

People. Planet. Progress.

2019 Corporate Social Responsibility



Chairman's Letter

Our 75-year history has taught us that being at the forefront of change and being industry leaders in sustainability, governance, and safety leaves lasting impressions in the communities where we live, work, and play. We trace our achievements to our core values, which serve as a foundation for our culture and guide our mission.

With technology accelerating and the world being more connected than ever, Parsons continues to innovate and develop sustainable solutions for our customers to address global challenges and for us to be effective stewards of resources for our employees, customers, investors, partners, suppliers, and communities.

This report highlights the progress we have made in the following four areas:

- **Environment**
- **Marketplace**
- **Workplace**
- **Society**

Our Mission

Delivering innovative infrastructure, defense, and security solutions to enable a more sustainable, safer, smarter, and more connected world.

From the launch of our OWN ZERO safety, health, environment, and sustainability initiative to our many award-winning project innovations and technology-enabled solutions, the achievements within this report are a reflection of the more than 15,000 men and women around the world who help us fulfill our mission every day.

We encourage you to read our updated CSR report for the continuing story of how Parsons remains a responsible corporate citizen, employer of choice, good neighbor, and positive contributor to the world's economy.

Charles L. Harrington

Chairman and Chief Executive Officer

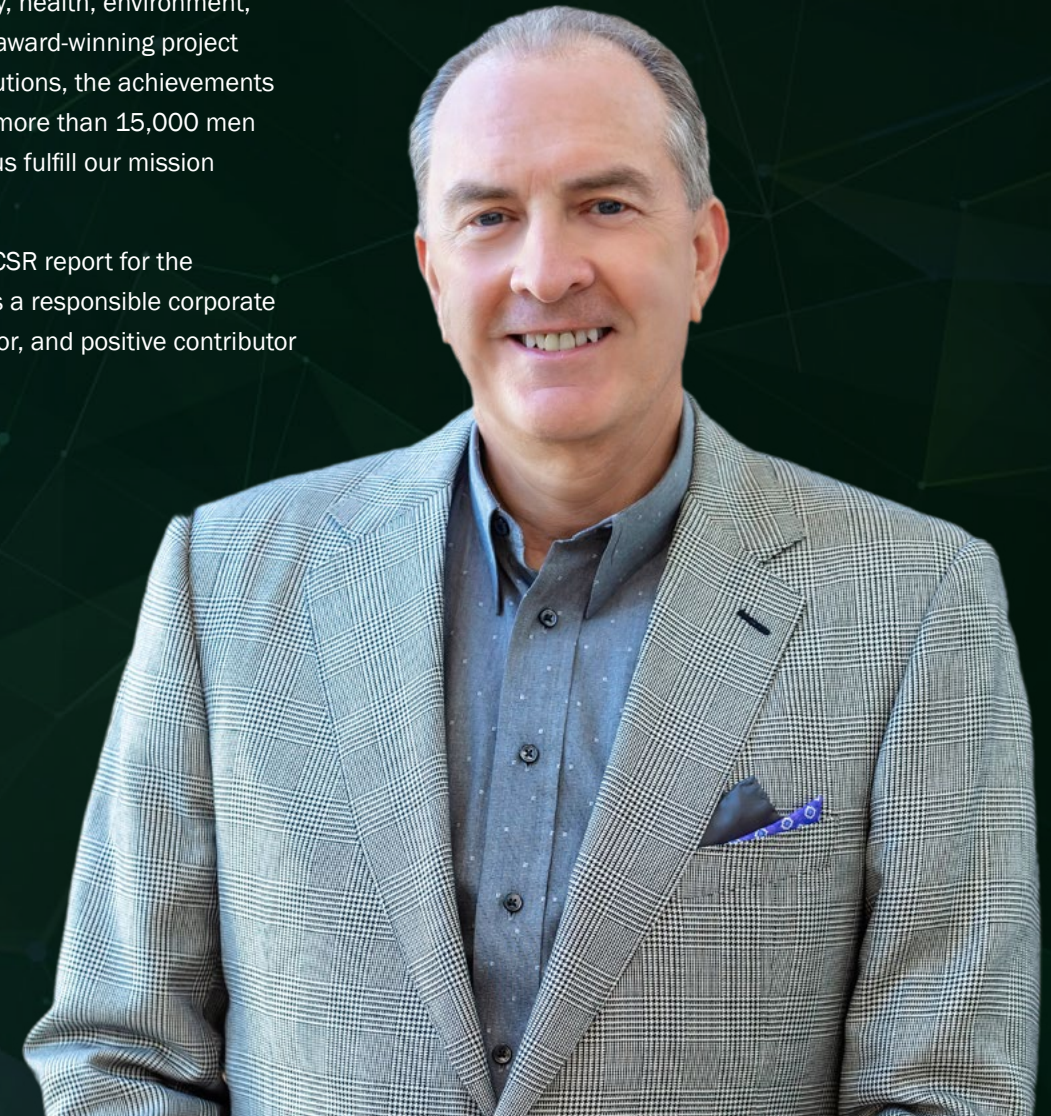


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Introduction

Parsons is a leading provider of technology-driven solutions focused on the defense, intelligence, and infrastructure markets.

With 75 years of experience, we deliver cyber-physical security, infrastructure and mobility solutions, defense, and other innovative services to federal, regional, and local government agencies as well as to private industrial customers worldwide. Corporate social responsibility (CSR) is an integral part of our culture and reflects our dedication to our core values and fulfilling our mission. This report illustrates our commitment to deliver solutions that enable a more sustainable, safer, smarter, and more connected world.



Founded 1944



\$3.6 billion revenues



15,000+ employees



Work in 28 countries



Environment



Workplace



Marketplace



Society

79%

Reduction in cartons
of paper consumed

58%

Reduction in
lost-time incident rate

10

Years awarded
Most Ethical Companies

14,000+

Volunteer hours
(self-reported)

About This Report

Scope

This is Parsons' sixth CSR report. The report focuses on our priorities, activities, and achievements in the focus areas of environment, workplace, marketplace, and society. Data is provided for the period between January 1, 2018, and December 31, 2018. Select disclosures are included according to the Global Reporting Initiative (GRI) framework and are summarized in the appendix.

Focus Areas

This report focuses on the four areas of CSR shown below. The associated priorities and the key activities and achievements for 2018 are detailed in subsequent chapters:



Environment

The effects our corporate operations, our project activities, and our employees have on the natural environment



Workplace

How our corporation provides a healthy, safe, and inclusive work environment, with a diverse and professionally supported workforce



Marketplace

How our corporation interacts with our external stakeholders, demonstrating leadership in quality, ethics, and transparency



Society

Contributions our corporation and our employees make to the communities in which we live and work

Commitment and Vision

Our commitment to CSR is based on the principle that corporate success and social well-being are interdependent and that the long-term interests of our organization are best served by improving our economic, socio-cultural, and environmental practices. Our CSR vision includes adhering to our six core values and the four focus areas described in the "About this Report" section. This multidimensional approach addresses the impacts of our business operations and services on the interests of our stakeholders.

To this end, our vision is clear:

- Provide our customers with cost-effective, safe, and socially responsible solutions
- Engender a culture of partnership with our customers and suppliers to achieve a shared vision
- Manage and reduce the impact that our services and operations have on the environment
- Seek ways to give back to the communities in which we live and work
- Encourage a culture of continuous improvement to bring the most current information, technologies, and programs to the markets we serve

Core Values

Our six core values help us act as good stewards and provide value for our shareholders, employees, customers, suppliers, teaming partners, and the communities and environments in which we perform services. These values are well established and well known throughout Parsons because they define our character and our culture.



Safety



As an industry-leading provider of high-value technical and management solutions, we're firmly committed to maintaining a safe and healthy environment in all our offices and on each of our projects.

Integrity



We uphold our reputation for integrity in the marketplace and provide an ethical work environment for all our employees. We do the right thing each time we face a tough decision.

Innovation



Through inventive processes and unique solutions, we provide unmatched value to our customers. We foster creative work environments, where we always challenge ourselves to improve our processes and procedures.

Quality



We're committed to providing high-quality services and products. We meet mutually agreed-to requirements the first time and strive for the continuous improvement of our work processes.

Diversity



We pursue diversity in our workforce, our markets, and our services because we recognize that optimum solutions require different backgrounds, new perspectives, and open minds. We leverage diversity through the inclusion of employees, empowering them to shape the future of the corporation through collaboration and innovation.

Sustainability



In all that we do, we're conscious of the impact that our work has on the environment. We help our customers by providing clean, efficient, healthy, and effective solutions on all our projects.

Governance

Parsons' highest governance body is our Board of Directors, which comprises the nine members below. The chair of the board is also the chief executive officer (CEO) of the company, and the remainder of the board consists of a combination of executive and nonexecutive members. An affirmation of the independence of each director is made annually, based on the recommendation of the Nominating and Governance Committee.



Charles L. Harrington

Chairman, Chief Executive Officer & President



James F. McGovern

Lead Independent Director, Senior Managing Partner of Alagem Capital, Former Acting Secretary of U.S. Air Force



Tamara L. Lundgren

Compensation Committee Chair, Chief Executive Officer & President of Schnitzer Steel Industries, Inc.



M. Christian Mitchell

Audit Committee Chair, Former National Managing Partner of Deloitte & Touche LLP



Mark K. Holdsworth

Nominating & Governance Committee Chair, Co-Founder & Former Managing Partner of Tennenbaum Capital Partners, LLC



Kenneth C. Dahlberg

Former Chairman, Chief Executive Officer & President of SAIC



Steven F. Leer

Retired Chairman & Chief Executive Officer of Arch Coal, Inc.



Harry T. McMahon

Retired Executive Vice Chairman of Bank of America Merrill Lynch



Major General Suzanne M. "Zan" Vautrinot, USAF (Ret)

Retired Commander, Air Force Cyber Command



Board of Directors

According to our [Corporate Governance Guidelines](#), the following are key components of the nomination and selection of board members and committees.

Board Membership

- The board selects the chairman of the board and the CEO of the corporation annually.
- The Nominating and Governance Committee recommends the slate of director nominees for election at the annual shareholders' meeting.
- The majority of directors must be independent directors.
- The board comprises three staggered classes of directors, with as nearly equal a number of directors in each class as possible. At each annual meeting of shareholders, one of the three classes of directors are elected for a 3-year term.
- There is not a maximum number of other boards on which directors of the corporation may serve.
- There are no qualifications specific to diversity or expertise related to economic, environmental, or social topics considered in board selection.

Committee Membership

- The Nominating and Governance Committee recommends committee appointments to the full board, which approves the assignments on an annual basis.

- The Executive Committee comprises the chairs of each of the other committees, plus the chairman of the board.
- All members of the Audit Committee and the Compensation Committee must be independent directors.
- The majority of the members of the Nominating and Governance Committee must be independent directors.

The board comprises the following committees, each of which has its own charter document:

- Nominating and Corporate Governance
- Audit
- Compensation
- Executive

Conflicts of Interest

The process for avoiding and managing conflicts of interest is outlined in the Board of Directors Code of Business Conduct. Conflicts of interest are “disclosed promptly to the chairman of the Nominating and Governance Committee and the chairman of the board, who will review the question and determine an appropriate course of action, including whether consideration or action by the full board is necessary.” Board members are required to complete an annual disclosure form, identifying any relationships, positions, or circumstances in which he or she is involved that could rise to the level of a conflict of interest.

Executive Committee

Executive-level responsibility for economic, environmental, and social topics lies with the Executive Committee, which reports to the CEO. The board delegates authority for economic, environmental, and social topics to the chief transformation and administrative officer, who is assisted by the organizational Safety, Health, Environment, and Sustainability (SHE&Sustainability) corporate structure. The director of SHE&Sustainability leads the SHE&Sustainability leadership team and the Sustainability Working Group to enhance the board's and the Executive Committee's collective knowledge of economic, environmental, and social topics through internal reporting of the company's core value metrics and the development and review of the annual CSR report.

Safety, Health, Environment, and Sustainability Leadership

Our corporate SHE&Sustainability leadership team functions within the operations and executive management of the company. This team is responsible for decision making regarding economic, environmental, and social topics.

Sustainability Working Group

Since 2008, the Sustainability Working Group (SWG), which serves as an extension of SHE&Sustainability, has been the focal point for corporatewide collaboration to further our sustainability capacity and market development. Comprising the sustainability directors from each operating unit as well as representatives from our major market sectors, the SWG leads employee outreach efforts to advance our core value of sustainability. The SWG advises on key areas of business and technical practice advancement, including, but not limited to, the implementation of sustainable best practices in office operations, the development of cutting-edge tools to drive sustainable project solutions, the development of effective approaches to measure the company's sustainability performance, compliance with third-party sustainability standards and certification programs, and the communication of our achievements to stakeholders.

Corporate Policies and Procedures

We know that world-class CSR performance must be grounded in effective policies and procedures. We have two main policies governing SHE&Sustainability—the Corporate Sustainability Policy and the Corporate SHE Policy—which are made available in all Parsons offices

and in field site offices. The two procedural documents that reinforce our described vision and commitment are the Environmental, Safety, Health, and Risk Management Program (ESHARP) and the Sustainability Handbook, which are the building blocks of our SHE&Sustainability management system.

Parsons' Sustainability Policy

Our sustainability policy affirms our commitment to providing sustainable solutions for our customers and in our internal operations by considering sustainable approaches and best practices in project services and business operations whenever relevant, consistent with objectives, and approved by the appropriate decision maker(s).

Parsons' SHE Policy

Our SHE policy affirms our commitment to maintaining a safe, healthy, and environmentally responsible workplace at all our offices and project facilities. This requires the combined efforts of a concerned leadership team; responsible and knowledgeable line supervisors; and conscientious, well-trained employees and stakeholders. We emphasize continuous improvement, shared responsibility, and the provision of expectations, knowledge, and skills necessary to achieve the highest levels of SHE performance.



ESHARP

Parsons Environmental, Safety, Health, and Risk (ESHARP) Program and its related guidebooks reflect the evolution of our work and the continuous challenge of maintaining a safe and healthful workforce, managing and sustaining our environment, and meeting our customers' diverse expectations. ESHARP provides the minimum standards for managing SHE hazards and risks associated with our activities and operations, as well as the strategies and tools we use to continue pursuing SHE&Sustainability performance excellence, leading to improved quality of life for our employees, contractors, customers, and communities. ESHARP is aligned with the requirements of ANSI Z10 and OHSAS 18001 for the health and safety management of activities, ISO 45001 for occupational health and safety management systems, and ISO 14001 for the environmental management of activities, each of which is national or international consensus standard relating to SHE management systems.

Sustainability Handbook

The Parsons *Sustainability Handbook* describes our corporate culture of sustainability, identifies best practices, and provides guidance for providing internal and client-sustainable solutions consistent with applicable objectives, needs, requirements, and approvals. We use this handbook as a tool for continuous improvement in our sustainable approaches and practices. It provides our staff with the ability to deliver the latest innovations in our industry and facilitates decision making regarding across disciplines. The topics covered include the following:

Business Operations: Internal sustainable business practices for the workplace, procurement, and supply chains.

Business Development: The integration of sustainability into business development practices, encouraging robust engagement with customers and our stakeholders.

Work Products: The development, planning, design, and management of projects and programs to incorporate sustainability services.

CSR Highlights

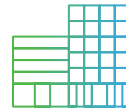
Highlights of our 2018 activities falling within the four CSR categories are cross-referenced with our core values below. Additional details regarding these and other achievements and recognition may be found within the Environment, Workplace, Marketplace, and Society chapters.



Environment



Workplace



Marketplace



Society



Safety



Part of the Dubai Expo 2020 Program, which achieved the CEEQUAL Excellent Sustainability Performance Assessment Whole Team Award, received the runner-up award for best safety consultant of the year.

Parsons' BP Remediation Management Program was recognized for the past 5 years of a 10-year history without a recordable injury.

The National Safety Council acknowledged Parsons as the sole 2018 finalist for the Robert W. Campbell Award for business excellence in environment, health, and safety management and sustainability performance.

We sent an 11-member team to construct a suspension pedestrian bridge in the isolated community of Banacito, Panama, in partnership with Bridges to Prosperity.

Quality



The Anacostia River Tunnel project received an Award of Merit in the Water/Wastewater category in *Engineering News-Record's* 6th Annual Global Best Projects competition.

Our New Jersey Motor Vehicle Inspection System was recognized by the Department of Labor and Workforce Development with 20 Governor's Continued Excellence certificates.

