-consumer recycled content ranges from 30 to 100 percent, depending on the paper. Our paper included 43 tonnes of recycled fiber and 134 tonnes of virgin fiber.

Impacts Avoided

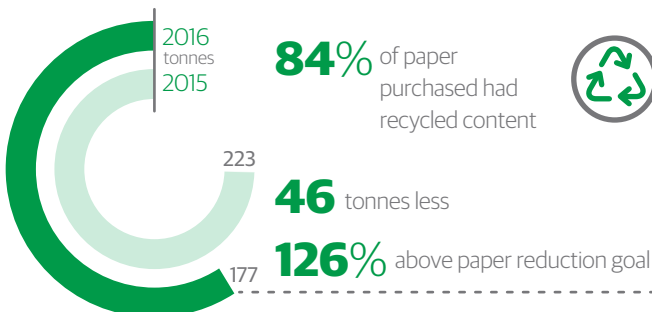
Impacts avoided through paper reduction



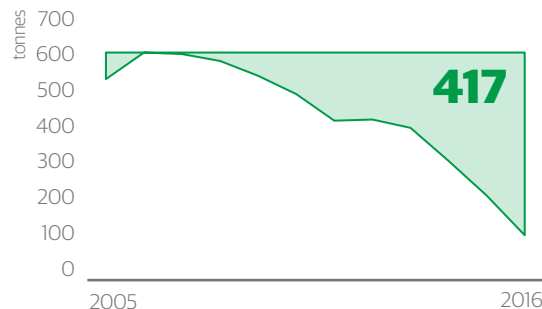
Note: Impacts avoided are estimated from the 417-tonne reduction in the United States and Canada (since 2005), estimated using the Environmental Paper Network Calculator, Version 3.2.

Paper

Total consumed in U.S. & Canada



Reduction over 11 years



| GRI 301-1, 301-2

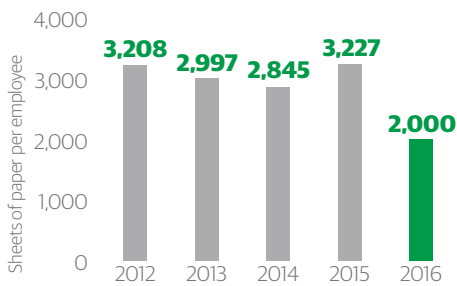
Europe

Our goals in Europe are to reduce paper consumption and monitor both actual absolute reductions and paper use per employee. We use technology to reduce paper use and maintain paper consumption at a level below the WRAP U.K. good practice guidance figure of seven reams of paper per person, per year (3,500 sheets). Across the U.K. and mainland Europe, paper consumption decreased to less than 2,000 sheets per employee in 2016.

Paper Use Trend

| GRI 301-1

United Kingdom



Note:

Paper consumption data recorded for 14 U.K. offices.

Recycling and responsible disposal

Most of our offices have formal recycling programs for paper, plastic, aluminum and glass. In Denver we compost at our campus café, and we recycle pens, plastic bags and comingled paper, aluminum, technology, batteries and light bulbs and ballasts. In addition to recycling paper, we securely shred and recycle paper with a shredding vendor. We recycle and reuse as much furniture and material from renovations as possible through donations to Habitat for Humanity, local schools and recycling companies.

Each office handles its own packaging and shipping, and if clients request it, we arrange packaging and shipping supplies made from recycled material. We also are working with our office supplies vendor to request that they stock sustainable packing material. Many offices do not need to purchase shipping materials because they reuse what comes in from other shipments. Our reused materials include large and small bubble wrap, brown paper, crumpled paper and cornstarch-based popcorn, which also is water soluble. We also reuse laptop boxes that already have the custom foam supports.

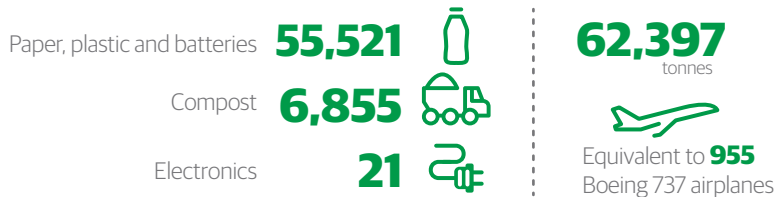
In Europe, offices set their own waste reduction and recycling targets. At our larger U.K. offices, we work with waste contractors to install containers that allow greater segregation and recycling of waste, including plastics, paper and cardboard, glass, batteries and newspapers. Many U.K. offices do not have trash bins at each desk and, instead, have waste and recycling hubs at strategic locations. We also have a program to promote recovery and recycling of toner cartridges. Waste paper is segregated and recycled wherever possible. We also segregate, and securely handle and dispose of, confidential waste in accordance with applicable security standards.

Latin American offices have waste diversion programs for electronic devices, plastic, paper, glass and printer toners. Offices in MENAI actively recycle paper, cardboard, plastic, metal, glass and electronic waste.

Our electronic waste program, begun in the United States in 2007, has matured to firmwide application. We recycle large electronics such as servers, desktops and laptops, as well as telephony and networking equipment. Offices in the United States also recycle smaller electronics such as compact discs, cords and mobile phones. We reuse and responsibly recycle, avoiding the landfill, incineration and shipping waste to developing countries. We reduce our risk by removing identifying asset tags and securely erasing data, and we ensure visibility into the chain of custody by working with global vendors who provide end-to-end auditing and reporting. Currently, 100 percent of offices in the United States and Canada and 90 percent outside of North America recycle electronics.

Recycling

Waste diverted in 2016
tonnes



Note:

Electronic waste collected globally. Includes recycling data where available: **Latin America** (paper, plastic, batteries); **Europe** (confidential paper); **United States** and **Canada** (compost, paper, batteries and comingled recycling); **MENAI** region (paper).

Largest data contributor is our corporate headquarters.

Environmental compliance

As an industry-leading environmental company, CH2M places a high value on protecting the environment. Through our project delivery system and HSE program, we implement systematic environmental risk management practices in a manner that adds value to our clients, firm, staff and projects, with the ultimate goal of achieving Target Zero.

Our commitment to Target Zero and our environmental program starts with leadership. Senior leaders are trained on our environmental program and cascade HSE expectations throughout their organizations. A network of environmental professionals provide tools, training and resources to help projects and operations comply with environmental requirements. Our strong environmental performance is the result of our educated, equipped and empowered employees, who care about achieving Target Zero and protecting the environment.

CH2M's proprietary online tool, the "Hours and Incident Tracking System" (HITS), reports, tracks and trends spills and near-misses, including those reported by subcontractors. Most of the releases are small in volume and occur on impervious surfaces or within containment systems. In any event, we note root causes and define corrective actions for our project teams. In the event of a significant spill, our environmental managers follow prescribed protocols to investigate and issue corrective measures that incorporate lessons learned 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 (CERCLA). CH2M had no significant spills in 2016.



Our environmental performance is exceptional, especially considering the variety and complexity of the projects we deliver. In 2016, CH2M had zero environmental fines or penalties.



Carbon footprint and energy use

CH2M invests resources to understand, manage and report on our energy use and carbon footprint. In 2011 we completed our first global greenhouse gas (GHG) emissions inventory to assess our company-wide carbon footprint for Scopes 1 and 2 and selected Scope 3 emissions. We have continued to calculate and document our global carbon emissions inventory annually since then. In addition to our global carbon emissions inventory, regional operations track and manage their energy use and emissions.

Global carbon emissions inventory

Using the World Resources Institute and the WBCSD's [GHG Protocol](#) as guidance, we applied the operational control approach in defining our reporting boundaries. Operational control refers to the authority to develop and carry out the operating or HSE policies of an operation or a facility. Using this approach, our company accounts for 100 percent of emissions from operations for which we or our subsidiaries have operational control (including leased space and vehicles).

