

2014

≡ SUSTAINABILITY ≡

REPORT



2014 Sustainability Report

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A sustainable future is important to everyone—our clients, employee-owners, and communities—and we pledge to be an environmental leader with results. We are dedicated to integrating the environmental, economic, and social principles of sustainability into all aspects of our work.

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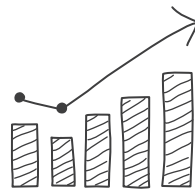
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LETTER FROM THE PRESIDENT

I am proud to introduce ESA's second sustainability progress report, which describes how we've performed incorporating sustainability into our business planning and operations. As an environmental consulting firm, we fully recognize the need for our organization to set the example our clients and teaming partners expect of us.

In the past three years we've collaborated with many clients to demonstrate engineering and planning solutions that meet coastal and shoreline resiliency challenges by linking natural or "green" infrastructure approaches with more traditional methods. The benefits of these solutions are felt locally by reducing flood risks, improving water quality, and enhancing habitat values, and on the national scale they provide examples of effective practices that can be adopted elsewhere.

The Nature Conservancy's (TNC) *Reducing Climate Risks With Natural Infrastructure* report evaluates nine green infrastructure case studies in California and compares the costs and benefits where applicable to comparable gray infrastructure solutions. I'm proud to say that ESA was involved in seven of the nine projects featured in the TNC report. On a national scale,

ESA helped prepare a coastal blue carbon opportunity in the Snohomish Estuary in Washington that was featured by the White House in its first Report on the Implementation of the National Ocean Policy, and we are currently working on a similar blue carbon project in the Tampa Bay region.

We have been encouraged over the past few years by an increase in groundbreaking and model projects proposed by our clients as they face challenges protecting and enhancing natural and economic resources while adapting to climate change. We've strategically grown to meet these demands in important geographic regions where the firm operates, such as the Pacific Northwest and the Gulf Coast. We've also taken steps to locate our offices in more transit-friendly locations and have deployed video conferencing capabilities to reduce the need for interoffice travel in the interest of further shrinking our collective carbon footprint.

We invite you to learn more about our company, our work, and the progress we've made toward meeting the sustainability goals we've set to benefit our clients, our employee-owners, and the communities where we live and work.

Sincerely,

Gary Oates
President and CEO



SUSTAINABILITY VISION

We understand that a sustainable future is important to everyone—our clients, employee-owners, and communities—and we pledge to be an environmental leader and obtain positive results. We are committed to integrating the environmental, economic, and social principles of sustainability into all aspects of our work.

We are committed to incorporating environmental consideration into all levels of business operations. From purchasing to facility site selection, from mentoring staff to guiding our clients toward sustainable project solutions, our commitment to the future is reflected in the values we promote internally, within our company, and through the forward-thinking services we deliver.

Environmental stewardship and the principles of sustainability will be seamlessly woven into our business plan and corporate culture. Our actions will result in the achievement of quantifiable goals to reduce environmental harm in the short- and long-term.



ABOUT ESA

A PREMIER ENVIRONMENTAL SCIENCE AND PLANNING FIRM

ESA has been helping clients make informed decisions about the environmental consequences of development actions for more than 45 years.

As a leading environmental consulting firm, our staff of more than 350 professionals in 12 offices across the Western United States and Florida has a broad understanding of environmental and community planning, climate change adaptation, ecosystem restoration design, policy planning, environmental analyses and assessment, and regulatory compliance on local, state, and national levels.

We cultivate and retain long-standing relationships with environmentally and socially responsible vendors, teaming partners, and clients.

We guide integrated decision-making, developing innovative and workable solutions that inform development and restoration projects based on sound science and innovative planning. We've partnered with more than 7,500 public and private clients, agencies, and organizations to analyze and report environmental impacts or design and implement systems to create positive change through more than 14,000 projects from coast to coast. In 2014, our employee-owners generated more than \$60 million in gross revenue for ESA.

We empower employee-owners to provide exceptional client service, supporting long-term professional relationships.

ESA became 100% employee-owned in 2000. We are one of the largest independently owned environmental consulting firms headquartered on the West Coast. This distinction ensures that we not only continue to invest in the depth of technical expertise to tackle any environmental issue, but also that each and every employee-owner stands behind ESA's work and our commitment to exceptional client service.