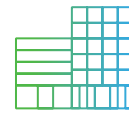
We won the Quality Initiative of the Year Award at the Expo 2020 Dubai 2018 Better Together Awards, recognizing Parsons' efforts in delivering the best quality initiative on the Expo 2020 Program.

The SR-91 Corridor Improvement project received the Quality of Life/Community Development Award from the American Association of State Highway and Transportation Officials' Western Region.

Environment



Workplace



Marketplace



Society



Integrity



We were recognized by 7-Eleven for more than 30 years of environmental and remediation services and our support of 7-Eleven's environmental program in Canada.

CollegeGrad.com named Parsons a "Top Entry-Level Employer," indicating that recent college grads looking to build their careers should consider Parsons.

Parsons received the Champions of Veteran Enterprise Award from the National Veteran Small Business Coalition for our exceptional efforts to team with veteran-owned small businesses and service-disabled veteran-owned small businesses.

The American University of Sharjah recognized Parsons as a Corporate Champion for an educational collaboration to prepare students for careers driven by rapidly advancing technology.

Diversity



Our remediation of the Giant Mine in Northwest Territories, Canada, was featured in the spring issue of *Aboriginal Business Quarterly*.

STEM Workforce Diversity magazine, a career publication for science, technology, engineering, and math professionals who are part of minority groups, named Parsons to its "Top 50 Employers" list.

We received our first Nunn-Perry award, recognizing outstanding achievement in the Department of Defense (DoD) Mentor-Protégé Program, for our mentor-protégé agreement with a woman-owned small business.

Parsons participated in a Sewer System Improvement Program youth summer internship program in partnership with the San Francisco Public Utilities Commission, the City of San Francisco, and local community-based organizations.

Innovation



The Goethals Bridge Replacement Project won major awards from *ENR New York, Roads & Bridges*, and the American Council of Engineering Companies (ACEC) of New York.

Participation rates in our employee wellness programs showed significant increases in 2018, in part due to innovative incentive programs.

Our Built Environment Infrastructure Solutions team received Building Information Modeling (BIM) Level 2 Kitemark Accreditation from the U.K.-based British Standards Institution.

We initiated a Volunteer of the Year Award program to recognize employees for exceptional commitment to volunteerism.

Sustainability



The Louisville-Southern Indiana Ohio River Bridges East End Crossing project won the American Society of Civil Engineers' 2018 Innovation in Sustainable Engineering Award.

We continued to integrate corporate sustainability policies and practices into the SHE group and within the SHE&Sustainability leadership team.

Our employees presented at the Zofnass Program for Sustainable Infrastructure Workshop, the Battelle International Conference on Remediation, and other conferences, highlighting best practices in environmental sustainability.

We assisted communities affected by Hurricane Michael, Southern California mudslides and flooding, Hurricane Florence, Super Typhoon Yutu, and California wildfires.

Environment

The following pages highlight how we incorporate environmental sustainability into our project services and business operations, using innovative processes, initiatives, and technology that facilitate project delivery and facilities management.



Environment



Workplace



Marketplace



Society



2018 Environmental Achievements and Recognition

- Parsons was recognized by 7-Eleven, in Canada, for our more than 30-year relationship, during which we have provided environmental site assessments, site remediation, hazardous materials surveys, fuel facility decommissioning, due diligence/acquisition support services, construction support, and other environmental and remediation services.
- The Dubai Expo 2020 Program, for which we provided site-wide infrastructure design and construction supervision, achieved a CEEQUAL Excellent Sustainability Performance Assessment Whole Team Award score of 87.5%. CEEQUAL is an evidence-based sustainability assessment framework for civil engineering, infrastructure, and landscape projects that achieve distinctive environmental and social performance in their work.
- The Anacostia River Tunnel project, for which we served as lead designer and design-build joint venture partner with Salini-Impregilo S.p.A. and Healy, received a Water/Wastewater Award of Merit in *Engineering News Record's* 6th Annual Global Best Projects competition. This new, 2.5-mo long, 23-ft diameter tunnel is part of a long-term control plan that reduces combined sewer overflows to the Anacostia River by more than 80% and holds 40 million gallons of combined sewage.



- The Louisville-Southern Indiana Ohio River Bridges East End Crossing project, for which Parsons served as the owner's engineering advisor, won the American Society of Civil Engineers' 2018 Innovation in Sustainable Engineering Award. The Envision Platinum-awarded public-private partnership (Indiana DOT and Kentucky Transportation Cabinet) provides sustainability benefits such as reduced travel times, less congestion, an Americans with Disabilities Act-accessible pedestrian and cycling path on the bridge, and the protection of nesting American bald eagles.
- The Goethals Bridge Replacement project, for which Parsons was the lead designer, won three awards in 2018: the ENR New York 2018 Best Project Award (Highway and Bridges category), 5th place in *Roads & Bridges*' "Top 10 Bridges of 2018," and a Diamond Engineering Excellence Award from ACEC New York. The \$1.5 billion project, also achieved a Gold rating from the Port Authority of New York and New Jersey's Sustainable Infrastructure Guidelines.
- The Cowichan River Flood Protection Program, for which we served as prime engineering consultant, won ACEC British Columbia's 2018 Award of Excellence in the Natural Resource and Habitat category. The 7-year, multiphase mitigation program for flooding in the Cowichan region (Vancouver Island) was born out of a unique partnership among the Cowichan Valley Regional District, the Cowichan Tribes, the City of Duncan, and the Municipality of North Cowichan. It includes 10.5 kilometers of dikes and floodwalls, two major stormwater pumping stations, gravel removal, riverbank erosion protection, and significant environmental habitat enhancement.
- The Sheikh Khalifa Bin Zayed Highway Project, for which we served as construction supervision consultant section 3A and lighting designer, entered the Guinness World Records as the longest highway lit with LED lights. It features 21,154 LED lights on 8,747 poles, realizing energy savings of up to 60%. The project reconstructed 55 kilometers of the current four-lane roadway into an eight-lane highway, enhancing this 327-kilometer-long strategic transportation corridor that links the UAE to Saudi Arabia.

Sustainable Project Delivery and Innovation

The following initiatives, processes, and technologies allow us to deliver more connected, sustainable project services that lead to a cleaner, more livable environment and a safer, healthier world.

Climate Adaptation and Resilience Planning Initiative

Five years ago, we introduced our Climate Adaptation and Resilience Planning Initiative. We focus on mitigating the impacts of climate change by performing the following services to address planning and design needs:

- Evaluate and apply criteria to determine risks and vulnerabilities, including the age and condition of infrastructure, its proximity to other infrastructure, and the current level of service
- Establish criteria for resilience, including mode of structure, repair/replacement cost and time frame, and other socioeconomic factors
- Create a decision-making framework for planners and other key stakeholders to evaluate the risk to assets or future plans by considering exposure and vulnerability while developing capital programs

At the foundation our resilience planning approach is the collection of regional climate and geological information that enables us to understand historical weather, oceanic, and seismic data benchmarks and projections. We

consider factors that could constitute a risk to our projects, including historical and projected data for temperature change, precipitation, sea levels, coastal land subsidence, storm surges, and seismic activity. To do so, we use both established, publicly available assessment tools, such as the those developed by the U.S. Army Corps of Engineers, the United States Geological Service, and the National Oceanic and Atmospheric Administration, as well as proprietary tools, such as our eCOMET® facilities condition assessment software, to conduct risk, hazard, and vulnerability assessments for all types of assets, buildings, and systems under the scope of this program.

Parsons' DYNAMICALLY GREEN Solutions

This innovative Parsons process highlights the interaction of mobility, ecology, and community goals, and results in a clear course of action for delivering successful sustainable solutions for our critical infrastructure projects. DYNAMICALLY GREEN relies on techniques and practices, such as context-sensitive solutions, low-impact development, energy efficiency and renewable generation, cradle-to-cradle processes, and sustainable return on investment. The cornerstone of DYNAMICALLY GREEN is an 8-step interdisciplinary project delivery process that defines the roles and responsibilities of team members to achieve a project's sustainability goals and that measures performance across sustainability scales. A key part of the process is the Sustainable Activity Evaluation Framework, which guides the development of preferred practices based

on environmental impact as well as other factors, such as life-cycle cost, operations and maintenance benefits, value to internal and external stakeholders, and the ability to transparently measure and communicate success.

NAPL-Away®

Parsons holds a patent (U.S. Patent 8,679,340) for the bioremediation of light nonaqueous-phase liquid (LNAPL) using enhanced natural anaerobic biodegradation. This process, called NAPL-Away, treats residual LNAPL, which is a persistent source of contamination in subsurface soil and groundwater at many petroleum sites. NAPL-Away provides a more cost-effective approach than traditional remediation technologies and requires less time than monitored natural attenuation. It also promotes the sustainable and natural biodegradation of LNAPL through the addition of nutritional supplements and other remediation agents to stimulate naturally occurring anaerobic microorganisms that digest LNAPL.

The NAPL-Away method can be used for the environmental remediation of most types of petroleum, including gasoline, diesel, jet fuel, crude oil, and other oils for sites with primarily residual LNAPL or low LNAPL thickness. Nutrients can be applied to surface soils, placed in trenches for vertical infiltration, or injected into target zones. NAPL-Away can also be integrated with other remediation technologies and infrastructure methodologies, including monitoring, recovery, and remediation wells, and associated piping, if appropriate, can be used to reduce implementation costs.



eCOMET is our capital asset planning and management software solution, designed to support the delivery of facility condition assessments for various customers with distinct requirements and goals for their individual asset management programs. The eCOMET application provides an interactive suite of features used during the collection, identification, and evaluation of facility condition and energy usage data. eCOMET's customizable capital planning tools forecast and analyze the condition of buildings and allow planners to see future requirements for one building, multiple buildings, or an entire portfolio.

eCOMET Mobile offers web and offline tablet functionality that can be used to efficiently help our assessors acquire data in the field. It provides a centrally accessible repository to manage for large-scale clients and can accommodate smaller systems and buildings. Data from eCOMET can be integrated with other platforms and systems, such as Maximo, ARCHIBUS, and others.



Intelligent NETWORKS® (iNET) is an industry-leading smart-city platform used to improve the management, efficiency, safety, and livability of cities and communities. This configurable and customizable platform uses sensors that predict and identify adverse conditions. iNET helps

users make intelligent decisions to enable smart mobility and monitoring with an integrated data environment that combines an Internet of Things (IoT) and data acquisition engine with data visualization, data analytics, and a decision support system capable of sending commands and controlling field devices. The iNET platform has been deployed around the world to improve mobility, the environment, quality of life, efficiency, and safety in cities by integrating smart lighting, air quality monitoring, video analytics, energy charging systems, and more.



Protecting critical infrastructure assets is vital to safety and security in an ever-changing world. DOMAIN6 is Parsons' converged security critical infrastructure protection solution, supporting infrastructure customers through a holistic approach to enterprise protection (both physical and cyber). This expert-led, technology-enabled framework focuses on the unique characteristics of operational technology (OT), ICS, SCADA, and the industrial IoT. We apply this technology to enable users to gain visibility into cyber threats affecting infrastructure, such as trains, schools, energy and water facilities, and health systems, in the communities where we live and work.

Project:

Landside Access Modernization
Program: Automated People Mover

Client:

Los Angeles World
Airports (LAWA)



The Landside Access Modernization Program (LAMP) is composed of the following four main projects: LAWA Utility and LAMP Enabling Projects (LULEP); Automated People Mover (APM); Consolidated Rent-a-Car Facility (ConRAC); and an Intermodal Transportation Facilities (ITF). We're providing a broad range of project management and construction management services for this \$5.5 billion capital improvements program to deliver projects from procurement to construction and final closeout.

Environmental Sustainability Scope

The APM, a 2.25-mile elevated guideway train system, will improve the traveler experience by providing easy access to the airport and L.A. Metro's regional transportation system, connecting the airport to the LAX/Crenshaw line, the ITF, and the ConRAC. The APM guideway, stations, and associated Maintenance and Storage Facility (M&SF) are, together, pursuing an Envision award from the Institute for Sustainable Infrastructure (ISI), and the M&SF is pursuing a separate LEED-NC: BD+C certification (minimum Silver). The ConRAC is also pursuing LEED-NC: BD+C certification (minimum Silver).

Value Added

During the planning phase, the Parsons team advised LAWA regarding sustainability strategies for the APM guideway, stations, and maintenance facilities as well as, the establishment of transit infrastructure-specific performance metrics and tracking mechanisms. During the procurement phases for the APM and the ConRAC, we provided sustainability-focused reviews of proposals from aspiring developers. During the design and construction

phases, we're continuing to provide technical guidance for the LAMP projects, overseeing the development, implementation, and documentation of sustainability strategies, third-party certification applications, and compliance with the Los Angeles International Airport (LAX) Design Guidelines and LAWA Sustainable Design & Construction.

Parsons is the primary reviewer of the developer's sustainability compliance plan for the APM, and we're providing sustainable infrastructure subject matter expertise and documentation support for the Envision application to ISI and the LEED application for the M&SF.

Sustainability Highlights

- Bike parking facilities at the APM and associated works for more than 5% of tenant-occupied vehicle parking capacity.
- Electric-vehicle charging stations at 6% of all public parking capacity
- Target of at least 20% operational water use reduction through the use of low-flow plumbing fixtures, and the reuse of water for train washing
- Target of 50%-75% potable water use reduction through the use of recycled water for toilet flushing, train washing, and irrigation
- Target of at least 75% diversion of nonhazardous construction and demolition waste from the landfill
- 1.27 MW DC/1.0 MW AC capacity photovoltaic array at the M&SF

A person wearing a yellow safety vest and a hard hat is walking away from the camera towards a large wind turbine in a field. The sun is low on the horizon, creating a warm, golden glow. Other wind turbines are visible in the background.

Project:

Clean Energy
Advisory Services

Client:

U.S. Trade and
Development Agency

Parsons worked with USTDA's Clean Energy Advisory Services to identify, evaluate, and implement Clean Energy projects in emerging economies to help create U.S. jobs through the export of U.S. goods and services, including:

- South Africa Energy Storage Technology and Market Assessment Task
- Industrial Development Corporation Clean Energy Project Planning Advisory Task

Feasibility studies for USTDA provide the host country project sponsors with comprehensive analysis and alternatives identification needed to evaluate proposed scope, schedule, and budget for projects under consideration for USTDA funding.

Environmental Sustainability Scope

The Clean Energy projects being analyzed for USTDA funding include biomass/biofuel, waste gas to ethanol, solar, wind, and energy storage projects. The feasibility studies assessed and recommended appropriate technology solutions, and provided a listing of potential U.S. sources of supply for the recommended technological solutions. Advisory services on the energy storage task also match closely with the Office of Energy Efficiency and Renewable Energy (EERE) requirements, including life cycle cost analysis of selected projects, including examination of total capital costs and long-term operating costs.

Value Added

Using our deep understanding of the challenges related to power generation, transmission, and distribution systems in South Africa and a familiarity with the Renewable Energy Independent Power Producer Procurement Program (REIPPPP) and the Integrated Resource Plan for South Africa, we identified international best practices to support the deployment of energy storage technologies. These included technical specifications for grid connectivity, requirements for demonstration/pilot projects, evidence of technological maturity, and use of public-private partnerships and financial incentives. We worked with key regulators, electric utility, municipalities, and clean energy organizations to identify gaps and developed recommendations for improving South Africa's existing legislation incentives, particularly in conjunction with solar photovoltaic (PV) and wind power plants, under the REIPPPP and as a stand-alone energy storage procurement program.

Sustainability Highlights

- Contacted 100+ U.S. energy storage system suppliers
- Created a 5, 10, and 15-year energy roadmap for adoption of energy storage technologies
- Established a business case for the adoption of energy storage technologies
- South African Electrical Grid committed to the procurement of 800MW of utility scale energy storage

Project:

Al Karaana Special
Economic Zone

Client:

Economic Zones
Company (Manateq)



The Al Karaana Special Economic Zone (Al Karaana SEZ) is an integrated, comprehensive and planned Special Economic Zone serving as the industrial platform for selected industries in the State of Qatar. The purpose of the project, which is located approximately 40 kilometers southwest of Doha City and adjacent to an expressway that connects to western areas of Qatar and Bu Samra Saudi Arabia, is to create an economic hub and logistic center as an industrial platform for manufacturing, storing, and trading with a key economic connection to other markets in adjacent countries. In coordination with Manateq, Parsons completed the detailed Master Plan outlining the size, components, and location of three major components: an industrial zone, a logistic park, and a mixed-used commercial area. Al Karaana SEZ is a Qatar Economic Zone 2 (QE22), which are inland logistics hubs that provide an industrial platform for decentralizing and diversifying the Qatar economy.

