The U.S. Government is one of CH2M’s largest and most important customers. The work we do for this customer varies in type and geography, but what does not vary are the special requirements that you must observe while doing this work. When working for the U.S. Government anywhere in the world you must conduct yourself with honesty and integrity. As a member of our supply chain we expect you to know and comply with all applicable laws and regulations that govern work funded by the U.S. Government, including federal procurement regulations, rules governing ethical conduct and lobbying, conflicts of interest, worker welfare and human trafficking, and the handling of confidential, classified, and other government information.

Violation of these important laws and regulations may result in criminal sanctions (fines and imprisonment) and significant civil penalties against individuals and companies involved. Violations of these rules of engagement with the U.S. Government may result in suspension or debarment. We expect you to take these rules very seriously and have no tolerance for those who fail to understand the importance of these requirements.

Although it is your responsibility and obligation to stay current with legal requirements involving U.S. Government work, for your convenience we have summarized a few key issues here. This summary does not attempt to cover everything you need to know.

This Supplement and our Supply Chain Ethics & Business Conduct Principles are a part of every contract you have with us when we work together on U.S. Government funded projects. Thank you for your commitment to doing business with integrity.

– Jacqueline Hinman
Chairman and Chief Executive Officer
As a member of CH2M’s supply chain, we expect you to know and comply with all laws and regulations governing work funded by the U.S. Government

**Truthful Cost or Pricing Data**

Truthful Cost or Pricing Data regulations require CH2M to provide the U.S. Government with accurate project cost and pricing information to support procurement negotiations and evaluations. We must certify that information that we provide to the U.S. Government is accurate, current, and complete. As a member of our supply chain you must be prepared to certify that the information you provide to CH2M in support of our U.S. Government projects is accurate, current, and complete.

**Anti-corruption**

The U.S. Government has implemented several laws and regulations prohibiting U.S. Government officials and contractors, including their suppliers and subcontractors, from engaging in corrupt business practices. These laws and regulations prohibit U.S. Government employees, contractors, subcontractors and suppliers from soliciting or accepting or offering future employment, gifts, gratuities, or entertainment as a quid pro quo for contract awards or any other action from the U.S. Government. CH2M also has an Anti-Corruption Policy that prohibits such activities. Should you become aware of an improper benefit offered, accepted by or given to a U.S. Government employee on a procurement related to CH2M’s work for the U.S. Government, you have an obligation to immediately notify the CH2M Ethics and Compliance team or the CH2M Legal Department about the situation and to cooperate with us in our disclosure and resolution of it.

**Restrictions on obtaining and disclosing certain information**

The U.S. Government also has enacted laws and regulations that prohibit unauthorized disclosure or solicitation of information developed by U.S. Government agencies and use of proprietary competitor information in connection with procurement of U.S. Government work. Never engage in such unauthorized use of information, and if you become aware of it in connection with our projects, notify us immediately and cooperate with us in providing appropriate disclosure.

**Worker welfare and human trafficking**

Federal regulations require all contractors and subcontractors working on certain federal contracts to adhere to standards designed to combat human trafficking. CH2M has also adopted a Worker Welfare Policy that sets forth certain requirements to protect the welfare of workers on CH2M projects that subcontractors and suppliers working directly for CH2M on certain projects must follow. CH2M expects all subcontractors and suppliers to follow the U.S. Government regulations and the CH2M Worker Welfare Policy.

**Reasonable and allowable costs**

CH2M and members of our supply chain must strictly comply with U.S. Government regulations on cost allocation and charging in our performance of U.S. Government contracts. Only costs allowable for reimbursement under relevant regulations can be charged to our U.S. Government customers. CH2M expects our partners, suppliers, and subcontractors to take all steps necessary to assure that only reasonable and allowable costs are charged to the U.S. Government.

**False Claims Act (FCA)**

The FCA helps the U.S. Government surface waste and abuse of government property and resources by imposing penalties and fines on those who make inappropriate claims for payment under U.S. Government contracts. The FCA invites taxpayers to report such violations and, when appropriate, file lawsuits against U.S. Government contractors and their suppliers. The FCA covers any improper claim for payment under a contract with the U.S. Government, including improper claims made by suppliers and subcontractors to CH2M.

CH2M expects the members of our supply chain to always follow applicable U.S. Government contracting procedures when requesting payments or making claims. Always provide timely notification of any overpayment claimed or received in connection to your work with us for the U.S. Government. Such self disclosure is a requirement under the FCA, and failure to do so will increase your and our penalties and may result in your and our debarment from doing work for the U.S. Government.

**Contingent fees**

U.S. federal law and CH2M policy prohibit the payment of contingent fees for soliciting or obtaining work on U.S. Government contracts. As our partner, supplier, or subcontractor you must not pay or accept any contingent fees in order to solicit or obtain U.S. Government work.
Anti-Kickback Act
The Anti-Kickback Act prohibits CH2M and members of our supply chain from accepting, soliciting, or offering kickbacks to secure or provide U.S. Government work. It also prohibits inclusion of kickbacks into the contract price of any U.S. Government contractor. CH2M does not engage in kickbacks in connection with U.S. Government or other customers’ work, and expects our joint venture partners, suppliers and subcontractors to prohibit this activity in their business dealings.

Mandatory disclosure of violations
When working on U.S. Government projects, CH2M’s joint venture partners, suppliers, and subcontractors are required to promptly disclose to CH2M and the U.S. Government any circumstances where credible evidence exists of a violation of applicable law or receipt of an overpayment.

Code of conduct
The U.S. Government requires its contractors, subcontractors, and suppliers to have a written code of conduct, and to make this code of conduct available to each employee engaged in the performance of work funded by the U.S. Government.

CH2M encourages all members of our supply chain to maintain a code of conduct, and to implement an effective business ethics awareness training and compliance program in accordance with U.S. Government requirements.

Certifications
Prior to working with its contractors, subcontractors, or suppliers on U.S. Government work, CH2M often requires a certification on their ability to work effectively on U.S. Government projects, including certification on debarment, suspension, terminations for default, conflicts of interest, and Exclusion Types, to name a few. CH2M expects members of our supply chain to provide us with current, complete, and accurate information required in these certifications and to update this information as circumstances change.

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 this Supplement of our Supply Chain Ethics & Business Conduct Principles, to comply with any investigation or audit, and to openly and honestly share information relevant to such investigations. We will make every effort to safeguard your confidentiality and, if applicable and wherever allowed by local law, your anonymity.

You should feel free to report any suspected violation of the law, policy, our Supply Chain Ethics & Business Conduct Principles, or this Supplement without fear of your association with CH2M being adversely affected. We expect members of our supply chain to prohibit retaliation against any individual for reporting a possible violation of laws or ethics and business conduct policies in good faith.

You can ask questions or raise concerns by contacting The GuideLine

+1-866-924-4843 U.S. and Canada
+1-720-286-4843 Elsewhere in the world
guideline.ch2m.com

CH2M will promptly, thoroughly, and fairly investigate all reports, and will take appropriate action.
Our principles are based on co-founder Jim Howland's Little Yellow Book

In 1978, co-founder and former CH2M 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 Way of doing business.

Learn more about The Little Yellow Book [www.ch2m.com/ethics](http://www.ch2m.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