Scope 1

From sources owned or controlled by a company

- Vehicles and equipment
- Stationary combustion
- Wastewater treatment
- Onsite landfills



Scope 2

From the generation of electricity, heat or steam purchased by a company

- Purchased electricity
- Purchased heating/cooling
- Purchased steam



Scope 3

From sources not owned or directly controlled by, but related to, a company

- Business travel
- Employee commuting
- Contracted solid waste disposal
- Contracted wastewater treatment
- Others



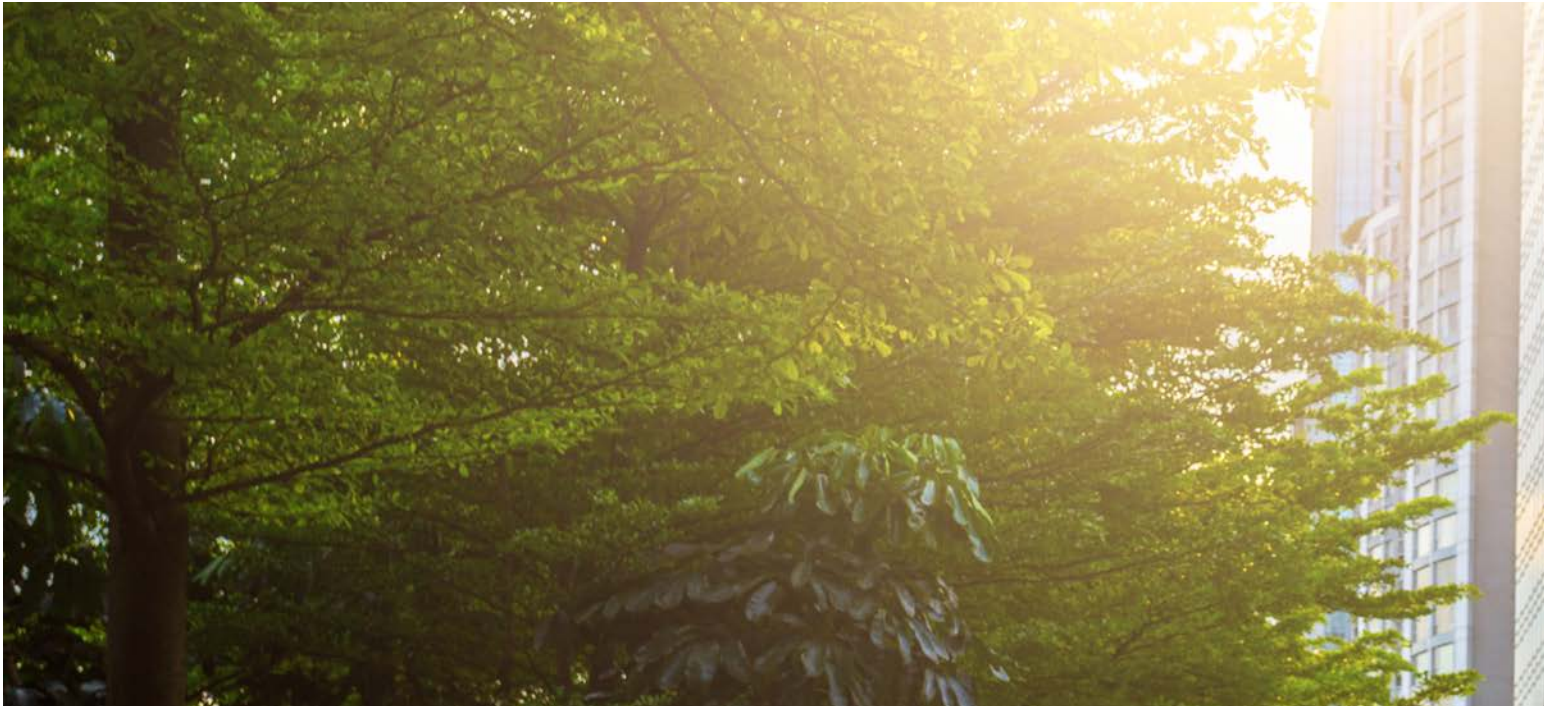
CH2M calculates emissions based on actual data, where available, and estimates emissions according to standard protocol guidelines where data are incomplete or unavailable. Conducting an inventory allows us to better understand emission sources and refine data collection processes. We anticipate continual enhancements as more staff become aware of the importance of keeping accurate data records for emission sources.

Carbon emissions reduction target

In 2014, we committed to reduce CH2M's absolute GHG footprint by 25 percent by the end of 2017, including carbon emissions from fuel and electricity (Scopes 1 and 2), and to provide accurate, transparent and complete information as proofs of our progress. That commitment received special recognition from the U.S. Environmental Protection Agency. In 2015, [the White House invited CH2M](#) to participate in a roundtable on greenhouse gas reductions. At the same time, CH2M was held up as an example in federal supplier [scorecard](#) reporting for disclosing emissions and setting an emissions reduction target.

Since the baseline year of 2012 (net emissions of 77,701 tonnes), we have continually met our commitments to mitigate or reduce our carbon footprint each year, regardless of company growth. Our goal is more aggressive than represented by absolute numbers, since we based it on 2012 net emissions — after the purchase of offsets and renewable energy credits (RECs) — rather than on total emissions before offsets and RECs. During our baseline year, we mitigated 17 percent of our 2012 carbon footprint, in part by purchasing carbon offsets and RECs.

Our target of 25 percent, or 5 percent annually, is based on a 2013 study by the Carbon Disclosure Project and the World Wildlife Fund titled [The 3% Solution](#). The study indicated that, if each company in the U.S. corporate sector were to reduce its carbon footprint by an additional 3 percent each year, our global temperatures would stay below a 2°C increase.



CH2M remains on track to meet our 25 percent carbon emission reduction goal by 2017. Both gross Scope 1 and 2 emissions and net emissions (emissions after the purchase of offsets and RECs) have declined since 2012. Our net emissions, the focus of our carbon reduction goal, declined 21 percent from the 2012 baseline.

Our total carbon emissions have declined each year since 2012, as we have consolidated our business' physical footprint and implemented direct carbon emissions reduction programs. Because our goal is to sustain net carbon reductions regardless of revenue growth, we have continued to invest in carbon offsets and RECs in our annual progress toward our 2017 goal, even though our internal reductions have proven to be much greater than our original projections. Our carbon offset and renewable energy investments resulted in total emission offsets of 18 percent, 16 percent and 20 percent respectively in the years 2013, 2014 and 2015. In 2016, RECs resulted in a total emission offset of 13 percent of total emissions. Given substantial reductions in our gross Scope 1 emissions in 2016, offsets were not necessary to achieve our targets for the year.

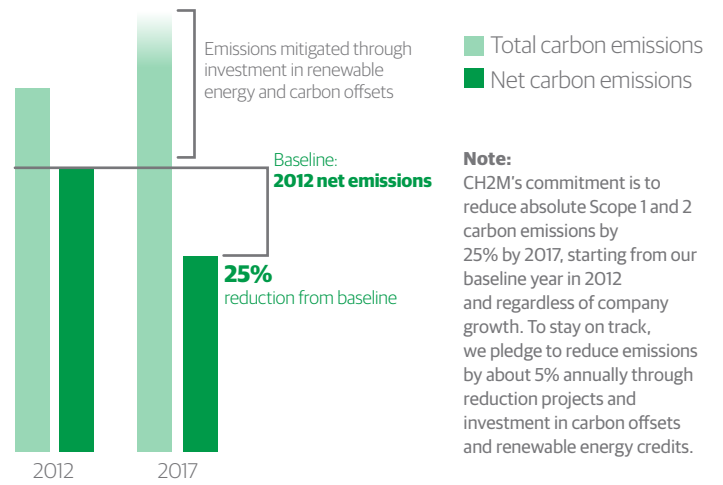
Scope 1 and 2 Carbon Emissions and Offsets and RECs

Year	Total Scope 1 and 2 Emissions (Tonnes)	Carbon Offsets (Tonnes)	Renewable Energy Purchased (MWh)	Net Scope 1 and 2 Emissions (Tonnes)
2012	92,983	5,285	15,044	77,701
2013	90,033	7,436	11,819	73,806
2014	86,111	4,512	13,574	72,124
2015	82,629	5,500	16,569	66,399
2016	70,271	0	12,630	61,262

MWh: megawatt hours

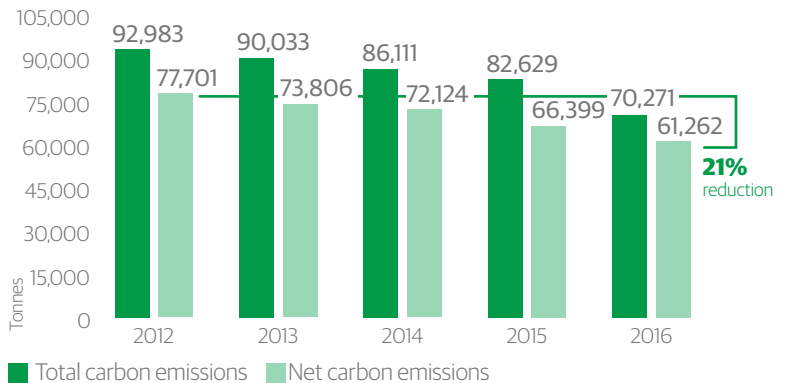
Net emissions are emissions after the purchase of carbon offsets and renewable energy