Environmental Sustainability Scope

Al Karaana SEZ is targeting a Global Sustainability Assessment System (GSAS) 3-Star rating under the Districts and Infrastructure certification route, and 1-Star rated buildings, which is administered by the Gulf Organization for Research and Development (GORD). Approvals will be coordinated with authorities such as Ministry of Municipality and Environment (MME).

Sustainability priorities include promoting walking, biking, and public transit; integrating infrastructure; improving mobility; resource efficiency; climate-appropriate design solutions; and supporting local culture and identity.

Value Added

The Master Plan's environmental, social, and economic sustainability attributes, include sustainable transportation, energy efficient technology, water conservation strategies, and sustainable construction processes. Its flexible and phased framework is adaptive to change over time, making use of existing transportation infrastructure (roads and interchanges) and integrating alternative modes, such as pedestrian and bicycle pathways. Natural land depressions and quarries are leveraged in the landscape strategy and native landscape plantings are incorporated in the design to respect existing site features and local climatic conditions.

Sustainability Highlights

- Landscape design reduces desertification and preserves existing vegetation
- Energy use reduction: smart lighting system, LED lighting for roadways, bicycle lanes, and pedestrian pathways
- Self-sustaining waste management operations cluster for waste transfer, disposal, recycling, and recovery
- Water conservation via on-site treatment and re-use and reduced irrigation needs
- Regionally manufactured/assembled infrastructure materials (within a 200 kilometer radius of the site)
- Non-toxic construction and infrastructure finishes
- Sustainable construction process best practices outlined by GSAS Construction Management Assessment and Guidelines for site category



Business Operations

The environmental metrics that we track with respect to our business operations are provided below and fall into the following categories:

- Facilities energy consumption (on-site fuel and purchased electricity)
- Employee commuting
- Facilities water consumption
- E-waste disposal
- Office paper procurement
- Business travel

Sustainable Procurement

We conduct procurement in an open and competitive manner, using fair and ethical business practices and applying our core values to leverage sustainability in procurement, vendor management, and purchasing to enhance our supply chain. Our Sustainability Handbook recommends using products and services that consume fewer resources and energy, have lower embodied energy and carbon content, and are made of environmentally preferable and renewable materials, while maintaining quality, safety, and functional requirements.

Facilities Energy Consumption

Our energy conservation strategies include lowering our electrical consumption through high-efficiency lighting, controls, and HVAC retrofits, along with conducting ongoing

upgrades to our IT applications (such as replacing energy-consuming servers with more efficient IT equipment). We also collaborate with property owners in our leased office spaces to implement energy-saving lighting and HVAC system retrofits. In addition, our Work at Home Policy allows employees to work from home offices instead of commuting to an office, resulting in reduced need for office space and associated energy and emissions.

This report details the electricity and natural gas consumption of our Pasadena, CA, office—our long-time corporate headquarters and, until recently, our largest site in the United States. Figures 1 and 2 show the absolute values of purchased electricity and natural gas for the 3 most recent years, as well as weather-normalized data, using the number of heating degree days and cooling degree days in the reporting year (as reported by the NOAA National Weather Service Climate Prediction Center) compared to the baseline year. We've achieved a 26.2% reduction in electricity consumption and a 53.6% reduction in natural gas consumption, respectively, between the baseline years (2006 and 2002, respectively, not shown) and the 2018 reporting year.

As noted in prior years' CSR reports, energy use data at this location show increased consumption over the past 3 years. We believe this increase was due to the addition of tenant companies into what had been unoccupied space in the building in 2014 and 2015. We continued to add tenants in 2017 and 2018, which led to further increases in absolute electricity and natural gas consumption.

Figure 1: Electricity Usage (Pasadena Headquarters)

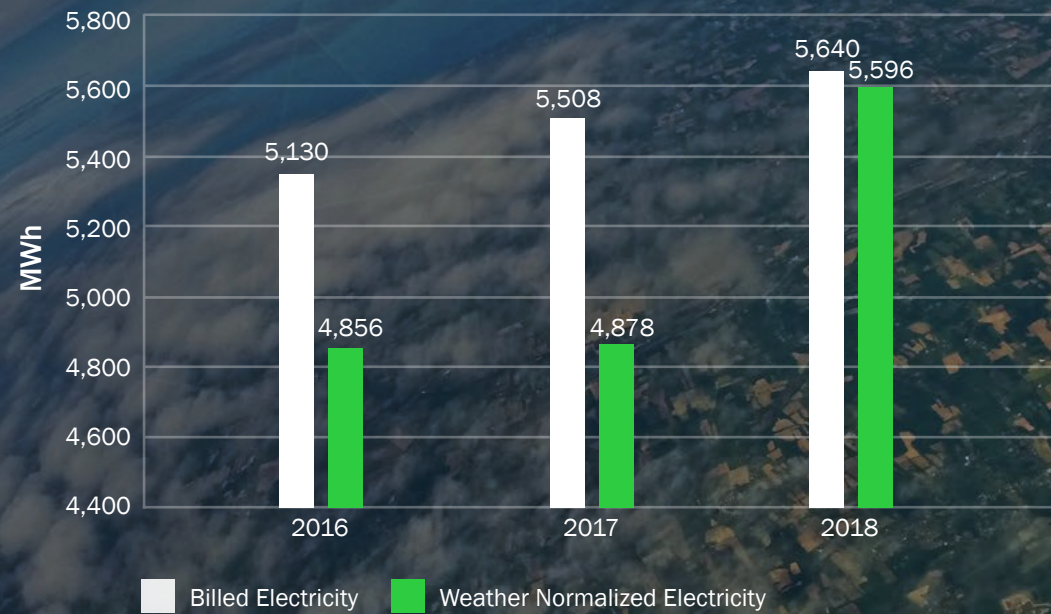
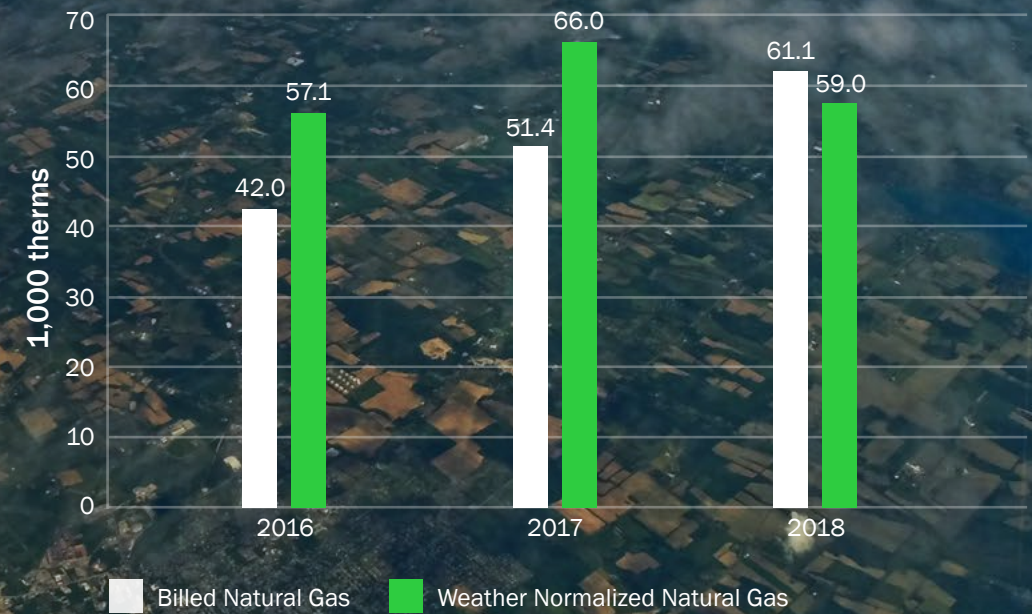


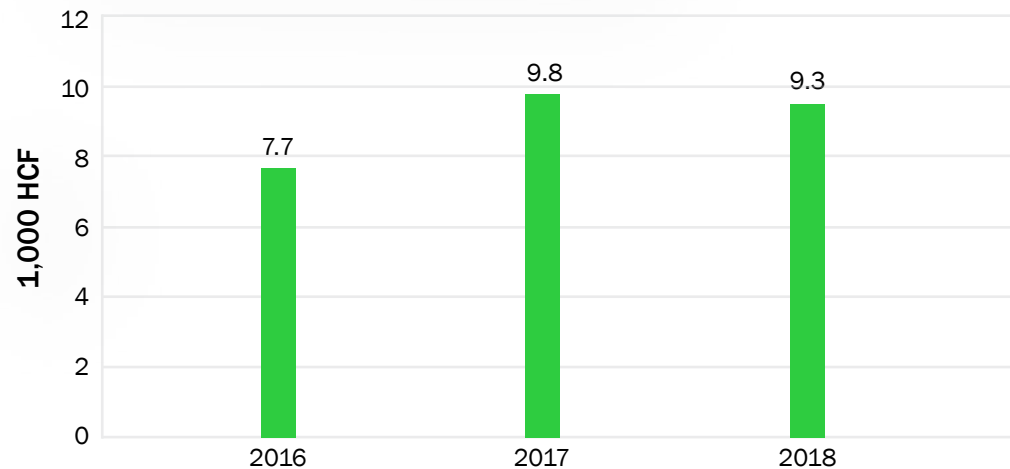
Figure 2: Natural Gas Usage (Pasadena Headquarters)



Facilities Water Consumption

To conserve potable water in our own facilities, we've installed low-flow restroom and irrigation fixtures, drought-resistant landscaping, and high-efficiency cooling tower systems. We work with our property owners in leased facilities to adopt similar water-efficiency measures whenever possible. Figure 3 shows the water consumption at our Pasadena headquarters for the 3 most recent years. We achieved a 42.3% reduction between the baseline year (2007, not shown) and the 2018 reporting year.

Figure 3: Water Consumption (Pasadena Headquarters)



Waste Management

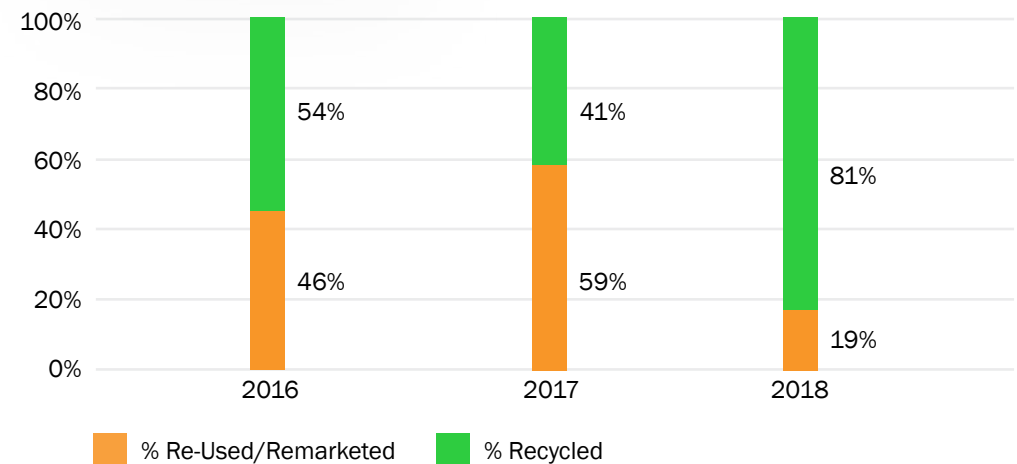
Office Recycling Programs

We review and improve our recycling programs for materials such as paper and drink containers, and we recently instituted battery-recycling programs. Our Abu Dhabi office has taken strides to implement a waste minimization program, which includes waste reduction and reuse techniques, such as printing minimization, office furniture and carpet reclaim programs, and the re-allocation of electronics and office equipment, followed by the recycling of paper, packaging, metal, and e-waste. For the November 2017 to October 2018 tracking period, the Abu Dhabi office documented a waste diversion rate of 37.34%, preventing the disposal of 9.6 tons of waste in landfills.

E-waste

We collect, recycle, and donate e-waste (such as computers, monitors, and printers) in a safe, secure, and socially responsible manner. Figure 4 shows the breakdown of our e-waste disposal for the 3 most recent years.

Figure 4: E-Waste Disposal Method

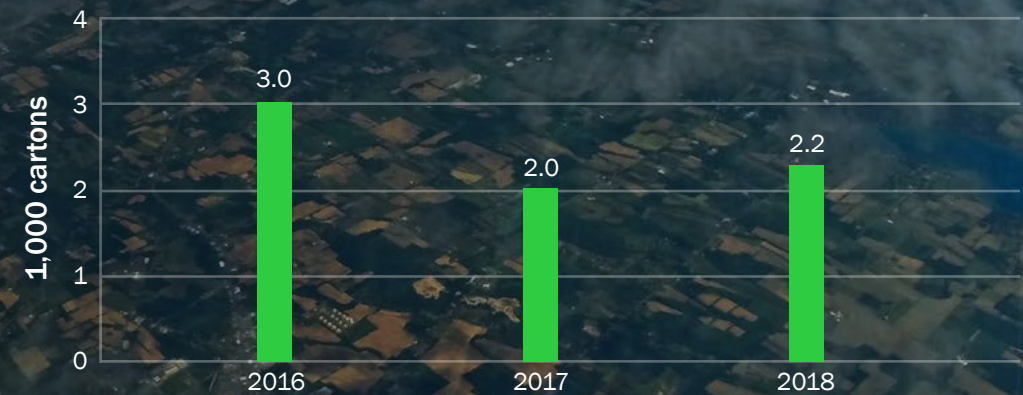


Paper Consumption

In our business, we rely heavily on documentation. More and more, we're using electronic forms of communication and documentation, reducing our need for printing hard copies of plans, schedules, and reports. Our efforts to increase our use of virtual documents, paperless transfer/communications, and web-enabled conferencing tools are greatly decreasing resource consumption and waste generation while still maintaining or improving productivity.

Figure 5 shows annual paper consumption for the 3 most recent years. We have increased paper consumption 10% since 2017, but have decreased more than 25% since 2016.

Figure 5: Annual Paper Procurement: 8½ in. x 11 in. white paper



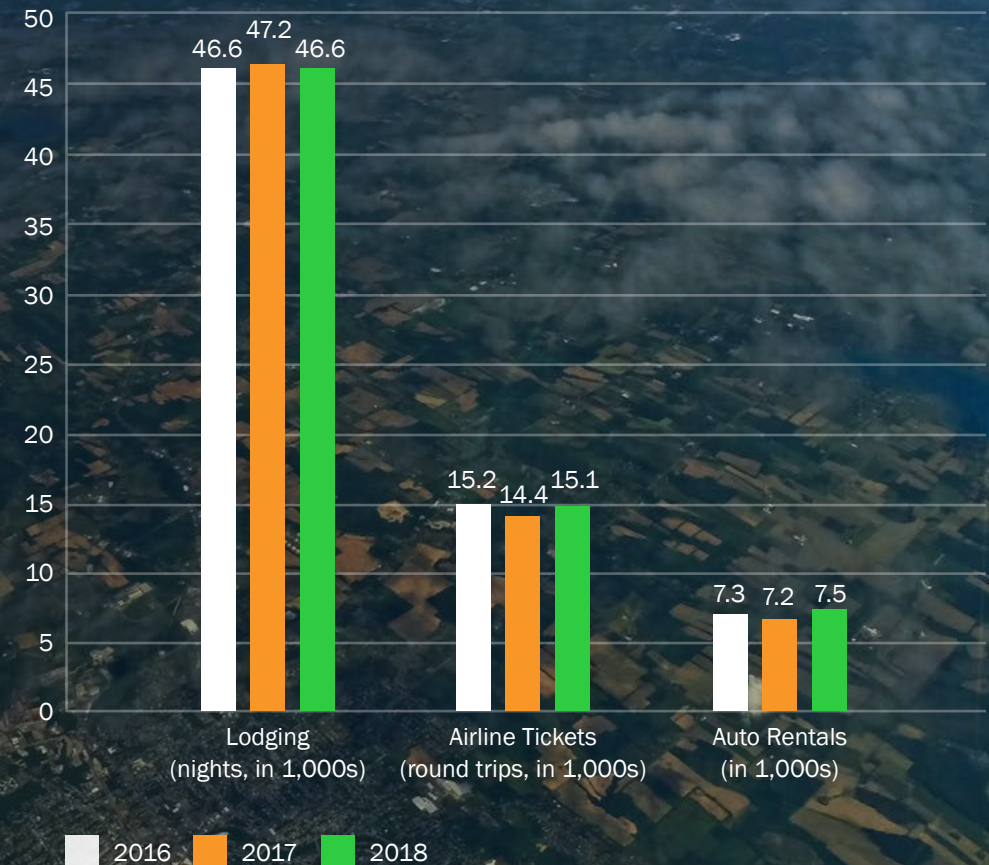
Business Travel and Technology in the Workplace

Corporate business travel creates a significant portion of our company emissions. While travel is still an essential part of our business, we're committed to using technology rather than in-person meetings, when possible, to get the job done without increasing our carbon footprint. To this end, we use internal and external videoconferencing, teleconferencing, web meetings, one-on-one and group employee chats, and electronic file sharing. This allows us to connect with our worldwide customers, employees, and vendors/suppliers and to conduct the face-to-face meetings that are vital to creating successful relationships without having to go on the road. In addition to sustainability benefits, we've also found that applying technology in the workplace leads to other benefits, such as the following:

- Improved productivity
- Improved quality and frequency of communication among employees, customers, and vendors/suppliers
- Enhanced ability to facilitate multiple business scenarios, including staff and team meetings, project planning sessions, business development collaborations, design reviews, interviews, and training
- Avoidance of unnecessary travel time and expenses

Figure 6 shows airline tickets, car rentals, and lodging nights, respectively, for the 3 most recent years. We achieved a 38% reduction in lodging nights, a 16% reduction in airline tickets, and a 27% reduction in car rentals between the baseline year (2014, not shown) and the 2018 reporting year.

