



BELIEVE IN BETTER

2020 Corporate Social Responsibility

CHAIRMAN'S LETTER

We're on a quest to **deliver a better world**. We believe in better. As a leading disruptive solutions provider, Parsons delivers the technology to create the future of global defense, intelligence, and critical infrastructure. Our capabilities span cybersecurity and intelligence, missile defense and C5ISR, space and geospatial, connected communities, and mobility solutions.

When Parsons was founded, in 1944, we were eight employees with ambition to take on the biggest challenges and the drive to achieve things many thought impossible by pioneering new methods and technologies. Along the way, we built a reputation for excellence and grew into a global company with nearly 16,000 dedicated team members. A key to our success has been in striking the balance between bold ideas and the execution necessary to achieve them.

With technology accelerating at an ever-increasing rate, we continue to innovate and develop technology to provide differentiated sustainable solutions comprised of software, hardware, and services to our customers. Our solutions address global challenges while we strive to be effective stewards of resources.

Our corporate social responsibility approach is rooted in our corporate purpose to **deliver a better world** and reflects our dedication to our core values. This report

illustrates our commitment to deliver solutions that achieve our customers' missions while conducting business in a responsible manner. We create value for stakeholders and safeguard and strengthen communities in which we live, work, and play.

This report highlights the progress we've made in the following areas:

- Governance
- Environment
- Society

Our OWN ZERO program advances the fields of safety, health, environment, and sustainability. Our many award-winning project innovations and technology-enabled solutions in this report are a reflection of our agile and innovative staff around the world who help fulfill our mission every day.

I encourage you to read our CSR report on how Parsons remains a responsible corporate citizen, employer of choice, good neighbor, and positive contributor to the world's economy in our mission to **deliver a better world**.

Charles L. Harrington

Chairman and Chief Executive Officer



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CORE VALUES

Our corporate purpose, underpinned by our six core values, guides our quest to be good stewards and provide value for our shareholders, employees, customers, suppliers, teaming partners, and the communities and environments in which we deliver solutions.



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

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 optimal 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 effects of our work on the environment. We help our customers by providing clean, efficient, healthy, and effective solutions on all our projects.

2019 HIGHLIGHTED METRICS

8.1%

Reduction in Greenhouse Gas
Emission Intensity (2017–2019)

11

Years Awarded
World's Most Ethical Companies

18K+

Volunteer Hours
(Self-Reported)

ABOUT THIS REPORT

Scope

This is our seventh corporate social responsibility (CSR) report and the first following our initial public offering in May 2019. This report focuses on our priorities, activities, and achievements in the areas of governance, environment, and society. We've provided data for the period between January 1, 2019, and December 31, 2019, unless otherwise specified. In accordance with the Global Reporting Initiative (GRI) framework, we've also included select disclosures, which are summarized in the appendix.

Focus Areas

The report focuses on the three key areas shown below. Each chapter details associated policies, priorities, and key activities and achievements.



Governance

Our leadership, policies, and procedures that guide our quest of delivering a better world.



Environment

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



Society

How we provide a healthy, safe, and inclusive work environment; demonstrate leadership in quality, ethics, and transparency; and contribute 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 concentrating efforts on our three focus areas. This multidimensional approach addresses the effects of our business operations, services, and solutions in the interests of our stakeholders. To this end, our vision is clear, as follows:

- 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 effects of our operations, services, and solutions 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

2019 CSR HIGHLIGHTS

Throughout the year, we celebrated numerous achievements, milestones, and awards that highlight our mission and recognize our amazing employees, who create long-lasting value for

our customers and shareholders. Delivering solutions is not just what we do—it's part of our culture. Below are some of the achievements and recognitions we're particularly proud of.

Governance



- Recognized as one of the Ethisphere Institute's World's Most Ethical Companies for 2020—our 11th consecutive year
- On May 8, 2019, became publicly traded on the New York Stock Exchange
- Established board of directors oversight for ESG activities through the Corporate Governance and Responsibility Committee
- Membership on independent internal Ethics Committee rotated to ensure a fresh perspective and continue excellence in the oversight of our Ethics Program
- Conducted Data Privacy Day employee education and awareness program for the fourth consecutive year
- Conducted bi-annual Code of Conduct and Conflict of Interest recertification for all employees
- Achieved ISO 27001 certification, demonstrating our commitment to operational excellence and world-class information security standards



Environment



- Held a companywide Earth Week Impact Initiative to engage employees in promoting sustainability, with more than 150 tons of paper recycled
- Conducted monthly webinars on environmental and environmental remediation as well as sustainability best practices for an internal and external audience
- Opened Regina Bypass, our first P3, which is helping decrease CO₂ emissions and improving safety and mobility throughout Regina, Saskatchewan
- Dubai Expo 2020 project teams awarded the Environmental Performance and Sustainability awards by CEEQUAL, an evidence-based assessment by BRE Global
- Implemented recycling and composting program for coffee grounds and pods in offices
- Early Career Development (ECD) program members partnered with the Doha Environmental Actions Project (DEAP) for a joint beach cleanup at As Salwa beach, and employees in Yanbu cleaned up White Sands Beach from more than 1,000 kg of waste
- Presented the Green Award by Ashghal, recognizing superior sustainability practices by the Parsons team on a Qatar-wide program

2019 CSR HIGHLIGHTS

Society



- Honored by National Safety Council with Robert W. Campbell Award
- Employees reported serving 18,592 hours of volunteer time in their communities, including STEM, military and veteran support, health and fitness, environmental cleanup, and more
- Sponsored the Parsons Technology Innovation Challenge, in Northern Virginia, to award high-school students scholarships for developing next-generation ideas to make the world a better place
- Received the Employer Support of the Guard and Reserve (ESGR) Appreciation Award for supporting employees while on National Guard duties
- Received the 2019 NJ Smart Workplaces Silver Award for our year-round commitment to support the RideWiseTMA mission to connect people and businesses to safe and sustainable travel options
- Performed two Bridges to Prosperity builds, an all-woman partnered build in Rwanda and a 10-person team build in Bolivia
- 2019 Annual Top 50 Employers List in Minority Engineer magazine
- 2019 Annual Top 50 Employers List in STEM Workforce Diversity magazine
- Recognized for workforce diversity in Workforce Diversity for Engineering and IT Professionals magazine
- Recognized eight employees through our Volunteer of the Year program
- Signed the United Nations Women's Empowerment Principles (WEPIs), a policy framework for businesses for empowering women in the workplace and inspiring a global movement for sustainable development
- Raised more than \$52,000 for the 24 Foundation Campaign to help change the course of cancer
- Received ISO 45001 certification, an international certification for safety and occupational health system in the Middle East-Africa (MEA) region
- Awarded our second Nunn-Perry Award, presented by the U.S. Department of Defense Office of Small Business Programs recognizing Parsons' Mentor-Protégé relationship with Trident Technologies, LLC

GOVERNANCE

Our highest governance body is the Parsons Board of Directors, which consists of the nine members. 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 independent members. The independence of each director is affirmed annually, based on the recommendation of the Corporate Governance and Responsibility Committee and voted on by our shareholders at our Annual Shareholder Meeting.



Governance



Environment



Society

GOVERNANCE

Board Of Directors



From left to right: Kenneth Dahlberg, Tamara Lundgren, Mark Holdsworth, Harry McMahon, Charles Harrington, M. Christian Mitchell, James F. McGovern, Major General Suzanne M. “Zan” Vautrinot, USAF (ret), Steven Leer

Kenneth C. Dahlberg

Former Chairman, Chief Executive Officer, And President Of Science Applications International Corporation (SAIC)

M. Christian Mitchell

Audit Committee Chair, Former National Managing Partner Of Deloitte & Touche LLP’s Mortgage Banking And Finance Practice

Tamara L. Lundgren

Compensation Committee Chair, President, Chief Executive Officer, And A Director Of Schnitzer Steel Industries, Inc. (SSI)

James F. McGovern

Lead Independent Director, Senior Managing Partner Of Alagem Capital; Chief Executive Officer And President Of Dunhill Technologies, LLC; And Partner With McGovern & Smith Law Firm

Mark K. Holdsworth

Corporate Governance and Responsibility Committee Chair, Founder And Managing Partner Of The Holdsworth Group

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

“Zan” Vautrinot, USAF (ret) President Of Kilovolt Consulting, Inc.

Harry T. McMahon

Former Executive Vice Chairman Of Bank Of America Merrill Lynch

Steven F. Leer

Former Executive Chairman Of The Board Of Directors Of Arch Coal, Inc.

Charles L. Harrington

Chairman And Chief Executive Officer Of Parsons Corporation

CORPORATE LEADERSHIP

BOARD MEMBERSHIP

Below are the key components, delineated in our Corporate Governance Guidelines, of the nomination and selection of board members and committees.

- The board selects the chairman of the board and the CEO of the corporation annually.
- The Corporate Governance and Responsibility Committee recommends the slate of director nominees for election at the annual shareholders meeting.
- The majority of directors must be independent directors.
- The board consists of 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 three-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 board consists of the following committees, each of which has its own charter document:

- Corporate Governance and Responsibility

- Audit
- Compensation
- Executive

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

- The Executive Committee consists of 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 Corporate Governance and Responsibility Committee must be independent directors.

The board undertakes an annual evaluation of its performance, and each committee undertakes an annual evaluation of the committee's performance and of the adequacy of its charter.

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 Corporate Governance and Responsibility 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 a quarterly Conflict of Interest and Related Party Transaction Disclosure Form.

CORPORATE GOVERNANCE AND RESPONSIBILITY

Executive-level responsibility and oversight for economic, environmental, and social topics lie with the Corporate Governance and Responsibility Committee. The board delegates authority for economic, environmental, and social topics to the chief corporate affairs officer, who sponsors the internal Environment Social Governance (ESG) Steering Committee, which encompasses professionals in sustainability, safety, legal, communications, and talent management.

The ESG Steering Committee, with its varied expertise, enhances the board's and the Executive Committee's collective knowledge of environmental, social, and governance topics through the quarterly internal reporting of the company's core value metrics, regular reports to the Corporate Governance and Responsibility Committee, and the development of the annual CSR report.

GUIDING POLICIES

OUR SUSTAINABILITY POLICY

Our sustainability policy, which applies to Parsons Corporation and all our businesses and subsidiaries worldwide, affirms our commitment to sustainability in our client solutions and in our internal operations. We implement sustainable solutions in project services and corporate activities in a manner that's consistent with project and company objectives, using a value-based approach that considers the environmental, economic, and social aspects of sustainability.

Our sustainability policy is maintained by the Sustainability Working Group, which reviews the policy periodically and makes recommendations to improve its effectiveness and impact. The policy is supported by industry best practices and Parsons' *Sustainability Handbook*, discussed later in this report.

OUR SAFETY, HEALTH, AND ENVIRONMENTAL POLICY

As an industry-leading solution provider, our Safety, Health, and Environmental (SH&E) Policy firmly commits us to maintaining a safe, healthful, and environmentally sound workplace at all our offices and project facilities. Our core value of safety guides this policy, supported by our belief that SH&E performance is a key business performance

indicator. All employees and stakeholders are expected to actively engage in and be responsible for SH&E issues, both in the workplace and in our homes and communities, which requires the combined efforts of a concerned executive leadership team and conscientious, well-trained employees and stakeholders.

Our SH&E Policy highlights that our executive management will lead, monitor, and improve the performance of our SH&E management systems, regularly communicating performance transparently to ensure their continuing suitability, adequacy, and effectiveness at regular intervals. The SH&E Policy is supported by industry best practices and our Environmental, Safety, Health, and Risk Program (ESHARP), discussed later in this report.

HUMAN RIGHTS AND CODE OF CONDUCT

We support and respect the promotion and protection of human rights in our operations, in our value chain, and in the communities in which we operate around the world. We comply with the employment laws of every location where we do business, and our policies and practices support the protection of human rights. We consider it essential that our business partners—our suppliers, vendors, contractors, consultants, joint venture partners, and agents—uphold these same standards.

We're an equal opportunity employer and US federal contractor that maintains a work environment free from all forms of unlawful discrimination and harassment. As such, we prohibit discrimination and harassment against any applicant, employee, vendor, contractor, customer, or client on the basis of race, color, religion, national origin, ethnicity, union affiliation, age, sex, sexual orientation, gender identity, employable physical or mental disability, veteran status, genetic information, pregnancy, citizenship status, or any other basis protected by all applicable laws where we do business. We have zero tolerance for any and all forms of retaliation against any individual who's complained of harassing or discriminatory conduct or has participated in a company or agency investigation into such complaints.

We treat all employees equally regarding the administration of company benefit plans, education tuition assistance, and social and recreation programs for which they qualify, and we offer benefits to both same- and different-sex spouses and domestic partners of our employees.

In addition, 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.

BUSINESS PARTNERSHIPS/SUPPLY CHAIN

Successful Parsons projects typically involve partnerships with organizations, agencies, and individuals outside the company, including small businesses across all categories. Many of our suppliers and partners are recognized under the US 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.