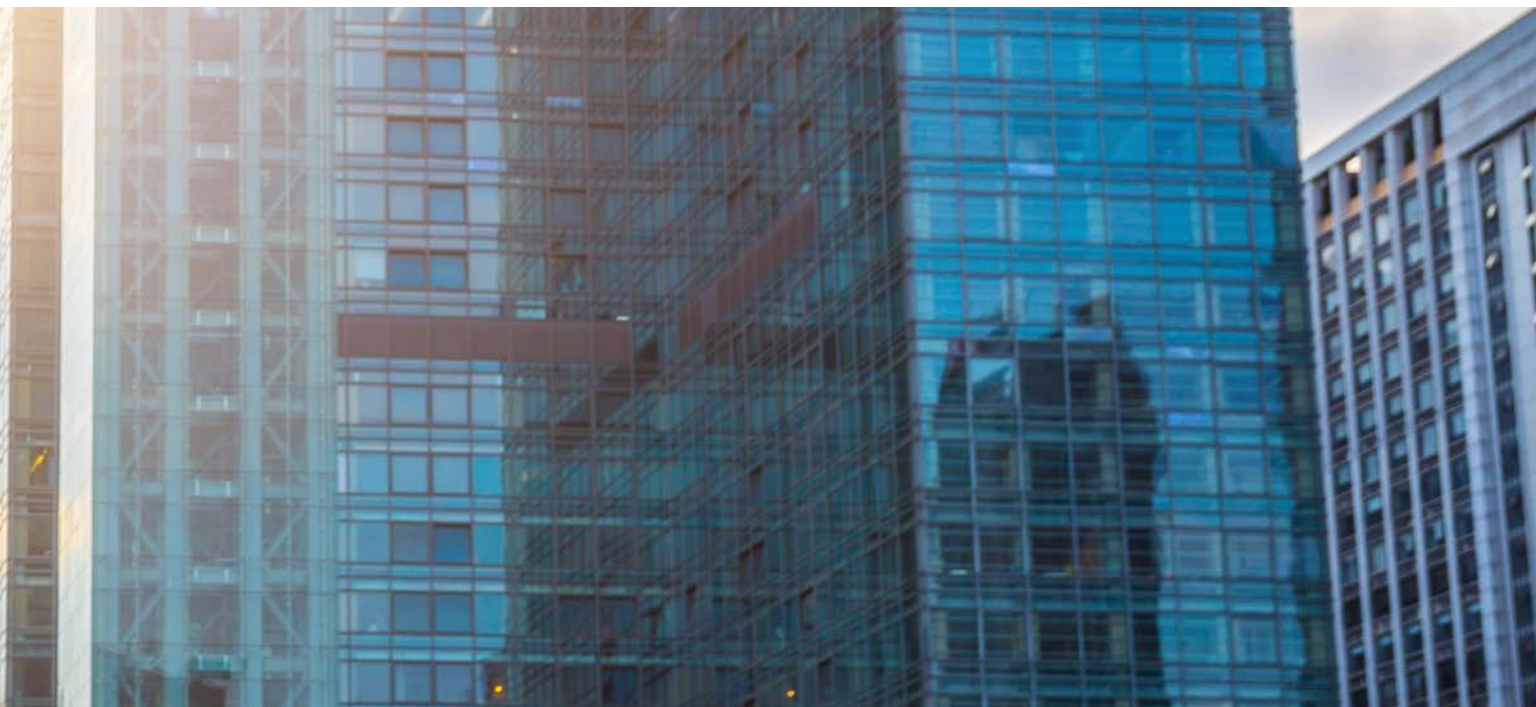
Carbon Reduction Commitment | GRI 305-5



Carbon Emissions Reduction | GRI 305-1, 305-2, 305-5

CH2M global Scope 1 & 2





2016 Offsets

Carbon mitigation projects

To make sure that carbon-reducing programs are implemented globally and achieve our goals, we invest in a diverse portfolio of carbon mitigation projects that align with our business. After purchasing high-quality offsets in 2016, we found they were not necessary to meet our 2016 targets, so they will be reserved for use against our 2017 footprint. Through our investment we supported the following Verified Carbon Standard projects:

- The Jucunda REDD+ (reduced emissions from deforestation and forest degradation) project in Brazil. In addition to preventing the carbon emissions associated with continued rapid deforestation in the country, the project also has Double Gold level certification for community and biodiversity benefits through the Climate, Community and Biodiversity Alliance. Dedicated revenue streams from the carbon offsets go to health, income generation, education, communications and environment programs for the local population.
- Methane emission reductions through better landfill gas capture and utilization at the Dalton Whitfield County landfill in Georgia.

Renewable energy

To address energy use, we purchased 2016 vintage RECs from Green-e certified wind power facilities in the United States and made investments in green power through Bullfrog Power in Canada.

REC accounting for net zero power consumption

With the 2014 GHG Protocol Scope 2 guidance, World Resources Institute and other organizations have abandoned the “avoided emission” concept that historically has driven REC accounting. As with our 2014 inventory, consistent with the new guidance, the unbundled REC purchases are now combined with an equal quantity of grid power purchases to yield a “net zero” power consumption. For transparency, we apply our RECs to reduce net power consumption at our largest area offices in the continental United States, beginning with our largest

power consumption location and working down, regardless of grid power intensity for those locations.

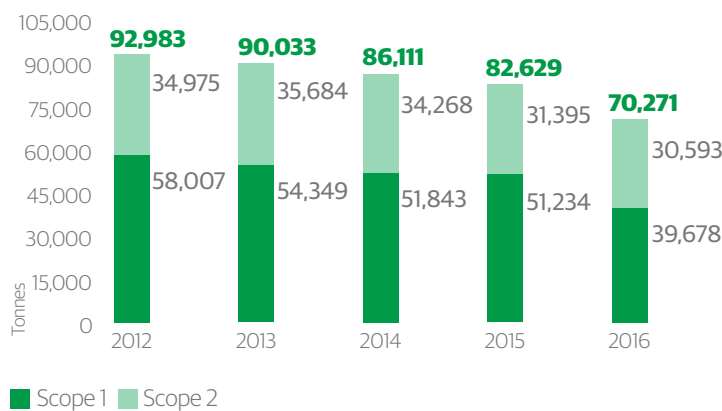
2016 emission inventory

In accordance with the World Resources Institute and the WBCSD’s Greenhouse Gas Protocol Initiative – A Corporate Accounting and Reporting Standard guidance, in 2016 we restated our previously reported 2012 through 2015 global carbon emissions to account for methodology/emission factor updates and revised or newly available data records.

Carbon Emissions

| GRI 305-1, 305-2

CH2M global

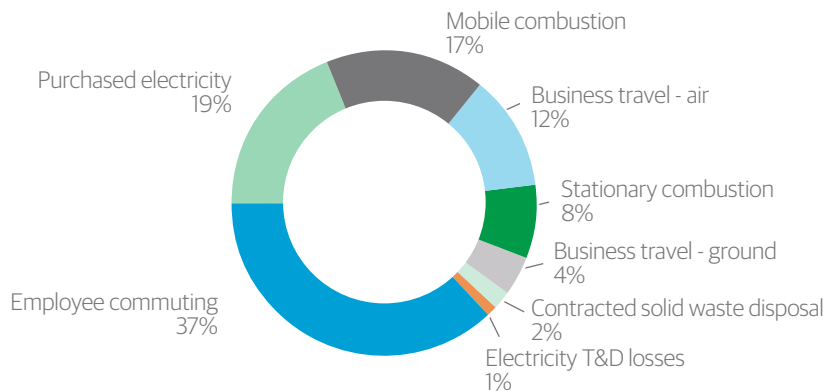


In 2016, the largest single source of carbon emissions included in our inventory (37 percent of the total scope 1, 2 and 3 emissions) was employee commuting. The second highest (19 percent) was purchased electricity.

Carbon Emissions by Type

| GRI 305-1, 305-2, 305-3

CH2M global



Note:

Offsite wastewater treatment, refrigerants and chemical use, and purchased steam represent <0.5% each.



We apply three general methods to reduce our footprint:

- Direct reductions in facilities we own or operate
- Investment in a portfolio of carbon mitigation projects
- Investment in renewable energy

Energy use

CH2M's energy use and carbon emissions are managed both globally and locally, enabling offices to set reduction goals and manage their own programs to achieve them. The most significant driver of our Scope 1 and 2 emissions ties to leased office space; therefore, our carbon footprint historically has tracked with company growth. However, this correlation does not account for our increased reliance on telecommuting.

As a service-based business, we cannot measure actual energy use associated with leased offices and telecommuting, but we find value in understanding opportunities to reduce our footprint. For this reason, we estimate energy consumption for most of our leased office space by using data published by the U.S. Department of Energy, which provides average energy use for various types of buildings. Including such averages in our carbon inventory helps us develop strategies to manage resources and consumption.

Directly reducing energy use — and measuring the results of those reductions — is most difficult in leased facilities where we lack management control, and the cost of power is not identified separately for the space leased. As a matter of policy, we work with landlords to participate in turn-it-off programs and purchase Energy Star or comparable appliances, electronics and other equipment to reduce emissions associated with energy use, even though we cannot measure the results of doing so.

At our corporate headquarters where we house the most employees, we track and report energy use. The entire campus is Energy Star-certified and we remodeled the space to increase daylighting, improve building automation systems and upgrade to efficient lighting fixtures. Likewise, at our facilities on the North Slope in Alaska, we have implemented a number of projects to reduce energy use and fuel consumption, with more planned.

In 2016, 28 percent of our leased offices (approximately 50 percent of leased square-footage) were located in buildings certified by Leadership in Energy and Environmental Design (LEED®), Energy Star or BOMA Best. In the United States, we purchase Energy Star-certified equipment and electronics, and in other parts of the world we purchase equipment that is certified as energy efficient. We regularly assess our energy conservation practices at our LEED®-certified headquarters.