Figure 6: Business Travel



Figures 7 and 8 show how many videoconference rooms we have and their annual use (in hours) for the 3 most recent years. Employee computer-to-computer chats are not currently included in our statistics.

Figure 7: Video Conference Rooms

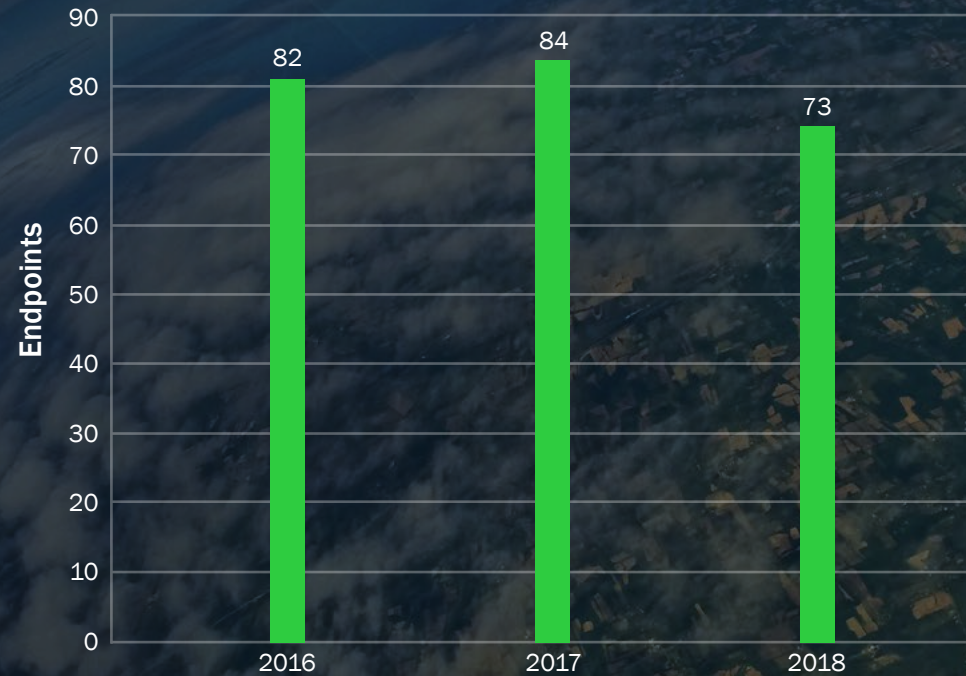
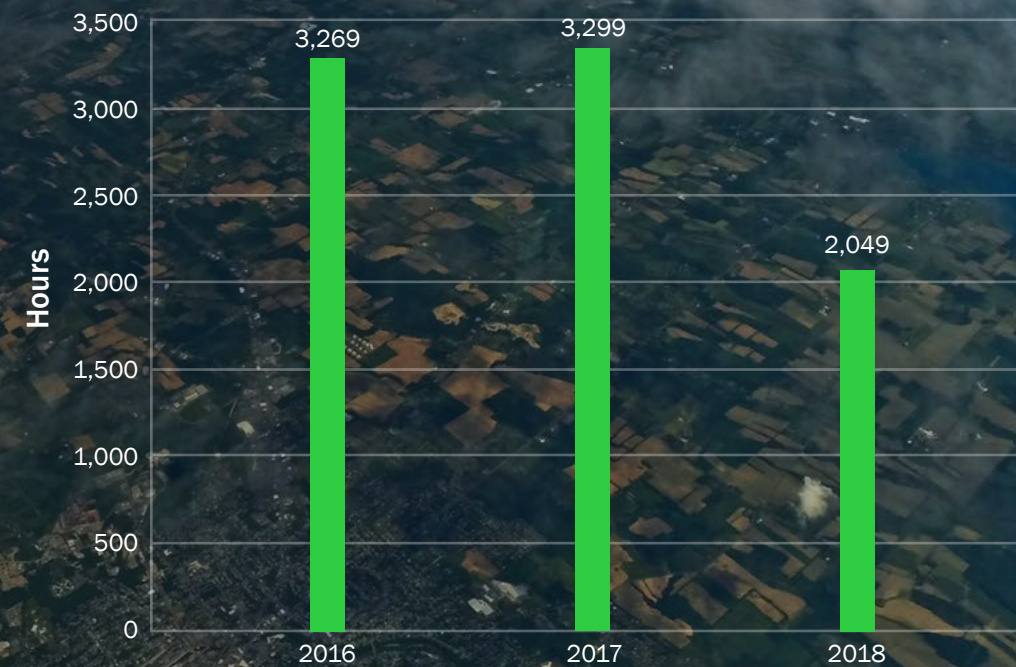


Figure 8: Video Conference Use



Greenhouse Gas Emissions

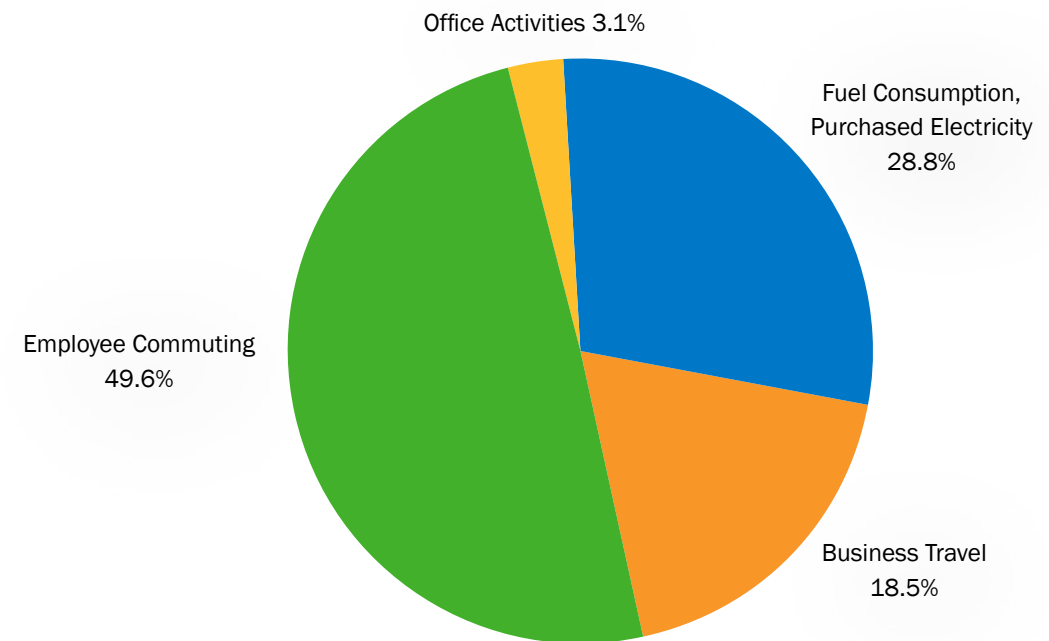
Each year, we calculate an aggregate greenhouse gas (GHG) emission value (in metric tons) for the company. This value is based on raw data obtained for four source activity categories: on-site fuel consumption (Scope 1), purchase of electricity (Scope 2), employee business travel (Scope 3), and employee commuting (Scope 3). We focus on key office locations for each activity because they produce most of our emissions, and we apply these results to the entire company using the ISO 14064 GHG inventory, an approach validated by the World Resources Institute.

Raw data for fuel use and purchased electricity at 20 representative office locations are aggregated, normalized per employee at those offices, and extrapolated for all our employees worldwide. This information is then combined with data regarding employee commuting and business travel. A 3% factor is applied for office activities (e.g. procurement and waste), based on the results of an actual calculation performed in 2009, which we've carried forward proportionally. Gases included in the calculation are CO₂, CH₄, and N₂O.

Moving forward, as we see the distribution of offices and employees change with time, we're considering broadening the scope of the GHG emissions calculation to include more office locations and more categories of procured materials. We're also evaluating other ways of normalizing the data to facilitate the assessment of our performance from year to year and with respect to our peers.

Figure 9 shows the breakdown of our emissions by source. Our combined emissions intensity for 2018 was calculated to be 33.13 MT CO₂ eq/\$million revenue.

Figure 9: GHG Emissions Distribution



Workplace

Our commitment to CSR begins with our employees. As a corporation, we've grown from 8 employees in a small office in Los Angeles to more than 15,000 people working in more than 100 offices and 25 countries worldwide. Our accomplishments are a direct result of the talented professionals who work at Parsons. The following pages highlight our achievements as well as culture, wellness programs, workforce distribution, demographics, and diversity; learning and development; and safety and health.



Environment



Workplace



Marketplace



Society

2018 Workplace Achievements and Recognition

- Several projects celebrated safety milestones, including: the Al Mouj Muscat project, which celebrated 70 million work hours without a lost-time incident; the BP Remediation Management Program, which was given the highest level of safety recognition for working 5 years without a recordable injury; the Dubai Metro Route 2020 Red Line Extension, which celebrated 10 million worker hours without a lost-time incident; and the Chevron Program, which surpassed 1 million hours and more than 4,000 days without a recordable incident, has maintained 11 years of incident-free operations, and has held a top-tier safety rating with Chevron for 15 consecutive quarters.
- Our ongoing commitment to and outstanding leadership in safety was recognized in the industry by being awarded the Voluntary Protection Program (VPP) Star of Excellence from the OSHA (one of only five in the country); the National Safety Council's (NSC's) 2018 Industry Leader Award; being selected by the Dubai Roads and Transportation Authority for the Best Safety Consultant of the Year; and in the industry by being awarded the Construction Management Association of America 2018 Chair's Award for Safety.
- Our New Jersey Motor Vehicle Inspection Program was recognized by the Department of Labor and Workforce Development with a Citation of Merit, two Division of Public Safety certificates, a Governor's Certificate, and 20 Governor's Continued Excellence certificates for preventing occupational injuries
- We were named a Top Entry-Level Employer by CollegeGrad.com, indicating that recent college grads looking to build their careers should consider Parsons. The entry-level jobs search site publishes the top entry-level employer rankings annually.
- For the third consecutive year, Parsons was named a "Top 50 Employer by" *STEM Workforce Diversity* magazine, which is a career publication for science, technology, engineering, and math (STEM) professionals who are women, members of minority groups, people with disabilities, and veterans. The distinction recognizes companies that the magazine's readers would most prefer to work because they provide a positive working environment for engineers and IT professionals who are members of minority groups.
- The 2018 participation rate in our Wellness for Life program represented a 77% increase over the past 5 years (from 31% to 55%). In 2018 more than 350 employees reached what we call "Rock Star" status for completing six or more wellness activities.
- The use of our employee assistance program, Live and Work Well, increased 10% in 2018, compared to 2017.





Culture

In 2017, our Executive Leadership Team and the broader leadership community evaluated our corporate culture to determine how we could evolve to support our **Enhance • Extend • Transform** strategy. A series of assessments and facilitated discussions showed us that we needed to shift from a relatively conservative and formal environment to a more dynamic, entrepreneurial, and creative place to work—a place where people are willing to take risks for the good of the organization.

In 2018, we began using the Waggl pulsing platform as a way of measuring our progress against both our strategic objectives and our success in adopting our desired cultural attributes. This platform combines the functionality of a pulse survey with the characteristics of a virtual focus group. The surveys consist of 11 questions grouped into four categories:

1. Strategic alignment
2. Cultural drivers
3. Culture overall
4. Performance management

Now, leaders across the organization have access to specific feedback pertaining to their teams and organizations,

enabling open and candid dialogue about necessary actions to drive our strategy and culture forward. The first pulse survey was conducted in May and June 2018, and they will continue at regular intervals through 2020.

Safety, Health, and Environmental Leadership Commitment

Safety is one of our core values, evidence of our commitment to safety and health in the workplace and in the communities where we operate. This dedication is why we're recognized worldwide as a leader in occupational health and safety as well as in caring for the environment.

We proudly lead our markets in SHE performance, through the implementation of ESHARP, previously described in the Governance section. The success of our programs is exemplified by our more than 1,000 SHE-related awards from the NSC since 2005 and our status as the longest standing participant in OSHA's Corporate VPP in our industry. OSHA VPP status is reserved for organizations that have effective safety and health management systems and that maintain injury and illness rates below Federal Bureau of Labor Statistics averages for their respective industries.



Our company culture values the well-being of people and the environment. Responsibility for the success of our SHE and sustainability practices rests upon our leaders, who ensure these practices are integrated into everything we do. Our leadership commitment focuses on hazard recognition and risk assessment, hazard mitigation and risk management, employee ownership and expectations, and change management. We use the Plan-Do-Check-Adjust continuous improvement approach.



As part of our focus on continuous improvement, in 2018, we introduced OWN ZERO as our foundational philosophy to take our safety culture to the next level. OWN ZERO operates on the basic premise that a true culture of safety is built on three primary elements: (1) protecting quality of life, (2) employee ownership, and (3) exposure control.

OWN ZERO is driven by the SHE cultural attributes listed below:

1. Anyone can provide effective safety feedback to others, regardless of position or title.
2. All stakeholders feel enabled to stop work when conditions warrant.
3. Everyone is engaged in the safety process, and they take our safety practices home to their families.
4. Safety is included in all planning phases of project execution, from business development to project closure.
5. Safety ownership begins when individuals hold themselves and others accountable.

Safety Metrics

Our incident prevention model focuses on proactive activities to avoid injury and illness in the workplace. Injury and illness incident rates expressed in this report are worldwide metrics and meet OSHA's recordkeeping requirements. Parsons' recordable incident rates are world class. Our reduced incurred costs for workers' compensation have dramatically lowered our premiums, which, in turn, have lowered our experience modification rate to one of the best in our industry.

We are proud of our safety culture highlighted by our safety metrics. As shown in Figures 10 and 11, our TRI has declined by 33% and our LTIR has been reduced by 58% since our benchmark year (2010, not shown).

