



INFRASTRUCTURE

MINING & METALS

NUCLEAR, SECURITY & ENVIRONMENTAL

OIL, GAS & CHEMICALS

“We apply our **engineering**, project management, and construction expertise to create **the next** generation of critical infrastructure – that is sustainable, resilient, and beneficial to our customers and society for the next **100 years** and beyond. #Build100

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Gladstone LNG, Queensland



# Engineering the Next 100 Years

Bechtel delivers the most complex projects in the world for its customers. These feats are not only modern engineering marvels; they spur long-term prosperity and growth that transform countries and lives.

From the Paris climate agreement to the launch of the United Nations Sustainable Development Goals, we saw the world decisively shift to a future of cleaner energy, greener infrastructure, and universal access to clean water.

Amid this accelerating trend, Bechtel delivered for its customers, partners, and society:

- Clean power for homes, cities, and businesses
- Rail networks that ease pollution and congestion while improving urban mobility
- Communities more resilient to extreme weather and natural disasters through our volunteer programs
- Less waste, energy, and water use at our projects and offices
- A legacy of sustainability at our projects long after our work is complete

Bechtel also made progress on our strategy to advance sustainability across our business. We've implemented new tools, procedures, and initiatives to spur innovation, reduce our environmental footprint, and protect vulnerable workers and communities. These efforts form the backbone of our ambitious long-term goals and targets.

The last century was defined and shaped by industrial development that created generations of prosperity; this century will be defined by sustainable development. The projects we deliver for our customers and the world, and the way we deliver them, will help ensure this century will flourish.

It's no longer enough to build the biggest projects in the world. We will also be known for building the best projects *for* the world.

## LONG-TERM GOALS AND TARGETS

### By 2030, Bechtel commits to:



Contribute solutions achieving global sustainable development goals.

**OUR TARGET:**

100 ideas to help achieve the United Nations Sustainable Development Goals.



Increase the resilience of vulnerable communities to natural hazards.

**OUR TARGET:**

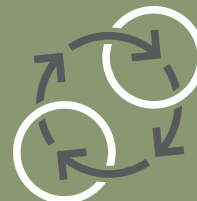
5 million people are safe from natural hazards through our volunteer programs.



Promote environmental sustainability in our projects and facilities.

**OUR TARGET:**

100% of our key projects and non-project facilities to reduce our environmental footprint.



Drive sustainability in our global supply chain.

**OUR TARGET:**

100% of our key suppliers have programs to promote sustainability in the delivery of materials and services, as well as within their own supply chain.

# Vision, Values & Covenants

## Vision: What we aspire to do

Be the world's premier engineering, construction, and project management organization by achieving **extraordinary results** for our customers, building satisfying careers for our people, and earning a fair return on the value we deliver.

## Values: What we believe

Building on a family and leadership heritage that spans more than a century, we are privately owned by active management and guided by our Vision, Values & Covenants. We value:

### **Ethics.**

We are uncompromising in our integrity, honesty, and fairness.

### **Safety & Health.**

We are relentless in keeping people safe from harm, and we provide a healthy work environment.

### **Quality.**

We are passionate about excellence and doing our work right the first time. Our reputation depends on our delivered value in the eyes of every customer and community.

### **People.**

We inspire each other with important work full of purpose, challenging development opportunities, and rewarding careers. We aspire to be the employer of choice in our industry.

### **Culture.**

We actively build a diverse, inclusive, and collaborative work environment where all views are welcomed, openness is encouraged, and teamwork and merit are cornerstones. We are proud of what we do and how we do it—and we enjoy doing it!

### **Relationships.**

We build positive, long-term relationships with our customers, joint-venture partners, subcontractors, suppliers, and colleagues that are built on trust, respect, and collaboration.

### **Innovation.**

We develop and apply world-class technology. We listen, learn, and seek out the best ideas. We attack complacency and continually improve.

### **Sustainability.**

We improve the quality of life in communities where we work by respecting local cultures, engaging local people, and protecting the environment.

## Covenants: How we do it

Wherever we go and whatever we do, we:

### **Demonstrate Integrity.**

Exercise the highest level of professional and ethical behavior.

### **Are Respectful.**

Treat people with respect and dignity. Listen actively. Communicate in a timely and forthright manner. Never undermine colleagues.

### **Collaborate.**

Ask for and welcome help; offer and give it freely. Mutually resolve ambiguity and conflict.

### **Build Trust.**

Make commitments responsibly and always keep our word. Be candid while building shared understanding.

### **Deliver.**

Set high aspirations, plan responsibly, and honor all commitments.

### **Learn It, Do It, Share It.**

Be curious. Seek, share, and build upon experiences and lessons learned.

### **Live Our Culture.**

Embrace, embody, and actively contribute to our Vision, Values & Covenants. Nurture a proud legacy.



Curtis Island LNG, Queensland

## About Bechtel

Bechtel is one of the most respected global engineering, construction, and project management companies. In partnership with our customers, we deliver landmark projects that foster long-term progress and economic growth. Since 1898, we've completed more than 25,000 extraordinary projects across 160 countries on all seven continents. Our company and our culture are built on more than a century of leadership and a relentless adherence to our values, the core of which are safety, quality, and ethics. These values are what we believe, what we expect, what we deliver, and what we live.

[www.bechtel.com](http://www.bechtel.com)

### We Operate Under Four Global Business Units

- Infrastructure
- Mining & Metals
- Nuclear, Security & Environmental
- Oil, Gas & Chemicals

### Key Facts

- Structure: Privately held
- Headquarters: San Francisco, California
- 2015 employees: 55,000
- 2015 revenue: \$32.3 billion