Corporate headquarters

We directly manage our LEED- and Energy Star-certified headquarters, enabling us to take steps in managing our environmental footprint. The buildings feature water-efficient fixtures and lighting motion sensors, offer comprehensive recycling options and use recycled and local building materials. We track energy usage in Energy Star's Portfolio Manager System.

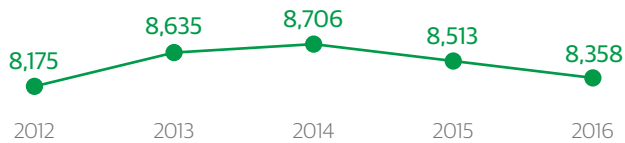
In 2016, we set a goal to reduce electricity consumption by 850 MWh by 2018 through a pilot program that reduces electricity use by optimizing cooling system performance during peak demand periods. We reduced our electricity usage by 1.8 percent in 2016, while also cutting natural gas consumption by 8.5 percent, primarily reflecting reduced heating requirements.

Energy Use & Carbon Emissions

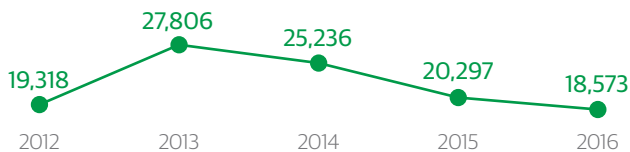
Corporate headquarters, U.S.

| GRI 302-1, 302-4, 305-1, 305-2, 305-5

Electricity use - MWh



Natural gas use - Therms



Carbon emissions - tonnes



Europe

We recorded energy consumption data at 14 of our offices in the U.K. and 12 locations in mainland Europe. Since actual energy consumption data were not available at two of our European offices, usage was estimated for those two locations. We continued to record emissions from our car fleet and vehicle rentals. In the U.K. we have negotiated energy supply contracts under the Renewable Energy Guarantees of Origin (REGO) scheme for those offices where we procure electricity directly. We have REGO-backed supplies in place at our offices in London, Glasgow, Birmingham and Derby.

Our 2016 goals in Europe were to:

- Establish an ESOS page on the CH2M intranet, review office-specific ESOS assessments and create a tracking document to monitor energy-saving opportunities
- Review electricity supplies to offices where CH2M directly procures electricity and agree on tariff and metering requirements while considering best environmental options (for example, REGO-backed supply and smart metering)
- Continue to track European business travel and office-related carbon emissions

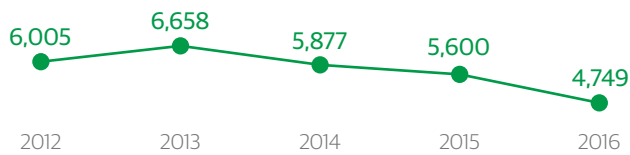
In the U.K. our total Scope 1, 2 and 3 carbon emissions increased by 5 percent from 2015 to 2016, while our office electricity and natural gas emissions decreased by 3 percent. We also expanded our operations in Poland and opened our Global Design Production Center in Krakow in 2016; therefore, we saw an overall increase in Europe carbon emissions.

Energy Use & Carbon Emissions

| GRI 302-1, 302-4,
305-1, 305-2, 305-5

Europe

Electricity use - MWh



Natural gas usage - MWh



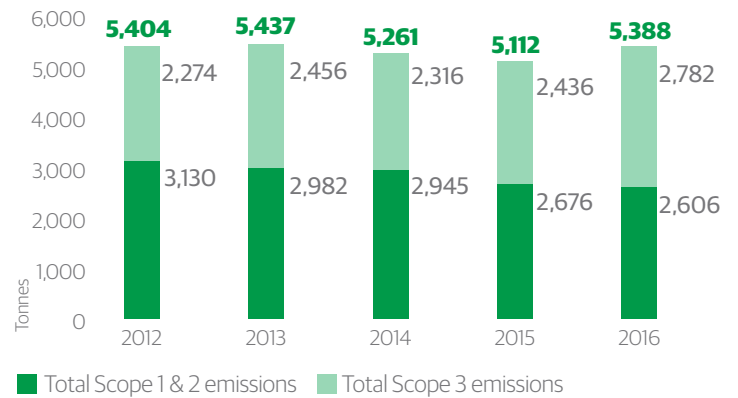
Carbon emissions - tonnes



Carbon Emissions

| GRI 305-1, 305-2, 305-3

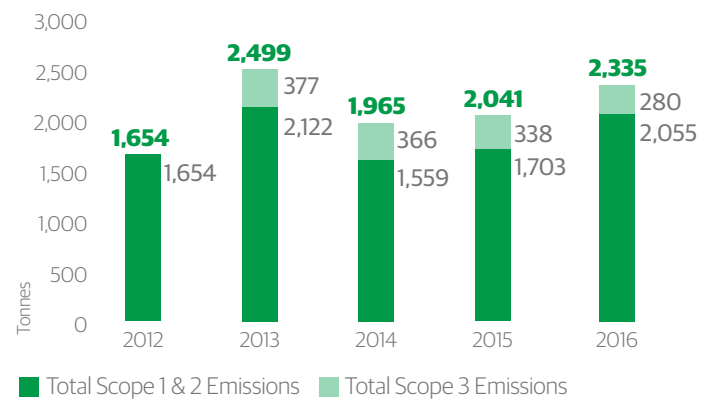
United Kingdom



Carbon Emissions

| GRI 305-1, 305-2, 305-3

Mainland Europe



Business travel

To deliver technical expertise to projects all around the world, we balance the benefits of deploying the right person to the job with air travel's environmental impacts. We continually question whether we can get the same degree of success using remote methods of collaboration, such as videoconferencing and virtual meetings. In that spirit, our CEO and executives set the example by conducting quarterly meetings globally via video conferencing.

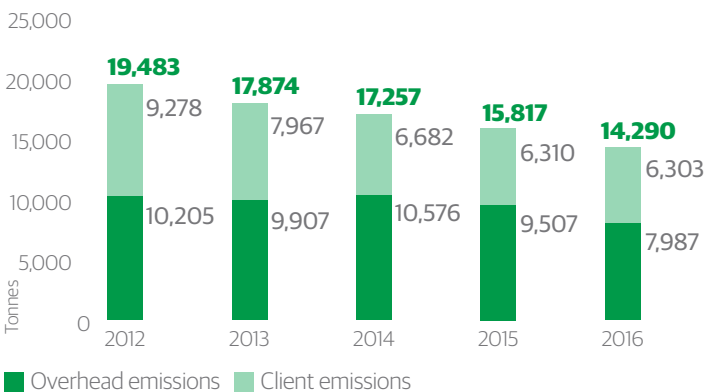
We also promote responsible choices through communications, policies and tools that promote awareness about carbon impacts, and we select travel suppliers that employ sustainable business practices. By the end of 2016, our Global Travel Program covered North America, Europe, MENA and Latin America. The firm's Asia-Pacific region will join in 2017.

United States

We annually track all miles flown, whether for overhead operations or client projects. Reservations booked through our travel vendors encompass more than 90 percent of tickets for U.S. and Canadian employees. In 2016, we realized a decrease in total air travel of 10 percent. We began collecting data on rental car travel in 2011, and in 2016, we cut ground travel associated with rental cars by 1.2 percent compared to the prior year. All U.S. employees have access to alternative transportation assistance programs, enabling them to use pretax dollars or vouchers to pay for public transit passes or commuter biking equipment or repairs.

Carbon Emissions | GRI 305-3

U.S.-based air travel



Note:

Flight data are collected from all reservations booked through our primary agent in the U.S., which encompasses more than 80 percent of all tickets issued for U.S.-based employees.

Europe

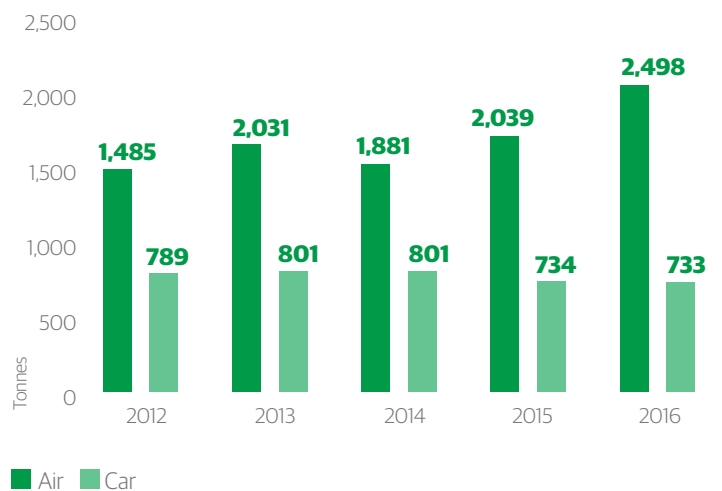
In 2016, our Europe operations reported a 24 percent increase in total air miles, partially associated with expanded operations in Krakow that required additional support from staff in the U.K. This in turn resulted in a 17 percent increase in business travel carbon emissions, while rental car miles remained steady in 2016 compared with 2015.