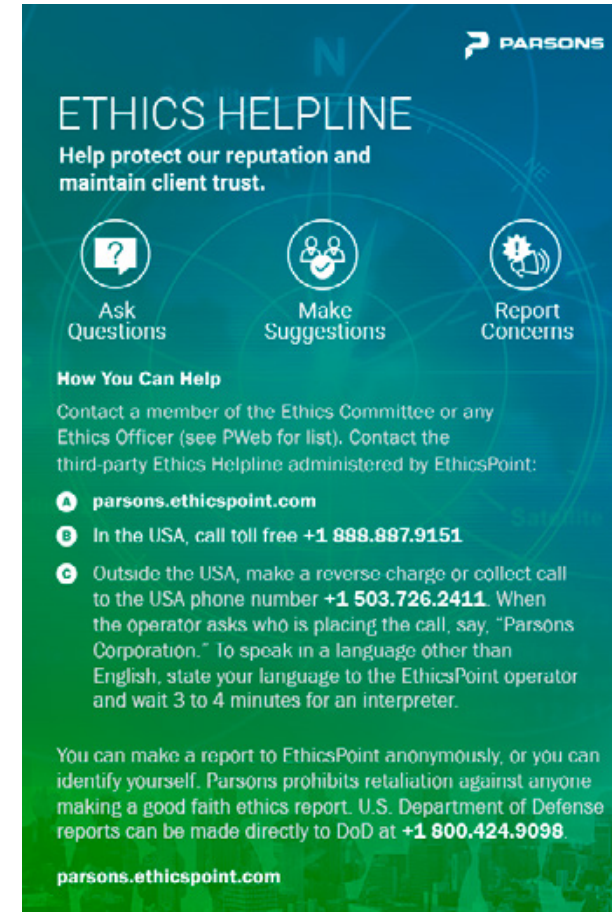
We promote and sustain a diverse supplier base. Our Supplier Diversity Program engages a variety of firms from internal and external outreach forums. We monitor our diversity achievements on a contract and corporate basis, which has consistently demonstrated that more than 60% of Federal Solution annual procurement dollars are with diverse suppliers.

We follow comprehensive business partner, vendor, and supplier vetting and screening processes to ensure that the third parties we do business with share our core values. Any agent, intermediary, or third party

representing Parsons in front of foreign public officials is thoroughly vetted, consistent with our obligations under the Foreign Corrupt Practices Act (FCPA) and other global anti-corruption laws, to ensure that each partner shares our commitment to doing business ethically. Our vetting processes also consider all our responsibilities under applicable cybersecurity maturity model certifications (CMMC), anti-corruption laws, and trade and export controls. We use a system that provides dynamic, real-time monitoring of our vetted partners and alerts us to any changes in risk profiles.

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 anonymously and without fear of retaliation. These programs support the consistent and fair treatment of employees, improve communications, and encourage a positive workplace.



PARSONS

ETHICS HELPLINE

Help protect our reputation and maintain client trust.

 Ask Questions
  Make Suggestions
  Report Concerns

How You Can Help

Contact a member of the Ethics Committee or any Ethics Officer (see PWeb for list). Contact the third-party Ethics Helpline administered by EthicsPoint:

- A** parsons.ethicspoint.com
- B** In the USA, call toll free **+1 888.887.9151**
- C** Outside the USA, make a reverse charge or collect call to the USA phone number **+1 503.726.2411**. When the operator asks who is placing the call, say, "Parsons Corporation." To speak in a language other than English, state your language to the EthicsPoint operator and wait 3 to 4 minutes for an interpreter.

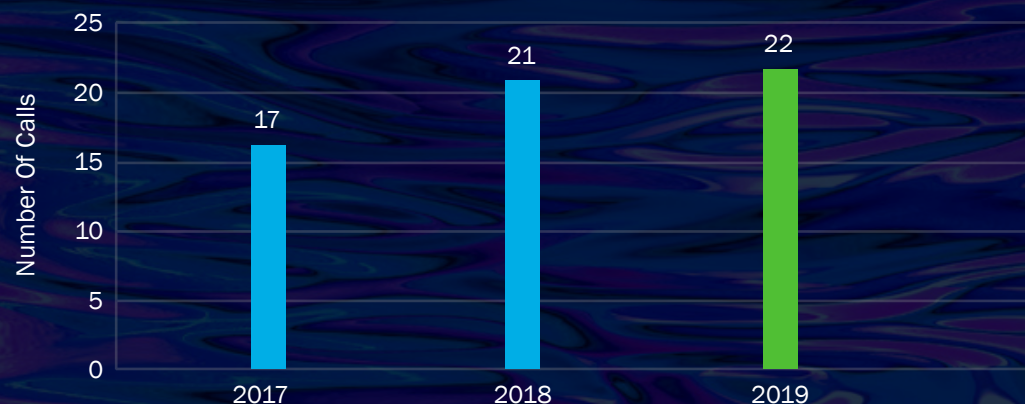
You can make a report to EthicsPoint anonymously, or you can identify yourself. Parsons prohibits retaliation against anyone making a good faith ethics report. U.S. Department of Defense reports can be made directly to DoD at **+1 800.424.9098**.

parsons.ethicspoint.com

In 1998, we implemented our three-step EDRP in the United States to provide flexible, neutral, confidential, accessible, and cost-effective resolutions. In 2017, we had 17 calls; in 2018, we had 21 calls; and in 2019, we had 22 calls, as shown in Figure 1. Although some calls required no action, most employee concerns were generally resolved in Step 1 (Freedom of Expression and Appeal).

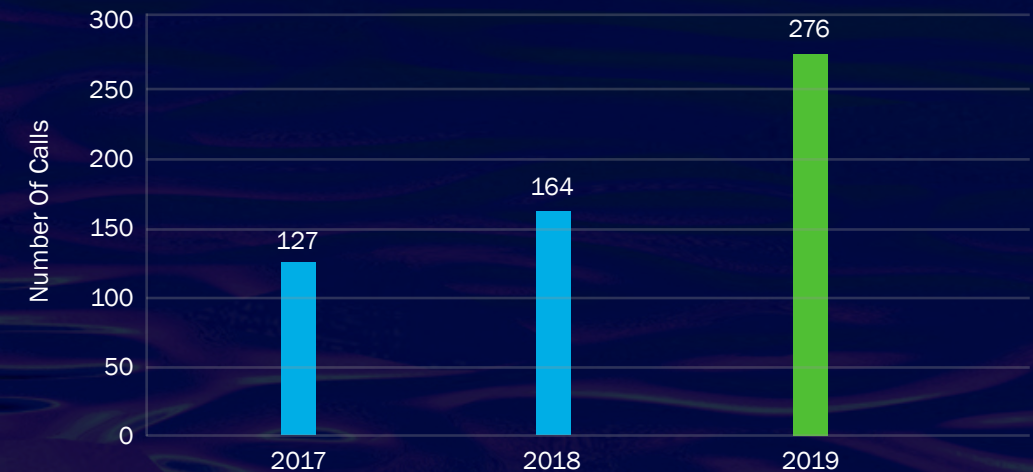
In 2009, we implemented our 24-hour Ethics Helpline, which is available to all employees who want to ask questions or report concerns about business practices, violations of law, and company policies. We received 127 reports and inquiries in 2017, 164 reports and inquiries in 2018, and 276 reports and inquiries in 2019. The majority of contacts with our Ethics Helpline are from engaged employees seeking advice and asking questions—a practice we encourage with regular communications to the enterprise. We investigate and resolve all employee suggestions, questions, and concerns to help us fulfill our commitment to ethics and integrity. This information is also reported quarterly to the board’s Audit Committee.

Figure 1: Number Of Calls To Our Employee Dispute Resolution Program Hotline



We continuously encourage employee engagement in our ethics program. We deploy an annual Culture of Ethics survey enterprisewide, and we use the feedback to improve the program. Since 2018, we’ve implemented an internal Ethics Communications Plan, with scheduled monthly employee engagement releases. Since we’ve taken these measures, employee engagement with the program has significantly increased, as highlighted in Figure 2. These results let us know we’re succeeding in fostering a culture of speaking up.

Figure 2: Ethics Hotline Information/Reports



ENVIRONMENT

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



Governance



Environment



Society

SUSTAINABILITY COMMITMENT

SUSTAINABILITY TECHNICAL LEADERSHIP

Sustainability Working Group

For 12 years, the Sustainability Working Group (SWG) has been the focal point for enterprisewide collaboration to foster sustainability; expand market capacity; and conduct regular evaluations of our sustainability policies, processes, tools, and technology. Working with the ESG Steering Committee, the SWG is guided by the corporate director of sustainability and resilience, works closely with the chief corporate affairs officer, and consists of the sustainability directors from each business unit as well as representatives from each of our major market segments.

The SWG drives a culture of environmental sustainability, developing tools, resources, and references that help us continuously improve our sustainability approaches and practices. The SWG also advises on key areas of business and technical practice advancement, including encouraging staff to adopt sustainability best practices in office operations, developing cutting-edge tools to drive sustainable project solutions, developing effective ways of measuring company sustainability performance, complying with third-party sustainability standards and certifications, and communicating achievements to stakeholders.

Sustainability Handbook

Our Sustainability Handbook outlines procedures and processes for sustainability stewardship, describes our corporate culture of sustainability, identifies best practices, and provides guidance for internal and client sustainable solutions. The following are the three main sections of the handbook:

- **Project Delivery:** Development, planning, design, and management of sustainable and resilient solutions in the products and services we deliver to our clients
- **Business Operations:** Internal sustainable business practices, opportunities for integrating sustainability into the procurement and supply chains at owned and leased facilities, employee commuting, business travel, and electronic records and training
- **Business Development:** Integration of sustainability into business development practices and methods for communicating sustainability efforts to our customers, community organizations, trade associations, and students

PROJECT DELIVERY AND INNOVATION

Our corporate purpose of delivering a better world shines through our core values and is reflected on projects and programs worldwide. As guided by our Sustainability Handbook, our team of experienced sustainability and resilience subject matter experts and advisors apply best practices on projects, including planning, eco-charrettes and workshops, development of technical provisions, sustainability and resilience evaluations and management plans, third-party certifications (such as US Green Building Council LEED certification, Institute for Sustainable Infrastructure Envision certification), and ISO 14040 and 14044 Life-Cycle Assessments.

Project Name:

Enterprise Construction
Management Services (ECMS)

Client Name:

US Department Of Energy National
Nuclear Security Administration
(NNSA), Office Of Acquisition And
Project Management (NA-APM)

PROJECT SPOTLIGHT

Through the ECMS contract, we support the enduring mission of the NNSA to protect the US by maintaining a safe, secure, and effective nuclear weapons stockpile, reducing global nuclear threats, and providing our nuclear submarines and aircraft carriers with nuclear propulsion. Since 2012, we've been providing a broad range of technical, engineering, analysis, and advisory support, including program, project, and construction management, to help safely deliver quality construction on budget for a capital line item project portfolio valued at almost \$50 billion.

Environmental Sustainability Scope

Our efforts have contributed to strengthening our national security missions in an environmentally responsible way by minimizing environmental impacts. Our independent environmental review at the Los Alamos National Laboratory (LANL) improved waste management and protected surrounding areas. This review of hazardous waste, air, and groundwater activities ensures compliance with permits and best practices and provides a solid foundation for environmental sustainability. We're also supporting LEED Platinum certification for the new NNSA Albuquerque Complex currently under construction. This new complex will support 1,200 staff and reduce the NNSA's footprint while enabling the demolition of older facilities and the remediation of hazardous materials.

Value Added

Since 2012, our efforts have helped standardize and improve processes and procedures contributing to the NNSA's significant improvement in on-time and on-budget performance. As a result, the NNSA has been removed from the GAO High-Risk List for

projects less than \$750 million. We developed a web-based program, project, and construction management tool that has incorporated best practices and contributed to more predictable and repeatable project success. We've also developed and established a standard of excellence for the analysis of alternatives process that provides objective data on life-cycle costs, schedules, and risks of alternatives on often high-cost and technically complex nuclear and non-nuclear projects. This proven process provides actionable information, allowing defensible selection of the preferred alternative, saving the NNSA and taxpayer significant time and cost by eliminating effort on less-than-optimal alternatives earlier in the process.

Sustainability Highlights

- Improving waste management and protecting surrounding areas at the LANL
- Helping the NNSA reduce its footprint at the Albuquerque Complex
- Supporting LEED Platinum certification for the new NNSA Albuquerque Complex, currently under construction, that will meet the needs of 1,200 staff
- Safely deliver quality construction on time and under budget through responsible stewardship, resulting in improved cost avoidances and taxpayer savings
- Analyzing alternatives to realign perimeter security at the Y-12 National Security Complex to facilitate less costly decontamination and demolition of process-contaminated, Manhattan Project-era facilities

Project Name:

Northwest Corridor Express Lanes

Client Name:Georgia Department Of
Transportation (GDOT) And State
Road And Tollway Authority (SRTA)**PROJECT SPOTLIGHT**

The award-winning Northwest Corridor Express Lanes project is the largest project in Georgia history and includes 29.7 miles of reversible tolled express lanes along I-75 and I-575 in metropolitan Atlanta. The project includes the design of six new express-lane interchanges on I-75, three new access points along I-575, and 39 bridges. As the lead designer, we managed more than 190 engineers and performed greater than 80% of the preliminary and final design. We also trained nearly 2,000 first responders representing more than 50 organizations regarding incident management and response on this unique facility.

Environmental Sustainability Scope

The new express lanes extend through a heavy urban corridor and are typically situated in constrained footprints along the I-75 roadway. Accelerated bridge construction (ABC) methods that include innovative planning, design, materials, and construction techniques were used in areas where a significant reduction of impacts could be achieved. ABC methods enabled the team to avoid disruption to the traveling public in the project area, including 145,000 vehicles per day along the existing I-75 southbound; to reduce or eliminate impact to the streams or other environmentally sensitive areas directly adjacent to the southbound lanes; and to reduce planning and bridge construction efforts, which can range from months to years.

Additionally, reversible lanes require half the footprint of traditional interstate facilities to transport commuters during peak-traffic hours. By using a sustainable, reversible-lane design and a reduced project footprint, the project team was able to significantly reduce the number of utility conflicts and the number of required parcel acquisitions.

Value Added

The reversible facility is equipped with a complete surveillance system that can be operated independently and provides 100% visual coverage of the project for the use of intelligent transportation system (ITS) cameras. The team created a 3D model of the ITS CCTV camera locations and conducted a line-of-sight analysis to ensure that the coverage shows all possible obstructions.