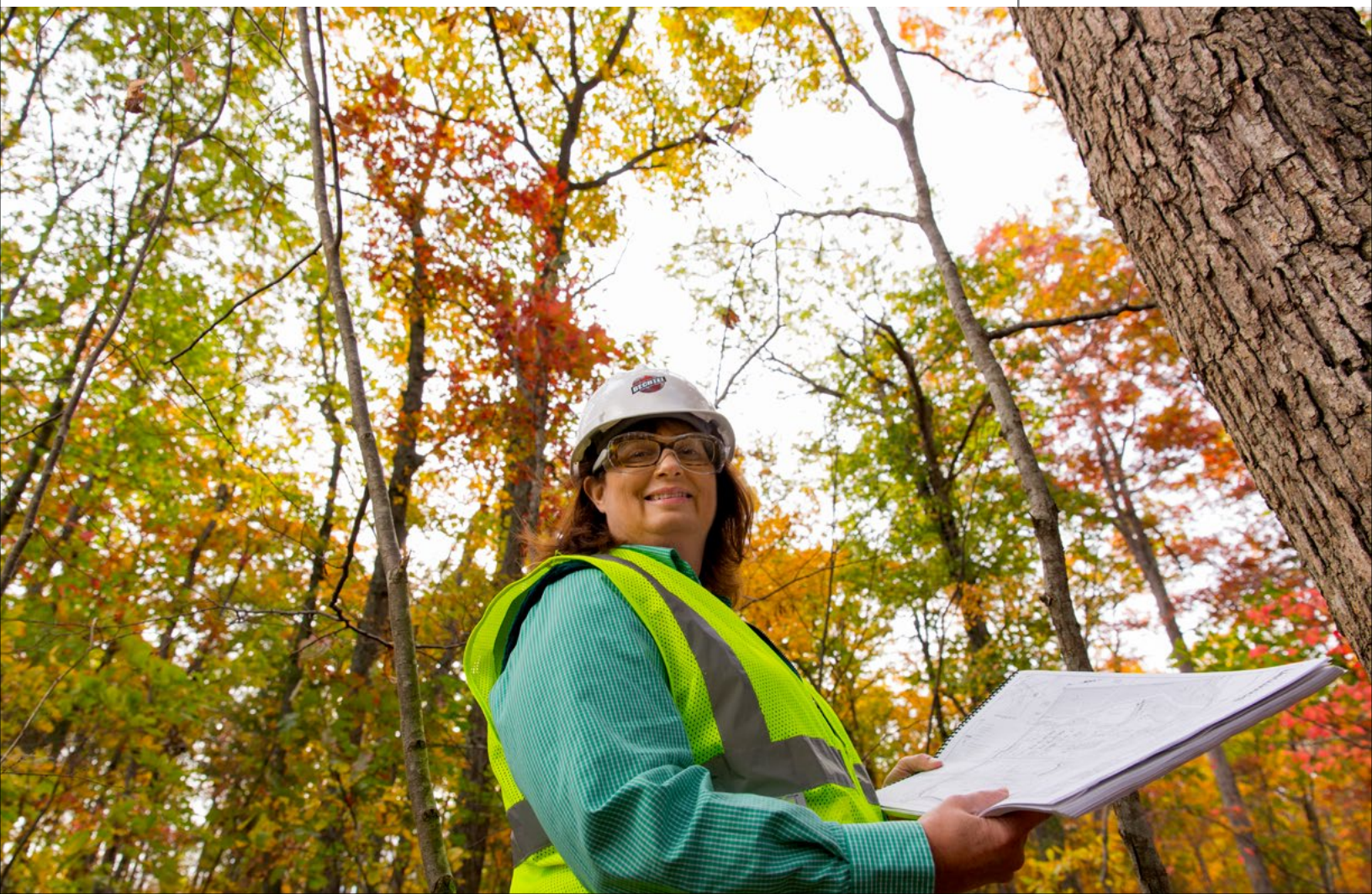
# About this Report

We recognize that being the contractor of choice depends on our maintaining a record of responsible business practices and meeting the expectations of our customers and other stakeholders. This report covers areas that reflect the diversity and complexity of where Bechtel operates, and that demonstrate how we incorporate into our business our three sustainability focus areas:

- Protecting people and the environment
- Promoting local economic development
- Partnering with communities and society

This report does not cover the performance of our customers, suppliers, subcontractors, or partners unless otherwise noted. We reference and use the Standard Disclosures from the Global Reporting Initiative Sustainability Reporting Guidelines to inform our disclosures, which we list in the index. All financial data is cited in U.S. dollars. We welcome your comments to this report. Please send your feedback to [sustain@bechtel.com](mailto:sustain@bechtel.com).

Stonewall Energy Project,  
Virginia

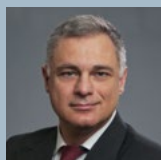




Watts Bar Units 1 and 2,  
Tennessee

## Supporting the Transition to Cleaner Energy

According to the International Energy Agency, by 2040, world demand for energy may climb by 30 percent. Cleaner forms of energy, such as natural gas, nuclear, and renewables, will comprise an increasingly significant share of the energy mix to support this growing need. In 2015, Bechtel delivered projects that produce low- or zero-carbon energy to millions of homes and businesses around the world.



“Taking innovative approaches in design and technology have enabled Bechtel teams to deliver projects that address cost and climate issues.”

**John Gülen**  
Senior principal engineer, Bechtel

### Generating zero-carbon power

Nuclear energy is the only zero-carbon baseload technology—capable of producing electricity at full power, 24 hours a day, seven days a week, regardless of the weather. In 2015, Bechtel delivered the Watts Bar Unit 2 nuclear reactor for the Tennessee Valley Authority, in the United States. It is the first reactor to receive authorization to operate from the U.S. government in the 21st century. Now operational, Unit 2 joins the facility’s existing unit to generate nearly 2,300 megawatts of clean, carbon-free electricity—enough to power 1.3 million homes and businesses in the Tennessee Valley. An equivalent amount of energy generated by burning coal would emit 8 million tons of carbon dioxide every year.

**Saving water, lowering emissions**

We are designing and building some of the world's cleanest natural gas power plants for Panda Power Funds. Using the most advanced emissions-control technology, the 1,124-megawatt Hummel Station, in Pennsylvania, will supply power to more than 1 million homes—almost triple the supply of the coal facility it replaces—using only 3 percent of the amount of water. In comparison, it will also cut sulfur dioxide and nitrogen oxide emissions by more than 90 percent.

In Texas and Virginia, Bechtel built plants that will power 3 million homes but emit half the carbon emissions of equivalent coal-fired electricity. Sherman, Temple I, and Temple II combined-cycle power plants will each provide 758 megawatts, while Stonewall will generate 778 megawatts.

**Harnessing a river to power homes**

In Manitoba, Canada, a Bechtel-led team continued work in 2015 on the Keeyask Generating Station and Infrastructure project. When finished, Keeyask will supply 25 percent more energy to the province and power nearly 400,000 homes with renewable energy. Keeyask is one of the largest hydroelectric plants in North America and will harness the power of the Nelson River, Canada's fourth-longest river, running 1,600 miles (2,575 kilometers).