While most of our employees in the U.K. commute by single-occupancy vehicles, top alternative forms of transportation are train/underground, carpooling and bicycling. The Glasgow office achieved the "Cycle Friendly Employer of the Year" award in 2016 from Cycling Scotland. The award recognized initiatives such as a dedicated undercover bicycle parking area and extra showers. We also provided cycling health checks for all staff.

We offer employees the chance to lease a bike or purchase safety equipment on attractive pretax terms through the U.K. government's Cycle to Work scheme. We had a 14 percent increase in use of the scheme over the previous year and in 2016, we enrolled 91 employees.

Carbon Emissions Employee Business Travel | GRI 305-3

Europe



Report profile

This 2017 Sustainability and Corporate Citizenship Report focuses on activities and performance from January 1 to December 31, 2016. Historical data for the past 4 years is included in our Snapshot, as appropriate and available, to demonstrate trends. We report our performance on these measures annually, with the most recent report issued in July 2016. As reflected in previous sustainability reports, tracking for some CH2M sustainability metrics extends as far back as 2003.

This report has been prepared in accordance with the GRI Standards: Core option. In some cases, we have adjusted our reporting approach to reflect more accurately CH2M's business model and operating conventions. In all cases, we respond in the spirit of the GRI indicators to provide a transparent account of our progress, achievements and shortcomings. We selected indicators that apply to our business in meaningful and challenging ways, representing those that reflect effects associated with our operations around the world. For a full explanation of the GRI guidelines, visit www.globalreporting.org. Information on management approach for each topic is incorporated within the report content and on our corporate website, as appropriate.

Components of this report are externally assured by ISO 9001 and ISO 14001 compliance audits, including certain elements of our environmental compliance and management performance. Our financial performance data are assured by the firm's independent auditors, documented in CH2M's financial reports and public filings with the U.S. Securities and Exchange Commission and available online at ir.ch2m.com and the [SEC Edgar website](#). We periodically engage third-party verifiers for our GHG inventory but not every year. We intend to obtain verification upon completion of our inventory for the 2017 goal year.

No significant restatements of information from previous reports are included in this report. No changes have been made in the nature of our business, the base years reported or the timing of reporting periods. The scope and boundaries are noted for each topic, none of which changed significantly from previous reports. Unless otherwise noted, all monetary references are in U.S. dollars (US\$). Throughout the report, "tonne" refers to the measure of metric tons.

The following CH2M sustainability reports are available for download:

- [CH2M Sustainability and Corporate Citizenship Report 2016](#)
- [CH2M Sustainability and Corporate Citizenship Report 2015](#)
- [CH2M Sustainability and Corporate Citizenship Report 2014](#)
- [CH2M Sustainability Report 2013](#)
- [CH2M Sustainability Report 2012](#)
- [CH2M Sustainability Report 2011](#)
- [CH2M Sustainability Report 2009](#)
- [A World of Ingenuity: 2007 Sustainability Report](#)
- [Engineering a Sustainable Future: 2005 Sustainability Report \(2003 and 2004 Reporting Years\)](#)

GRI content index

Universal disclosures

GRI Standard	Disclosure	Location	
GRI 102: General Disclosures 2016	102-1	Name of the organization	2016 Form 10-K Annual Report , p. 4
	102-2	Activities, brands, products, and services	2016 Form 10-K Annual Report , p. 4 ch2m.com, What we do
	102-3	Location of headquarters	Englewood, Colorado United States 2016 Form 10-K Annual Report , pp. 1,31
	102-4	Location of operations	2016 Form 10-K Annual Report , pp. 9,31 ch2m.com, Locations
	102-5	Ownership and legal form	2016 Form 10-K Annual Report , p. 1
	102-6	Markets served	2016 Form 10-K Annual Report , p. 4 2016 Integrated Summary Annual Report , p.19 ch2m.com, What we do
	102-7	Scale of the organization	2016 Form 10-K Annual Report , pp. 4-6 Workforce diversity and inclusion
	102-8	Information on employees and other workers	Workforce diversity and inclusion
	102-9	Supply chain	Supply chain management
	102-10	Significant changes to the organization and its supply chain	Supply chain management
	102-11	Precautionary Principle or approach	ch2m.com, Sustainability Policy
	102-12	External initiatives	Stakeholders, memberships and partnerships
	102-13	Membership of associations	Stakeholders, memberships and partnerships
	102-14	Statement from senior decision-maker	A message from Chairman and CEO Jacqueline Hinman
	102-16	Values, principles, standards and norms of behavior	Our values ch2m.com, What guides us
	102-17	Mechanisms for advice and concerns about ethics	Ethics and Business Conduct ch2m.com, What guides us, Ethics
	102-18	Governance structure	Our leadership Corporate Governance ch2m.com, Governance and Corporate Citizenship Committee
	102-22	Composition of the highest governance body and its committees	Workforce diversity and inclusion Corporate Governance
102-40	List of stakeholder groups	Stakeholders, memberships and partnerships	
102-41	Collective bargaining agreements	Workforce diversity and inclusion	

GRI Standard	Disclosure	Location
	102-42 Identifying and selecting stakeholders	Stakeholders, memberships and partnerships
	102-43 Approach to stakeholder engagement	Stakeholders, memberships and partnerships
	102-44 Key topics and concerns raised	Stakeholders, memberships and partnerships
	102-45 Entities included in the consolidated financial statements	2016 Integrated Summary Annual Report , p.10 2016 Economic performance
	102-46 Defining report content and topic boundaries	Sustainability key performance indicators Report profile GRI content index
	102-47 List of material topics	Sustainability key performance indicators
	102-48 Restatements of information	Report profile
	102-49 Changes in reporting	Report profile
	102-50 Reporting period	Report profile
	102-51 Date of most recent report	Report profile
	102-52 Reporting cycle	Report profile
	102-53 Contact point for questions regarding the report	ch2m.com , Connect with us
	102-54 Claims of reporting in accordance with the GRI standards	Report profile This report has been prepared in accordance with the GRI standards: Core option
	102-55 GRI content index	GRI content index
	102-56 External assurance	Report profile
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Report profile GRI content index
	103-2 The management approach and its components	
	103-3 Evaluation of the management approach	

Material topics

The following table lists the material topics, the location where the indicator is described in our report, any omissions and the reporting boundary. Boundaries correspond to:

- CH2M firmwide, which includes impacts from CH2M global activities
- CH2M regions, which includes specific metrics reported by region, because regions provide metrics for different indicators
- CH2M and suppliers, which includes impacts resulting from contracted supplier and subcontractor activities
- CH2M and clients, which includes impacts resulting from project work

Ethics and human rights

GRI Standard	Disclosure	Location	Omission	Boundary
GRI 103: Management Approach 2016 (Ethics, human rights, public policy, nondiscrimination, child labor, forced or compulsory labor)	103-1	Explanation of the material topic and its boundary	ch2m.com, What guides us, Ethics Ethics and business conduct	None CH2M firmwide Between CH2M and suppliers
	103-2	The management approach and its components	ch2m.com, What guides us, Our commitment to worker welfare Human rights	
	103-3	Evaluation of the management approach		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Ethics and business conduct	CH2M assesses risks of all global operations, including certain geographies at greater risk for corruption, as ranked by Transparency International; because of legal protections, however, we cannot disclose our methodology for conducting such assessments or reveal the details of such assessments. CH2M firmwide
	205-2	Communication and training about anti-corruption policies and procedures	ch2m.com, What guides us, Ethics Ethics and business conduct Training and development	Regional and category breakdowns for anti-corruption training are not provided because all employees are trained as a condition of employment. CH2M firmwide
	205-3	Confirmed incidents of corruption and actions taken	ch2m.com, What guides us, Ethics Ethics and business conduct	To the extent that any such incidents might occur at CH2M, we would collect this information internally and, for legal reasons, could not report specifics. CH2M firmwide
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Ethics and business conduct	None CH2M firmwide

GRI Standard	Disclosure	Location	Omission	Boundary
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ethics and business conduct Human rights	CH2M is in the process of developing global tracking systems to respond to this material indicator.	Between CH2M and suppliers
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	Human rights Training and development	None	CH2M firmwide
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Human rights	None	CH2M regions

Health, safety and environment

GRI Standard	Disclosure	Location	Omission	Boundary
GRI 103: Management Approach 2016 (occupational health and safety)	103-1 Explanation of the material topic and its boundary	ch2m.com, What guides us, Safety	None	CH2M firmwide Between CH2M and suppliers
	103-2 The management approach and its components	Health, safety and environment		
	103-3 Evaluation of the management approach			
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	ch2m.com, What guides us, Safety Health, safety and environment	None	CH2M firmwide
	403-2 Types of injury and rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities	Health, safety and environment	We do not report by region or gender; CH2M has so few incidents, it could be possible to identify individuals, which would conflict with our privacy policies and regulations in some countries of operation.	CH2M firmwide Between CH2M and suppliers