Figure 10: Total Recordable Incident Rate (worldwide)

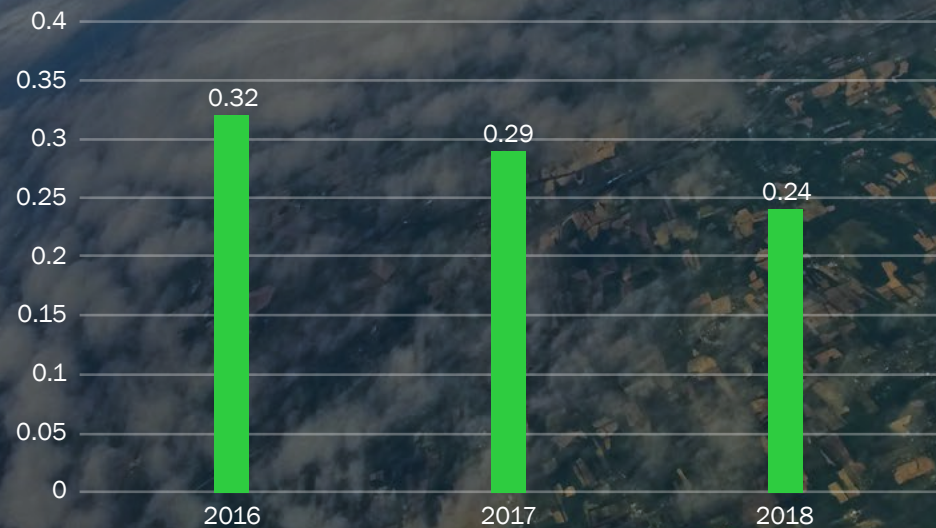


Figure 11: Lost-Time Incident Rate (worldwide)





Employee Health and Well-Being

As work culture evolves, Parsons transforms with it. Our goal is not only to meet the current needs of our employees but also to anticipate and provide for their future needs.

We invest in our employees' health and wellness because we know that our people are our greatest asset. That's why we offer benefits to enhance our employees' quality of life, with packages that typically include major medical, dental, vision, and life insurance. We also offer employee assistance and wellness programs, and we support a healthy work-life balance by providing paid holidays, paid time off, and newly introduced paid pregnancy disability leave.

Wellness for Life

In 2006, we established our U.S.-based Wellness for Life program, which empowers our employees with tools to manage their health. Our program offers health-improvement resources, such as health screenings, education, personalized health coaching, and cash incentives for participation. The overall participation rate in our program has increased during the past 5 years from 31% to 55%. The program's most popular features are active monthly fitness memberships and targeted challenges, such as 10,000 steps per day and telephonic health coaching.

When employees complete six or more wellness activities, they achieve what we call "Rock Star" status. We recognize our Rock Stars by automatically enrolling them in raffle drawings throughout the year for a chance to win one of 50 \$100 gift cards.

In addition to physical well-being, we're also strong advocates of our employees' mental health. In 2018, we partnered with our wellness counterpart to bring virtual-reality (VR) headsets to multiple office locations. Through VR, we're combining technology and mindfulness by encouraging our employees to take the time to learn more about stress management techniques and by providing them the ability to have a fully immersive stress-reducing experience.



EAP utilization
increased 10 percent
over the previous year — with the EAP
resolving 60 percent of calls without the
need for a behavioral health referral.

Employee Assistance Program

In 2006, we established an EAP called Live and Work Well, which offers employees and their families personal counseling, family and caregiving guidance, safety and crisis planning resources, self-improvement tools, life-learning opportunities, and chronic-conditions support. We're committed to providing our employees with tools, information, and services that help manage everyday challenges and that support wellness for life.

Workforce Distribution

General

Our global workforce has increased by 15% since the 2017 reporting year, through hiring and acquisitions. Figures 12, 13, and 14 show our total work force distribution by region, generation, and employment type, respectively. From a regional perspective, our North American employees account for 68% of our global workforce, with most of the remainder located in the Middle East and, small portions in other areas, such as Europe. Most of our staff (92%) are full-time employees.

For reporting and monitoring purposes, we’ve defined three age groups:

- Baby Boomers (born between 1946 and 1964)
- Generation X (born between 1965 and 1980)
- Millennials (born between 1981 and 2010)

Figure 12: Workforce by Region

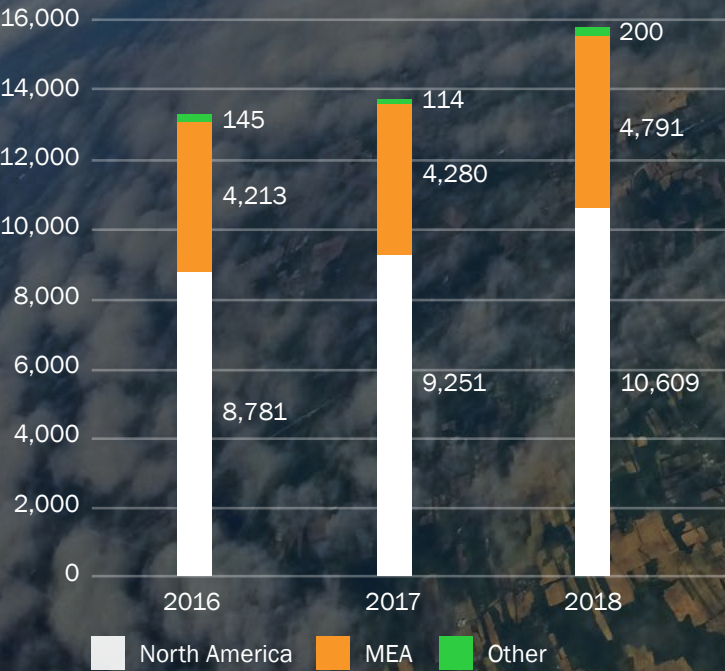


Figure 13: Workforce by Generation

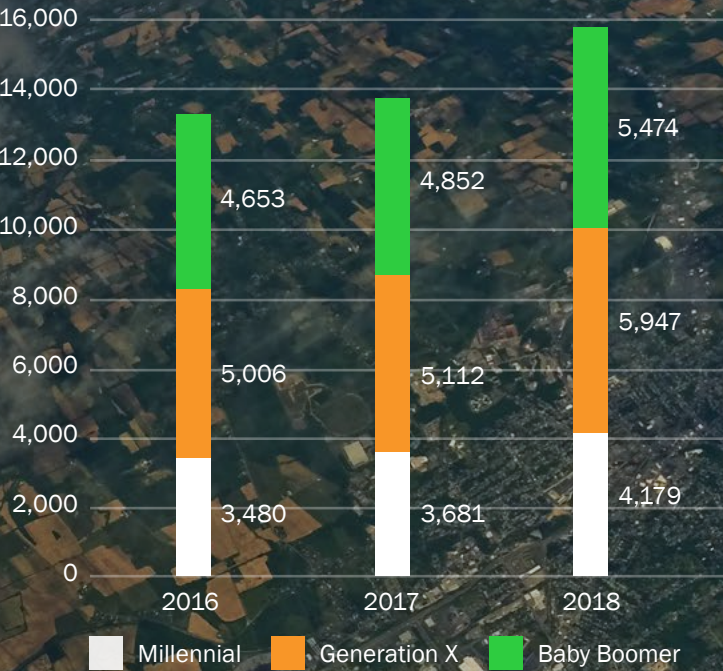
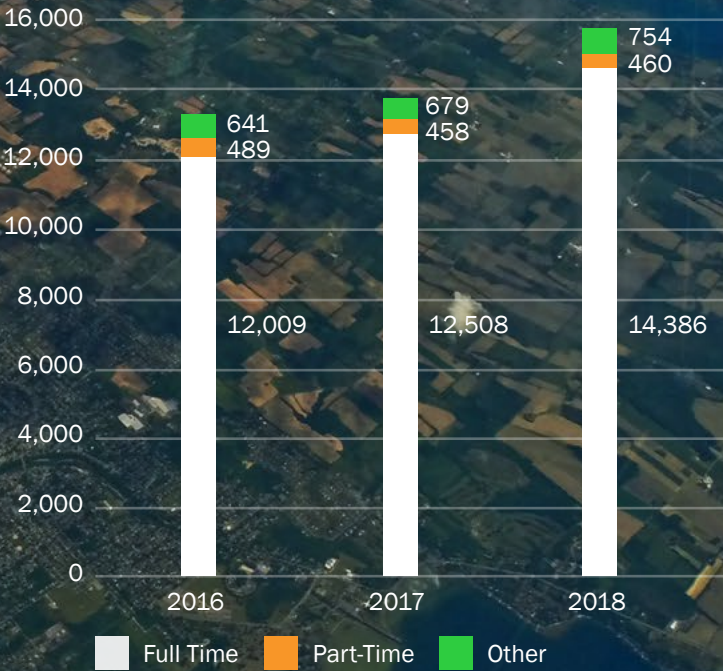


Figure 14: Workforce by Employment Type



Employment Rates

Our employees are our most valuable resources. As competition for talent intensifies, we’ve established a global talent initiative to attract, retain, and develop talent at all levels. Figures 15, 16, and 17 illustrate the breakdown of our new hires workforce by region, generation, and gender.

Figure 15: New Hires by Region

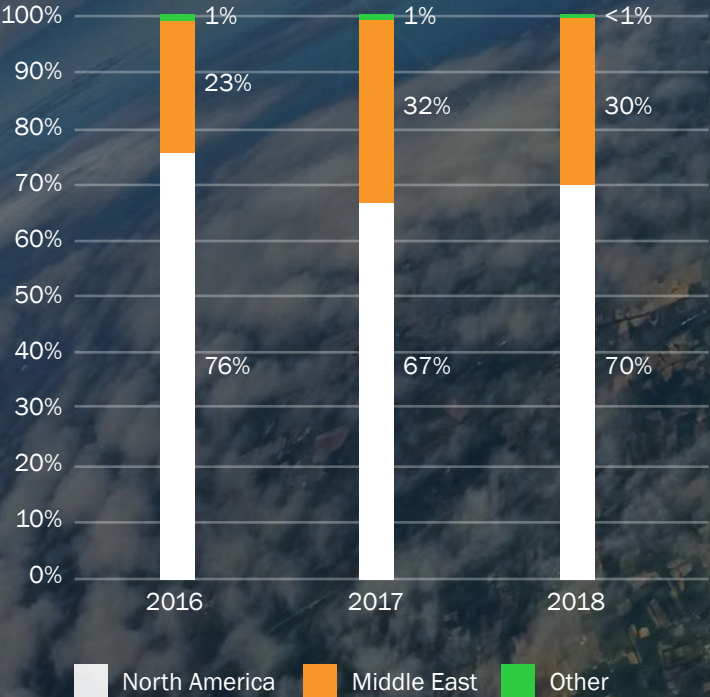


Figure 16: New Hires by Generation

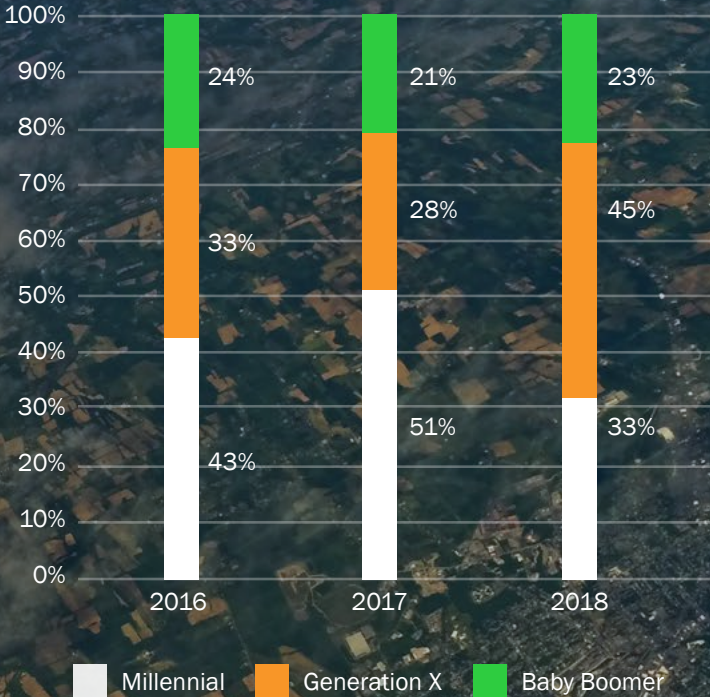
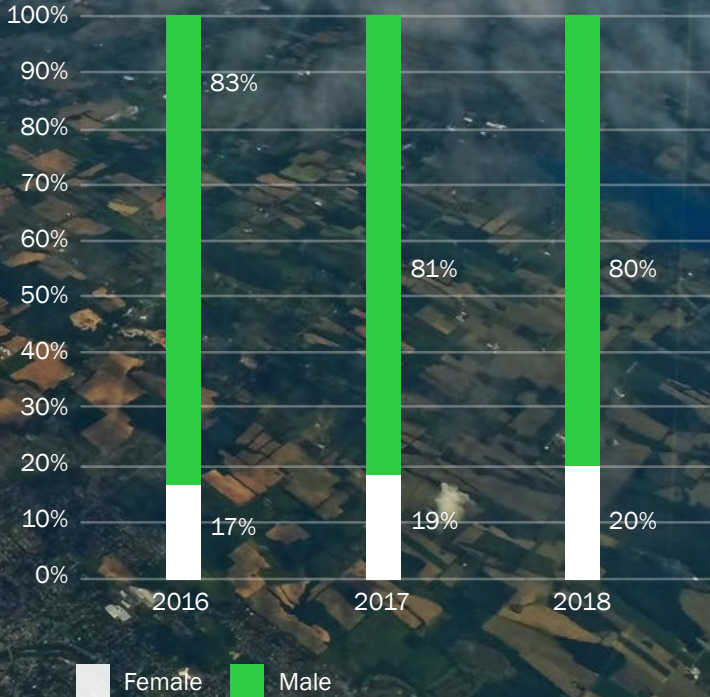


Figure 17: New Hires by Gender



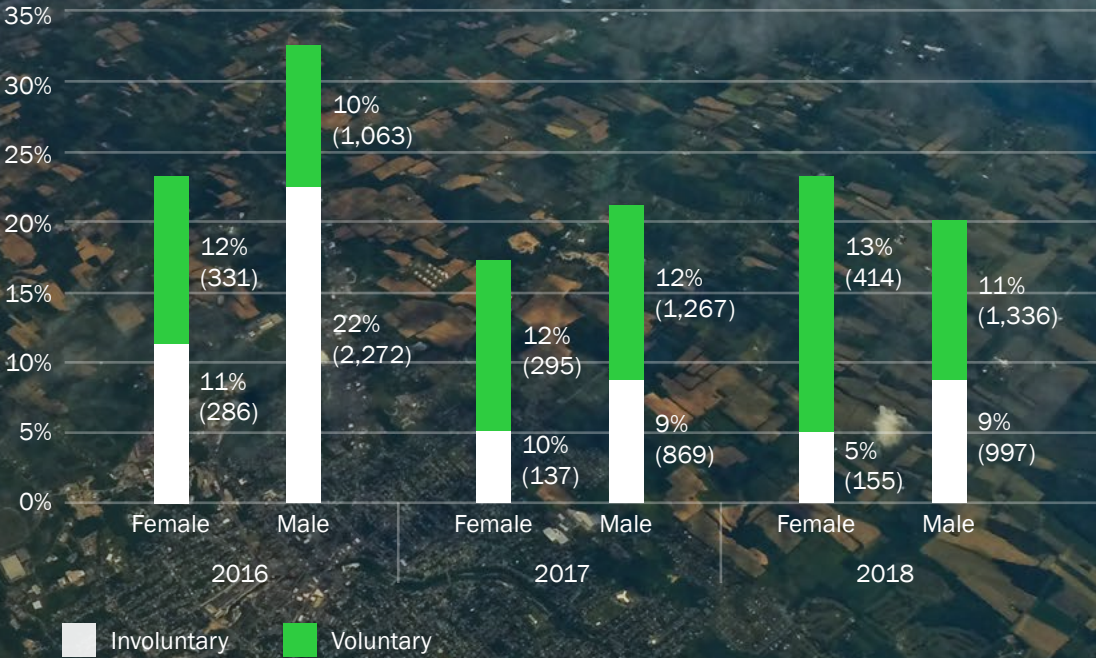
Employee Turnover

Employee retention is crucial to our corporate long-term health and success. We continue to emphasize attracting, retaining, developing, and redeploying talent because the success of our projects relates directly to the skills, expertise, and dedication of our staff. Having the right people, in the right places, at the right times ensures customer satisfaction; fulfilled coworkers/reporting workforce; provides effective succession planning; and deeply embedded, enthusiastic, organizational knowledge and learning. Figures 18 through 21 illustrate our employee turnover rates overall and then by gender, region, and generation.

Figure 18: Overall Employee Turnover



Figure 19: Employee Turnover by Gender*



*Excludes employees who did not report their gender.