**Using innovation to reduce carbon and cut costs**

Although the projected share of renewables in the global energy mix is expected to grow, fossil fuels such as natural gas will remain a significant source for electricity generation around the world (according to the U.S. Energy Information Administration). Bechtel currently has a patent pending for the efficient removal of carbon emitted from gas-fired power plants. Our two technological innovations reduce the power lost in capturing carbon by almost 65 percent, while also lowering overall capital cost by more than 30 percent. Our innovation uses exhaust heat to produce steam and simplifies the entire system.

Keeyask will supply 25 percent more energy to the province and power nearly 400,000 homes with renewable energy.

Keeyask Generating Station,  
Manitoba, Canada







Riyadh Metro, Saudi Arabia

## Moving People Forward

For decades, Bechtel has helped customers bring ambitious urban concepts to life—from special economic zones to entire cities. Our projects assist societies in overcoming challenges of growing populations, connectivity, resiliency, and resource management. Rail is core to these advancements, enabling mobility, access, industry, and growth. Bechtel has delivered more than 300 major subway and rail projects, and is at the forefront of building some of the largest and most sustainable rail systems in the world today.

### Transporting Riyadh's next generation

A Bechtel-led consortium, which includes Almagbani, CCC, and Siemens, is designing and building two of six rail lines of the Riyadh Metro Network. When complete, the 109-mile (176-kilometer) system will ease congestion and reduce pollution by giving Riyadh's 6.5 million residents an alternative to driving. Among the sustainable design aspects, we are incorporating solar panels to power the depots with renewable energy.

### Providing access for all London travelers

A key tenant of sustainable development is to extend the benefits of new projects to everyone in a community, including vulnerable populations. One way we are helping to raise the bar for sustainable rail in the United Kingdom is by working with our customer, Crossrail Ltd., to ensure Crossrail, the largest construction project in Europe, is accessible to people with disabilities. Sixty-two percent of disabled Londoners are mobility impaired, and 93 percent of them believe their impairments limit their ability to travel. Accessibility aspects, such as textured ground surfaces, were incorporated from the outset, and now all 40 Crossrail stations are designed and built to help safely guide impaired passengers. By comparison, only 50 stations, or 25 percent, of the entire London rail system are as accessible.

Bechtel also helped Crossrail achieve an "Excellent" Civil Engineering Environmental Quality (CEEQUAL) rating for its western tunnels. The quality rating is the highest international sustainability rating for civil engineering and infrastructure.

### Electrifying UK's rail lines

Bechtel and Network Rail are working on electrifying the Great Western route between London, Bristol, Oxford, Newbury, and Cardiff. In addition to faster, bigger, and more reliable trains, the improvements offer significant environmental benefits. For example, high-performance electric trains will replace smaller diesel trains, yielding significantly lower carbon emissions, which will also improve air quality in pollution hot spots. The trains are also quieter, improving the quality of life for people who live near the tracks. In addition, electric rolling stock is being introduced on the shorter low-speed routes for a better travel experience and a quieter, cleaner environment for neighbors on the urban line.

All 40 Crossrail stations are designed and built to help safely guide impaired passengers.

Crossrail, London, UK



# Building Resiliency

Vulnerable infrastructure undermines a society's ability to cope, recover, and rebuild after a natural disaster, extreme drought, or bacterial contamination. In 2015, Bechtel teamed up with several organizations to help safeguard society against natural hazards.



“Extreme weather and natural disasters can have lasting impacts on vulnerable communities. Through our volunteer projects, we learn how building for resiliency and longevity can be applied on Bechtel’s bigger projects to help communities plan for the future and improve sustainability.”

**Sara Schmiege**  
Senior environmental engineer, Bechtel

## Strengthening communities

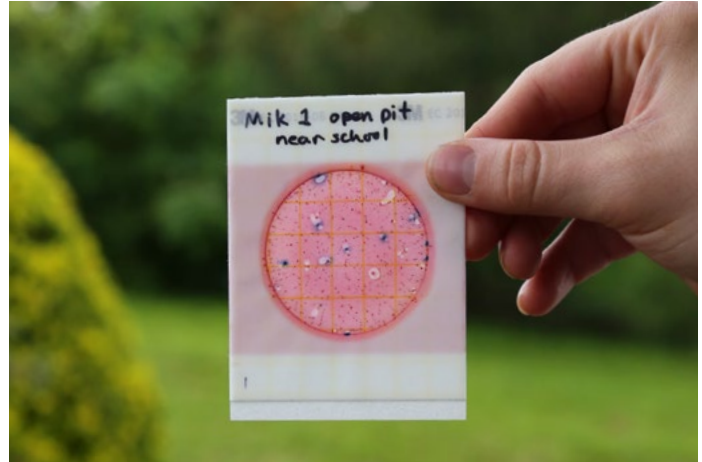
Many areas in Central America face extreme weather—hurricanes, floods, and droughts—that affect water quality and safety. With help from Bechtel, Engineers Without Borders (EWB), and local partners, nearly 600 villagers in El Sauce, in remote northwest Honduras, will have access to clean water. In 2015, our team designed and upgraded the community’s storage, treatment, and distribution system. Once we’ve completed the improvements, we will train residents to use and maintain the system to ensure it delivers benefits for years to come.

EWB and Bechtel are also working with leaders of the Mikomago community, in Uganda, to provide safe, clean water to more than 1,700 people. Young children walk long distances over steep terrain to collect bacteria-contaminated water from open pits and shallow wells. Volunteers working with the Mikomago Water Committee, and the Mwangwe Rural Development Association are assessing current and future water needs. Together we will develop, design, and build a sustainable water system, which includes a protected deep well and submersible pump.

Bechtel and Engineers  
Without Borders, Uganda



EWB and Bechtel are working with leaders of the Mikomago community in Uganda to provide safe, clean water to more than 1,700 people.



Engineers Without Borders, Uganda  
Water source sample bacteria test results.

**Connecting people and ideas**

In 2015, Bechtel was a key contributor to programs that helped offer solutions to global sustainability issues. For example, through the Global Sustainability Speaker Series with the [Center for Strategic and International Studies](#), a leading policy think tank in Washington, D.C., Bechtel collaborated with industry experts to discuss ways to redesign energy and infrastructure systems for resiliency. Discussions included:

- Hardening energy infrastructure
- Backing up power delivery systems
- Creating greater energy diversification, such as oil, gas, nuclear, renewable

Expert panelists explored calibrating energy supply and demand through smarter technologies, such as predictive tools and advanced metering. We also looked for ways to update policies and programs around conservation and climate adaptation.