Economic performance and value generated

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (Economic performance; CH2M Foundation and giving)	103-1	Explanation of the material topic and its boundary	2016 Integrated Summary Annual Report , p. 10	None	CH2M firmwide
	103-2	The management approach and its components	Investor Relations		
	103-3	Evaluation of the management approach	2016 Economic performance CH2M Foundation and giving		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2016 Integrated Summary Annual Report , p. 10 2016 Economic performance CH2M Foundation and giving	For competitive reasons, CH2M chooses to not disclose wages or benefits publicly. Regional reporting was determined not to be significant.	CH2M firmwide

Community partnerships and outreach

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (supporting communities globally)	103-1	Explanation of the material topic and its boundary	Our communities CH2M Foundation	None	CH2M firmwide Between CH2M and clients
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	CH2M Foundation and giving	None	CH2M firmwide
Not applicable	CH-01	Community partnerships	Our communities CH2M Foundation	None	CH2M firmwide

Supply chain management

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (procurement practices; supplier environmental assessment)	103-1	Explanation of the material topic and its boundary	Supply chain management	None	CH2M firmwide
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Business partnerships: local and diverse spending	None	Between CH2M and suppliers CH2M regions
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Procurement for internal operations	None	Between CH2M and suppliers

Our people

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (employment, training and education, diversity and equal opportunity)	103-1	Explanation of the material topic and its boundary	Our people	None	CH2M firmwide
	103-2	The management approach and its components	ch2m.com, Diversity ch2m.com, Training and Development		
	103-3	Evaluation of the management approach			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Employee turnover	None	CH2M firmwide
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Training and development	CH2M currently does not collect training information by gender and employee category.	CH2M firmwide
	404-2	Programs for upgrading employee skills and transition assistance programs	Training and development	None	CH2M firmwide
	404-3	Percentage of employees receiving regular performance and career development reviews	Career development	None	CH2M firmwide
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Workforce diversity and inclusion	None	CH2M firmwide

Environmental management, compliance, resources and recycling

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (Environmental management, environmental compliance, materials, water use, effluent, recycling and responsible disposal)	103-1	Explanation of the material topic and its boundary	<u>Environmental management</u> <u>Environmental compliance</u>	None	CH2M regions between CH2M and suppliers, and CH2M and clients
	103-2	The management approach and its components	<u>Water use</u> <u>Paper consumption</u>		
	103-3	Evaluation of the management approach	<u>Recycling and responsible disposal</u>		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	<u>Paper consumption</u>	None	CH2M regions
	301-2	Recycled input materials used	<u>Paper consumption</u>	None	CH2M regions
GRI 303: Water 2016	303-1	Water withdrawal by source	<u>Water use</u>	None	CH2M regions
	303-3	Water recycled and reused	<u>Delivering sustainable results in operations management</u>	None	Between CH2M and clients
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	<u>Delivering sustainable results in operations management</u>	None	Between CH2M and clients
	306-3	Significant spills	<u>Environmental compliance</u>	Spill locations are not disclosed, to protect client confidentiality	CH2M firmwide
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	<u>Environmental compliance</u>	None	CH2M firmwide
Not Applicable	CH-03	Recycling, waste management	<u>Recycling and responsible disposal</u>	None	CH2M firmwide CH2M regions

Energy and emissions

GRI Standard	Disclosure	Location	Omission	Boundary	
GRI 103: Management Approach 2016 (energy emissions)	103-1	Explanation of the material topic and its boundary	<u>Carbon footprint and energy use</u>	None	CH2M firmwide
	103-2				
	103-3				
GRI 302: Energy 2016	302-1	Energy consumption within the organization	<u>Carbon footprint and energy use</u> <u>Global carbon emissions inventory</u> <u>Energy use</u>	None	CH2M firmwide CH2M regions
	302-4	Reduction of energy consumption	<u>Energy use</u>	None	CH2M regions
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	<u>Carbon footprint and energy use</u> <u>2016 Emission inventory</u>	None	CH2M firmwide
	305-2	Energy indirect (Scope 2) GHG emissions	<u>Carbon footprint and energy use</u> <u>2016 Emission inventory</u>	None	CH2M firmwide
	305-3	Other indirect (Scope 3) GHG emissions	<u>Carbon footprint and energy use</u> <u>Business travel</u>	None	CH2M firmwide CH2M regions
	305-5	Reduction of GHG emissions	<u>Carbon footprint and energy use</u> <u>Carbon emissions reduction target</u> <u>Energy use</u>	None	CH2M firmwide

UN Global Compact principles

As a signatory to the UN Global Compact, CH2M is committed to ensuring that our business policies incorporate and support the [UN Global Compact's Ten Principles](#). This report serves as our 2016 UN Global Compact Communication on Progress report. CH2M Chairman and CEO Jacque Hinman endorses the CEO Water Mandate to help address the global water crisis. We make 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.

Number	Principles/CH2M 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; and the effective abolition of child labor. Human rights
6	Businesses should eliminate discrimination in respect of employment and occupation. Workforce diversity and inclusion Ethics and business conduct
7	Businesses should support a precautionary approach to environmental challenges. Sustainability Policy
8	Businesses should undertake initiatives to promote greater responsibility. Environmental management
9	Businesses should encourage development and diffusion of environmentally friendly technologies. Sustainability Policy
10	Businesses should work against all forms of corruption, including extortion and bribery. Ethics and business conduct

Certain statements in this Sustainability and Corporate Citizenship Report may contain "forward-looking statements," as that term is defined in U.S. Federal and certain foreign securities regulations, including information related to our business strategies and ability to deliver sustainable results for our stakeholders, as well as our ability to achieve triple bottom-line performance improvements. Although CH2M's management believes that its expectations are based on reasonable assumptions, these assumptions are subject to a wide range of economic, business, regulatory, technical, legal, and other unforeseen risks which may cause actual results to differ materially from those stated or implied by these forward-looking statements. This communication therefore should be read in conjunction with all the other information included in our most current Prospectus and European Prospectus, which are filed with the U.S. Securities and Exchange Commission (SEC) and the U.K. Financial Conduct Authority (FCA), respectively, and, for our stockholders outside of the U.S. and the European Union, similar documents filed with local securities regulators, where required. You should also read our Annual Report on Form 10-K and quarterly reports on Form 10-Q, which include a list of factors that could cause actual operational and financial results to differ from those expected. All documents required to be filed with the SEC and other regulators are available via the company's website at www.ch2mstockholder.com and on the SEC's website. CH2M undertakes no duty to update any forward-looking statement.

Snapshot

| GRI 102-9

Regional commitment on procurement

Region	2013	2014	2015	2016
Latin America	1%	1%	1%	1%
Middle East, North Africa, India	2%	3%	3%	2%
Asia Pacific	5%	5%	8%	16%
Canada	5%	6%	2%	3%
Europe	7%	8%	9%	8%
United States	80%	77%	77%	70%

Note:

Procurement as a percent of total spending for client projects.

| GRI 308-1

Total spend on firmwide indirect procurement agreements

US\$ in millions	2013	2014	2015	2016
Tier 1 and Tier 2 agreements with sustainability criteria	97%	97%	100%	100%
Tier 1 and Tier 2 spend with sustainability criteria	\$159	\$172	\$189	\$181
Tier 1 and Tier 2 spend	\$166	\$178	\$189	\$181
Total indirect spend	\$329	\$272	\$337	\$323

Note:

Percentage of suppliers that were screened using sustainability criteria.

| GRI 204-1

Supplier and subcontractor spending

	2013	2014	2015	2016
Veteran-owned business	1.2%	0.9%	1.5%	1.8%
Woman-owned business	4.3%	4%	5.3%	9.4%
Minority-business	4.6%	3.7%	8.5%	5.6%
Small business	16.3%	14.9%	32.6%	24.0%
Other suppliers and subcontractors	73.6%	76.4%	52.2%	59.2%
Total supplier and subcontractor spending	\$3.9 B	\$1.9 B	\$1.0 B	\$1.7 B

Note:

For spend in the United States. Inclusive of client project spend, indirect procurement spend and miscellaneous non-project categories. Local defined as the site where a project is designed or constructed.

Total philanthropic contributions

| GRI 201-1

US\$ in millions	2013	2014	2015	2016
CH2M Foundation giving	\$0.88	\$1.03	\$1.00	\$1.00
Corporate giving	\$4.68	\$4.33	\$3.02	\$1.88
Total philanthropic contributions	\$5.56	\$5.36	\$4.02	\$2.88

Note:

Represents spending by the company codes as charitable contributions in CH2M's accounting system. Does not include contributions made by employees. The CH2M Foundation is a 501(c)3 nonprofit organization.