Figure 20: Employee Turnover by Region

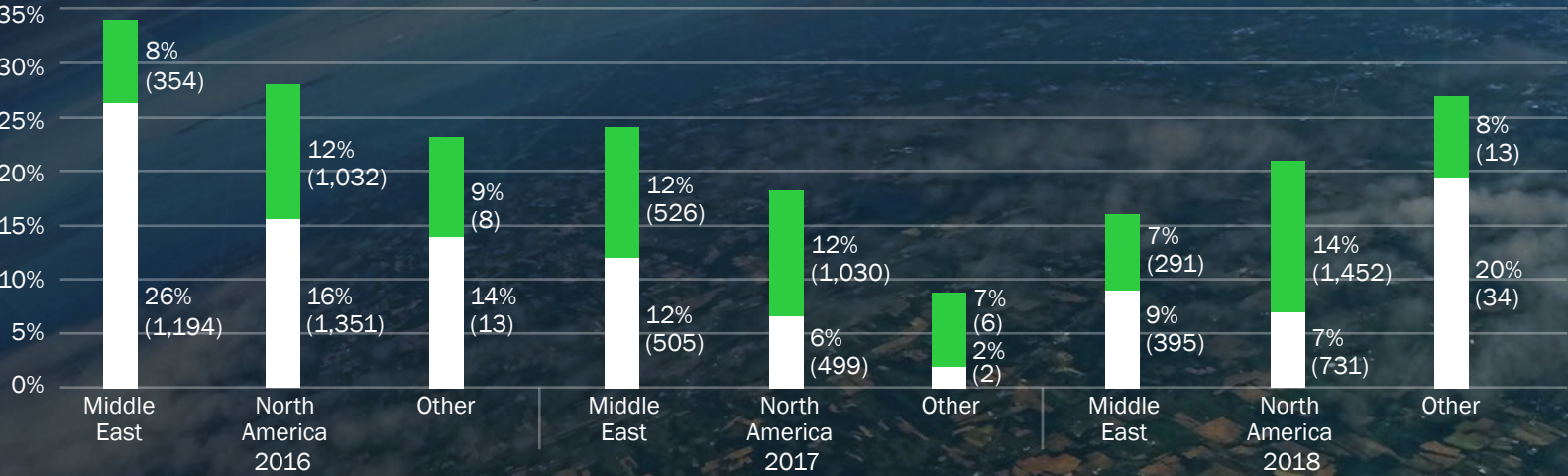
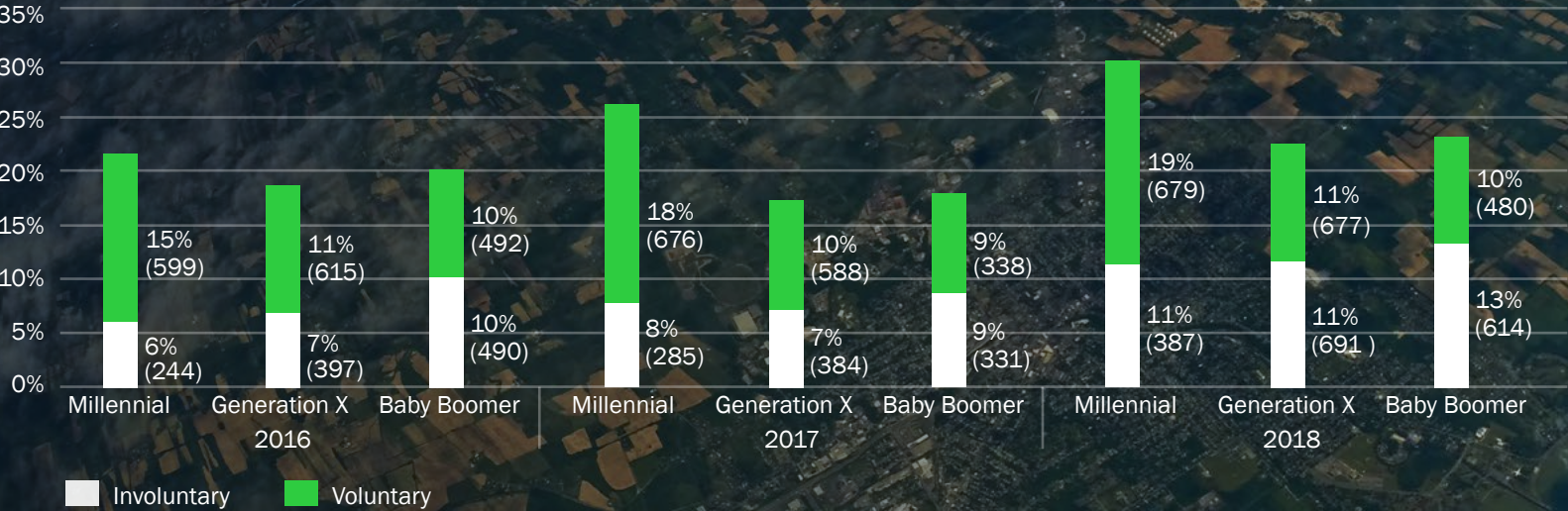


Figure 21: Employee Turnover by Age Group/Generation



Diversity

We continuously pursue diversity in our workforce, our markets, and our services because we recognize that optimum solutions require different backgrounds, new perspectives, and open minds.

In February 2017, we launched our Inclusion and Diversity (I&D) Task Force because the more inclusive we are as a company, the better connected we are with each other. The task force consists of Parsons employees from across the organization with a range of experiences, beliefs, and backgrounds. The task force is dedicated to five basic principles:

1. Commitment to diversity as a core value
2. I&D as a strategic business imperative
3. Driving growth through innovation
4. Improving retention and employee engagement
5. Cultivating greater customer satisfaction

Figures 22 and 23 highlight the diversity of our workforce by gender and ethnicity/race.

Our diversity efforts also involve supporting various organizations that focus on professional development, including the National Society of Black Engineers, the Society of Hispanic Professional Engineers, Women's Transportation Seminar, Women in Construction, the American Chamber of Commerce Abu Dhabi – Women in Business Committee, the Society of Women Engineers, and the Society of American Military Engineers, as well as numerous other military-focused organizations.

Figure 22: Employee Demographics (Gender)*

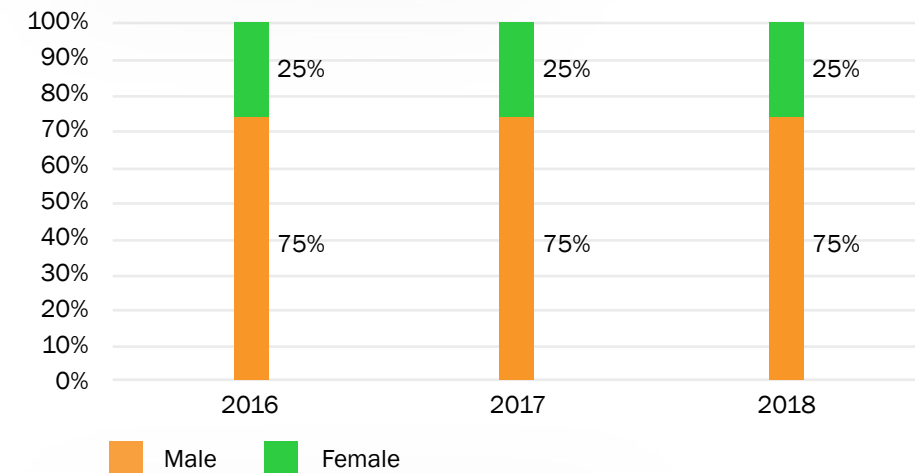
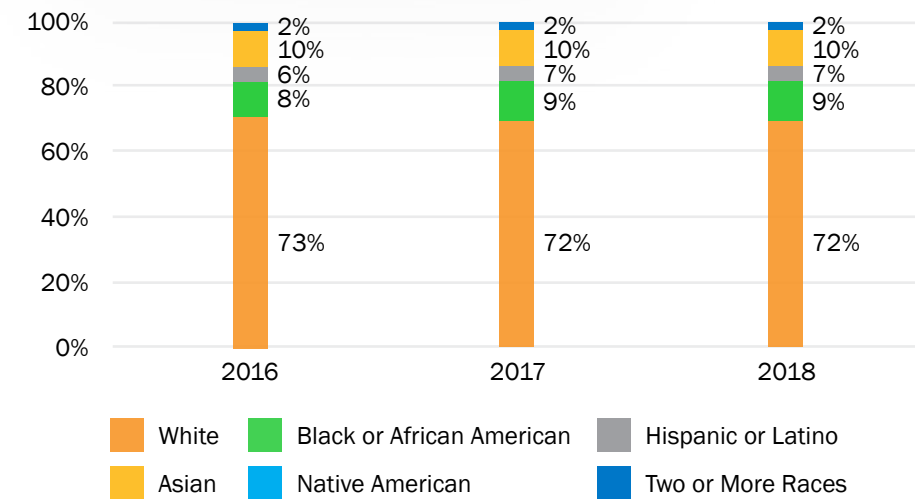


Figure 23: Employee Demographics (Ethnicity/Race)*



*U.S. workforce only

Learning and Development

Learning and development is a fundamental component of our successful strategic plan for recruiting and retaining employees. Our blended learning approach of workshops, coaching/mentoring, instructor-led training sessions, online webinars, and web-based training enables our employees to improve their skills and competencies while enabling us to meet our strategic objectives.

Our learning and development team also designs and facilitates leadership/management training programs for project managers, supervisors, functional managers, and senior managers.

To ensure that all project managers receive the same guidance in sustainable practices, for our Project Management Certification training program, we created a sustainability module based on the *Parsons Sustainability Handbook*. This training prepares our project managers to implement sustainable solutions on projects throughout the world.

By effectively applying technology, we've made employee learning and development available on a global scale. Online learning opportunities help to develop skills, knowledge, and abilities while also meeting employee compliance and certification requirements.

The International Association for Continuing Education and Training (IACET) has approved our corporate training as an authorized source of continuing education units (CEUs).

Based on our approved provider status, employees earn CEUs through many of our courses and programs. Also, many new development courses are structured to meet the IACET guidelines, allowing us to offer additional CEUs each year to employees seeking credits as they renew their professional certifications.

We also create customized web-based and/or instructor-led training to meet the specific requirements of projects and departments throughout the corporation. Among our offerings is an annual online core values-related curriculum assigned to all Parsons employees through the ParsonsU learning management system, including modules on ethics and safety that are required learning. We've also invested in the Effective Management Program Workshop, Fundamentals of Management, PACE (Plan-Act-Check-Excel) Quality Management, Project Management Certification, and Project Controls Management Certification training programs, among others.

In addition, we offer several programs to facilitate the accelerated development of identified high-potential talent to support the corporation's strategies and objectives at several points in our leadership pipeline:

Early Management Acceleration Program

- The Early Management Acceleration Program prepares participants for formal supervisory roles and develops future leadership potential within the corporation. This program engages high-potential employees early in their careers and includes self-assessment, effective

management skills, general business simulations, and peer interaction/learning.

General Management Acceleration Program

- The General Management Acceleration Program grooms its graduates for positions and addresses leadership principles, strategic thinking, advanced business simulations, executive presentation skills, and change management.

Leadership Council

- The Leadership Council presents new and challenging perspectives on operations and strategic planning efforts, communicates how the corporation works across the organization, and provides leadership experience and development opportunities. This 12-month program engages high-potential employees and provides opportunities to research relevant business topics, to present findings to executive-level leaders, and to implement solutions in many cases. To date, more than 120 topics have been researched by more than 180 employee participants, many of whom have been promoted to executive and senior management roles at Parsons. We also have a specific succession-planning process that enables the corporation to evaluate employees for leadership positions and further ensures that candidates receive the necessary training—including developmental assignments—to be successful managers.

Figure 24: Online Training



Figure 25: Average Hours of Online Training

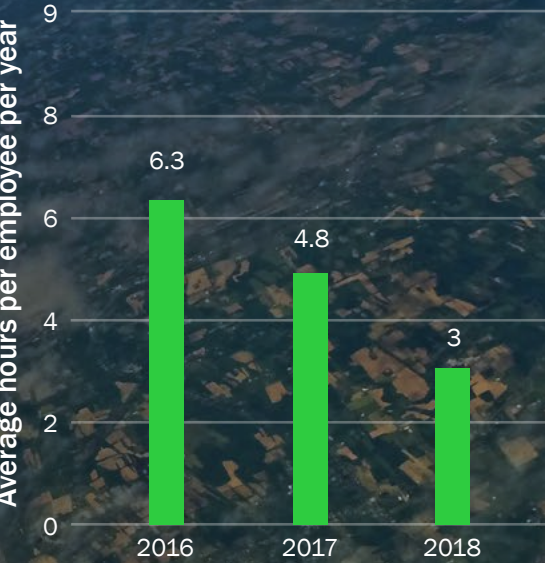
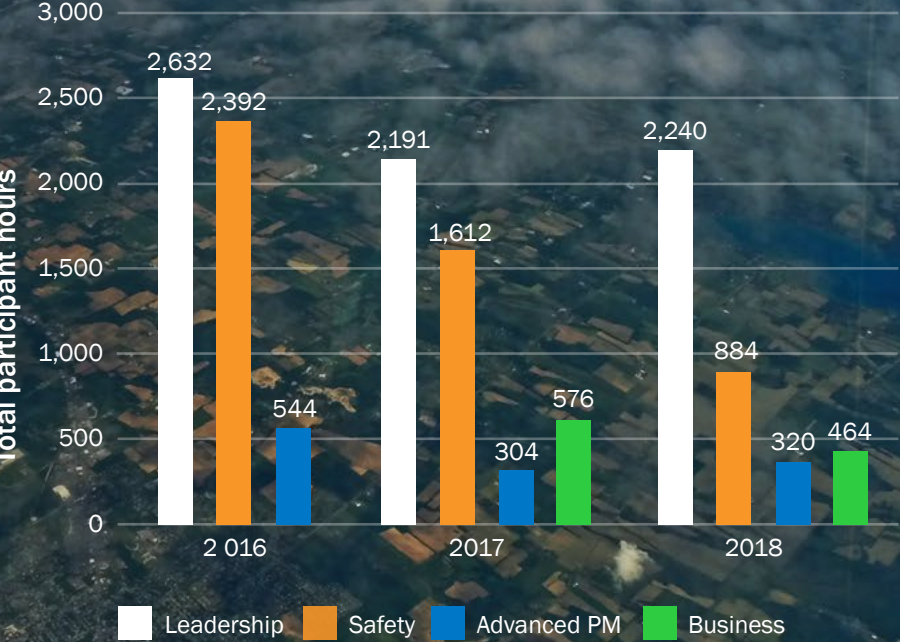


Figure 26: Classroom Training



Marketplace

We respect the interests of our external stakeholders—our customers, our suppliers, our teaming partners, and the wider community—and we demonstrate our marketplace responsibility through leadership in quality, ethics, and transparency. We're proud of our commitment to these values, which has earned us recognition from the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust, and business success. In this section, we also discuss the Parsons Code of Conduct and our policy on human trafficking as well as our efforts to address employee suggestions, questions, and concerns to maintain our commitment to integrity.



Environment



Workplace



Marketplace



Society





Marketplace Achievements and Recognition

- In 2018, the Ethisphere Institute named Parsons one of its World's Most Ethical Companies in the Engineering & Design Services category, for the tenth consecutive year. The designation is a testament to our core value of integrity and recognizes us for our commitment to prioritizing ethical business practices, measuring and improving culture, leading authentically, and committing to transparency, diversity, and inclusion. We use the Parsons Code of Conduct, live training, videos, easily accessed online documentation, and periodic ethics "challenges" to communicate our commitment to ethics to all levels of the company.
- The NSC acknowledged Parsons the sole 2018 finalist for the prestigious Robert W. Campbell Award. Established in 2004 and supported by a network of global partners across five continents, this international award honors companies that achieve business excellence by integrating environment, health, and safety management as a key business

value into their operations. The award, which is a testament to all six of our core values, ultimately aims to foster the sharing of leading-edge environment, health, safety, and sustainability management systems and best practices for educational purposes worldwide.

- We received the 2018 Champions of Veteran Enterprise Award from the National Veteran Small Business Coalition, a non-profit dedicated to transitioning veterans into business owners servicing the federal government, recognizing our efforts to team with veteran-owned small businesses (VOSBs) and service-disabled veteran-owned small businesses (SDVOSBs). Of the approximately \$416 million in subcontracts that Parsons awarded in the 2017 calendar year, 25% were awarded to VOSBs or SDVOSBs, which more than doubles the goal amount required to receive the award (8% and 3% for VOSBs and SDVOSBs).
- We received our first Nunn-Perry award, recognizing outstanding achievement in the Department of Defense (DoD) Mentor-Protégé Program, for our

mentor-protégé agreement with Mobius Consulting, LLC, which is a woman owned small business. Parsons' mentor-protégé program is a critical element of our commitment to developing small businesses in support of the defense industrial base. We have six active mentor-protégé agreements, including five under the DoD program through the Missile Defense Agency in the E&TS Division.

