Our Supply Chain
Ethics & Business Conduct Principles

when doing business with CH2M HILL

October 2011

Principles based on co-founder Jim Howland’s
The Little Yellow Book, written in 1978
Message from the CEO

A reliable and highly ethical supply chain is critical for CH2M HILL’s ability to support our customers’ goals around the globe. Integrity, safety, and quality are hallmarks of CH2M HILL’s performance. Our customers rely on us to work with suppliers, subcontractors, and joint-venture partners who share these fundamental values.

We view the relationship we have with our supply chain as true partnerships. We treat members of our supply chain fairly by always using transparent procurement processes and by fostering a collaborative environment, the main objective of which is value enhancement for our customers and our shareholders. We encourage and support small, disadvantaged, woman-owned and minority-owned businesses, whose presence on our projects is important to CH2M HILL and to our customers.

To ensure business integrity across our projects, we insist that members of our supply chain endorse our values on business ethics, environmental sustainability, labor and employment, and fair-trade practices. Our Supply Chain Ethics & Business Conduct Principles outline our expectations on how our suppliers, subcontractors, and joint-venture partners should work when partnering with CH2M HILL.

As you partner with us, there will undoubtedly be occasions when you will face ethical questions. It is imperative that you make the right call on these important and often difficult issues. When considering how to deal with an unexpected ethical dilemma, always err on the side of taking an action, which when scrutinized after the fact would not undermine the integrity of our customer’s project, your reputation, or ours.

These Principles represent our mutual commitment on how we do business and are an integral part of every commercial relationship you have with CH2M HILL.

Thank you for doing your part in helping maintain the highest standards of business integrity.

Respectfully,

Jacqueline Hinman
Chairman and Chief Executive Officer

In 1978, co-founder and former CH2M HILL President James Howland wrote a collection of management quotations to capture the values on which our company was built.

The quotations became the basis for The Little Yellow Book, which is the foundation of The CH2M HILL Way of doing business.

Learn more about The Little Yellow Book, at: www.ch2mhill.com/ethics

“A good test to determine if a contemplated action is ethical is to ask, ‘Would I want to see it in the headlines tomorrow morning?’ ”

— The Little Yellow Book
Our Supply Chain

Our supply chain consists of suppliers of equipment, materials, and other purchased goods; agents; contractors; subcontractors who provide construction, consulting, technical and professional services; and companies that we partner with on a joint-venture or consortium basis (collectively referred to as “Supply Chain”).

Your Business Practices

CH2M HILL stakes its reputation on delivering projects that create value for our customers and make the world a better place to live. Maintaining this reputation requires that we excel in service to our customers, while upholding CH2M HILL’s ethical standards. The same standards apply to all those who work with us and on our behalf.

We have created these Supply Chain Ethics & Business Conduct Principles to help guide you and your staff when complex ethical issues arise. These Principles help us work toward our common goal—unwavering commitment to ethical business practices and compliance with laws. While some business practices reflected in these Principles may not be customary in your country, when working on our projects we require that you comply with these Principles because they are fundamental to how we do business.

CH2M HILL relies on our Supply Chain to choose subcontractors and suppliers that share our values as reflected in these Principles. We expect you to ensure that those you use for work on our projects conduct business legally, ethically and in accordance with all expectations expressed here.

Health, Safety, and Environment (HSE)

Protection of people and the environment is a CH2M HILL core value. We are committed to the health and safety of our people and communities where we work, and we expect the same of our Supply Chain. When working with us you must be committed to the health and safety of your staff and take all necessary steps to provide a safe working environment for your employees and contractors. You must also take every precaution to protect the environment and the well being of the communities where you work.

Sustainability

We have a strong commitment to sustainable development and the environment. Our projects provide long-term sustainable solutions for our customers and preserve our planet’s natural resources for future generations. CH2M HILL is committed to limiting our environmental impact and we look to our Supply Chain to do the same. We evaluate your environmental stewardship reputation and performance history before we agree to do business with you.

Conflicts of Interest

CH2M HILL expects that members of our Supply Chain make their business decisions in the best interest of CH2M HILL, our customers and our projects. When working for us, you need to be keenly aware of organizational
and personal conflicts of interest that may impact your work or our customers. Any situation that creates or appears to create a conflict should be avoided. If unavoidable, it must be promptly disclosed to us and properly managed. Conflicts of interest, unless correctly handled, may cause us and you to be disqualified from a business opportunity and may embarrass our customers.

**Gifts and Entertainment**
Every member of our Supply Chain should have in place a thoughtful policy on gifts and entertainment practices. This policy should be widely communicated and enforced in your organization.

Be aware that, generally, CH2M HILL employees are not permitted to accept or provide gifts or entertainment to influence a business decision or to obtain or retain business. Cash and cash equivalents (such as gift cards) are strictly prohibited.

The only narrow exceptions to these intentionally broad prohibitions are infrequent and unsolicited, non-cash gifts of nominal value and modest entertainment aimed at buttressing working relationships between us. This narrow exception does not apply when prohibited by contract or law.

**Corruption**
Those who work with us must know about and comply with our anti-corruption policy and the procurement integrity laws in effect everywhere we do business, including the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Anti-Bribery Act and the Organization for Economic Cooperation & Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

When working with CH2M HILL, you are strictly prohibited from offering, giving, or accepting any form of a bribe, kickback, gift, or benefit designed to influence a business decision. This prohibition extends to payments and gifts in cash or in-kind, made directly or through others.