Economic performance

| GRI 201-1

	Years ended				
	Dec 30 2016	Dec 25 2015	Dec 31 2014	Dec 31 2013	Dec 31 2012
<i>(US\$ in millions, except per share data)</i>					
Selected Statement of Operations Data					
Gross revenue	\$5,235.9	\$5,361.5	\$5,413.5	\$5,877.8	\$6,160.6
Operating (loss) income	(240.1) ^(b)	134.8	(341.6) ^(d)	192.4	158.8
Net income (loss) attributable to CH2M	15.0 ^(b)	80.4	(181.5) ^(d)	118.3	93.0
Net income (loss) attributable to CH2M per common share					
Basic	\$0.03	\$2.62	\$(6.42)	\$4.00	\$2.99
Diluted	\$0.03	\$2.61	\$(6.42)	\$3.96	\$2.95
Selected Balance Sheet Data					
Total assets	\$2,670.5	\$2,861.3	\$2,941.3	\$3,056.4	\$3,114.6
Total debt, including current maturities ^(a)	497.9	301.7	513.0	391.1	252.3
Total CH2M stockholders' equity	546.7 ^(c)	412.2	212.8 ^(e)	624.4	603.7

(a) Substantially all of our long-term debt relates to our revolving credit facility. Borrowings on this facility are primarily used for working capital needs, required pension contributions and funds to repurchase shares on our internal market.

(b) The operating loss primarily was caused by estimated project losses and costs incurred for restructuring activities in 2016. The operating loss was offset by the release of a significant tax valuation allowance for an existing deferred tax asset related to the Halcrow Pension Scheme benefit restructuring as well as project losses attributable to noncontrolling interests resulting in net income attributable to CH2M.

(c) The increase in stockholders' equity primarily relates to the change in accumulated other comprehensive income due to the Halcrow Pension Scheme benefit restructuring.

(d) The primary cause for the operating loss and net loss attributable to CH2M relates to estimated project losses, impairment charges and costs incurred for restructuring activities in 2014.

(e) The decrease in stockholders' equity is related to the consolidated net loss incurred in 2014, share repurchases and changes in assumptions that increased pension liabilities that are included in accumulated other comprehensive income.

The selected financial data presented above under the captions "Selected Statement of Operations Data" and "Selected Balance Sheet Data" for, and as of the end of, each of the years in the five-year period ended December 30, 2016, are derived from the consolidated financial statements of CH2M HILL Companies, Ltd. and subsidiaries, which consolidated financial statements have been audited by KPMG LLP, an independent registered public accounting firm. The consolidated financial statements as of December 30, 2016, and December 25, 2015, and for each of the years in the three-year period ended December 30, 2016, and the report thereon of KPMG LLP, are included in Item 15. Exhibits and Financial Statement Schedules of the Annual Report on Form 10-K. The preceding information should be read in conjunction with Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes thereto.

Water use at corporate headquarters

| GRI 303-1

Gallons	2013	2014	2015	2016
Nonpotable	5,518,000	3,971,000	4,074,000	4,071,000
Potable	6,247,000	5,699,000	5,379,000	5,699,000
Total annual water use	11,765,000	9,670,000	9,453,000	9,770,000

Note:

Water withdrawn for corporate headquarters in Englewood, Colorado, United States. Potable water is sourced from municipal water supply. Data from property management invoices.

Paper consumption

| GRI 301-1, 301-2

	2013	2014	2015	2016
Purchase by (percent)				
Recycled paper	77%	78%	85%	84%
Virgin paper	23%	22%	15%	16%
Average recycled fiber by weight	32%	32%	30%	29%
Purchase by weight (tonnes)				
Recycled paper fiber	99	79	57	43
Virgin paper fiber	305	236	166	134
Total paper purchased	404	315	223	177

Note:

Paper consumption includes primarily white paper for use in copiers and printers. Includes rates of paper purchased in the United States and Canada.

Environmental compliance

| GRI 306-3, 307-1

	2013 ¹	2014 ²	2015 ³	2016
Notice of violations or citations	1	1	0	0
Total environmental fines	\$1,350	\$0	\$0	\$0
Material spilled (gallons)	807,624	225	310	0

Note:

Includes notice of violations, citations, fines and recorded spills captured using a proprietary online tool. Significant spills are defined as those that exceed regulatory reporting thresholds as established by the U.S. Comprehensive Environmental Response, Compensation, and Liability Act. Spill locations are not disclosed, to protect client confidentiality.

¹ CH2M paid one environmental fine (US\$1,350) for operating a portable diesel generator without prior agency approval. We had three significant spills: 807,000 gallons of untreated groundwater contaminated with ammonia (32 milligrams per liter), 604 gallons of 10 percent sodium hypochlorite solution and 20 gallons of untreated groundwater contaminated with K022-listed waste (a U.S. Environmental Protection Agency waste code designating distillation bottom tars from production of phenol/acetone from cumene).

² We had 3 significant spills: 100 gallons of 12 percent sodium hypochlorite solution, 125 gallons of 12 percent sodium hypochlorite solution and a large, undetermined quantity of creosote-contaminated groundwater.

³ We had two significant spills: 100 gallons of 12 percent sodium hypochlorite solution, and 210 gallons of 40 percent sodium permanganate solution.

^(1,2,3) Although classified as "significant," these spills had no critical impact to the environment.

Global carbon emissions

| GRI 305-1, 305-2, 305-3, 305-5

Metric tons (tonnes)	2012	2013	2014	2015	2016
Global carbon emissions					
Scope 1	58,007	54,349	51,843	51,234	39,678
Scope 2	34,975	35,684	34,268	31,395	30,593
Scope 3 ¹	29,787	28,775	29,245	27,909	25,735
Gross Scope 1 and 2 emissions	92,983	90,033	86,111	82,629	70,271
Carbon offsets and renewable energy credits					
Carbon offsets	5,285	7,436	4,512	5,500	0
Renewable energy purchased (MWhs)	15,044	11,819	13,574	16,569	12,630
Net Scope 1 and 2 emissions	77,701	73,806	72,124	66,399	61,262
Carbon reduction					
After offsets and RECs	-	5%	7%	15%	21%

Note:

Inventory prepared in accordance with the World Resources Institute and the WBCSD's Greenhouse Gas Protocol Initiative—A Corporate Accounting and Reporting Standard (revised edition, 2004) guidance. Net emissions are emissions after the purchase of carbon offsets and renewable energy. Baseline for goal is 2012 net emissions of 77,701 metric tons. MWhs: megawatt hours.

¹Scope 3 emission estimates include air business travel, ground business travel, employee commuting, electricity transmission and distribution losses and contracted solid waste.

Global carbon emissions by type

| GRI 305-1, 305-2, 305-3

	2012	2013	2014	2015	2016
Stationary combustion	8%	7%	7%	8%	8%
Mobile combustion	21%	20%	21%	20%	17%
Onsite wastewater treatment	<0.5%	<0.5%	<0.5%	<0.5%	<0.5%
Refrigerants and chemical use	<0.5%	<0.5%	<0.5%	<0.5%	<0.5%
Purchased electricity	17%	18%	18%	17%	19%
Employee commuting	37%	36%	36%	36%	37%
Business travel - ground	3%	3%	3%	3%	4%
Business travel - air	12%	12%	12%	12%	12%
Electricity transportation and distribution losses	1%	1%	1%	1%	1%
Offsite wastewater treatment	<0.5%	<0.5%	<0.5%	<0.5%	<0.5%
Purchased steam	<0.5%	<0.5%	<0.5%	<0.5%	<0.5%
Contracted solid waste disposal	2%	2%	2%	2%	2%

Energy use and carbon emissions

| GRI 302-1, 302-4, 305-1,
305-2, 305-3, 305-5

Europe

Metric tons (tonnes)	2012	2013	2014	2015	2016
Energy Use					
Electricity (MWh)	6,005	6,658	5,877	5,600	4,749
Natural gas (MWh)	2,857	3,112	2,661	2,394	2,802
Carbon Emissions					
Emissions from air travel	1,485	2,031	1,881	2,039	2,498
Emissions from car travel	789	801	801	734	733
United Kingdom					
Scope 1	719	706	512	479	538
Scope 2	2,411	2,276	2,432	2,197	2,068
Scope 3 ¹	2,274	2,456	2,316	2,436	2,782
Total carbon emissions (Scope 1,2,3)	5,404	5,437	5,261	5,112	5,388
Source breakdown					
Emissions from heating sources	548	562	452	413	478
Emissions from electrical sources	2,411	2,276	2,432	2,197	2,068
Mainland Europe					
Scope 1	601	818	535	620	435
Scope 2	1,053	1,304	1,064	1,083	1,620
Scope 3 ¹	0	377	366	338	280
Total carbon emissions (Scope 1,2,3)	1,654	2,499	1,965	2,041	2,335
Source breakdown					
Emissions from heating sources	266	394	317	336	245
Emissions from electrical sources	1,053	1,304	1,064	1,083	1,620

Note:

Inventory prepared in accordance with the World Resources Institute and the WBCSD's Greenhouse Gas Protocol Initiative—A Corporate Accounting and Reporting Standard (revised edition, 2004) guidance. CH2M calculates emissions based on actual data, where available, and estimates emissions according to standard protocol guidelines where data are incomplete or unavailable. Energy use data for 2016 is recorded for 14 area offices in the United Kingdom and 12 area offices in Mainland Europe. For two Mainland Europe area offices, actual energy consumption data was not available so usage has been estimated. We continued to record emissions from our company car fleet and from the use of hire vehicles in delivery of our projects.

¹Scope 3 emission estimates include air business travel, ground business travel, employee commuting, electricity transmission and distribution losses, contracted solid waste disposal and offsite wastewater treatment.