A complex 3D model was also created to identify potential utility conflicts and reduce the number of conflicts from 500 to only 50, thereby reducing utility relocation costs, schedule durations, and risks. In addition, the model was used to produce visualization material, such as rendered pictures and videos, which were used by the owner for public outreach.

The team also designed and implemented ITS software that monitors real-time traffic conditions to control the dynamic toll pricing. As part of this project, GDOT's NaviGator ITS was extended and enhanced using our iNET™ software. This software assists GDOT in monitoring traffic, controlling messaging signs, and remotely operating emergency access gates.

Sustainability Highlights

- Reversible lanes require half the footprint of traditional interstate facilities
- ITS software ensures the system remains responsive to active traffic and adapts to its needs
- ABC methods minimized impacts to the traveling public and environmentally sensitive areas
- Improved mobility and reduced one-way commute times by as much as 45 minutes

Project Name:

General Engineering Consultancy
Services For Local Roads And
Drainage Programme

Client Name:

Public Works Authority Of Qatar
(ASHGHAL)

PROJECT SPOTLIGHT

We serve the Public Works Authority (PWA) as one of five general engineering consultants (GECs) responsible for all engineering activities in Doha North and Doha South, in Qatar. The required engineering services included data collection, planning, coordination, liaising with stakeholders and the PWA's contractors, investigations, review and inspection of temporary traffic diversions executed by others for the PWA, option studies, design, preparation of tender documents, construction supervision, quantity surveying, contract closeout, and other task-oriented consultancy services.

Environmental Sustainability Scope

We developed an organized and comprehensive approach that incorporated the elements of sustainability to ensure compliance for a sustainable development during construction, including:

- Commitment to improvement of the environmental performance and management of construction activities with the goal to reduce their environmental impact to a practicable minimum
- Recommendations to adopt environmentally friendly procedures that reduce energy, improve air quality and ambient noise levels, and increase long-term sustainability
- Minimizing the adverse impacts of construction-related activities through implementing the environmental management plan and conducting regular environmental and sustainability audits
- Raising staff awareness on environmental issues and promoting good practices on-site for the sustainable use of the resources

Value Added

The project designs were subjected to rigorous environmental and sustainability criteria starting from the conceptual, preliminary, detailed designs to the final tender deliverables, in line with the

Qatar National Vision 2030 and Qatar Construction Specification for sustainable development, and ending with project delivery with proper closure and restoration of projects related to LRDP. Parsons was presented with several awards, including the Green Award, for excellence in design, construction, and quality, and several key team members were recognized as well.

Sustainability Highlights

- Ensuring staff awareness on eco-friendly and sustainable methods of construction
- Using treated sewage effluents (TSEs) or groundwater as dust suppressants, minimizing the potable water usage in construction activities
- Analyzing the construction progress of the projects by considering the sustainability- and quality-approved materials
- Assigning responsibility to manage and reduce any adverse impact of construction activities to sustainable development
- Reviewing the monthly environmental and sustainability report prepared by contractors to evaluate and record the project performance in line with QNV 2030, environmental permit conditions, and PWA requirements, which include waste-track-register and water-consumption records
- Advising the contractor to prepare and maintain the environmental and sustainability statistics sheets throughout the construction phase (statistics sheets capture usage of natural resources and the waste track register and maximize the usage of TSE)
- Reviewing and approving the sustainability plan prepared by the contractor for each project during the construction phase

Project Name:

Regional Plant (RP)5 Expansion/
Upgrades

Client Name:

Inland Empire Utilities Agency
(IEUA)



PROJECT SPOTLIGHT

The Regional Plant (RP) 5 project consists of a 30 million-gallon-per-day (mgd) water-recycling facility that uses membrane bioreactor (MBR) technology to produce high-quality recycled water for multiple end uses, including landscape irrigation and groundwater recharge. Solids handling is carried out by anaerobic digesters, and solids are hauled off-site to the IEUA composting facility to produce fertilizer for regional reuse in the IEUA service area. Digester gas from the facility is converted to energy, and the food-waste-to-energy project augments food waste with biosolids to increase digester gas production and renewable energy. We are providing design and engineering services during construction on this project.

Environmental Sustainability Scope

The project incorporates several sustainability features, including the following:

- An MBR system that produces high-quality recycled water, thus creating a reliable and sustainable water supply
- A solids handling system that treats the solids produced from 40 mgd of wastewater to an end product used for composting and as a fertilizer
- A digestion process that produces biogas used for plant operation energy production
- A food-waste-to-energy project that augments biosolids with food waste from local sources, maximizing the production of digester gas and producing more renewable energy
- LEED-type buildings with sustainability features, including skylights for natural lighting, efficient HVAC units, high-energy-efficiency blowers and diffusers, variable-frequency drives, and LED lighting

Value Added

Value-added features include the following:

- Maximizing the use of existing facilities by retrofitting the MBR technology equipment into existing aeration basins, resulting in reduced footprint and 15% reduction in construction cost
- Use of MBR technology (LEAP MBR supplied by Suez), which reduces the operational power requirements
- High-speed turbo (HST) blower technology, which has smaller footprint and high energy efficiency
- 3D design and virtual walkthroughs to determine and address interferences and clearances, produce a functional and operable design, and detect and address clashes to reduce costly change orders during construction

Sustainability Highlights

- MBR technology produces 30 mgd of high-quality reliable, sustainable water supply
- Biosolids are composted and reused as fertilizer in the region
- Biogas produced from biosolids augmented with food waste is capable of producing 3 MW of energy
- Xeriscape and drought-tolerant landscaping throughout the facility
- Energy-efficient mechanical and process equipment reduces power usage by 15% to 20%.
- Skylights produce natural lighting in the process buildings, including the blower building, dewatering building, and electrical power centers
- LED lighting results in higher lumen output and lower energy consumption

PROJECT SPOTLIGHT

MASDAR CITY

Masdar City inaugurated its new community amenity, Central Park, designed to achieve Abu Dhabi's first exemplar rating under the Estidama Public Realm Rating System (PRRS). We provided project management consultation for the project, fulfilling a key role in construction supervision processes.

Central Park reflects the four principles of the Estidama system—economic, environment, social, and cultural—and is constructed to the highest sustainability standards to reduce energy and water consumption, construction and operational waste, and carbon emissions for materials used in the park.

Sustainability Highlights

- Recycled aggregates include low-embodied-carbon materials
- 1,800 LED lights reduce operational maintenance by 50%, energy consumption by 60%, and carbon footprint by 60% (in their 20-year lifetime)
- Solar-heated water
- 40% of operational waste was diverted from landfills
- 70% of construction waste has been recycled/salvaged
- Unique for park operations—100% of landscape and food waste is composted
- Water and energy consumption in all buildings and infrastructure is connected to a central monitoring and management system

METROPOLITAN TRANSIT POLICE DEPARTMENT (MTPD) DISTRICT III SUBSTATION

The project is an 11,300-square-foot former childcare facility at the Morgan Boulevard Metro Station converted to an MTPD Substation designed to better distribute the Washington Metropolitan Area Transit Authority's (WMATA) approximately 300 officers and patrol staff and enable faster response times throughout the service area. As the general engineering consultant for the Metrorail system since 1966, Parsons provided architecture and engineering design services and led the sustainable design and documentation scope. This included facilitating an eco-workshop with stakeholders to develop consensus on sustainability objectives, guiding the design team in incorporating sustainability components in to contract documents, and serving as LEED project team administrator for the design phase LEED application to Green Business Certification, Inc. (GBCI).

Sustainability Highlights

- Achieved 37 of the 54 LEED points targeted overall in the Design phase GBCI review (74% of the way to the minimum contract requirement for LEED Silver)
- Demonstrated 24.8% energy cost reduction compared to the ASHRAE 90.1-2010 baseline through energy modeling
- No permanent irrigation systems native/adapted landscape vegetated species occupies 88% of site open space
- 53.5% of site area is vegetated or pedestrian oriented hardscape
- 35.6% indoor water savings compared to the LEED baseline
- LEED Innovation credit for LED low-mercury lighting

Project Name:

Federal Way Link Extension

Client Name:

Sound Transit



Sound Transit Federal Way Extension; Renderings prepared by Parsons for a Kiewit/Parsons project

PROJECT SPOTLIGHT

The Federal Way Link Extension (FWLE) is a 7.8-mile-long design-build (DB) project that extends light rail service south from the Angle Lake Station terminus of Sound Transit's Central Link system at South 200th Street in the city of SeaTac to the Federal Way Transit Center at South 317th Street. The extension travels to the cities of SeaTac, Des Moines, Kent, and Federal Way in King County, including three stations and an end of line office facility. The project is scheduled to be open for service in 2024 and has a projected daily ridership of 29,000 to 34,000 by the year 2026.

Environmental Sustainability Scope

The project's sustainability scope includes guiding the DB team through the establishment of sustainability objectives, including providing technical guidance during the development and implementation of supporting strategies, and documenting compliance with sustainability requirements in Sound Transit's Design Criteria Manual (DCM), US Green Building Council (USGBC) LEED certification for the Federal Way Transit Center and End-of-Line Facility, and the Institute for Sustainable Infrastructure (Envision) certification for the entire corridor, including the three stations. The project also requires the preparation and implementation of a sustainability management plan (SMP), with revisions throughout the design phase.

Value Added

The experienced Parsons team facilitated an eco-charrette with key stakeholders from the planning, design, construction, and operational teams to produce a set of validated project sustainability objectives as well as LEED and Envision scorecards targeting a sufficient number of points to achieve a minimum of Silver certifications, for the applicable project scope. The

SMP includes an implementation workflow, leadership and management controls, technical approach, LEED and Envision action plans, metrics and measurements, reporting mechanisms, and a milestone schedule. The following are key goals of the SMP:

- Describe technical strategies and management process to guide sustainability activities and certifications
- Demonstrate cohesive and properly coordinated sustainability approach throughout the DB period

Sustainability Highlights

Sample sustainability objectives and strategies for the project are:

- Create a culture of leadership: Include strategic and collaborative sustainability commitments in the SMP
- Maintain safety and security: Minimize nuisances, such as light pollution, noise, odors, and vibration
- Conserve non-renewable resources: Install solar photovoltaic systems on two project garage structures
- Design for durability and resilience: Select materials based on durability, design life, or service life
- Evaluate life-cycle costs: Perform life-cycle cost analysis (LCCA) at the 60% design stage
- Provide economic opportunity: Engage disadvantaged business enterprises and small businesses
- Proactively engage stakeholders: Coordinate with Transit Oriented Development and Access improvements

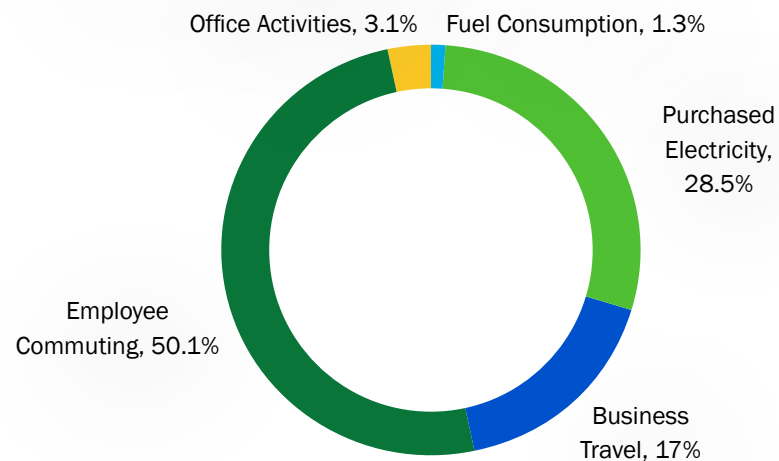
ENVIRONMENTAL METRICS

GREENHOUSE GAS EMISSIONS

Each year, we calculate an aggregate greenhouse gas (GHG) emission value in metric tons (MT) for the company. This value is based on raw data obtained for four source-activity categories: on-site fuel consumption (Scope 1), purchased electricity (Scope 2), employee business travel (Scope 3), and employee commuting (Scope 3). We use the ISO 14064 GHG inventory for the calculation, an approach validated by the World Resources Institute.

We aggregate raw data for fuel use and purchased electricity at 20 representative office locations, normalize it per employee at those offices, and extrapolate for all our employees worldwide. We then combine that information with employee

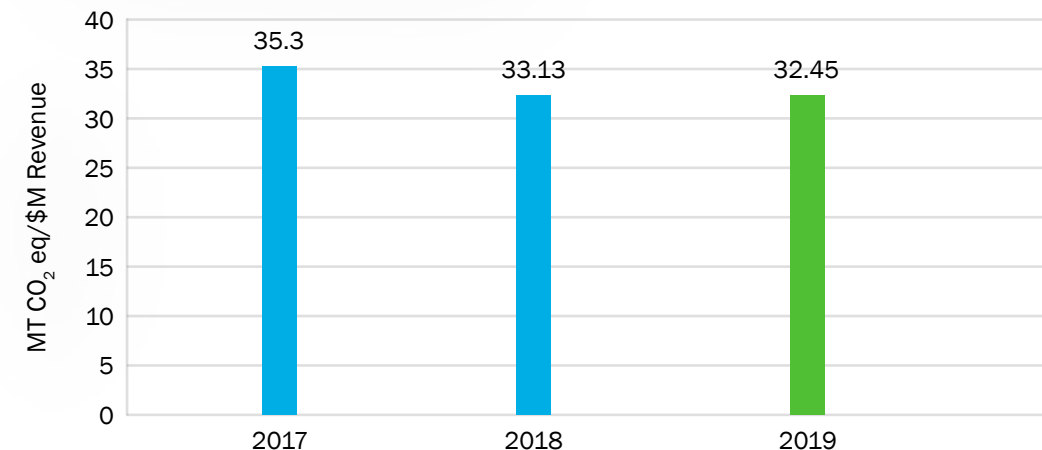
Figure 3: GHG Emissions Distribution



commuting and business travel data. We also apply a 3% factor 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. Because our distribution of offices and employees is changing with time, in 2020 we plan to broaden the scope of the GHG emissions calculation to include more office locations and improved data reporting from business travel and expense reporting systems. Figure 3 shows the breakdown of our emissions by source. Our combined emissions intensity for 2019 was calculated to be 32.4 MT CO₂ eq/\$million revenue as shown in Figure 4, along with historic performance from the past three years showing a reduction of 8.1%.