We secure, retain, and invest in a superior work force.

We foster a vibrant company culture founded on a collegial and collaborative environment that is engaging, respectful, and rewarding. Our skilled managers partner with clients to navigate regulatory complexities on time and budget. Our technical specialists in climate change adaptation coupled with our planning expertise enables us to more comprehensively assess environmental impacts so we can better advise our clients.

87%

of employees participate in our employee stock ownership plan (ESOP)

47%

of employees celebrated a work anniversary of six years or more in 2014

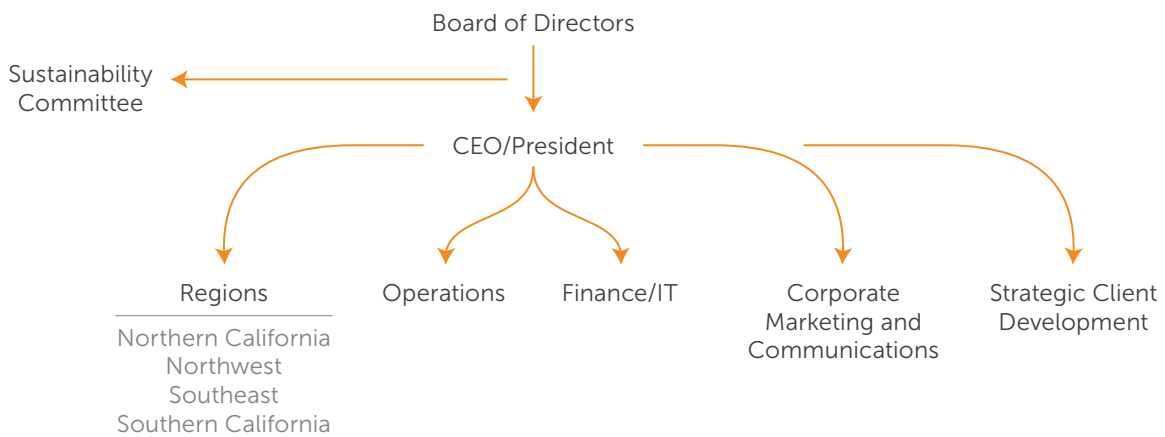
7%

our average employee turnover rate is well below the industry average of 11%

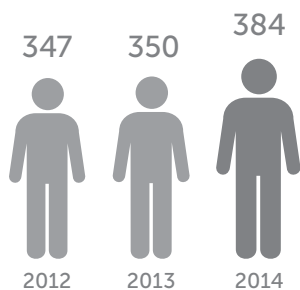
Key hires and strategic acquisitions enable us to grow so that we achieve our vision of providing career opportunities for our employee-owners and meet the evolving needs of our clients and the environment.

We have worked to grow our Pacific Northwest and Southeast regional presence to do pioneering restoration and other natural resource management work. In 2012 we joined forces with Paragon Associates, a Seattle-based cultural resources firm specializing in cultural resource management and curatorial and collections management. In 2013 Portland-based Vigil-Agrimis, a professional design firm specializing in water and natural resource management, joined ESA. Staffed with hydrologists, engineers, landscape architects, and environmental specialists, this key partnership expanded our capabilities and service offerings throughout the lower Columbia and Pacific Northwest. In 2014 San Rafael-based Wetlands and Water Resources joined ESA, strengthening our landscape-scale habitat restoration and environmental policy capabilities for clients throughout the Sacramento-San Joaquin Bay Delta. Senior biologists and water quality experts round out our growing team in Tampa and Orlando, Florida, to meet environmental concerns and assist in pioneering restoration work along the Gulf Coast.