- The Parsons Built Environment Infrastructure Solutions team received BIM Level 2 Kitemark Accreditation from the U.K.-based British Standards Institution (BSI), an internationally respected standards, certification, and assessment provider. BIM Level 2 Kitemark is the benchmark in best practice for consolidating project and asset information, documentation, and data for the design and construction of BIM projects. The BSI certification recognizes businesses for diligence in design and construction, asset management, supply chain management, delivery of customer service, and information security.
- We won the Quality Initiative of the Year Award at the Expo 2020 Dubai 2018 Better Together Awards. This award is a testament to our core value of quality and recognizes our efforts in delivering the best quality initiative on the 438-hectare landmark development Expo 2020 program, for which we responsible for

infrastructure design and construction supervision services contract for the entire Expo 2020 Dubai site. Designed to acknowledge world-class health, safety, quality, and environment performance, the judging panel received a total of 125 entries across 12 award categories.

- We were selected as Technology Champion of the Year as well as Multi-Discipline Consulting Company of the Year at the Middle East Consultant Awards 2018, in Dubai, United Arab Emirates. The Technology Champion of the Year award honors a consultant that has developed or deployed a new technology that enabled them to better service client requirements. The Multi-Discipline Consulting Company of the Year award celebrates a firm that has made a significant contribution to the region's built environment.

Ethics and Integrity

Integrity is one of our core values, and we're committed to acting with integrity in everything we do. Our dedication to integrity and to ethical business practices extends to all levels of our company. This dedication has resulted in Parsons being selected for the 10th consecutive year as one of Ethisphere's World's Most Ethical Companies and being honored with the Ethisphere Business Ethics

Leadership Alliance's 2018 Global Vanguard Award for our efforts in promoting ethical business practices worldwide.



Our employees make ethical decisions in their work each day, with the understanding that integrity is everyone's business. When hired, all employees sign the Parsons Code of Conduct and the Conflicts of Interest Policy, and they're required to recertify their acceptance of and compliance with this code every other year. In 2017, all employees recertified their compliance with the code. We also communicate our dedication to integrity through training processes, such as live instruction, online learning modules, and easily accessed online documents that keep ethics at the forefront of our daily activities. Employees also take required integrity training every other year. In 2018, our integrity training module focused on the Parsons' Code of Conduct and provided tools for identifying and analyzing ethical issues.

Our 24-hour Ethics Helpline allows employees to anonymously make suggestions, ask questions, and report concerns about business practices, safety, violations of law, and company policies.

In addition to our employee engagement activities, we participate in diverse conferences, programs, and organizations devoted to advancing ethical behavior in the business world. In September 2018, our chief ethics and compliance counsel presented at the Society of Corporate Compliance and Ethics (SCCE) Regional Forum in Washington, D.C., about moving beyond paper ethics and compliance policies to put principles into action. In October 2018, our executive vice president of Critical Infrastructure conducted a session on proactive compliance to avoid or mitigate enforcement actions at the SCCE's Compliance and Ethics Institute. In December 2018, our chief ethics and compliance counsel presented at the SCCE Forum in Philadelphia about engagement strategies for building proactive communication by front-line leaders and explored lessons learned from real stories that spotlighted why listening builds trust-based corporate cultures.

Along with our participation in various summits, forums, roundtables, and webcasts, we're an active member in the Business Ethics Leadership Alliance (BELA), formed in 2008 by 17 companies to exchange and promote

best practices in ethics and corporate compliance. BELA members commit themselves to the alliance's four core values of legal compliance, transparency, conflict identification, and accountability. We're also an active member in the Construction Industry Ethics and Compliance Initiative (CIECI), formed in 2008. CIECI is dedicated to promoting integrity and ethical conduct in the construction industry, and its members agree to adhere to a series of ethical principles and to share their best ethics and compliance practices.

Human Rights

As an international leader in engineering and construction, we support and respect the promotion and protection of human rights within our operations, within our value chain, and within the communities in which we operate around the world. We comply with the employment laws of every location where we do business. We consider it essential that our business partners—our suppliers, vendors, contractors, consultants, joint venture partners, and agents—uphold these same standards. In 2016, we updated the Parsons Code of Conduct to include a corporate statement about our policy against human trafficking and announced the policy companywide on our employee intranet. We will not knowingly do business with those who do not comply with local employment laws.

Giving Voice to Employee Concerns

In keeping with our longstanding commitment to fairness and equity in the workplace, our Employee Dispute Resolution Program (EDRP) and our 24-hour Ethics Helpline offer the opportunity to report work-related problems confidentially and without fear of retaliation. These programs support the consistent and fair treatment of employees, improve communications, and encourage a positive workplace.

In 1998, we implemented our three-step EDRP in the United States to provide flexible, neutral, confidential, accessible, and cost-effective resolutions. In 2016, we had 11 calls; in 2017, we had 17 calls; and in 2018, we had 21 calls. Although some calls required no action, most employee concerns were generally resolved within Step 1 (Freedom of Expression and Appeal).

In 2009, we implemented our 24-hour Ethics Helpline, which is available to all employees who want to report concerns about business practices, violations of law, and company policies. We received 31 reports in 2016, 35 reports in 2017, and 57 reports in 2018. Although some reports required no action, we investigate and resolve all employee suggestions, questions, and concerns to help us fulfill our commitment to ethics and integrity.



Business Partnerships

Successful Parsons projects typically involve partnerships with organizations, agencies, and individuals outside the company, including small businesses across all categories recognized under the U.S. Small Business Administration as well as local and national veteran/minority/woman-owned business enterprises. We participate in various mentor-protégé programs targeting the development and growth of diverse suppliers that support a robust supplier base while concurrently promoting national and global economic development.

As the firm responsible for the project labor agreement at LAX—owned and operated by LAWA—we manage LAWA’s HireLAX Apprenticeship Readiness Program (ARP). An outcome-driven and unique collaboration of public, private, nonprofit, and labor organizations, the free program prepares local residents for skilled craft labor careers to support the \$1 billion capital improvement program at LAX. The HireLAX ARP has graduated three classes, with more currently underway.

In partnership with the San Francisco Public Utility Commission, we contribute to the Bayview Hunters Point Neighborhood Community Benefits Program in the areas of environmental health; education; and corporate social responsibility, including stimulating small business growth and neighborhood revitalization. We collaborate with key community-based organizations, residents, and other key stakeholders to create programs, and we leverage our vast network of professionals and stakeholders to build the infrastructure needed to support these efforts.



Society

Charitable contributions, in-kind donations, and volunteerism improve quality of life and make the world a better place. As part of our Parsons Gives Back program, we support multiple nonprofit organizations that mirror our 6 core values. The following pages highlight some of our contributions to the communities in which we operate as well as the contributions of our employees and their families.



Environment



Workplace



Marketplace



Society





2018 Society Achievements and Recognition

- Parsons' Scholarship Program awarded 40 scholarships, worth a total of \$101,500 12 to first-time recipients and 28 renewed scholarships.
- We raised more than \$20,000 for the 24 Hours of Booty fundraiser, a 24-hour noncompetitive cycling and walking event held in Charlotte, NC, hosted by 24 Foundation, whose mission is to make an immediate impact on the lives of people affected by cancer.
- We continued our support of disaster-relief efforts in 2018. Using our Red Cross donation microsite, Parsons employees made monetary contributions to help communities affected by Hurricane Michael, Southern California mudslides and flooding, and Super Typhoon Yutu. Following the devastating California wildfires in November 2018, employees from our Auburn, CA, office also donated warm blankets, clothes, and money to displaced residents.
- As part of our ongoing relationship with Bridges to Prosperity (B2P), we sent a team of 11 employee volunteers from Parsons offices across North America to Banacito, Panama, to build a 106-meter suspension

footbridge over the Rio Toabre. Since 2016, this is the third team of employees Parsons has sponsored to participate in B2P bridge-building projects, with the goal of providing access to essential healthcare, education, and economic opportunities for isolated communities.

- Employees in our Huntsville, AL, office supported the Kids to Love Foundation's Christmas for the Kids program, which fulfilled holiday wish lists for more than 2,000 children.
- Parsons was recognized by the Qatar Green Building Council (QGBC) for our participation in its 6th annual No Paper Day Qatar, during which employees collected 191 kilograms of used paper and 6.8 kilograms of plastic bottles from the main office, all of which were transferred to QGBC's collection point for recycling.
- We were recognized as Corporate Champions by the American University of Sharjah (AUS), for signing a memorandum of understanding with AUS in April 2018 for an educational collaboration to prepare students for careers driven by rapidly advancing technology. Through the Industrial Liaison Program, Parsons and AUS will conduct joint research activities and educational opportunities that support creativity, innovation, and the use of advanced technology.

- The SR-91 Corridor Improvement project, for which we provided planning, procurement, project design, and construction management, received the Quality of Life/Community Development Award (>\$200 million value project category) from the American Association of State Highway and Transportation Officials' Western Region. The project reduces traffic congestion in Riverside and Orange counties, CA, by adding a general-purpose lane in both directions and, a new 15/91 Express Connector, improving six local interchanges, and providing an open-road tolling system.

Parsons Gives Back

Corporate Initiatives

Since 1944, we've supported educational, cultural, and civic organizations in the communities where our employees live and work. We've also sponsored various nonprofits, programs, and events. As we continue to transform our business, we continually evaluate our communities' ever-changing needs and support organizations that exemplify our spirit of giving. To help track these efforts, we've established a program for employees to self-report volunteer hours. In 2018, 135 Parsons volunteers reported 13,819 hours of service within their communities in addition to the thousands of hours spent across the organization participating in the various activities highlighted within this section.

Volunteer of the Year Award Program

Engaging in meaningful volunteer activities in our local communities reinforces our presence, builds our brand, and increases employee engagement. In 2018, we started our Volunteer of the Year Award program to recognize employees for their volunteerism. In honor of the time and commitment of these dedicated employees, we donated to each winner's charity of choice and provided the award recipients with paid time off to continue their philanthropic contributions.



Kurt Kendro



Christine Valenzuela



Keith Parker



Nadeera Rangika

Parsons' Scholarship Program

Established in California in the 1960s, our undergraduate/graduate scholarship program was expanded in 2009 to include dependents of our full-time employees who are attending an accredited college or university. In 2018, we awarded 40 scholarships worth a total of \$101,500 under our annual scholarship program—12 to first-time recipients and 28 renewed scholarships.

Bridges to Prosperity

Since 2015, we've been collaborating with B2P, a nonprofit organization dedicated to providing isolated communities access to healthcare, education, and economic opportunities by building footbridges over otherwise impassible rivers. In addition to participating in fundraising activities for B2P, Parsons volunteers have built three bridges for the organization. In 2018, we assembled an 11-member, multinational team that traveled to Banacito, Panama—a small community of 700 people—to build a 106-meter suspension footbridge over the Rio Toabre. The bridge helps provide safe access to schools, medical care, and food.



Holiday Card/Donation

Each year, we conduct a holiday card charity poll in which employees choose three charities to donate to, and the chosen nonprofits are listed on our holiday card.

Safer Schools

In the wake of the mass shooting at a Parkland, FL, high school in 2018, we developed our Safer Schools Initiative. Our integrated solution proactively identifies threats and evaluates vulnerabilities; analyzes and prioritizes measures to be taken; implements training programs; and more. Collaborating with partners and law enforcement, we've participated in legislative sessions and have worked to make schools safer.

Operation Support Our Troops

We proudly support those actively serving our country, veterans of the armed forces, and military families. Through fundraising and other events, we help sustain the Association of the United States Army, the Institute of Veterans Education and Training, Home Front Cares, the U.S. Navy's Seabees Museum, and the Huntsville Madison County Veterans Memorial.



Disaster Relief

Our history reflects a deep-rooted tradition of supporting communities impacted by natural disasters, such as

earthquakes, floods, hurricanes, tornados, and wildfires. In line with our commitment, we respond to these catastrophic events both through financial contributions and by providing volunteer and professional expertise. We also proactively respond to the need for disaster relief through our longtime support of the Red Cross. Our donations help the Red Cross (and others) provide shelter, food, emotional support, and other assistance. In addition, we established a Red Cross microsite in 2010 that allows employees to contribute any time to those in need. In fact, since we established our microsite, Parsons employees have donated nearly \$88,000 for various disasters, such as Hurricane Michael (2018); Southern California mudslides and flooding (2018); Super Typhoon Yutu (2018); hurricanes Harvey, Irma, and Maria (2017); the western U.S. wildfires (2017); Mexico earthquakes (2017); Canada and California wildfires (2016); the Louisiana floods (2016); Nepal earthquake (2015); Typhoon Haiyan (2013); Colorado wildfires (2012); Superstorm Sandy (2012); the Japan earthquake/tsunami (2011); Texas fires (2011); Hurricane Irene (2011); and the Haiti earthquake (2010).

Following the devastating California wildfires in November 2018, employees from our Auburn, CA, office donated warm blankets, clothes, and money to displaced residents. We also donated funds to Prepare LA for emergency planning and response.

Habitat for Humanity

We continue to partner with Habitat for Humanity, which provides affordable housing for families in need around the world. Since 1998, Parsons employees and their families have put in thousands of volunteer hours working on homes across the United States. We've also provided monetary donations to support Habitat for Humanity's continued efforts.

In 2018, our teams participated in Habitat for Humanity projects in Richardson, TX, and other locations.



Local Programs/Events

Spark Mentoring Program

Employees from our Chicago office participated in the 10-week Spark Mentoring Program for middle school students. Each employee was paired with a student to work on a project related to the volunteer's career field. Mentors helped students to develop branding, business plans, and business models for their simulated businesses.

FIRST Robotics/P.A.R.T.S. 3492

We proudly sponsored the Putnam Area Robotics Team (P.A.R.T.S. 3492), which represents five high schools in the Winfield, WV, area and engages high school students in grades 9 through 12—many from underprivileged areas. As a team, they designed, built, and programmed a robot to participate in a challenge-based competition in which young adults around the world contend for bragging rights through the [FIRST Robotics organization](#). The team even traveled to our Charlotte, NC, office to share their stories and demo their robot for our senior leaders.



Cal Poly Innovation Quest

For 6 consecutive years, we've supported Cal Poly's iQ Competition, a campuswide contest in San Luis Obispo designed to encourage student innovators to pursue their entrepreneurial ideas and get them funded through financial contributions. We've also participated in judging the awards portion of the competition.

Big Sunday

Since 2007, Parsons employees and their families have taken part in Big Sunday, the largest volunteer event in the United States, working on projects ranging from participating in a local food bank to clearing brush in canyon areas. In 2018, our Alabama and California offices worked on the following projects: In Alabama, volunteers pitched in at **A New Leash on Life**, a no-kill shelter for dogs and cats that provides medical assistance and care for abandoned, injured, or unwanted animals in the northern Alabama region, to paint dog houses, install interior insulation, hang interior wood, and install window air conditioning. Employees from our Huntsville office also teamed with the **American Legion** to place flags at veterans' graves for Memorial Day and collected nonperishable food for **Manna House**, which provides food assistance to those in need.

In California, employees engaged in **Fight Hunger Every Day in May**, collecting nonperishable food items for those in need. Our California volunteers also joined forces at **Willard Elementary School** to plant, paint, and clean as part of a school beautification project; worked together to restore the **Bolsa Chica Ecological Reserve** at the Bolsa Chica Conservancy; and sorted and packed clothing at **St. Vincent de Paul**.

24 Hours of Booty

We raised more than \$20,000 for the 24 Hours of Booty fundraiser, a 24-hour noncompetitive cycling and walking

event held in Charlotte, NC, hosted by 24 Foundation, whose mission is to make an immediate impact on the lives of people affected by cancer. More than 1,200 riders and 200 walkers participated in this annual community event, coming together to raise funds for the Levine Cancer Institute, Levine Children's Hospital, the Livestrong Foundation, and Queen's University.



Dubai Blood Drive

Parsons' Dubai office organized and held its 6th annual blood donation day on November 15, 2018, with participation from 120 employees (88 of whom donated blood) and the support of Dubai Latifa Hospital.