Figure 4: Historic GHG Emissions Intensity



FACILITIES ENERGY AND WATER CONSUMPTION

Energy

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, reducing the need for office space and associated energy and emissions.

In addition, our corporate facilities energy intensity, based on the energy consumption data that inform the Scope 1 and Scope 2 emissions calculation, is 17.43 MBTU/\$million revenue.

This year, we began tracking energy consumption at our new headquarters, in Centreville, Virginia. Consumption for the 2019 calendar year at that location is 13,559 MBTU. Beginning in 2020, we will broaden our fuel and electricity reporting to include a more representative sample of offices.

Water

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.

This year, we began tracking energy consumption at our new headquarters, in Centreville, Virginia. Consumption for the 2019 calendar year at that location is 13,559 MBTU. Beginning in 2020, we will broaden our water consumption tracking to include a more representative sample of offices.



BUSINESS TRAVEL

While corporate business travel is an essential part of our customer-focused business, we recognize that it contributes to our carbon emissions. We are committed to implementing strategies that reduce our footprint while effectively serving our customers and the communities in which we live and work.

Over the last three years, we've increased our revenues and headcount. Over that same period of rapid growth, we've managed our business travel to reduce hotel stays, airline miles flown, and rental car miles driven, per unit of economic output, as shown in Figure 5. These incremental improvements have been accomplished through a variety of actions and initiatives from 2019 that focus on traveling when necessary and traveling as efficiently as possible.

First, we moved our world headquarters and key leaders closer to our largest concentration of customers, in the East. This increased proximity facilitates communication and in-person collaboration and reduces the need for long-distance travel. Also this year, signed corporate agreements with ridesharing companies in 2019 to encourage ridesharing by all employees. Lastly, we introduced new technologies and virtual tools to improve communication and collaboration by enhancing our ability to facilitate sessions remotely. A few of these tools are highlighted in the Technology in the Workplace section of this report.

These efforts to reduce travel are also complemented by our ongoing mass transit commuter and carpool programs offered in major metropolitan areas and offices.

Figure 5: Business Travel – Lodging/Airline Tickets/Auto Rental



TECHNOLOGY IN THE WORKPLACE

Embracing Web-Based Collaboration Tools

To reduce nonessential business travel, we use a variety of web-enabled conferencing tools. These tools allow our employees to collaborate worldwide to efficiently and effectively innovate and collaborate to reach goals and objectives. Technology helps us work as one team regardless of location.

- 110,058 virtual conferencing meetings
 - Average of 581,721 minutes a month
 - Majority of meetings involve four participants or fewer
 - 68% of meetings 60 minutes or less
- Video conference room use
- Secure, web-enabled document collaboration

Moving To The Cloud

By 2021, we'll reduce our primary data center square footage by 50% and reduce our contracted power needs by 43%. Migrating as many of our Dallas-based applications to the cloud as possible in 2020 allows us to leverage our technology partners' economies of scale and efficiency. Applications that cannot be migrated, due to contractual, security, or practical reasons, will move to new, smaller, more efficient data center space.

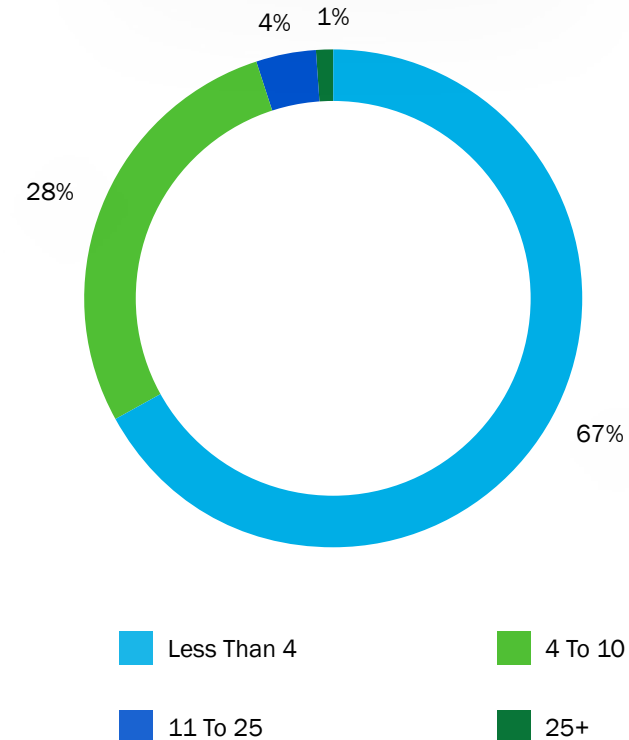
Dallas Data Center (beginning 2020)

- 960 square feet with 32 x 48U racks
- 157 kW contracted power available

New Primary Data Center (beginning 2021)

- 480 square feet with 16 x 48U racks
- 90 kW contracted power available

Figure 6: Virtual Meeting Attendance Size



SUSTAINABLE PROCUREMENT

We conduct procurement in an open and competitive manner, using fair and ethical business practices to ensure sustainable 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.

Paper Consumption

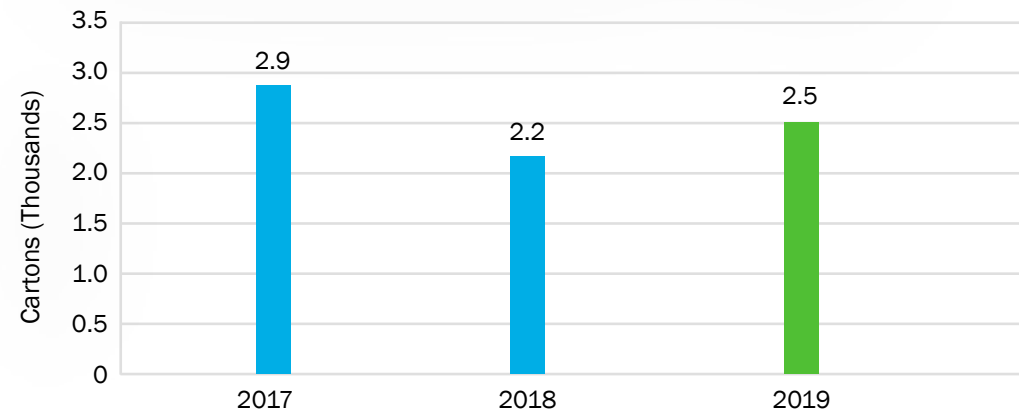
We continue our efforts to increase our use of virtual documentation, paperless transfer/communications, and web-enabled conferencing tools with the goal of reducing paper consumption in our offices. Figure 7 shows our annual paper consumption for the three most recent years. Although there was an approximate 12% increase in paper procurement for US operations from 2018 to 2019, since we began tracking this metric in 2008, there has been an overall 76.8% decrease in annual paper use. The increase from 2018 to 2019 is primarily attributed to the acquisition and integration of new business. The implementation of new systems and collaboration tools and continued client conversion to secure digital formats will likely reduce our paper consumption in future years.

Fleet Management

Our goal is to have a safe, reliable, sustainable fleet of vehicles to successfully and efficiently execute work for our clients and stakeholders. To achieve these goals, we've developed initiatives to reduce, reuse,

maintain, and maximize vehicle fuel economy. We've purchased and will be implementing telematics on most of our 700-plus-vehicle North American fleet to track our mileage and identify opportunities for future emission reductions. These devices will be installed into our fleet as vehicles are returned, redistributed, or replaced. We also work with our customers to achieve their environmental goals by using hybrid and/or alternative-fuel vehicles.

Figure 7: Paper Consumption (US operations only, 8.5" x 11" white paper)



Correction: In our 2019 CSR report, we erroneously reported 2,000 cartons in 2017. The correct value is reported above.



WASTE MANAGEMENT

Office Recycling Program

We review and improve our recycling programs for materials such as paper and drink containers, and we've also instituted battery-recycling

programs. On an ongoing basis, we equip each facility with recycling and shredding bins. We encourage the recycling of aluminum, glass, paper, coffee grounds, and single-serve coffee pods.

In 2019, we honored Earth Day with our Earth Day Impact Initiative, which included an office green cleanup, during which we provided receptacles to recycle, reduce, and reuse paper, office supplies, e-waste, and other items. As a result, more than 150 tons of paper was recycled from all participating offices.



Our office e-waste program reduced potential GHG emissions equal to*:

153
passenger vehicles driven for one year

0.18
wind turbines running for one year

107
homes' worth of energy use for one year

3.9
railcars' worth of coal burned

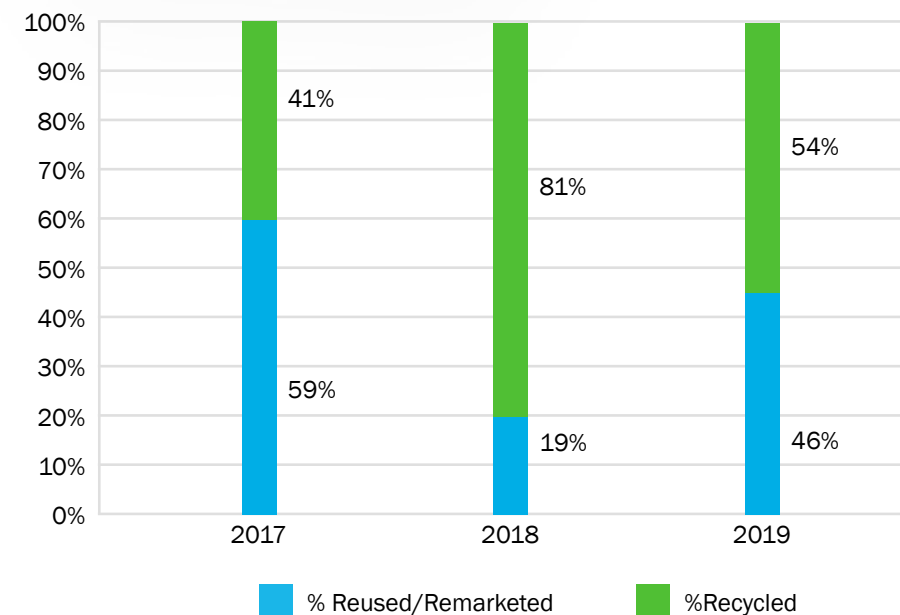
80,350
gallons of gasoline consumed

E-waste

When our office electronics (such as computers, monitors, and printers) reach the end of their life cycles, they're reused, donated, or recycled in a safe, secure, and socially responsible manner. In 2019, we recycled/reused nearly 4,500 computers, monitors, and printers—avoiding nearly 25 tons of landfill waste. The recycling program recovered 692 pounds of aluminum, 1,026 pounds of copper, and 3,632 pounds of ferrous materials. Figure 8 shows the proportion of office e-waste that was reused or recycled over the three most recent years.

Employee cellular phones are processed separately from our office e-waste program. Experts believe that if the life of a phone were increased from 2 years to 5, the impact on climate change could be reduced by 30%. Many of our employees keep their company-issued devices for more than 2 years, and we repair cell phones with broken screens instead of replacing them, which allows us to minimize the number of our phones finding their way into e-waste. In 2019, our cellular recycling program recycled more than 500 devices.

Figure 8: Office E-Waste Disposal Method



*Using US Environmental Protection Agency equivalencies

SOCIETY

Everything we do begins with our employees. As a corporation, we've grown from eight employees in a small office in Los Angeles to nearly 16,000 people working in more than 100 offices and 30 countries worldwide. Our accomplishments are a direct result of the talented professionals who work at Parsons. The following pages highlight our culture, workforce, learning, and safety, as well as our Parsons Gives Back program.



Governance



Environment



Society

CULTURE

MARKETPLACE RECOGNITION

In 2019, we continued to listen to employee feedback to shape our cultural evolution. Data from our biannual Waggl surveys helps us identify areas where our culture is shifting and areas where we need to continue to focus our energies. This data is critical to guide our cultural journey to become a more dynamic, entrepreneurial, and creative place to work. Because of our focus on employee feedback, we've been named a top employer by multiple third-party organizations.



INCLUSION AND DIVERSITY

Embracing inclusion and diversity (I&D) in all aspects of our business is fundamental to our corporate culture and vital to our continued growth and success. The I&D Task Force which was established in 2017, is composed of a diverse cross section of the organization, representing different markets, regions, disciplines, and levels. Since its inception, the I&D Task Force has implemented several initiatives:

- Mentoring Program – Fosters connection and engagement and knowledge sharing throughout the organization.
- Ambassador Program – Brings the I&D initiative to the local office level to increase awareness, inclusion, and engagement.

- Parsons PRIDE Alliance – As part of our Ambassador Program, the PRIDE Alliance was established to ensure the LGBTQ+ community and its allies are included and engaged across Parsons by hosting a variety of events.
- I&D Toolkit – Provides employees and management teams education and tools to infuse I&D in our culture, equipping them to drive team engagement.

Our I&D initiatives embody the unique qualities of our employees and encourage a workforce made up of people with different backgrounds, beliefs, and experiences.



Military And Veterans Program

Parsons' Military and Veterans (MILVET) program works to reestablish the esprit de corps and solidarity veterans and guard/reserve members experienced in the military. From our military recruiting team to our veteran-focused onboarding programs, internal veteran-community-building forum, and enhanced veteran and guard/reserve member benefits, the focus of the MILVET program is ensuring their success professionally and personally as they navigate this transition.