Bechtel joined [re:focus partners](#) to address the growing challenges of climate impact on urban planning and development. We contributed to [A Roadmap for Resilience](#) to help cities retool the process for early design, planning, and financing for smarter, greener, more durable infrastructure projects. One of the practical insights from the report is to develop dual-use infrastructure, such as building public car garages to also manage stormwater during major weather events.

With Devex, a global media organization for the international development community, we launched "[Focus on: Resilient Infrastructure](#)," which connects and informs its more than 700,000 sustainable development professionals around the world on ways to improve infrastructure resiliency against climate impacts and extreme weather events.

We also launched our [Build100 program](#) to connect our customers and colleagues with the broader sustainability community. Bechtel and industry experts share their insights, innovations, and projects that will have an impact on the next 100 years.

Bechtel and Engineers Without Borders Team





South Caucasus Pipeline Expansion,  
Republic of Georgia

## Reducing Environmental Footprints

A circular economy is an industrial system that produces little to no waste or greenhouse gases by design or intention. Many of Bechtel’s projects around the world are their own small-scale circular economies. One example with which Bechtel is involved is the South Caucasus Pipeline Expansion (SCPX) project, a 303-mile (488-kilometer) pipeline that extends the South Caucasus pipeline alongside the existing Baku-Tbilisi-Ceyhan pipeline through Azerbaijan and Georgia to Turkey. The Bechtel-Enka Joint Venture (BEJV) is building compressor stations, a metering and pressure-reduction station, and some roadways for the pipeline.



“Zero-waste targets should always be the goal. Soon all projects will have an approach that facilitates achieving this target or getting as close as possible.”

**Mohammad Orfi**  
Environmental and social lead, Bechtel

A large amount of inert construction waste—including excavated rock, wood pieces, metal scraps, and food—is generated during construction and at workers’ camps and associated facilities. The BEJV team and our customer, South Caucasus Pipeline Company Limited, operated by BP, are using a mix of design, material procurement, and technology to soften the project’s environmental footprint. This approach includes:

- Waste-handling areas that store, segregate, and process waste for reuse and recycling
- Waste compression machines that decrease volumes of waste
- Food dryer and biomass technology that treat organic waste and convert it into biodegradable ash and thermal energy to heat water

- Sewage treatment plant that re-treats and recycles water, including treating and discharging wastewater for dust control on access roads
- Sustainable procurement practices to purchase local goods in bulk, minimize packaging amounts, reduce the environmental impact and waste generation, and maximize durability and reparability of goods and equipment

These are among actions that cut waste volume, convert material for reuse, recycle water, and heat camp facilities.

## Closing the Loop on Project Waste Streams

South Caucasus Pipeline Expansion, Republic of Georgia



**SCPX Circular Economy & Impact**



**FUEL:**

Saved an average of 371,316 gallons (1.4 million liters) per year, which equates to removing nearly 700 cars from the road



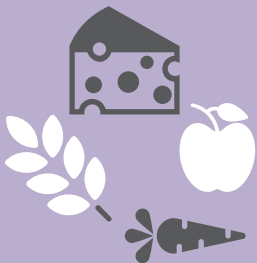
**CARBON EMISSIONS:**

Prevented an average of 3,300 metric tons of emissions per year



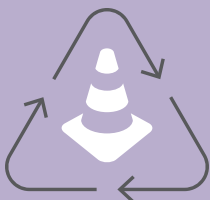
**WATER:**

Conserved an average of 100,000 gallons (378,541 liters) a year, enough to fill 1 million 12-ounce (.35-liter) water bottles



**FOOD WASTE:**

Reduced 90 percent (990 kg/work day), equal to about 730,000 pounds, or 365 tons, of waste on average per year



**CONSTRUCTION WASTE:**

Recovered, reused, and recycled 40 percent annually



**Greening project facilities**

The Al Taweelah Alumina refinery is a greenfield project in the United Arab Emirates that will supply 2 million tons of alumina for smelting. With our partner, Emirates Global Aluminium, we used Estidama (sustainability in Arabic) principles and practices at the refinery’s operation management building to set a high bar of sustainability compliance. We saved water by using water-conserving fixtures and fittings, recycled sewage water for irrigation, and native plants that require less water to maintain for landscaping. To reduce energy consumption, we added external shading and installed energy-efficient equipment and lighting systems. These measures and others contributed to:

- 100 percent recycled water for irrigation
- 54 percent reduction in internal potable water consumption
- 13 percent reduction in energy use
- 55 percent of procured steel using recycled content
- 70 percent of nonhazardous construction waste recycled

**Achieving sustainability excellence**

In 2015, the U.S. Department of Energy recognized three Bechtel-affiliated sites with five sustainability awards for driving improvements to reduce waste, water use, energy, and pollution. The three sites were: Lawrence Livermore National Laboratory, Los Alamos National Laboratory, and the Y-12 National Security Complex.

**Changing how we deliver**

Bechtel uses data-centric execution to drive efficiency, cost savings, and sustainability in materials management. For example, an energy project can easily have as many as 20,000 drawings of three-dimensional designs that are each printed and processed separately. By transferring plans and drawings to key suppliers digitally, instead of on paper, we can reduce waste by up to 90 percent.

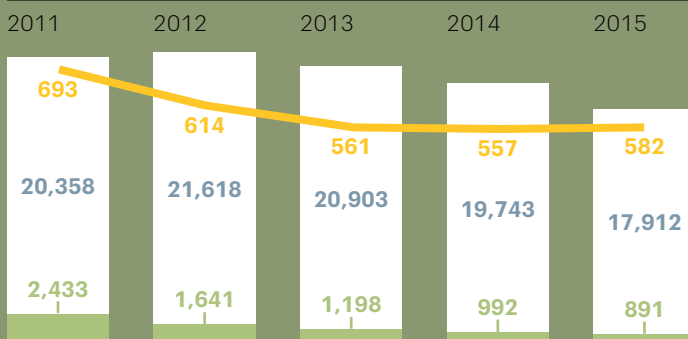


**Reducing our footprint**

We continue to collect information on greenhouse gas emissions and water consumption resulting from our major offices. Our approach at these offices<sup>1</sup> focuses on reducing energy consumption and implementing energy-efficient programs. In our London office on Pilgrim Street, LED light fittings contribute annual energy savings of more than \$6,200 per floor.

Since 2011, as a result of careful monitoring and implementing sustainability programs among our offices, we have reduced our carbon emissions by 15 percent and our revenue intensity (greenhouse gas emissions per billion dollars in revenue) by 16 percent.