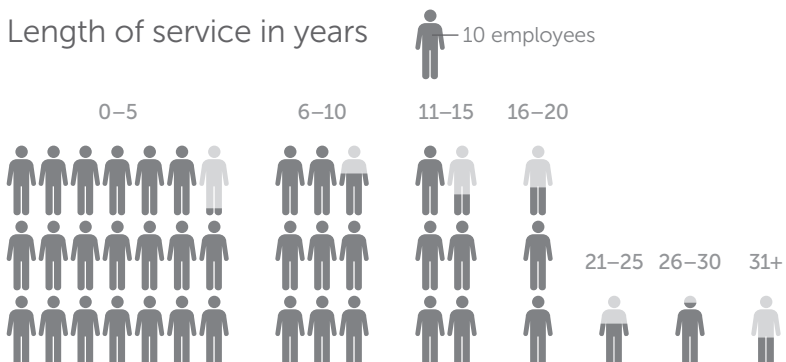
How we're organized



Number of employees



Length of service in years



Core service areas



Environmental
Technical Studies



Federal and State
Environmental Compliance



Regulatory Permitting
and Compliance Monitoring



Environmental and
Community Planning



Restoration and Mitigation



Sustainability and
Climate Change

Strategic growth

Wetlands and Water
Resources, a restoration
design firm, joins ESA

2014

Seattle-based Paragon
Associates, a cultural
resources firm, joins ESA

2012

Vigil-Agrimis, a design firm
specializing in water and natural
resource management, joins ESA

2013

Philip Williams & Associates,
an environmental hydrology
firm, joins ESA

2010

Adolfson Associates, an
environmental consulting
firm, joins ESA

2006

ACC, an integrated
organics and recycling
firm, joins ESA

2004

29

Project awards
since 2012

12

LEED Accredited
professionals on
staff



ESA has been a
USGBC member
since 2008



WORK THAT MATTERS

From our inception, ESA has pioneered sustainability initiatives. We've helped clients to balance built and natural environments for more than 45 years.

Today we bring an integrated understanding of complex ecosystems and leverage nature's strengths for more resilient, adaptable, and enduring solutions. We help clients to understand and plan for climate change, grow smarter, reduce waste, and conserve natural resources. We bring a powerful combination of skills and services to help clients adapt to rapidly changing business and regulatory environments.



Image courtesy of K. O'Connell (2013)

Linking Wetland Management to Reductions in Global Warming and Resilience to Climate Change

Blue carbon is becoming more widely recognized as a value-added benefit of wetland restoration. ESA collaborated with Restore America's Estuaries, EarthCorps, and Western Washington University to develop a three-tiered approach to determine the magnitude of carbon benefits from restoration in the Snohomish Estuary. The resulting "Coastal Blue Carbon Opportunity Assessment for Snohomish Estuary: The Climate Benefits of Estuary Restoration" study assesses the potential impact of estuary restoration on sequestered soil carbon. Using GIS and field analyses, we quantified historic emissions with wetland conversion and quantified carbon sequestration benefits of ongoing wetlands restoration activities as well as potential wider benefits should restoration be expanded.

Preserving a Language for Future Generations

Words help to define a culture and a way of thinking. With less than a handful of native speakers left, including June Levias, with whom ESA had the extraordinary opportunity to work, "the Chemehuevi language is not dead, but is waiting to be rediscovered." As mitigation for the unintended disturbance of an archaeological site important to the Native American heritage, ESA is working with June and the Chemehuevi Tribe to develop a dictionary that will document and preserve the Chemehuevi language—and a vital piece of their culture—for future generations.





Equitable and Responsible Implementation of RESTORE Act Funding in the Gulf Coast

Collaborating with the 23 Gulf Coast counties comprising the Florida Association of Counties Gulf Consortium, ESA is preparing the Florida State Expenditure Plan to meet the requirements of the RESTORE Act (Act). The Act is expected to generate \$15 billion from Clean Water Act funding resulting from the 2010 Deepwater Horizon oil spill. The funds must be used for environmental restoration and economic revitalization, creating a generational opportunity to make sustainable improvements to our Gulf Coast ecosystems and communities. The Florida State Expenditure Plan will maximize the ecological and economic benefits of restoration projects along the Florida Gulf Coast for years to come.

Looking Beyond a City's Footprint to a "Growthprint"

The Riverside Restorative Growthprint (RRG) is a far-reaching plan that embodies the City of Riverside's commitment to environmental quality, equity, and economic prosperity for all. ESA is helping the City to develop the RRG, which includes a Climate Action Plan with measures to reduce the community's greenhouse gas emissions in alignment with state and regional goals. A companion Economic Prosperity Action Plan includes policies to steer private and public investment and resources toward entrepreneurial green businesses, more efficient land use and transportation systems, and a local economy that supports the goals of the Climate Action Plan. With a thorough understanding of policy, economic drivers, regional planning, and the City's long-term goals, we're helping to shape future growth toward a more prosperous, sustainable, and enduring "growthprint" that will serve as a new model for city planning.