In addition to our internal MILVET program, we also participate in numerous military veteran programs, such as the ESGR, Virginia Values Veterans, Workforce Opportunity Services, and the Microsoft Software and Systems Academy Hiring Partner Program. We also sponsor military internships through the Department of Defense's (DoD's) SkillBridge program and Hiring Our Heroes Corporate Fellowship Program.

EMPLOYEE HEALTH AND WELL-BEING

As work culture evolves, we transform 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 include major medical, dental, vision, and life insurance. In addition to our health offerings, we provide employee assistance and wellness programs at no cost to our employees. We're also a strong proponent of a healthy work-life balance, providing employees with flexible paid holidays, paid time off, and newly introduced all-inclusive paid parental leave.

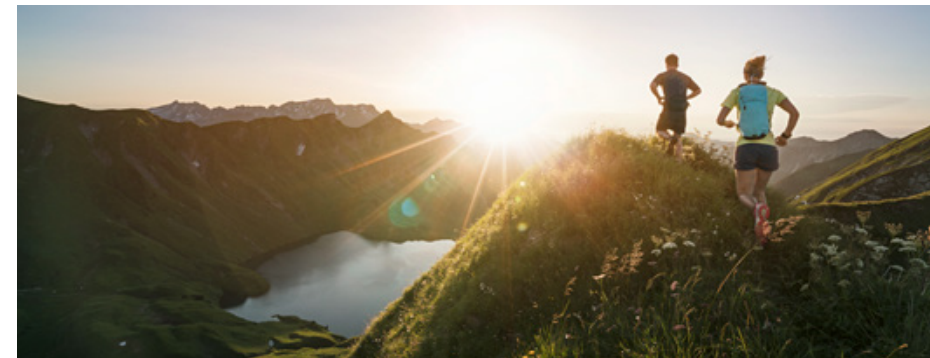
Wellness For Life

Our US-based Wellness for Life program empowers our employees through 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 five years from 33% to 49%. 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 cash prizes.

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 by providing them the ability to have a fully immersive stress-reducing experience. EAP utilization decreased .8% over the previous year -- with EAP resolving 90% of calls without the need for a behavioral health referral.



Employee Assistance Program

In 2006, we established an employee assistance program 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.

PROFESSIONAL LEARNING, DEVELOPMENT, AND TRAINING

Learning and development are fundamental components 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, and senior managers.

By effectively applying technology, we've made employee learning and development available on a global scale. Online learning opportunities help develop skills, knowledge, and abilities while also meeting employee compliance and certification requirements. By leveraging our human capital management system's mobile-friendly architecture, we're able to push that availability even further.

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 our employees through our 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 2019, we offered 3,392 hours of classroom training for leadership and high-potential development. Employees can access project management, safety,

ethics, and other training and completed 48,446 hours through our online resources.

In addition to the training we make available to our employees, we also support the development of our workforce via our tuition reimbursement process, which supports approved employees' continuing education via accredited institutions. In 2019, we also provided access via a third-party online learning platform to address critical technical training needs across the corporation.



Early Management Acceleration Program

The Early Management Acceleration Program prepares participants for formal supervisory roles and develops future leadership potential in 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 participants for management positions and addresses leadership principles, strategic thinking, advanced business simulations, executive presentation skills, and change management.

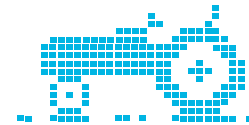
Leadership Council

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.



Fellows Program

As Parsons pushes the limits of technology's power to deliver a better world, our Fellows are leading the way. Established in 2017, the Parsons Fellows Program recognizes our top technical experts and promotes innovation in solving our customers' most difficult technical challenges. Our Fellows are a collaborative network of passionate subject matter experts who work as a think tank to solve some of the most vexing problems through strategic research and development and through the development of long-term technical policies and best practices. These unique professionals exemplify the highest level of technical expertise, service to their communities, mentorship, and the drive to make the impossible possible.



The FARM

The Farm is where new talent collaborates and develops innovative ideas and solutions for cyber and intelligence solutions. "Farmers" develop and modify existing software, software systems, tools, and networks designed to defend and analyze IT infrastructures. The Farm creates challenges and training modules to help our employees continuously improve and innovate cybersecurity. The Farm also shares its insights and technical training with a wider internal audience to increase the overall cyber and technical knowledge in our company.

Mentor Program

The Mentor Program was created by the I&D Task Force in conjunction with Corporate Learning and Development. It's designed to increase a sense of connection, engagement, and retention of key diverse talent impacting promotion and retention rates of diverse leadership talent. The initial pilot program was launched in 2018 and expanded in 2019 to include speed mentoring sessions.

SAFETY, HEALTH, AND ENVIRONMENT (SH&E)

Leadership

Our leadership's commitment to our core value of safety underscores continual leadership accountability, visible leadership commitment to our risk management processes, and effective stakeholder involvement—at every level of our global organization. We monitor and strive to implement operations, procedures, technologies, and programs that are conducive to maintaining safe, healthful, and environmentally sound workplaces. For example, we plan and deploy internal campaigns to continue thought leadership, awareness, and ongoing best practices.

This visible culture, supported by our sophisticated, effective, and externally validated Environmental, Safety, Health, and Risk Program (ESHARP) management system, results in safe work performance considered among the best in the industry. ESHARP, whose deployment is mandatory on our projects and in our offices, functions as a life-cycle management system to ensure our commitment to SH&E performance excellence begins with business development and reliably continues through startup, operations, and closeout. ESHARP describes our strategies for hazard identification, risk assessment, and incident investigation. It also includes protocols for how workers obtain occupational health services, how worker training needs are assessed and provided, and how risks associated with changes in business and project scope are assessed and mitigated.

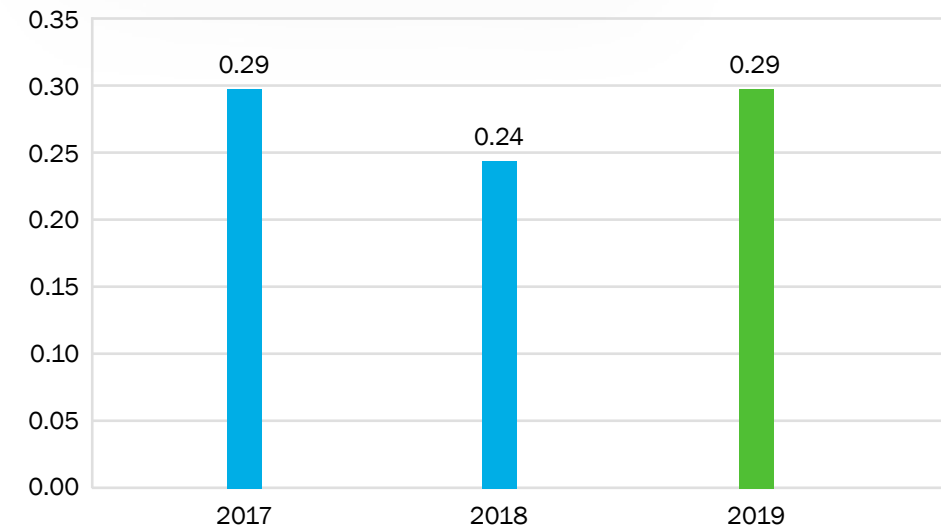
We're also committed to meeting legal and other requirements for SH&E and conforming to international standards as appropriate. Several of our offices and projects in MEA completed a series of audits from BSI and obtained a renewal of our accreditations for ISO 14001:2015 Environmental Management System and OHSAS 18001:2007 Safety and Health Management System. Accreditations

are often a prerequisite to be allowed to tender for work, and they reassure our clients that we meet international SH&E. In addition, we're the oldest of only five companies enrolled in the US OSHA Corporate Voluntary Protection Program and a key safety program for 16 project sites in 2019.

Safety Metrics

We collect several leading and trailing metrics of occupational safety and health performance. Our three-year total recordable incident case rate, which is calculated using the US OSHA method, shown in Figure 9.

Figure 9: Total Recordable Incident Rate (Worldwide)



ROBERT W. CAMPBELL AWARD

In 2019, we earned the National Safety Council's Robert W. Campbell Award. The international Robert W. Campbell Award honors companies that achieve business excellence through the integration of SH&E management into business operations. This prestigious award honors one organization per year that employs a management system in which SH&E is well integrated and recognized as a key business value.

Earning the Robert W. Campbell Award requires an exhaustive review process. The review included a thorough evaluation of our documented management systems by a panel of reviewers nominated and approved by the award's global partners. The panel consists of experts representing management, labor, academic, and government perspectives who evaluate management systems according to a set of rigorous criteria. Following this evaluation, we were further assessed at company headquarters and multiple operational sites by a team of experts who also followed rigorous evaluation criteria. During this assessment scores of our employees, middle managers, project managers, and executive leaders were interviewed to enable the evaluators to better understand and judge our approach to SH&E stewardship.

The evaluation team found Parsons to be a global industry leader in SH&E performance through the implementation of our Environmental, Safety, Health, and Risk Program (ESHARP) and Sustainability Handbook. The team also found the organization to excel in the following areas:

- Leadership that empowers all employees at all levels
- Effective integration of SH&E programs with all facets of the business
- Data management systems that effectively gather and use key performance indicators to monitor the SH&E management system

- Alignment of SH&E goals with other organizational goals
- Progressive corporate citizenship programs that promote employee wellness and environmental stewardship

We're proud to be one of only 17 organizations in the entire world to be recognized as a Robert W. Campbell Award winner. As industry leaders, we intend to fulfill our mentoring and benchmarking responsibilities as we continue to leverage technology to extend our efforts beyond our workplaces and throughout the world.



ETHICS AND INTEGRITY

Integrity is one of our core values, and we're dedicated to acting with integrity in everything we do, at all levels of our company. 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 the Code of Conduct every other year. In 2019, all employees were required to recertify their compliance with the Code of Conduct.

The integrity of our partners and supply chain is also paramount. We abide by comprehensive anticorruption policies and procedures, and we only work with other entities that share our commitment to doing business with integrity. Our Standards of Ethical Conduct for Business Partners outlines our expectations for those we choose to work with.

We also communicate our dedication to integrity through our training, which includes 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 2020 our integrity training focuses on the Parsons Code of Conduct, our responsibilities as a public company, and our ethics reporting process.



World's Most Ethical Companies and being honored with the 2019 Ethisphere Business Ethics Leadership Alliance's 2019 Global Vanguard Award for our efforts in promoting ethical business practices worldwide.

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 January 2019, we hosted a Business Ethics Leadership Alliance (BELA) corporate roundtable in our Pasadena, California, office. In March 2019, our general counsel, along with general counsels from several multinational companies, presented "An Ethical View from Legal Experts Raising the Corporate Bar" at the Ethisphere Global Ethics Summit. In May 2019, we partnered with Ethisphere and BELA to launch a Mexico City Ethics Summit.

Our chief ethics and compliance counsel participated in the BELA Executive Roundtable and was also a speaker at several ethics and compliance industry conferences and events throughout 2019, including Compliance Week; the ACI 36th International Conference

Ethics And Integrity Affiliations And Recognition

Our dedication to ethical business practices has resulted in our being selected for the 11th consecutive year as one of the Ethisphere Institute's

on the Foreign Corrupt Practices Act; and the Women, Influence, Power and Law Conference. In January 2020, our executive vice president of Critical Infrastructure business development presented at the Ethics & Compliance Initiative Fellows meeting.

Along with our participation in various summits, forums, roundtables, and conferences, we're an active member in 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.

WORKFORCE

OVERALL EMPLOYEE DISTRIBUTION

Our global workforce has increased by 16% since the 2017 reporting year, both through hiring and acquisitions. Figures 10, 11, and 12 show our total workforce distribution by region, generation, and employment type, respectively. From a regional perspective, our North American employees account for 69% of our global workforce, with the remainder located in the Middle East and in other areas, such as Europe. Most of our staff (93%) are full-time employees.