**Carbon Footprint**

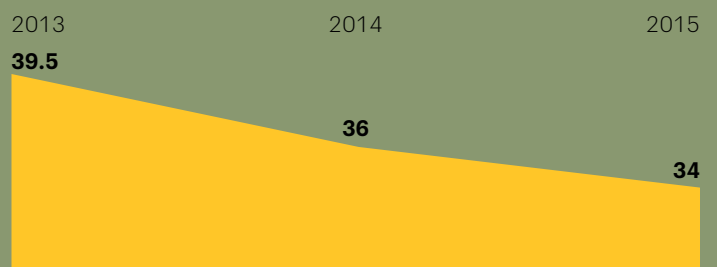


- Sum of Total Scope 1 Emissions (tCO<sub>2</sub>eq)
- Sum of Total Scope 2 Emissions (tCO<sub>2</sub>eq)
- ◆ Revenue Intensity (tCO<sub>2</sub>eq/billion USD)

Water consumption reported by 9 of the 15 major offices was 34.2 million gallons (129.5 million liters)—down by 13 percent since 2013—equivalent to 5 million gallons (19 million liters).<sup>2</sup>

**Total Water Use at Key Permanent Offices**

(Million Gallons of Water)



<sup>1</sup> Due to the nature of our business, we stay flexible on the number of offices that are included each year in the report. Some offices are merged with others or are closed. For 2015, we selected 15 major offices to report on scope 1 (direct emission from boilers and furnaces) and scope 2 (indirect emissions from electricity). Offices are selected based on average office population throughout the year. We base our carbon footprint accounting on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

<sup>2</sup> In 2013, 11 of our 18 reporting offices consumed 27.7 million gallons (104.9 million liters) of water. In 2014, 10 of our 17 reporting offices consumed 36.2 million gallons (137 million liters) of water. Water consumption data are collected from offices that have the ability to track it.





AJR Holdings Pty Ltd, Curtis Island LNG, Queensland

## Passing On a Sustainable Legacy

We aspire to deliver projects that make our customers, colleagues, and communities proud. When we demobilize from a project, we leave a positive legacy that remains long after we are gone.

We regard sustainability as our responsibility to enhance the positive effects of our projects where possible and avoid or mitigate the potentially negative ones. We believe that we are not just delivering a physical asset to our customers and communities, but also creating an enabling environment that will benefit them in the long term.

Strong collaboration between Bechtel and local businesses has enabled many of them to expand their operations to meet the growing demand for goods and services. Ashley Roderick expanded his business, AJR Holdings Pty Ltd, through the construction phase of the Curtis Island projects.

## Curtis Island LNG: A legacy of trust

Bechtel delivered three liquefied natural gas (LNG) plants (Australia Pacific LNG, Santos GLNG, and Queensland Curtis LNG) on Curtis Island, off the coast of Gladstone. The development is part of the largest capital investment in Australia's history. Six Bechtel-built production trains are now exporting LNG to meet the world's growing demand for low-carbon fuels to power homes, transportation, industries, and cities.

### Protecting the environment

65 acres

(26.3 hectares) rehabilitated with indigenous seeds (Australia Pacific LNG and Santos GLNG projects)

100M+ gallons

(378 cubic meters) of wastewater treated to remove nitrogen

~57,550 cubic yards

(44,000 cubic meters) of waste recycled, equivalent to 20 times the volume of a hot-air balloon

The three LNG plants are adjacent to the Great Barrier Reef Marine Park and are part of the Curtis Island Environmental Management Precinct. Biodiversity protection was a key sustainability objective during construction, with a variety of native wild fowl, marine mammals, and reptiles depending on the natural ecosystem.

At Santos GLNG, Bechtel developed an advanced wastewater treatment plant that removed more than 95 percent of nitrogen and phosphorous from sanitary wastewater produced at the site and its camp. While nitrogen and phosphorous contribute to growth of marine phytoplankton, algae, sea grasses, and corals, indiscriminate discharge can lead to imbalances in marine life with detrimental consequences to marine habitat.

At Queensland Curtis LNG, maximizing recycling efforts to reuse almost 90 percent of materials allowed us to keep timber, aggregates, concrete, and soil on site to use for controlling erosion, building roads, and managing stormwater drainage. In addition, we introduced natural organisms to break down pollutants in contaminated soil on the site for reuse.

Bechtel developed an advanced wastewater treatment plant that removed more than 95 percent of harmful nitrogen and phosphorous from sanitary wastewater



Curtis Island LNG, Queensland

**Promoting economic development**

**\$1.5B**  
paid in local wages

**10,000**  
local people employed

**500+**  
Aboriginal and Torres Strait Island people employed

**37,000**  
purchase orders to local companies

**20,000**  
contracts awarded

**\$900M+**  
spent on local goods and services

**436**  
trained adult apprentices

Overall, more than 10,000 people from the neighboring communities worked on the Curtis Island projects, including more than 500 indigenous people and 436 trained adult apprentices—the largest apprenticeship intake in the country’s history. Workers with transferrable skills and experience working on a nearby demobilizing Bechtel project were hired for comparable jobs at Curtis Island.

Once hired, the employees received comprehensive and consistent training across the three projects. At least 350 people per month took part in some form of accredited training from

more than 70 instructors. More than 23,000 workers participated in the program, which received the Queensland Training Award from the state.

Bechtel-led supplier forums gave local entrepreneurs and businesses tools for assessing products and services to offer during the project, forging stronger connections between Bechtel and the community. Bechtel worked with local firms through at least 37,000 purchase orders, while also offering training on building sustainable businesses, including managing the fluctuations resulting from completion of construction on Curtis Island.

### Partnering with communities

Bechtel established a Centralized Services Organization (CSO), embedded in Gladstone, that has meaningfully built trust with the community's 35,000 residents. Through the CSO, the project established committees of local police, industry managers, customers, community representatives, indigenous leaders, and small-business owners to address concerns ranging from health and safety to the influx of workers. One successful committee action allayed concerns that an influx of workers would lead to escalating rent by capping housing rental prices.

The CSO also supported a workforce investment plan to engage local charities and organizations. We fostered local ownership of the projects' sustainable outcomes by enabling our workers to serve as

advocates for their communities. Workers assessed priority issues in their neighborhoods then participated in allocating technical and financial resources.

Annual Bechtel-conducted surveys of community leaders showed consistently increasing favorability of the projects since the CSO was established. By giving the community an opportunity to experience the projects firsthand, and by addressing sensitive issues quickly and consistently, we helped foster a deeper appreciation of the LNG projects for their social, environmental, and economic benefits.