Sewer System Improvement Program Summer Internship Program

Established in 2012, the Sewer System Improvement Program's (SSIP's) summer program—spearheaded by a Parsons joint venture in partnership with the San Francisco Public Utilities Commission (SFPUC), the City of San Francisco, and local community-based organizations—is

a 10-week paid internship for teenagers (ages 15 to 18) who reside in San Francisco's Bayview Hunters Point neighborhood. The program introduces students to various professional disciplines with the goal of increasing the participation of women and underrepresented minorities and of assisting high school students and graduates entering post-secondary programs. This program has been adopted by the SFPUC, incorporated as a required community benefit in all new consultant contracts on the SSIP, and is included as one of San Francisco's "CityWorks" youth internship programs.

University of Maryland Honors College Advanced Cybersecurity Experience for Students Program

Through our partnership with the University of Maryland (UMD) Honors College Advanced Cybersecurity Experience for Students Program, we provide scholarships and internships. In 2018, we hosted 9 interns from UMD. In addition to providing scholarships and internships, we host tech talks, panels, and tech expos. We also hosted a Women in Technology event for the University of Maryland Honors College on Tuesday, April 17, 2018. Thirteen women from Parsons engaged with the undergraduate students to share their career experiences and answer the students' questions.

BB&T Corporate Cup

For 34 consecutive years, our Charlotte, NC, office has participated in this 5K run/walk and half marathon. The

course brings participants through uptown Charlotte and its adjacent neighborhoods. The BB&T Corporate Cup celebrates healthy living while giving back to the community. Proceeds from our fundraiser benefit the YMCA's programs and services that nurture the potential of kids and teens, promote healthy living, foster a sense of social responsibility, and strengthen the foundations of community in Charlotte. In 2018, we had 34 registered Parsons participants.

No Paper Day Qatar

Parsons was recognized by the Qatar Green Building Council (QGBC) for our participation in its 6th annual No Paper Day Qatar. Event goals included encouraging the local community to adopt eco-friendly initiatives geared toward reducing waste nationwide and reminding the public that reducing the use of Qatar's resources both improves business efficiency and helps preserve the environment's long-term health. In 3 days, we collected 191 kilograms of used paper and 6.8 kilograms of plastic bottles from the main office, all of which were transferred to QGBC's collection point for recycling.

Christmas for the Kids Program

Employees in our Huntsville, AL, office supported the Kids to Love Foundation's Christmas for the Kids program, which fulfilled holiday wish lists for more than 2,000 children in 2018. Employees gathered gifts for local children and wrapped each present. The Kids to Love

Foundation also helps place children in permanent homes and provides thousands of kids with school supplies, scholarships, and job training.



SOS Children's Villages Event

We were a Silver Sponsor for the SOS Children's Villages Evening of Hope event held on September 27, 2018, at the Chicago Museum of Contemporary Art. SOS Children's Villages are designed to help children reach their full potential. Their goal is to provide SOS Illinois youth with the tools and resources they need to grow into caring, responsible, self-reliant adults.

Pasadena Children's Holiday Party

For a few children facing serious life challenges, the holidays were made a little brighter when they visited Parsons' Pasadena office for a holiday party. The 43rd annual benefit included lunch, a magician/mentalist, a marshmallow and spaghetti building contest, gift bags and cards, and many other treats.

Appendix

Transparency is critical to the effective communication of progress toward sustainability commitments. We use select Global Reporting Initiative (GRI) disclosures to report about our impacts on the economy, the environment, and society.



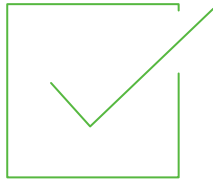
Appendix: Sustainability Scorecard



GRI 102: General Disclosures: Organizational Profile

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-1	Name of the organization	Parsons Corporation	4
102-2	Activities, brands, products, and services	Parsons is uniquely qualified to deliver cyber-physical security, infrastructure and mobility solutions, defense, and other innovative services to federal, regional, and local government agencies as well as to private industrial customers worldwide.	4
102-3	Location of headquarters	Pasadena, California, USA (2018 calendar year); Centreville, VA, USA (Feb. 28, 2019)	21
102-4	Location of operations	Parsons has more than 100 offices worldwide.	4
102-5	Ownership and legal form	Parsons is 100% owned by the Employee Stock Ownership Trust.	—
102-6	Markets served	Defense, intelligence, and infrastructure	4
102-7	Scale of the organization	Parsons has more than 15,000 employees working in 25 countries around the world. These employees collectively speak more than 85 languages and hold nearly 12,500 university degrees and professional registrations.	4
102-8	Information on employees and other workers	Global workforce (68% of which is in North America), including full-time, part-time, and contract employees: <ul style="list-style-type: none"> January 2019: 15,600 	34





Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses (either non-binding or regulatory)	<p>We have adopted ISO 14001 requirements that pertain to the operations of the company's service activities. We represent customers throughout the world as owners' representatives, and we are responsible for complying with ISO 14001 when requested by our customers.</p> <p>We adopt the codes and standards of other independent organizations, if requested by our customers, for specific programs and projects, including but not limited to ISI: Envision, FHWA INVEST, and USGBC LEED.</p>	10
102-13	Membership of associations	<p>Organizational Memberships:</p> <ul style="list-style-type: none"> • Water Environment Research Foundation • American Academy of Environmental Engineers • National Association of Clean Water Agencies • American Society of Civil Engineers (ASCE) • American Society of Testing and Materials (ASTM) • American Water Works Association (AWWA) • Asian American Architects and Engineers Association • Construction Management Association of America (CMAA) • Design-Build Institute of America (DBIA) • Institute for Sustainable Infrastructure (ISI) • U.S. Green Building Council (USGBC) • U.S. Society of Dams • Water Environment Research Foundation • WaterReuse Association • Collaborative for High Performance Schools (CHPS) • Global Reporting Initiative (GRI) • Association of California Water Agencies • California Association of Sanitation Associations (CASA) • Florida Floodplain Managers Association • Florida Stormwater Association • Georgia Association of Water Professionals • Women's Transportation Seminar (WTS) 	—

GRI 102: General Disclosures: Strategy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-14	Statement from senior decision-maker	CEO Chuck Harrington's statement can be found in the introduction to this report.	2

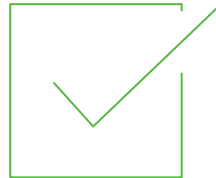


GRI 102: General Disclosures: Ethics

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-16	Values, principles, standards, and norms of behavior	Our six core values—safety, quality, integrity, diversity, innovation, and sustainability—help us act as good stewards for our shareholders, employees, customers, suppliers, teaming partners, and the communities and environments in which we perform services. The Parsons Code of Conduct establishes standards of ethical business conduct and guides and directs our employees, officers, and directors to fulfill our commitment to integrity and to protect our reputation.	6
102-17	Mechanisms for advice and concerns about ethics	We have a 24-hour Ethics Helpline that allows employees to anonymously make suggestions, ask questions, and report concerns about business practices, safety, violations of law, and company policies.	44

GRI 102: General Disclosures: Governance

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-18	Organizational governance structure, committees, and responsibility for decision-making on economic, environmental, and social topics.	Our highest governance body is the Board of Directors, which includes four committees comprising the nine listed members.	7
102-19	Process for delegating authority for economic, environmental, and social topics.	Authority is delegated from the Board to members of the Executive Committee, who, in turn, guide the Safety, Health, Environment, and Sustainability (SHE&Sustainability) leadership team.	9
Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-20	Executive-level responsibility for economic, environmental, and social topics	The a senior vice president of SHE&Sustainability is responsible for addressing economic, environmental, and social topics, such as jobsite safety, employee health, and training programs. He reports directly to the chief transformation and operations officer, who reports to the CEO.	9
102-23	Chair of the highest governance body	The chair of the Board of Directors is also the CEO of the company.	8



102-24	Nomination and selection processes for the highest governance body and its committees	Nomination and selection processes for the Board of Directors and its committees are defined by the company's Corporate Governance Guidelines.	8
102-25	Processes for the avoiding and managing conflicts of interest.	The process for avoiding and managing conflicts of interest is outlined in the Board of Directors Code of Business Conduct.	8
102-27	Collective knowledge of highest governance body	To develop and enhance the company leadership's collective knowledge of economic, environmental, and social topics, Parsons' SHE&Sustainability team reports to the Executive Committee quarterly using core value metrics (CVMs) that are tied to the SHE&Sustainability core values.	9
102-31	Review of economic, environmental, and social topics	The Parsons Executive Committee and Board of Directors review CVMs on a quarterly basis. The CVMs represent social, economic, and environmental criteria in each of our core values—safety, quality, integrity, diversity, innovation, and sustainability.	9

GRI 201: Economic Performance

Disclosure No.	Disclosure Name	Parsons Performance Results	Page
201-1	Direct economic value generated and distributed	Parsons' global revenue: <ul style="list-style-type: none"> 2018: 3,561 Million 	—

GRI 205: Anti-Corruption

Disclosure No.	Disclosure Name	Parsons Performance Results	Page
205-1	Operations assessed for risks relating to corruption.	Parsons' 24-hour Ethics Helpline is available globally to all employees, so they can report concerns about business practices, safety, violations of law, and company policies.	44
205-2	Communication and training about anti-corruption policies and procedures	Upon hire, all Parsons employees are required to read and agree to the Parsons Code of Conduct, and 100% of employees are trained. All employees are required to recertify their acceptance of and compliance with the code every other year.	
205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption have been reported.	



GRI 206: Anti-Competitive Behavior

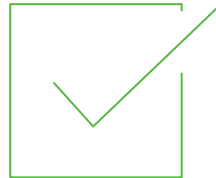
Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Parsons has not been identified in any legal actions (pending or completed) in 2018 regarding anti-competitive behavior or violations of anti-trust and monopoly legislation.	—

GRI 301: Materials

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
301-1	Materials used by weight or volume.	Paper (8 1/2 x 11 size, U.S. operations only): <ul style="list-style-type: none"> 2018: 2,237 cartons 2008 (baseline): 10,757 cartons 	24

GRI 302: Energy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
302-1	Energy consumption within the organization	Electricity (Pasadena headquarters) <ul style="list-style-type: none"> 2018: 5,640,000 kWh 2006 (baseline): 7,641,000 kWh Natural Gas (Pasadena headquarters) <ul style="list-style-type: none"> 2018: 61,085 therms 2002 (baseline): 131,729 therms 	22
302-4	Reduction of energy consumption	At our Pasadena headquarters building, we achieved a 26.8% reduction in normalized electricity consumption from the 2006 baseline to 2018 and a 55.2% reduction in normalized natural gas consumption from the 2002 baseline to 2018.	22



GRI 303: Water

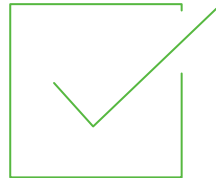
Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
303-1	Water withdrawal by source	Water (Pasadena headquarters): <ul style="list-style-type: none"> • 2018: 9,337 hcf • 2007 (baseline): 16,195 hcf 	23

GRI 304: Biodiversity

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
304-2	Significant impacts of activities, products, and services on biodiversity.	Best practices are incorporated in the <i>Parsons Sustainability Handbook</i> .	10

GRI 305: Emissions

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
305-1	Direct (Scope 1) GHG emissions.	Our Scope 1 emissions are calculated based on fuel use at 20 representative office locations, normalized per employee at those offices, then extrapolated for all our employees worldwide. Gases included in the calculation are CO ₂ , CH ₄ , and N ₂ O. Emissions factors used are from the U.S. Environmental Protection Agency Emissions Factors for Greenhouse Gas Inventories (dated April 4, 2014).	27
305-2	Energy indirect (Scope 2) GHG emissions	Our Scope 2 emissions are calculated based on purchased electricity at 20 representative office locations, normalized per employee at those offices, then extrapolated for all our employees worldwide. Gases included in the calculation are CO ₂ , CH ₄ , and N ₂ O. Emissions factors used are from the U.S. Environmental Protection Agency Emissions Factors for Greenhouse Gas Inventories (dated April 4, 2014).	27



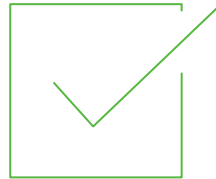
305-3	Other indirect (Scope 3) emissions	Our Scope 3 emissions include business travel and employee commuting. These emissions are calculated based on records from our travel agency, employee-submitted expense reports, and an employee commuter survey. Gases included in the calculation CO ₂ , CH ₄ , and N ₂ O.	27
305-4	GHG emissions intensity	Our 2018 emissions intensity, which includes the Scope 1, 2, and 3 emissions described above, is 33.13 MT CO ₂ eq/\$million revenue.	27

GRI 306: Effluents and Waste

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
306-2	Waste by type and disposal method.	eWaste 2018: <ul style="list-style-type: none"> 19% re-used/re-marketed 81% recycled 	23
306-3	Significant spills	Reportable releases/spills (Parsons projects, including joint ventures and contractors): <ul style="list-style-type: none"> 2018: 0 Environmental releases/spills (Parsons projects, including joint ventures and contractors): <ul style="list-style-type: none"> 2018: 43 	

GRI 401: Employment

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
401-1	New employee hires and employee turnover	Total number of new employee hires (and rate of turnover): <ul style="list-style-type: none"> 2018: 2,902 employees (20%) 	35 (36)



GRI 403: Occupational Health & Safety

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
403-1	Occupational health and safety management system	Our occupational health and safety management system is called Environmental, Safety, Health and Risk Management Program (ESHARP). It provides the minimum standards for managing safety, health, and environmental (SHE) hazards and risks associated with our activities and operations.	10
403-4	Worker participation, consultation, and communication on occupational health and safety	100% of Parsons employees are represented by safety committees that have been established in our offices and at our project locations. We empower our employees to make safety personal, whether they are at work or at home.	9
403-5	Worker training on occupational health and safety	Project managers and their subordinate managers, resident engineers, supervisors, superintendents, and foremen, along with our corporate officers and SHE professionals, must complete formal, in-person ESHARP training and in-person supervisory training in SHE leadership at least once and also when updates require refresher training.	10
403-6	Promotion of worker health	100% of employees have access to our employee assistance program. 70% of employees have access to our Wellness for Life Program.	33
403-8	Workers covered by an occupational health and safety management system	Parsons ESHARP applies to all employees, whether in a full-time, part-time, or casual status, who are expected to be active participants in the development, ongoing review, and implementation of our SHE management systems and the associated policies, procedures, practices, and work processes and plans implemented by the ESHARP Guidebook.	10
403-9	Work-related injuries	Total recordable incident rate: <ul style="list-style-type: none"> 2018: 0.24 	32

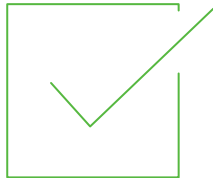


GRI 404: Training and Education

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
401-1	Average hours of training per year for each employee.	Average online training hours/employee/year: <ul style="list-style-type: none"> 2018: 3 hours 	40
404-2	Programs for upgrading employee skills and transition assistance programs	Established in 2003, ParsonsU offers thousands of courses covering a wide array of professional development topics for all levels of employees, from early career professionals to senior staff. Employees also have access to free or discounted continuing education through our professional development programs as well as through professional memberships, such as Education @USGBC, which provides courses for maintaining the LEED AP credential.	40

GRI 405: Diversity & Equal Opportunity

Disclosure No.	Disclosure Name	Parsons' Performance Results	
405-1	Diversity of governance bodies and employees.	Minority representation (nonwhite, non-Caucasian) in the U.S. workforce: <ul style="list-style-type: none"> January 2019: : 28% Percentage of women in the U.S. workforce: <ul style="list-style-type: none"> January 2019: 25% 	38



GRI 406: Non-Discrimination

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
406-1	Incidents of discrimination and corrective action taken	Our Employee Dispute Resolution Program received 21 calls in 2018.	44

GRI 412: Human Rights Assessment

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
412-2	Employee trained in human rights policies or procedures	When hired, all employees sign our Parsons Code of Conduct, which includes policies relating to our core value of integrity as well as a corporate statement about our policy against human trafficking. In 2017, all employees recertified their compliance with the Parsons Code of Conduct.	44

GRI 415: Public Policy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
415-1	Political contributions	Our government relations staff address public policy issues affecting the defense, intelligence, and infrastructure engineering and construction industries.	—



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