Beware that bribe solicitations do not always come as a straightforward cash demand. They can come in forms as sophisticated and complex as the projects that we deliver. Providing lavish entertainment, travel and
accommodations; directing business to a company owned by a procurement official; offering employment opportunities to family members of customer representatives; supporting charities sponsored by government officials or their relatives are all examples of corrupt and prohibited activities. Simply put, no gift or payment should be made or accepted to influence business decisions on CH2M HILL’s behalf or in connection with our projects.

Fair Dealing
CH2M HILL deals honestly and fairly with members of our Supply Chain. We consistently follow our own and our customers’ established procurement rules and expect members of our Supply Chain to do the same.

We do not work with suppliers, subcontractors or joint-venture partners that restrict their employees’ rights to associate freely with labor organizations.

Trade and Export Controls
CH2M HILL complies with all international trade laws and regulations, including trade sanctions, and we expect members of our Supply Chain to comply with all trade and export control laws that apply to their work.

Beware that export and import laws apply not only to goods but also to technology, software, and technical information. Export laws may be violated by simply sharing information with foreign nationals without the information ever leaving its country of origin. When working with us, be careful to avoid such “deemed export” and have procedures in place to recognize and avoid it.

Inclusion, Diversity, Harassment
CH2M HILL fosters a diverse work environment and is committed to eliminating discrimination and harassment in the workplace. We choose to partner only with those who as a matter of good business practice, comply with all applicable laws on non-discrimination and anti-harassment in hiring and employment.

Even when certain discriminatory practices are common where you work, as a condition of working for us and our customers, we ask you to endorse practices consistent with our commitment to a discrimination and harassment-free work environment.

Human Rights
We respect and protect the rights of those who work on our projects. We provide reasonable working conditions and fair wages, and expect our Supply Chain to do the same. CH2M HILL has a zero-tolerance policy for the use of child or forced labor and for any other human trafficking practices. We refuse to do business with those who do not share our zero-tolerance stance.

“Let us be flamboyant when it comes to dreaming and thinking; conservative in our personal habits while doing interesting, innovative things inside and outside the firm.”

— The Little Yellow Book

Learn more about The Little Yellow Book at: www.ch2mhill.com/ethics
Confidentiality
We protect confidential information that belongs to you and expect you to not disclose our proprietary and confidential information. You may never share our confidential information or sensitive personal information of our employees with a third party without an express written permission.

We expect that you will employ adequate internal controls and information-security measures and for your computer systems, portable electronic devices, laptops and other storage devices to ensure the safety of information that we or our customers entrust to you. This includes taking the necessary precautions in not leaving such information or devices in places where they could be damaged or inappropriately accessed.

When working with us you should not store our or our customers’ confidential information to shared data-storage devices that lack adequate protections.

In the event you become aware of a possible data security breach involving our or our customers’ information, you must immediately report this breach to us.

Intellectual Property
We expect the members of our Supply Chain to respect our and our customers’ intellectual property rights. When working with us, you must take necessary steps to protect our and our customers’ trademarks, copyrights, and patents used in your work. If you are unsure about a proposed use of our or our customers’ intellectual property, seek our guidance.

Lobbying Activities
Do not, directly or through others, engage in lobbying activities on our behalf or on behalf of our projects, unless you have written authorization from us to do so. At CH2M HILL, we define “Lobbying” as communication, in any form, with government employees and members of their families, specifically designed to influence government policies, or the award and administration of government contracts.

Marketing Materials and Interactions with the Media
Any marketing materials, press releases, or media interviews that include a reference to CH2M HILL, our customers or our work together must be approved in advance by CH2M HILL.
Communication and Awareness Training

To ensure compliance with our Supply Chain Ethics & Business Conduct Principles, you should communicate the content of these Principles (or your equivalent code of conduct) to all those you intend to use on our projects. We expect you to establish an ethics awareness training and monitoring program. We also expect you periodically to evaluate your compliance with these Principles and to maintain ongoing dialogue with us to foster continuous improvement.

Recordkeeping and Right to Audit

Best practices require that you keep appropriate records in order to demonstrate your compliance with our Supply Chain Ethics & Business Conduct Principles. Falsifying financial or business records, or making false statements is against the law and it will irreparably damage your business relationship with CH2M HILL.

We reserve the right to periodically review your business practices to ensure your compliance with these Principles. Members of our Supply Chain are expected to comply with our reasonable inquiries related to your work for us. We expect you to cooperate with our audits and investigations and honestly share relevant information with us.

Reporting Concerns without Retaliation

As a member of our Supply Chain, you have an affirmative obligation to report any credible suspicions you have about possible violations of these Principles or laws, as they relate to your work with us. We will make every effort to safeguard your confidentiality and, wherever allowed by law, your anonymity, if you so desire.

You can ask questions about issues outlined in these Principles, report violations or raise concerns by calling The GuideLine (our hotline) at +1-866-924-4843 (U.S. and Canada), +1-720-286-4843 (elsewhere in the world), or via the web at www.ch2mhill.com/guideline. CH2M HILL will investigate all hotline reports and respond to all questions, and will take prompt corrective actions, when appropriate.

You should feel free to report any suspected violation of the law or our Supply Chain Ethics & Business Conduct Principles without fear of retaliation. We expect members of our Supply Chain to take steps to prevent any retaliation against any individual for reporting a possible violation of laws and these Principles in good faith. For clarification, “good faith” does not mean that you have irrefutable evidence of violation or that your report has to be correct. It only means that you genuinely believe it to be true and accurate at the time you make the report.

“The quality of our services is of paramount importance. We must do a much better job than our competition in solving clients’ problems if we are to succeed.”

— The Little Yellow Book

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