## Las Bambas: A legacy of responsibility

In 2015, our work on the Las Bambas copper mine project, in Peru, achieved mechanical completion. Representing 2 percent of the world's copper production, Las Bambas is nearing a successful close and will be a flagship operation for MMG Limited, our customer.

### Protecting the environment

1,000+

environmental commitments

1,200+

environmental procedures, programs, tools, and plans

500+

environmental awareness and call-to-action campaigns

0

environmental impacts during construction

Bechtel developed a comprehensive environmental management system comprising 1,200 procedures, programs, tools, and plans, with regular audits and site inspections to address more than 1,000 project-related environmental commitments. With this system in place, we had zero environmental impacts during the construction phase. Moreover, we advanced a culture of environmental protection

and conservation for the entire project. We organized and conducted nearly 30 workshops that included more than 1,000 residents and covered environmental protection and conservation issues, such as recycling plastics and metals. Local contractors also launched environmental awareness campaigns that involved more than 400 residents.



Las Bambas, Copper Concentrator, Peru

### Promote economic development

5,000+  
jobs created

700+  
local entrepreneurs  
trained

300+  
workers qualified for higher-level positions

\$100M  
in local goods and services purchased

500+  
local companies  
engaged

~2,000  
indirect jobs  
generated

250+  
business training workshops completed

24,000+  
hours of business training delivered

By connecting local communities to direct employment opportunities, Bechtel created more than 5,000 jobs and conducted 24,000 hours of training for positions such as surveying and earthworks.

In the past three years, Bechtel purchased nearly \$100 million in goods and services from local suppliers. We also wanted to ensure that the benefit of local economic development stayed intact after we departed. Bechtel and our partner ran a series of workshops for

local entrepreneurs to develop new skills and competencies in areas from health and safety standards for transportation, lodging, food, and laundry services to tax preparation and employee relations. The Laundry Association in Challhuahuacho, one of our host communities, gave Bechtel an award for our technical support and training to its members.

### Partnering with communities

100,000

hours of education and training

350

workshops for 12,000+ women, children, parents, and teachers

Beyond technical and business training, Bechtel led our partners, contractors, and host communities in instituting social development programs. We provided at least 350 workshops to more than 12,000 community members on topics including literacy, conflict management, and family health and hygiene, as well as sessions covering environmental conservation, road safety, and respecting human rights.

Having our local contractors develop their own corporate responsibility and stakeholder engagement initiatives was a key behavior and skill we encouraged and fostered. All local contractors were expected to have social development programs as a contractual requirement.

Each year we trained community relations representatives from each contractor to plan and implement these programs, then followed up with periodic and year-end evaluations.

We provided at least 350 workshops to more than 12,000 community members on a wide range of topics.



“At Bechtel, we know our legacy is defined by what we leave behind; that is why we always endeavor to build and deliver based on sound social and environmental practices that benefit the customer and community.”

**Joe Diaz**  
Manager, start-up and operations, Bechtel

# Promoting Responsible Business

## Ethics

Bechtel is resolute in its commitment to upholding the highest standards of ethical business conduct wherever we work. We seek customers and partners who share our values, and we support collective action to promote global standards of ethical business conduct wherever we do business. All of our colleagues receive required compliance training that addresses the risk areas they are likely to encounter in their jobs. Our colleagues also participate in annual ethics awareness workshops, scenario-based training designed to be led by managers in their work group. The Bechtel Ethics HelpLine, with 24/7 access to native speakers and translators of more than 200 languages, provides our colleagues with an independent, confidential channel to raise questions or concerns.



“Bechtel’s culture creates a diverse, inclusive, and collaborative work environment that drives innovative business practices across the globe. The company’s leaders are committed to creating opportunities for people of all backgrounds, leveraging their input and experiences in everything we do.”

**Enyonam Tsikata**  
Human resources advisor, EPC Functions, Bechtel

## Human Rights

Everywhere we operate, Bechtel is committed to respecting human rights consistent with relevant national laws and the United Nations Guiding Principles on Business and Human Rights.

- Treat colleagues in a manner consistent with Bechtel’s Vision, Values & Covenants
- Provide security consistent with international principles when protecting people and assets
- Engage communities on potential project impacts
- Engage core suppliers to promote responsible business in the supply chain

We also collaborate with global human rights organizations, customers, partners, and peers to exchange knowledge and practical experiences to inform our business practices.

Bechtel and Engineers Without Borders, Cambodia





**Enhancing Worker Skills**

Bechtel is working with customers to improve worker performance and balance the crew mix to accomplish specific tasks.

# 2015 At a Glance



## Protect People and the Environment

**Reduce carbon emissions and intensity**

15%

reduction in carbon emissions in four years

16%

reduction in revenue intensity in four years

**Keep people safe**

8%

increase in total work hours while reducing the number of recordable incidents in two years

**Reduce water use**

13%

reduction in water consumption in two years

Our total recordable incident rate per 200,000 hours worked decreased 10 percent; however, we experienced a decline in our lost-time incident rate. Despite the mixed performance, we remain steadfast in reaching our goal of zero incidents. In 2015, significant strides were made in decreasing the number of hand injuries and incidents related to mobile equipment personnel

interface. In comparison to the industry, Bechtel's ES&H program is ranked one of the best, according to the Construction Industry Institute, and our recordable incident rate is 90 percent better than the Bureau of Labor Statistics average for similar companies.





## Promote Economic Development

### Generate economic opportunities

\$16.4B+

spent on goods and services, including local, small, and disadvantaged businesses

Working with our customers on several of our U.S. Gulf Coast projects, Bechtel implemented the Capability Assessment Program (CAP) initiative to verify the skills competencies of craft workforce. This measure was triggered by documented inconsistencies in the skills and competencies required to perform specific tasks. Under CAP, all incoming workers were given a

hands-on performance assessment under the auspices of a Bechtel subject-matter expert to verify their skill level and subsequent placement into the project. The assessment results provided information for the project supervisors to identify a path to improve worker performance, as well as an ability to balance crew mix in the performance of specific tasks.