Energy use and carbon emissions

| GRI 302-1, 302-4, 305-1, 305-2

Corporate headquarters

	2012	2013	2014	2015	2016
Electricity (MWh)	8,175	8,635	8,706	8,513	8,358
Natural gas (Therms)	19,318	27,806	25,236	20,297	18,573
Carbon emissions (tonnes)	7,172	7,618	7,665	7,470	7,327

Note:

Energy use and carbon emissions for our corporate headquarters in Englewood, Colorado, United States. Data from property management invoices.

| GRI 403-2

Health and safety indicators

	2013	2014	2015	2016
Recordable incidents	91	82	74	80
Rate of lost-time incidents	0.17	0.14	0.13	0.15
Rate of recordable incidents	0.36	0.33	0.30	0.34

Note:

Includes worldwide incidents, recordables and lost time incidents for all CH2M companies. Lost-time cases are those that involve days away, restricted duty, or transfer to another job. Both recordable incident and lost-time rates are figured as a number of cases per 200,000 hours worked as specified by industry standards. 200,000 is an estimate of the hours worked by 100 employees in a year.

| GRI 102-8

Total number of employees by region

	2013	2014	2015	2016
Asia Pacific	1,128	916	811	683
Europe	3,427	3,221	3,473	3,849
Latin America	1,084	1,273	1,231	863
Middle East, North Africa, India	2,024	2,194	2,173	1,646
North America (United States and Canada)	15,909	15,183	14,319	12,622
Total employees	23,572	22,787	22,007	19,663

Note:

Global employee headcounts exclude unconsolidated joint ventures and include consolidated joint ventures.

| GRI 102-8

Total number of employees by employment type

	2013	2014	2015	2016
Full-time	21,709	21,036	20,273	18,005
Part-time	1,185	1,071	1,160	1,173
Temporary, flex, other	678	682	574	485
Total employees	23,572	22,789	22,007	19,663

Note:

Global employee headcounts exclude unconsolidated joint ventures and include consolidated joint ventures.

| GRI 102-8

Employees by gender

	2013	2014	2015	2016
Female	6,401	6,217	6,049	5,714
Male	17,171	16,572	15,958	13,949
Total employees	23,572	22,789	22,007	19,663

Note:

Global employee headcounts exclude unconsolidated joint ventures and include consolidated joint ventures.

| GRI 405-1

Employees by age

	2013	2014	2015	2016
<25	1,078	1,098	1,058	1,010
26-35	5,925	5,909	5,552	4,783
36-45	6,196	6,137	5,951	5,542
46-54	5,192	4,998	4,804	4,210
55+	5,181	4,647	4,642	4,118
Total Employees	23,572	22,789	22,007	19,663

Note:

Global employee headcounts exclude unconsolidated joint ventures and include consolidated joint ventures.

| GRI 405-1

Employees by demographics

	2013	2014	2015	2016
Black or African-American	4.4%	4.2%	4.5%	4.6%
American Indian or Alaska Native	1.3%	1.5%	1.4%	1.2%
Asian	4.3%	4.3%	4.4%	4.7%
Hawaii or Pacific Islander	0.2%	0.3%	0.3%	0.3%
Hispanic or Latino	7.0%	8.3%	8.4%	8.7%
White or Caucasian	81.6%	80.1%	79.4%	79.0%
Two or more races	1.1%	1.2%	1.3%	1.5%
Undefined	0.1%	0.2%	0.3%	0.1%

Note:

Global employee headcounts exclude unconsolidated joint ventures and include consolidated joint ventures. Demographics data for the United States.

| GRI 401-1

Employee turnover

	2013	2014	2015	2016
Involuntary turnover	3,129 (13%)	2,239 (10%)	2,197 (10%)	3,247 (17%)
Voluntary turnover	3,253 (14%)	3,237 (14%)	2,741 (12%)	2,502 (13%)
Total turnover	6,382 (27%)	5,476 (24%)	4,938 (22%)	5,749 (29%)

Note:

Percent turnover is calculated by dividing the annual number of losses by the end-of-year active employee headcount.

| GRI 401-1

Employee turnover – age

	2013	2014	2015	2016
Voluntary				
<25	304 (28%)	222 (20%)	198 (19%)	188 (19%)
26-35	1104 (19%)	973 (16%)	956 (17%)	782 (16%)
36-45	776 (13%)	695 (11%)	663 (11%)	600 (11%)
46-54	488 (9%)	449 (9%)	468 (10%)	423 (10%)
55+	581 (11%)	898 (19%)	456 (10%)	509 (12%)
Involuntary				
<25	428 (40%)	291 (27%)	320 (30%)	246 (24%)
26-35	873 (15%)	499 (8%)	625 (11%)	691 (14%)
36-45	676 (11%)	449 (7%)	424 (7%)	856 (15%)
46-54	555 (11%)	456 (9%)	383 (8%)	645 (15%)
55+	597 (12%)	544 (12%)	445 (10%)	809 (20%)

Note:

Percent turnover is calculated by dividing the annual number of losses for the age group by the end-of-year active employee headcount in the age group.

| GRI 401-1

Employee turnover – gender

	2013	2014	2015	2016
Voluntary				
Male	2,540 (15%)	2,418 (15%)	2,091 (13%)	1,926 (14%)
Female	713 (11%)	819 (13%)	650 (11%)	576 (10%)
Involuntary				
Male	2,618 (15%)	1,652 (10%)	1,676 (11%)	2,464 (18%)
Female	511 (8%)	587 (9%)	521 (9%)	783 (14%)
Total				
Male	5,158 (30%)	4,070 (25%)	3,767 (24%)	4,390 (31%)
Female	1,224 (19%)	1,406 (23%)	1,171 (19%)	1,359 (24%)

Note:

Percent turnover is calculated by dividing the annual number of male/female losses by the end-of-year active male/female employee headcounts. Turnover of employees with undefined gender data is excluded from rates.

Employees who received a regular performance and career development review

| GRI 404-3

	2013	2014	2015	2016
Total employees receiving development reviews	21,325 (93%)	19,524 (89%)	19,309 (91%)	15,723 (94%)
Male	15,272 (92%)	13,983 (88%)	13,765 (89%)	10,604 (95%)
Female	6,053 (97%)	5,541 (91%)	5,544 (96%)	5,119 (94%)
Full-time	19,777 (94%)	18,168 (90%)	17,858 (91%)	14,528 (97%)
Part-time	1,150 (98%)	1,010 (95%)	1,112 (97%)	1,112 (97%)
Temporary, flex, other	398 (62%)	346 (53%)	339 (63%)	83 (18%)

Note:

New hires with 2 months or less of service by the end of the year are removed from counts since they were not eligible to participate in the performance management process. Percentages are within each gender category. Numbers are the actual number of employees recorded by gender. Performance reviews are optional for flex and contract employees.

Employee training hours

| GRI 205-2, 404-1, 404-2, 412-2

	2013	2014	2015	2016
Ethics and compliance	17,422	13,726	43,637	42,527
Health, safety and environment	58,619	61,400	149,386	135,484
Learning management courses	233,227	217,925	350,542	163,542
Total training hours	309,268	293,051	543,565	341,553
Average training hours per employee	13.1	12.9	16.3	17.4

Note:

Training hours by course type

Learning management courses include project management, leadership, business intelligence and business tools.

About CH2M

CH2M leads the professional services industry delivering sustainable solutions benefiting societal, environmental and economic outcomes with the development of infrastructure and industry. In this way, CH2Mers make a positive difference providing consulting, design, engineering and management services for clients needing world-class solutions in environmental; industrial and advanced facilities; transportation; and water markets, from iconic infrastructure to global programs like the Olympic Games.

Ranked among the World's Most Ethical Companies and top firms in environmental consulting and program management, CH2M in 2016 became the first professional services firm honored with the World Environment Center Gold Medal Award for International Corporate Achievement in Sustainable Development.

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Environmental Industry Rankings (ENR)

- #2** Environmental Overall
- #2** Environmental Asset Management
- #2** Nuclear Liability Services
- #5** Environmental Liability Services

Industrial Industry Rankings (ENR)

- #1** Semiconductors
- #2** Manufacturing
- #3** Pipelines
- #5** Chemical Plants
- #5** Steel and Non-ferrous Plants

Infrastructure Industry Rankings (ENR)

- #1** Int'l. Water Treatment & Desalination
- #1** Sewerage and Waste
- #1** Wastewater Treatment Plants
- #1** Site Assessment and Compliance
- #2** Engineering/Design
- #2** Highways
- #2** Marine & Port Facilities
- #2** Water Treatment and Desalination
- #3** Design Firm in Water
- #3** Hazardous Waste
- #3** Sanitary and Storm Sewers
- #3** Transportation
- #3** Water Supply and Treatment
- #5** Airports
- #5** Mass Transit & Rail

A photograph of a forest path at night, illuminated by numerous glowing yellow fireflies. The path is made of dirt and is lined with green foliage. The background is dark, with the fireflies providing the primary light source.

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The CH2M difference

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