For reporting and monitoring purposes, we've defined the following five age groups:

- Silent Generation (born between 1928 and 1945)
- Baby boomers (born between 1946 and 1964)
- Generation X (born between 1965 and 1980)
- Generation Y/Millennials (born between 1981 and 1996)
- Generation Z (born 1997 and after)

Figure 10: Workforce By Region

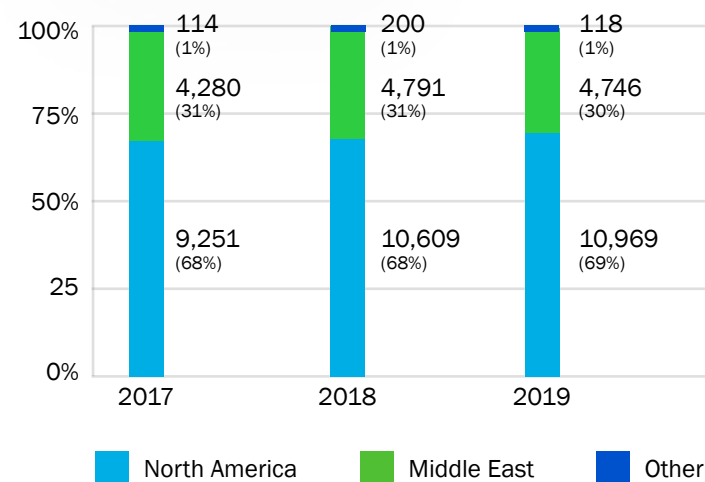


Figure 11: Workforce By Generation

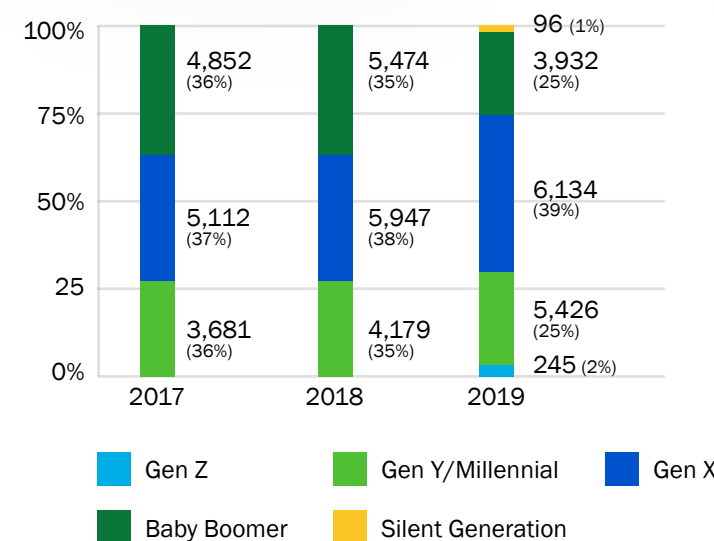
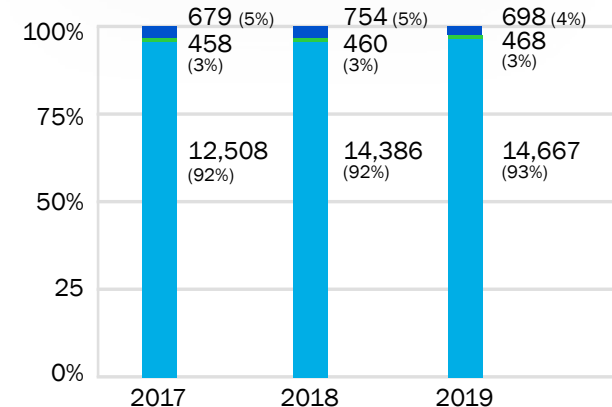


Figure 12: Workforce By Employment Type



EMPLOYMENT RATES

Our employees are our most valuable resource. As competition for talent intensifies, we've established a global talent initiative to attract, retain, and develop talent at all levels. Figures 13, 14, and 15 illustrate the breakdown of our new-hire workforce by region, generation, and gender.

Our new hires have increased 20% since 2017, with gender remaining flat and a shift in new hires in the GenY/Millennial age group since last year. In 2018, this age group represented approximately 997 (33%) of hires, while this year represents 45% of new hires.

Figure 13: New Hires By Region

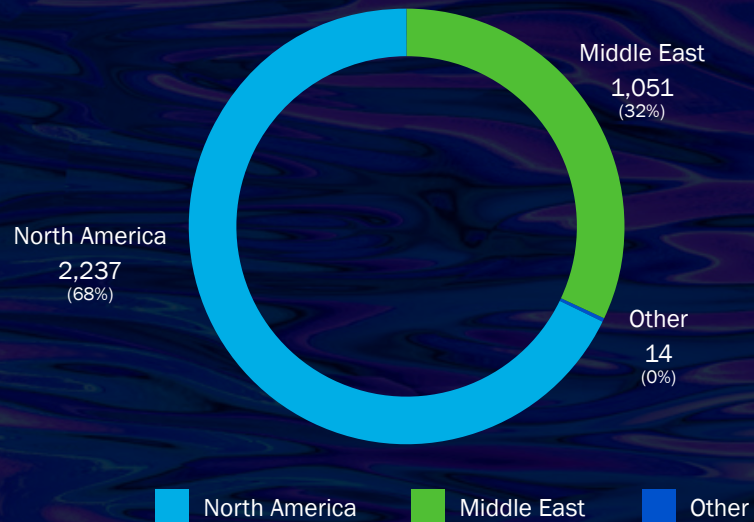


Figure 14: New Hires By Generation

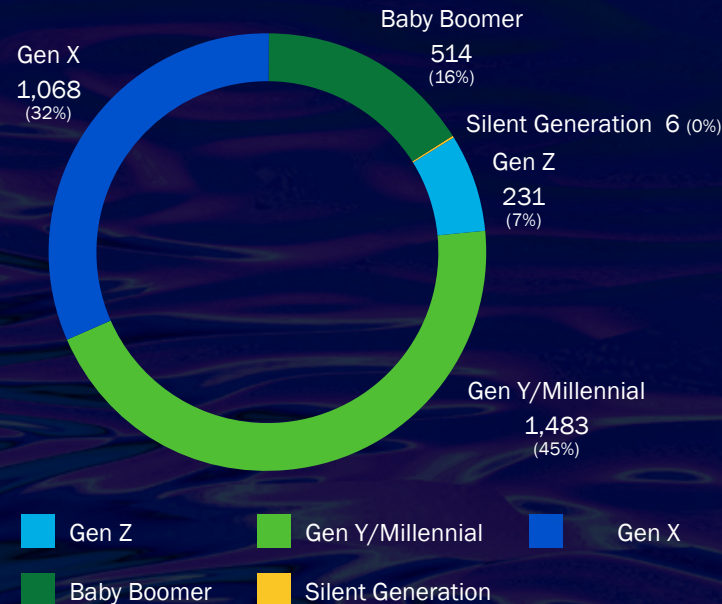
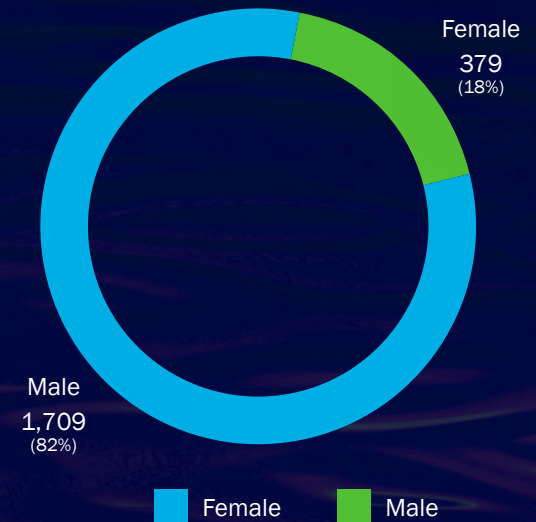


Figure 15: New Hires By Gender



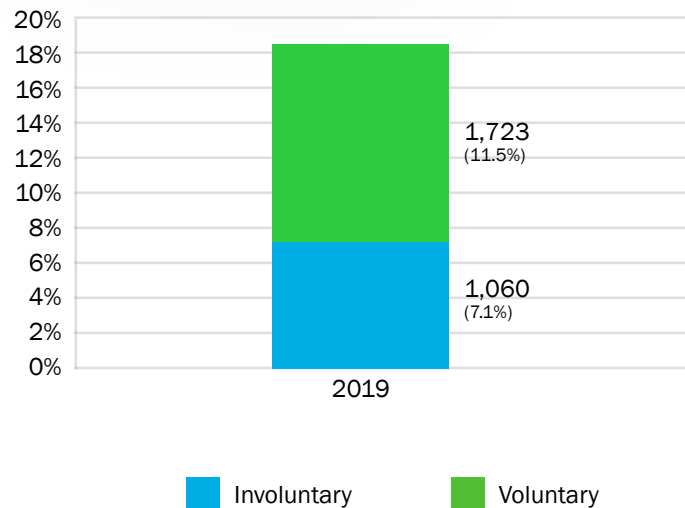
*For 2019, gender data for 1,214 new hires is unavailable. The discrepancies are due in part to unavailable data from acquired companies.

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 having the right people in the right places at the right times ensures: customer satisfaction; fulfilled coworkers/reporting workforce; effective succession planning; and deeply embedded, enthusiastic, organizational knowledge and learning.

In 2019, Parsons experienced a company-wide turnover rate of 18.6% for a total of 2,783 departures. This represents a 11% decrease compared to the 2018 turnover rate. Figure 16 shows the proportion of voluntary and involuntary departures, which have decreased by 8.7% and 14.6%, respectively since last year.

Figure 16: Overall Employee Turnover



Figures 17, 18, 19 show the rate of turnover within gender, region, and age demographic groups for 2019. Trends indicate an increase in the turnover rate for female employees, while that for male employees has remained relatively consistent over the past three years. Turnover data by region show rates have decreased significantly in North America and the Middle East since 2018 (28.6% and 15.4%, respectively). Turnover in the “Other” region are not illustrated as employees in this category make up 1% of our total workforce. Turnover trends by generation indicate the rate of Gen X and Baby Boomer employees departing the company has decreased since 2018 (11.1% and 10.0%, respectively), while that of Gen Y has increased.

Figure 17: Turnover Rate Within Gender Groups

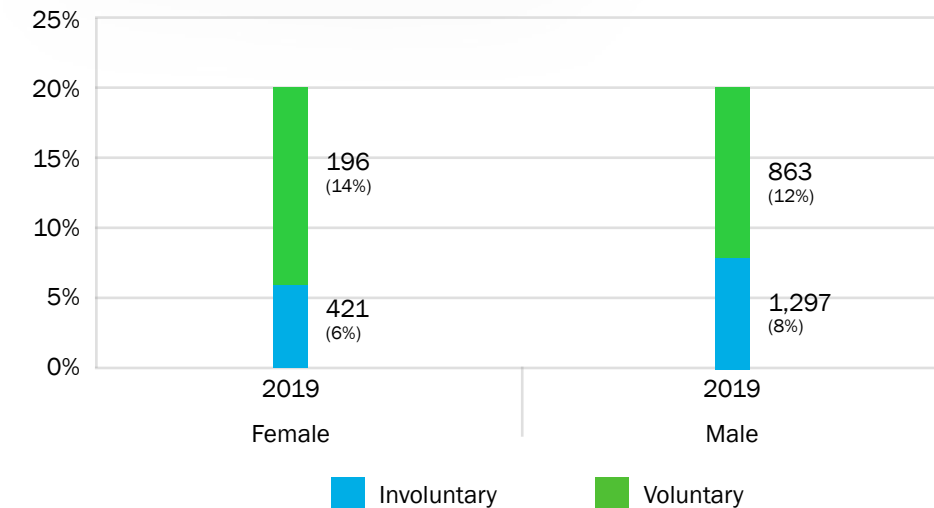


Figure 18: Turnover Rate Within Regions

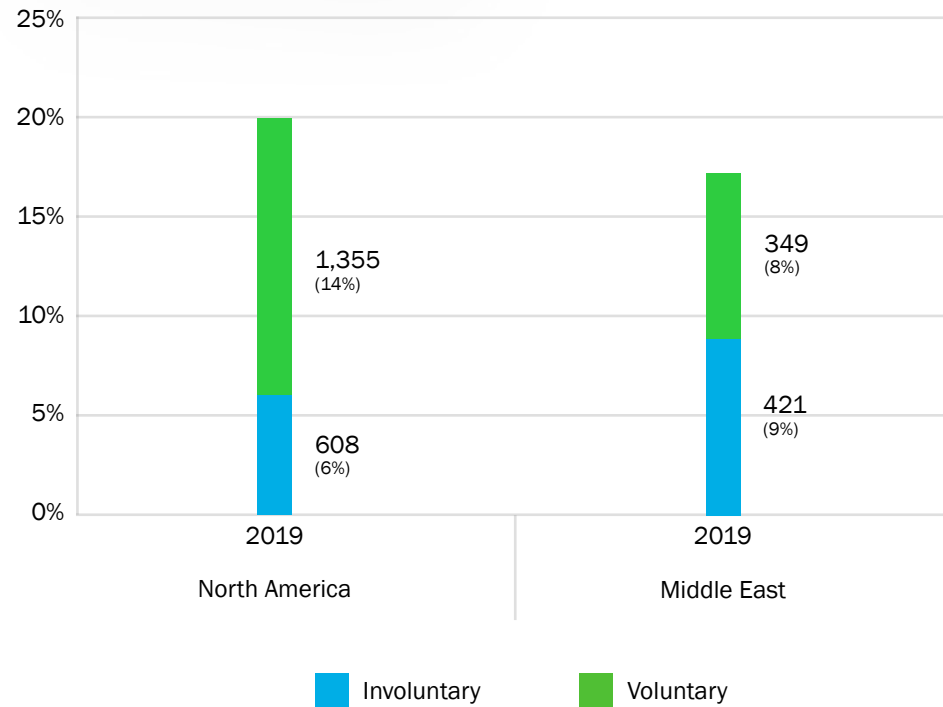
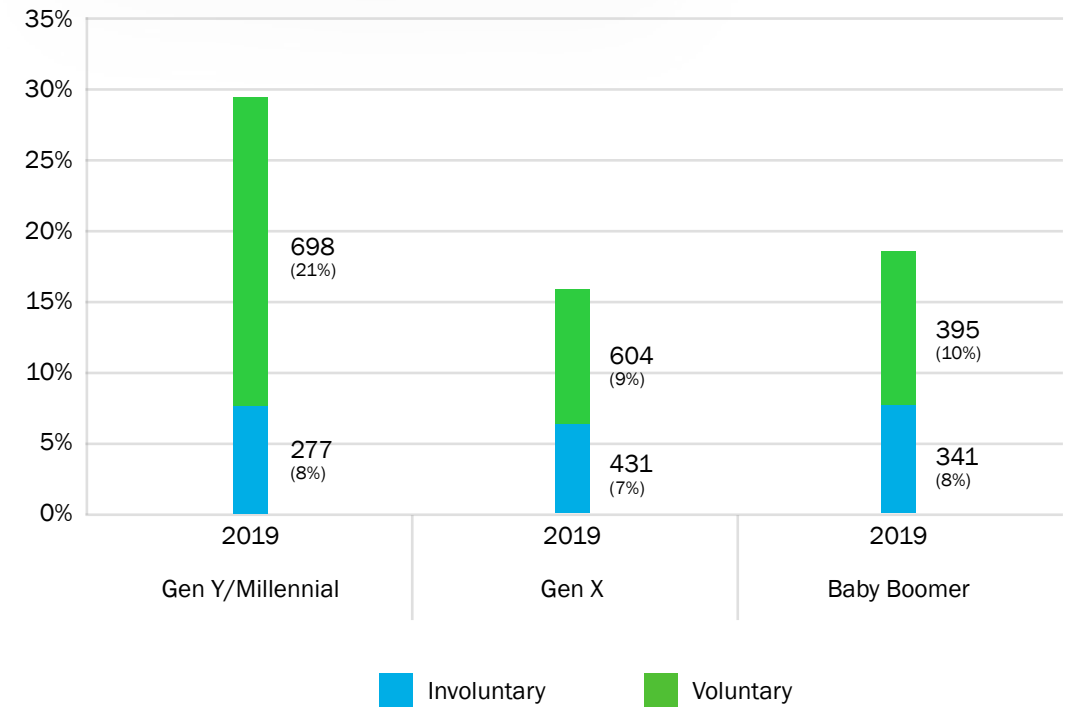


Figure 19: Turnover Rate Within Age Group/Generation



For this chart, Silent Generation is within Baby Boomer generation data and GenZ is within the GenY/Millennial data.