## Partner with Communities and Society

### Contribute to social progress through voluntary initiatives

100,000+

people impacted through our social investment programs with Engineers Without Borders, Junior Achievement, *FIRST*®, and DiscoverE

### Promote responsible business

- Steering committee member of the Global Business Initiative on Human Rights
  - Delivered two presentations on migrant worker protection and Curtis Island LNG community engagement, in Houston, Texas, and Perth, Australia, respectively
  - Delivered two presentations on managing human rights in the supply chain, in Reston, Virginia, and Geneva, Switzerland
- Received an "A" in the Transparency International-UK's Defense Companies Anti-Corruption Index 2015
- Member of Conservation International's Business & Sustainability Council
- Member of the Strategic Review Advisory Panel of the Construction Sector Transparency Initiative
- Observer of the International Code of Conduct Association for private security providers on human rights
- Co-coordinator of IPIECA (global oil and gas association) human rights project on operators and contractors
- Member of the board of directors of Transparency International USA and Transparency International UK
- Vice chair of the U.S. Council for International Business Corporate Responsibility Committee—business, labor, and human rights

## Build a Better Bechtel

### Promote diversity and inclusion in the workplace

In 2015, two of our Employee Resource Groups—Women@Bechtel and NextGen—reported successes in increased staff well-being and development. Local chapters teamed up to support STEM initiatives for elementary and middle-school children.

#### Women@Bechtel

- Achieved all-time high in membership and added five new chapters to the 15 already established
- Provided leadership opportunities to more than 125 employees to complement roles in their functions and projects
- Conducted speed mentoring for more than 230 members

#### NextGen

- More than 1,000 members in more than 25 chapters worldwide
- Developed and deployed an innovative group mentoring program at projects in Australia, the U.S., and other locations around the world
- Spearheaded numerous stewardship events for CARE®, Special Olympics, and Habitat for Humanity®

#### Diversity Advisory Council (Houston, Texas)

- Organized and led six cultural events and programs including Lunar New Year, Celebration of Spring Renewal Heritage Around the World, and Diwali–Festival of Lights
- Hosted seven lunch-and-learn discussions on diversity, culture, and inclusion
- Represented Bechtel at the 2015 Houston Diversity Summit, the National Society of Black Engineers Houston Chapter Kickoff (Bechtel was named 2015 Corporate Partner of the Year), and Baker Institute’s “Women in S.T.E.M in the Middle East & North Africa Event” at Rice University
- Hosted scholars from University of Houston’s 2015 Shell-sponsored Houston Energy Summer Camp for gifted STEM high school students, and Rice University’s Graduate School of Business 2015 Houston Energy Industry Trek

### Advance enterprise sustainability capability



71.2%  
plan completed  
based on nine  
focus areas and  
56 deliverables

#### Significant progress in key focus areas:

- 100% Strategy deployment
- 90.7% Policy and management instruction
- 90.1% Process and procedures
- 100% Learning and development
- 86.5% Execution guidance tools
- 52.9% Business development tools
- 95% Global issues management
- 93.3% External engagement
- 87.5% Enterprise metrics and reporting

#### Advancing alignment:

- 11-member enterprise advisory group established to implement sustainability strategy
- Three new working groups established: procurement and contracts; business development; and oil, gas, and chemicals
- Developed internal community practice of nearly 200 members covering 61 sustainability classifications

#### Deepening integration:

- 190 project managers trained in project sustainability
- 73 business development professionals trained
- 40+ integrations of sustainability tools into enterprise processes and procedures
- 88 colleagues qualified in eco-certification systems (LEED, CEEQUAL, BREEAM, Envision, and Estidama)

# Performance Data Index

<b>Strategy and Analysis</b>	<b>1</b>	Engineering the Next 100 Years
<b>Organizational Profile</b>	<b>3, 4, 5, 6, 7, 8, 9</b>	About Bechtel
	<b>12</b>	2015 At a Glance: Promote Economic Development, <a href="http://www.bechtel.com/supplier/what-we-purchase">http://www.bechtel.com/supplier/what-we-purchase</a>
	<b>13</b>	Leadership
	<b>14</b>	Vision, Values & Covenants
	<b>15</b>	Engineering the Next 100 Years, Building Resiliency, 2015 At a Glance: Partner with Communities and Society, Promoting Responsible Business: Human Rights
	<b>16</b>	2015 At a Glance: Partner with Communities and Society
<b>Identified Material Aspects and Boundaries</b>	<b>18, 19</b>	About the Report
	<b>21</b>	About the Report
	<b>23</b>	Engineering the Next 100 Years, 2015 At a Glance: Build a Better Bechtel, Promoting Responsible Business
<b>Stakeholder Engagement</b>	<b>24</b>	Customers, partners, governments, nongovernmental organizations (NGOs), policy institutions, industry associations, nonprofit organizations, affected communities, and suppliers
	<b>25</b>	People and organizations potentially impacted by our projects
	<b>26</b>	Vision, Values & Covenants, Building Resiliency, Passing On a Sustainable Legacy. In general, our stakeholder engagement process includes identifying and assessing material issues and impacts, identifying affected stakeholders, and developing engagement plans and programs.
	<b>27</b>	Building Resiliency, Reducing Environmental Footprints, Supporting the Transition to Cleaner Energy, Passing On a Sustainable Legacy, and Moving People Forward
<b>Report Profile</b>	<b>28</b>	This report is for 2015
	<b>29</b>	Our most recent report was for 2014
	<b>30</b>	Our reporting cycle is annual
	<b>31, 32</b>	About the Report
	<b>33</b>	Assurance Statement
	<b>36</b>	Operating committee comprises the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and other executive leaders
<b>Governance</b>	<b>42</b>	Senior leadership updated the Vision, Values & Covenants in 2014, Enterprise sustainability strategy was endorsed by the Operating Committee May 2014
	<b>43</b>	The operating committee, comprising executive leadership, and the advisory group on sustainability, which comprises an executive sponsor and leaders from corporate and global business unit functions and services. The group meets quarterly to review progress on the implementation of the enterprise sustainability strategy and other related issues.
	<b>45</b>	Sustainability at Bechtel
	<b>48</b>	Bechtel's Chief Executive Officer, Chief Operations Officer, members of the Operating Committee, and corporate managers of EPC functions and services review and approve the sustainability report
<b>Ethics and Integrity</b>	<b>56</b>	Vision, Values & Covenants and Promoting Responsible Business

## Economic

<b>Economic Performance</b>	<b>EC1</b>	About Bechtel
	<b>EC2</b>	Supporting the Transition to Cleaner Energy, Building Resiliency, Reducing Environmental Footprints
<b>Indirect Economic Impacts</b>	<b>EC8</b>	Building Resiliency, Passing On a Sustainable Legacy
<b>Procurement Practices</b>	<b>EC9</b>	Passing On a Sustainable Legacy, 2015 At a Glance: Promote Economic Development