DIVERSITY

We continuously pursue diversity in our workforce, our markets, and our services because we recognize that optimal solutions require different backgrounds, new perspectives, and open minds. In February 2017, we launched our 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 employees with a range of experiences, beliefs, and backgrounds from across our organization and is discussed earlier in this report.

Figures 20 and 21 shown below highlight the diversity of our US-based workforce by gender and ethnicity/race which has remained consistent over the prior three year period.

Figure 20: Employee Demographics (Gender)

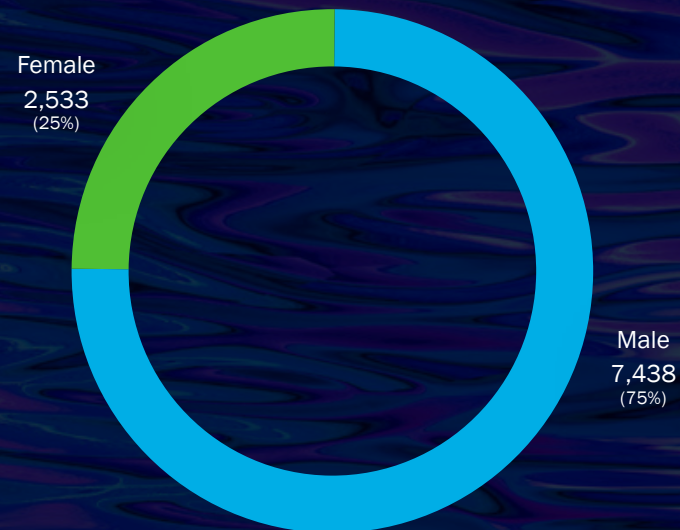
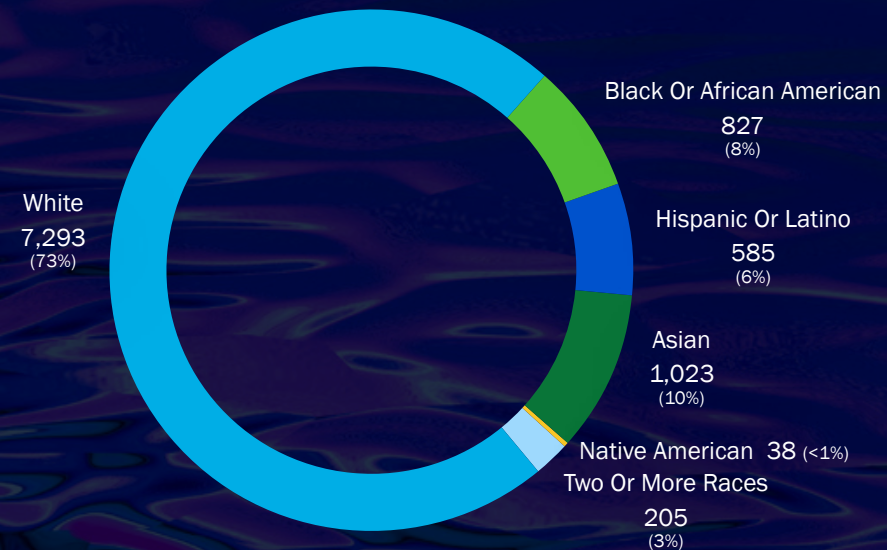


Figure 21: Employee Demographics (Ethnicity/Race)



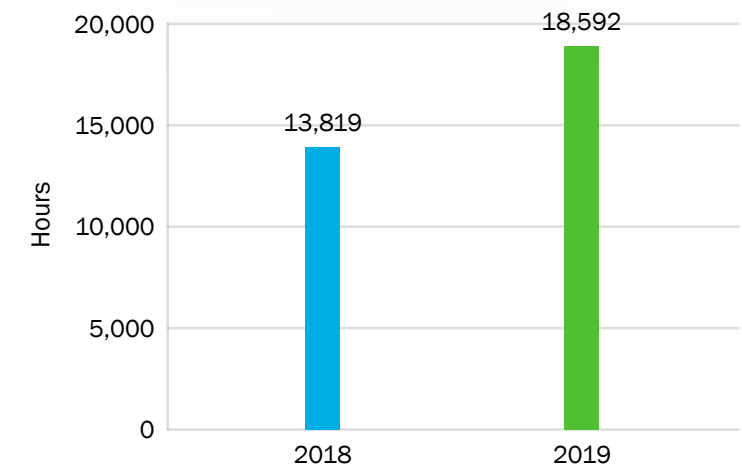
PARSONS GIVES BACK

Since 1944, we've supported educational, cultural, and civic organizations in the communities where our employees live and work. As our business transforms and our communities' needs change, we continually evaluate and support organizations that exemplify our spirit of giving.

In 2018, we began a program supporting our employees' volunteerism. One component is our program to self-report volunteer hours in the communities where our employees live. This program continues to evolve and grow. In 2019, our employees reported 18,592 hours of service in their communities, an increase of 35% over 2018. In addition to the thousands of hours spent across the organization, we proudly participated in corporate and community events sampled in this section.



Figure 22: Parsons Employees' Volunteer Hours



Volunteer Of The Year Award Program

Launched in 2018, our Volunteer of the Year Award Program recognizes outstanding employee volunteerism. In recognition of the time and commitment of these dedicated employees, we donate to each winner's charity of choice and provide the winners with paid time off to continue their philanthropic contributions. We're proud of our employees' impact in communities. It reinforces our corporate purpose of delivering a better world and challenges all our employees to ask where and how they can make a difference and take action. The program recognizes service in the following categories: (1) Changing the World, (2) Making a Difference, and (3) Hometown Heroes. This year's Changing the World award provided corporate sponsorship and paid time off for volunteering to Partners for Water, founded by a Parsons employee. Partners for Water initiates and facilitates sustainable clean water projects in Nigeria, where 57 million people don't have access to safe water.



Bridges To Prosperity

Since 2015, we've been collaborating with Bridges to Prosperity (B2P), a nonprofit organization dedicated to providing isolated communities with access to healthcare, education, and economic opportunities by building footbridges over otherwise impassible rivers. In addition to participating in fundraising activities for B2P, our volunteers have built five bridges for the organization. In 2019, our multinational teams assembled two bridges: one in Miguelito, Bolivia, over the San Jacinto River, and one in Rukarakara, Rwanda, over the Mudasomwa River. The Miguelito footbridge was built entirely by our employees, while the Rukarakara footbridge was built in partnership with Kiewit by an all-woman team. These bridges help provide safe access to schools, medical care, and food.



Parsons' Scholarship Program

Established in the 1960s, our undergraduate/graduate scholarship program is available to dependents of our full-time employees. In 2019, we awarded 14 scholarships worth a total of \$32,000 to first-time recipients and renewed 23 scholarships.

Holiday Card/Donation

Each year, we conduct a charity poll in which employees choose three charities to donate to, and then list the chosen nonprofits on our holiday card. In 2019, employees selected St. Jude Children's Research Hospital, Wounded Warrior Project, and Water for People to receive corporate contributions.

STEAM Innovation Challenge

For the second year, we hosted an Innovation Challenge scholarship contest for high school students that included scholarships for all teams selected to compete. We challenged students in the Fairfax County, Virginia, school district with the prompt, "What next-gen idea do you have to make your world a better place? Identify ways technology can be applied to solve problems or challenges you see in your home, school, or community." Participants had the opportunity to be mentored by Parsons Fellows, and the students conceived ideas in areas including healthcare, clean water, and saving lives.



VETERAN SUPPORT

Tragedy Assistance Program For Survivors

We're proud to host the annual TAPS Golf Outing, which raises funds to support families whose loved ones lost their lives while serving in the Armed Forces or as a result of their service. Coordinated by our team at Aberdeen Proving Ground, in Maryland, the event is one of TAPS' largest fundraising activities, contributing \$121,000 in 2019 and more than \$831,000 over the past 13 years to the families of America's fallen soldiers.



Spookstock

We're also proud to sponsor Spookstock, a charity concert which supports the Special Operations Warrior Foundation and the CIA Officers Memorial Foundation. These organizations provide for the families of CIA officers and special operations forces who have fallen.

Special Operations Charity Network

This outreach from our team in Colorado Springs, Colorado, engages in charitable efforts focused on federal law enforcement/special operations active duty/veteran members and their families. It provides financial relief

and project-based assistance to address post-traumatic stress, traumatic brain injury, suicide awareness, and homelessness.

Warfighter Support

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 CIA Officers Memorial Foundation, the Special Operations Warrior Foundation, Home Front Cares, and the Huntsville Madison County Veterans Memorial.

COMMUNITY INVOLVEMENT

24 Hours Of Booty

Since 2018, we've teamed with the 24 Foundation to raise money and make an impact on the lives of people affected by cancer by participating in 24 Hours of Booty, a 24-hour non-competitive cycling and walking event. Although the event is based in Charlotte, North Carolina, people from throughout the corporation participate as fundraisers, donors, and supporters. In 2019, we raised more than \$52,000 for the foundation, an increase of 150% over last year.



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, as well as tech talks, panels, and tech expos. In 2019, we funded 12 new scholarships for talented students.

BB&T Corporate Cup

For 35 consecutive years, our Charlotte, North Carolina, office has participated in this 5K run/walk and half marathon, which 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 2019, we had 32 registered Parsons participants.



Habitat For Humanity

We continue to partner with Habitat for Humanity, which provides affordable housing for families in need around the world. Since 1998, our 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 2019, our teams participated in Habitat for Humanity projects in California's San Gabriel Valley and other locations.

Blood Donation

Every year, our employees around the world give the gift of life by participating in office blood-donation events. Each pint of blood can save up to three lives. Our Pasadena office led the way in 2019, carrying the torch from our Dubai office, which has conducted annual blood-donation days for the past six years in a row.

Big Sunday

Since 2007, our 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 2019, our Oakland, California, office kept up its tradition of volunteering at the Society of St. Vincent de Paul, which provides relief and support to individuals in need. Our Pasadena, California, office volunteered with AHEAD with Horses (AHEAD = Accelerated Habilitation Education And Development), which provides unique and effective therapy, education, and recreation through horses and related experiences to disabled/disadvantaged/at-risk/special-needs children. The Pasadena team also volunteered with the Santa Clarita Veteran Services Collaborative by collecting canned food and participating in a 3-mile fundraising walk.

SOS Children's Villages Event

In 2019, we again sponsored the SOS Children's Villages Illinois' Evening of Hope event. SOS Children's Villages Illinois provides nurturing, stable, single-family home environments for siblings in foster care, where they receive the tools and resources they need to grow into caring, responsible, self-reliant adults.



ACE Mentor Program

Since 1995, our employees have served as board members, team leaders, and mentors with the Architecture Construction Engineering (ACE) Mentor Program, which introduces high school students to careers in the design and construction industry through real-world mock design and engineering projects. In 2019, we hosted a team in Oakland, California, and in 2020, we'll lead the inaugural ACE group in the Concord, California, area. In addition to our involvement in California, previous activities have mentored students in New York and Washington, DC.



Significant environmental restoration volunteer efforts include our team in Yanbu, Saudi Arabia, where more than 80 employees and family members cleaned up White Sand Beach, collecting 1,000 kilograms of waste. In the UAE, 44 employees from our Dubai and Abu Dhabi offices got together to plant trees

in the Ajman mangroves reserve. Mangroves rehabilitate coastal and marine habitat, increase green cover, reduce greenhouse gas emissions, and safeguard local biodiversity.

Kids To Love Foundation

Our team in Huntsville, Alabama, hosts numerous activities that benefit the Kids to Love Foundation, meeting the immediate needs of foster children in the Alabama and Tennessee area while they wait for forever families. In 2019, our 9th annual golf tournament raised \$20,000, which will provide direct impact for kids in foster care. The Huntsville team also fulfilled holiday wish lists for these children through the Foundation's Christmas for the Kids program.



Food And Resource Drives

In every community where our employees live and work, they make a tangible difference through donations of food, school supplies, toys, warm blankets, and other resources, as well as volunteering at warehouses and distribution centers. In 2019, two of these efforts included our finance managers, who gathered more than 30 volunteers to help Food for Others, a nonprofit food bank and food rescue operation serving Fairfax and Arlington counties, in Virginia, and included our Hawaii Freeway Services Patrol project team, which collected more than 500 pounds of food for the Hawaii Food Bank.

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 environmental, social, and governance initiatives.