## Environmental

<b>Energy</b>	<b>EN6</b>	Reducing Environmental Footprints
<b>Water</b>	<b>EN10</b>	Reducing Environmental Footprints, 2015 At a Glance: Protect People and the Environment
<b>Biodiversity</b>	<b>EN11, EN12, EN13</b>	Passing On a Sustainable Legacy
<b>Emissions</b>	<b>EN15, EN16, EN18, EN19</b>	Reducing Environmental Footprint
<b>Effluents and Waste</b>	<b>EN23</b>	Reducing Environmental Footprint, Passing On a Sustainable Legacy

## Social

<b>Occupational Health &amp; Safety</b>	<b>LA6</b>	2015 At a Glance: Protect People and the Environment
<b>Training and Education</b>	<b>LA11</b>	All employees receive annual performance and development reviews
<b>Diversity and Equal Opportunity</b>	<b>LA12</b>	2015 At a Glance: Build a Better Bechtel

## Human Rights

<b>Investment</b>	<b>HR1</b>	Promoting Economic Development, <a href="http://www.bechtel.com/supplier/sustainable-solutions">http://www.bechtel.com/supplier/sustainable-solutions</a>
	<b>HR2</b>	Corporate Security personnel received training on managing human rights issues and impacts consistent with the Voluntary Principles on Security and Human Rights; Sustainability at Bechtel
<b>Security Practices</b>	<b>HR7</b>	Corporate Security personnel received training on managing human rights issues and impacts consistent with the Voluntary Principles on Security and Human Rights; Sustainability at Bechtel

## Society

<b>Local Communities</b>	<b>SO1</b>	Building Resiliency, 2015 At a Glance: Partner with Communities and Society
	<b>SO2</b>	Passing On a Sustainable Legacy
<b>Anticorruption</b>	<b>SO4</b>	Bechtel has an anticorruption compliance guidelines and offers trainings to employees



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The English version of this statement is the only valid version. The Lloyd's Register Group assumes no responsibility for versions translated into other languages.

Relating to the reporting processes for Bechtel's Sustainability Report for the calendar year 2015

### Terms of Engagement

Lloyd's Register Quality Assurance Inc. (LRQA) was commissioned by Bechtel Corporation (Bechtel) to provide limited assurance on its processes for reporting data and information into its 2015 Sustainability Report ("Report").

Our assurance engagement covered Bechtel's operations and activities worldwide and specifically reviewed Bechtel's internal processes for collecting and reporting data and information within their Report.

Consistent with Bechtel's reporting boundaries, our assurance engagement excluded the data and information of Bechtel's partners, suppliers, contractors and any third parties mentioned in the Report. Our assurance engagement did not include verifying the accuracy of data and information reported. Our assurance engagement also excluded Bechtel's stakeholder engagement and materiality review processes.

### Management Responsibility

Ultimately, the Report has been approved by, and remains the responsibility of Bechtel. Bechtel's management was responsible for preparing the Report and for maintaining effective internal controls over the data and information disclosed. LRQA's responsibility was to carry out an assurance engagement on the Report in accordance with our contract with Bechtel. LRQA disclaims any liability or responsibility to others as explained in the end footnote.

### LRQA's Approach

LRQA's assurance engagement has been conducted in accordance with LRQA's verification procedure which is based on current best practice and processes defined in ISAE3000. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewing several drafts of the Report (including September 9, 2016) as a basis for understanding the data and information reported;
- Reviewing Bechtel's process for collecting content for the Report, including Bechtel's Enterprise Sustainability Report Process Guide Corporate Affairs Version 1 2014, examples of Content Collection Forms and emails used as the basis for narrative within the Report;
- Reviewing the Ecological Footprint Procedure 2014 for collecting and reporting environmental data from a designated set of Bechtel offices and corresponding data from the data collection database;

- Reviewing CP 108 EH&S Incident Notification, Investigation and Reporting 8 October 2014 procedure for collecting and reporting incident data;
- Reviewing CP 104 Injury and Illness Record Keeping and Reporting Requirements US and Non US Projects 17 September 2014 for injury and illness reporting; and
- Interviewing a Sustainability Specialist at Bechtel responsible for compiling data and drafting the Report.

### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Bechtel has not adhered to their processes for collecting and reporting data and information disclosed in their Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgment of the verifier.

### LRQA's Recommendations

Bechtel has made improvements to their processes for developing the Report and collecting data to be included, most notably providing additional information regarding the scope of environmental and safety data in the Report.

As Bechtel's processes for report development and data collection continue to evolve and improve, LRQA recommends the following to ensure material issues are considered for reporting and to increase the accuracy and reliability of data and information disclosed in future reports:

### LRQA Recommends:

- Updating the Ecological Footprint Procedure 2014 to improve instructions to the data reporters and QA/QC reviewers;
- Expanding the materiality review process to ensure stakeholder interests are addressed; and
- Reviewing company-wide performance data currently being shared in the report and the rationale for selection of this subset of data.

Signed:

### Andrea Bockrath

LRQA Lead Verifier

On behalf of Lloyd's Register Quality Assurance, Inc.

LRQA reference: RMA10199A

Dated: September 16, 2016

# Leadership

## Riley Bechtel

Chairman of the Board

## Bill Dudley

Vice Chairman of the Board

## Brendan Bechtel

Chief Executive Officer

## Jack Futcher

President & Chief Operating Officer

## Peter Dawson

Chief Financial Officer

## Steven Katzman

Chief Innovation Officer & Manager EPC Functions

## Michael Bailey

General Counsel

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President

### Toby Seay

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### Shaun Kenny

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### Amjad Bangash

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### Darren Mort

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### Maurissa Douglas Rogers

Offshore

### Scott Johnson

Onshore

### Jamie Cochrane

Petrochemicals

### Rich Wall

Pipeline

### Jeff Sipes

Tanks

### Paul Gibbs

Water

## REGIONS & GOVERNMENT AFFAIRS

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President

### Andrew Patterson

Africa

### Shaun Kenny

Asia Pacific

### David Welch (acting)

Europe & Middle East

### Héctor García

Latin America

### Jay Farrar

Washington, D.C., Office

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Chief Innovation Officer and Engineering, Procurement & Construction Functions

#### Doug Omichinski

Construction & Bechtel Equipment Operations

#### Bhupesh Thakkar

Engineering & Technology

## Jeff Shoop

Environmental, Safety & Health

## David Hammerle

Procurement & Contracts

## Scott Edmunds

Project Controls

## Craig Stoker

Quality & Six Sigma

## Joe Diaz

Startup

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### Eric Parker

Bechtel Enterprises

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