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 hardware, software, and services solutions for defense, intelligence, cyber, space and geospatial, connected communities, and mobility solutions to federal, regional, and local government agencies as well as to private industrial customers, worldwide.	4
102-3	Location of headquarters	Centreville, VA, USA (as of 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 a publicly traded company on the New York Stock Exchange (NYSE: PSN). The initial public offering was May 8, 2019. Prior to IPO, Parsons was 100% owned by the Employee Stock Ownership Trust.	5
102-6	Markets served	Defense, intelligence, and infrastructure	4
102-7	Scale of the organization	Parsons has nearly 16,000 employees working in 30 countries around the world. Our employees hold more than 13,000 degrees and 6,500 professional credentials, including those in technical areas, like Agile methodology, project management, LEED certifications, and more.	4
102-8	Information on employees and other workers	Our global workforce (69% of which is in North America), including full-time, part-time, and contract employees as of January 1, 2020, was 15,833.	37
102-9	Significant changes to the organization and its supply chain	There was a change to the organization's ownership structure during the reporting year. On May 8, 2019, Parsons underwent an initial public offering and is publicly traded on the New York Stock Exchange and follows Security and Exchange Commission (SEC) guidelines. There were no significant changes in size or supply chain.	6

APPENDIX: SUSTAINABILITY SCORECARD

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 achieved ISO 14001 certification in our Middle East market and comply with ISO 14001 elsewhere in the company's service activities 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>	34
102-13	Membership of associations	<p>Organizational Memberships (Sampling):</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) • US Green Building Council (USGBC) • US Society of Dams <ul style="list-style-type: none"> • Water Environment Research Foundation • WaterReuse Association • Collaborative for High Performance Schools (CHPS) • Association of California Water Agencies • California Association of Sanitation Associations (CASA) • Florida Floodplain Managers Association • Florida Stormwater Association • Georgia Association of Water Professionals • National Veteran Small Business Coalition • Women in Technology – Washington DC Metro 	—

GRI 102: General Disclosures: Strategy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-14	Statement from senior decision-maker	Chair and Chief Executive Officer (CEO) Chuck Harrington's statement can be found in the introduction to this CSR report and on our company's website, www.parsons.com .	2
102-15	Key impacts, risks, and opportunities	As a publicly traded company, Parsons publishes material risks, opportunities, and potential impacts to stakeholders in accordance with SEC guidelines and through regulatory reporting as required by the SEC. Documents and filings can be found on sec.gov or through investors.parsons.com website.	—

APPENDIX: SUSTAINABILITY SCORECARD

GRI 102: General Disclosures: Ethics

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-16	Values, principles, standards, and norms of behavior	<p>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.</p> <p>The Code of Conduct and Conflict of Interest policies were developed by the Ethics Committee and Legal in collaboration with the Executive Leadership Team and approved by the Board of Directors. In place for over 15 years and revised most recently in October 2019, these documents establish standards of ethical business conduct and direct our employees, directors, and agents of Parsons Corporation, to fulfill our commitment to integrity and to protect our reputation.</p> <p>Per company policy, they undergo a review every year under the purview of the chief ethics and compliance counsel. All employees read and certify to these two documents, which are available in English and Arabic, when hired and biennially thereafter. The most current Code of Conduct is always posted on investors.parsons.com.</p>	4
102-17	Mechanisms for advice and concerns about ethics	Our 24-hour Ethics Helpline is the internal mechanism that allows employees to anonymously seek advice, make suggestions, ask questions, and report concerns about ethical business practices, safety, violations of law, and company policies, and organizational integrity.	12

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	<p>Our highest governance body is the Board of Directors (BOD), which includes four committees, comprising the nine listed members.</p> <p>Responsibility for decision-making on economic, environmental, and social topics is guided by the Corporate Governance and Responsibility Committee.</p>	9
102-19	Process for delegating authority for economic, environmental, and social topics	<p>The Corporate Governance and Responsibility Committee oversees actions of the ESG Steering Committee led by the chief corporate affairs officer, who in turn guides governance, environmental, and social topics.</p> <p>The ESG Steering Committee encompasses professionals throughout the organization that comprise sustainability, legal, talent management, inclusion and diversity, and communications and, as appropriate, further delegates responsibility to the Sustainability Working Group team.</p>	10

APPENDIX: SUSTAINABILITY SCORECARD

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
102-20	Executive-level responsibility for economic, environmental, and social topics	The chief corporate affairs officer is the executive sponsor for the ESG Steering Committee. This position reports to the CEO and BOD.	10
102-22	Composition of the highest governance body and its committees	<p>The BOD includes two female members (comprising 22% of the total). Committee composition is as follows:</p> <ul style="list-style-type: none"> • Executive Committee: one female member (20%) • Compensation Committee: one female member (25%), who is also the committee chair • Audit Committee: one female member (20%) • Corporate Affairs and Governance committee: one female member (25%) <p>Additional information regarding executive/non-executive, independence, tenure, commitments, competencies, and stakeholder representation can be found in the Governance section of this CSR report.</p>	9
102-23	Chair of the highest governance body	The chair of the Board of Directors is also the CEO of the company.	9
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.	10
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.	10
102-27	Collective knowledge of highest governance body	Measures taken to develop and enhance the company leadership's collective knowledge of economic, environmental, and social topics include Parsons' ESG Steering Committee providing regular reporting to the Corporate Governance and Responsibility Committee on several metrics (many of which are tied to our core values) and presenting recommendations for improvements and guidance on policy and best practice.	10
102-31	Review of economic, environmental, and social topics	Parsons' ESG Steering Committee provides the aforementioned metrics to the Corporate Governance and Responsibility Committee on a quarterly basis.	10

APPENDIX: SUSTAINABILITY SCORECARD

GRI 201: Economic Performance

Disclosure No.	Disclosure Name	Parsons Performance Results	Page
201-1	Direct economic value generated and distributed	Parsons' global revenue for 2019 was \$3.95 billion.	—

GRI 204: Procurement Practices

Disclosure No.	Disclosure Name	Parsons Performance Results	Page
204-1	Proportion of spending on local suppliers	We promote and sustain a diverse supplier base. Our Supplier Diversity Program engages a variety of firms from internal and external outreach forums. We monitor our diversity achievements on a contract and corporate basis, which has consistently demonstrated that over 60% of Federal Solutions procurement dollars are with diverse suppliers.	12

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.	12
205-2	Communication and training about anti-corruption policies and procedures	Upon hire, Parsons employees (all categories and regions) are required to read and agree to the Parsons Code of Conduct, and 100% of governance body members and employees are trained on anti-corruption. All employees are required to recertify their acceptance of and compliance with the code every other year.	36
205-3	Confirmed incidents of corruption and actions taken	No substantiated incidents of corruption have been reported in 2019.	—

APPENDIX: SUSTAINABILITY SCORECARD

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 2019 regarding anticompetitive 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 consumed (8 ½ x 11 paper, US operations only, rounded numbers) for 2019 was 2,500 cartons, which is a 76.8% decrease compared to the 2008 baseline year.	26

GRI 302: Energy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
302-1	Energy consumption within the organization	Purchased electricity consumed at our Centreville, Virginia, headquarters for 2019 was 4,006 MWh (13,559 MBTU). There was no on-site fuel consumption at that office in 2019.	23
302-4	Reduction of energy consumption	The energy intensity for energy consumed within the corporation by office facilities in 2019 is 17.43 MBTU /\$million revenue. Total absolute energy is calculated as described in the Facilities Energy and Water Consumption section of this CSR report and includes on-site fuel consumption and purchased electricity for building systems (e.g., heating, cooling, and lighting). This number is divided by 2019 revenue to determine the energy intensity ratio.	22

APPENDIX: SUSTAINABILITY SCORECARD

GRI 303: Water

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
303-1	Water withdrawal by source	Water consumed in our Centreville, Virginia, headquarters in 2019 was 2.05 million gallons.	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 Parsons <i>Sustainability Handbook</i> .	15

GRI 305: Emissions

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
305-1	Direct (Scope 1) GHG emissions.	Our Scope 1 emissions are calculated as described in the Environmental Metrics of this CSR report. Gases included in the calculation are CO ₂ , CH ₄ , and N ₂ O. Emissions factors used are from the US Environmental Protection Agency Emissions Factors for Greenhouse Gas Inventories (dated April 4, 2014).	22
305-2	Energy indirect (Scope 2) GHG emissions	Our Scope 2 emissions are calculated as described in the GHG section of this CSR report. Gases included in the calculation are CO ₂ , CH ₄ , and N ₂ O. Emissions factors used are from the US Environmental Protection Agency Emissions Factors for Greenhouse Gas Inventories (dated April 4, 2014).	22
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.	22

APPENDIX: SUSTAINABILITY SCORECARD

305-4	GHG emissions intensity	The emissions intensity for the organization, including Scope 1, 2, and 3 emissions described above, is 32.45 MT CO ₂ eq/\$. Total absolute emissions are calculated as described in the Greenhouse Gas Emissions section of this CSR report and is divided by 2019 revenue to determine the emissions intensity ratio.	22
305-5	Reduction of GHG emission	Our GHG emissions intensity has decreased by 8.1% over the past three years.	22

GRI 306: Effluents And Waste

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
306-2	Waste by type and disposal method.	In 2019, we reused/remarketed 46% of office e-waste and recycled 54% of e-waste. Hazardous materials recovered through our e-waste program include aluminum, copper, and ferrous materials.	23
306-3	Significant spills	There were zero (0) reportable releases/spills (Parsons projects, including joint ventures and contractors) significant or otherwise, in 2019.	—

GRI 401: Employment

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
401-1	New employee hires and employee turnover	The total number (and rate) of new employee hires in 2019 was 3,302 employees (8%). The total number (and rate) of employee turnover for 2019 was 3,302 employees (19%). Additional information regarding breakdown by age group, gender, and region can be found in the Employment Rates and Employee Turnover sections, respectively, of this CSR report.	38-39
401-2	Benefits provided to full time employees that are not provided to temporary or part-time employees	Parsons evaluates its benefit programs regularly and benefits vary based on location and local laws and regulations.	11

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GRI 403: Occupational Health And Safety

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
403-1	Occupational health and safety management system	Our occupational health and safety management system, called Environmental, Safety, Health, and Risk Program (ESHARP), is based on OHSAS 18001 and ANSI/ASSP Z10. It is fully implemented and covers all Parsons' workers (including contractors), workplaces, and activities.	11
403-2	Hazard identification, risk assessment, and incident investigation	In accordance with ESHARP, regulatory requirements, and industry best practices, work-related hazards and risks are formally assessed and controlled using approaches tailored to the context of the work (e.g., the job safety assessment/activity hazard assessment method). All workplace incidents (including near misses) are analyzed collaboratively with affected workers, supervisors, and one or more Parsons SH&E professionals. The incident analysis focuses on management system deficiencies that allowed the unacceptable condition(s), and the incident, to occur. Corrective actions are applied using the hierarchy of controls (i.e., elimination, substitution, using engineering controls, using personal protective equipment).	34
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 through our OWN ZERO program.	34
403-5	Worker training on occupational health and safety	In accordance with ESHARP, Parsons' employees receive occupational health and safety training in two forms: (1) initial employee orientation and education and (2) initial and ongoing site-specific training.	34
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.	31
403-7	Prevention and mitigation of occupational health and safety impact directly linked to business relationships	As part of a site's risk assessment process (and documented in the site's risk register), risks to the public and third parties (such as vendors and visitors) are considered and explicitly controlled, with the risk control schemas documented in the site management plans or site safety plans.	11
403-8	Workers covered by an occupational health and safety management system	ESHARP is based on OHSAS 18001 and ANSI/ASSP Z10. It is fully implemented and covers all Parsons' workers (including contractors), workplaces, and activities.	11
403-9	Work-related injuries	The total recordable incident rate (global) for Parsons' employees in 2019, calculated using the US OSHA method, was 0.29. Parsons has had no work-related fatalities.	34

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GRI 404: Training And Education

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
401-1	Average hours of training per year for each employee.	Parsons provided online (48,446 hours) and classroom training (3,392 hours) for our employees. Average training hours/employee/year in 2019 was 3.27 hours.	32
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. In 2019, we launched a new human capital management tool that houses training modules. Employees also have access to free or discounted continuing education through our professional memberships, such as Education @USGBC, which provides courses for maintaining the LEED AP credential and can leverage continuing education or training through tuition reimbursement programs.	32
404-3	Percentage of employees receiving regular performance and career development reviews.	Launched in mid-2019, our new human capital management system provides a integrated platform for performance reviews, goal setting, development goals, and manager check-ins	32

GRI 405: Diversity And Equal Opportunity

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
405-1	Diversity of governance bodies and employees.	<p>In the governance bodies, representation of diversity categories is as follows:</p> <ul style="list-style-type: none"> • BOD: two (22%) Female members, one (11%) Veteran member • Executive Leadership Team (ELT): four (40%) Female members <p>In the US Workforce, as of January 2020, representation of diversity categories is as follows:</p> <ul style="list-style-type: none"> • Ethnicity/Race: 27% Minority representation (nonwhite, non-Caucasian) • Gender: 25% Women • Age Group: 1% Silent Generation; 25% Baby Boomer; 39% Gen X; 25% Gen Y/Millennial; 2% Gen Z 	9, 41

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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 22 calls in 2019.	13

GRI 408: Child Labor

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
412-2	Operations and suppliers at significant risk for incidents of child labor	<p>The Parsons Code of Conduct indicates Parsons' policy, which indicates that we do not tolerate forced labor, child labor, commercial exploitation, or human trafficking.</p> <p>This standard is also expected of our subcontractors, suppliers, and business partners, and we will not knowingly do business with those who do not uphold these standards.</p>	11

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 2019, employees recertified their compliance with the Parsons Code of Conduct.	11

GRI 415: Public Policy

Disclosure No.	Disclosure Name	Parsons' Performance Results	Page
415-1	Political contributions	Our Government Relations team works closely with our Legal team as it relates to political contributions. Political contribution requests are input into a system and vetted to compliance with all US Federal Election Commission (FEC) and applicable state and local laws and regulations.	—



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