An Exemplary Estuarine Restoration in the Pacific Northwest

Sauvie Island is a large floodplain island located at the confluence of the Columbia and Willamette Rivers. Over time, dilapidated water-control structures have blocked natural tidal hydrology and fish passage and degraded tidal freshwater wetland habitats. PC Trask & Associates, along with project partner Columbia River Estuary Study Taskforce and landowner Oregon Department of Fish and Wildlife (ODFW), established the North Unit of Sauvie Island as a long-term demonstration and monitoring site to highlight effective methods for restoring and enhancing native fish and wildlife habitat and general ecosystem health in the Pacific Northwest. ESA led the successful restoration planning and engineering design that restored natural hydrologic and ecologic processes and resulted in reduced site maintenance for ODFW.

A Pioneering Sustainable Water Management Assessment Program

Sustainable water management is managing water in a way that meets current economic, ecological, and quality of life needs without compromising the ability to meet those needs in the future. ESA helped the California Water Foundation (CWF) create an assessment tool that is designed to increase collaboration among individuals, public agencies, and private entities toward more sustainable water management. The Sustainable Water Management Profile is the first tool to use regionally specific metrics and indicators to assess existing conditions and rate a water management agency's responses to those conditions.





Restoring the Nation's Wetland Habitat Where It's Needed Most

California's coastal wetlands provide wildlife habitat and play a crucial role in improving coastal water quality and reducing the harmful effects of floods and erosion on surrounding communities. Today, more than 95% of Southern California's wetlands have been lost as a result of human development—the largest loss of any state in the nation. Rooted in years of scientific research by ESA and others, and guided by community input, the Ballona Wetlands Restoration Project is one of the most promising coastal wetland restoration opportunities in Southern California and will revive critical wetland habitat and offer a remarkable natural space for the public's use and enjoyment. In addition to our scientific studies and restoration and natural systems planning, ESA is leading the environmental documentation and regulatory process for this important project.

Blurring the Line Between the Built and Natural Environments in City Planning

How do we balance population growth and ensure a strong sustainable economy and healthy natural lands? The City of Duvall (City) in King County, Washington, is tackling this question in an innovative approach to planning. In concert with the review and preparation of amendments to the City's Comprehensive Plan to comply with the Growth Management Act, ESA is leading the development of a watershed-based land use planning project that involves evaluating the health of the watershed basins within and immediately surrounding the city. This knowledge provides a holistic view of natural processes to inform the Comprehensive Plan and shape the growth strategies stipulated in the Land Use Element, leading to more informed adjustments to urban growth boundaries, open space preservation standards, stormwater management, and design and construction best practices. The City recently received King County's Green Globe award, recognizing the project and Duvall for being a "Leader in Planning for Sustainability."





A Major Sporting Event Traversing Land and Sea that Embodies Sustainability

The months-long 34th America's Cup held in San Francisco in 2013 was a major sporting event that has since received accolades for its sustainability efforts, earning a Sailors for the Sea Platinum Level Clean Regattas certification, the highest level possible. ESA helped to make this a green event, from our early involvement assisting in the preparation of the AC34 Sustainability Plan to leading the in-depth analysis and development of the Sustainability Report that quantified and reported the event results as they compared to the goals and strategies outlined in the Plan. The Sustainability Report is based on internationally recognized sustainability reporting guidelines and key performance indicators (KPIs) developed by Global Reporting Initiative (GRI), which are used by organizations worldwide to report to stakeholders.

AC34 was the largest sporting event in the world to eliminate single-use plastic bottles; free water stations at the America's Cup venues provided more than 38,000 liters of drinking water.



Expanding Public Transit as a Growth Strategy

With continued growth and jobs in the Portland, Oregon, metropolitan area, expanding the light rail system is a vital element in the region's strategy to manage growth and build livable communities. The 7.3-mile Portland-Milwaukie Light Rail provides a critical connection to Portland's expanding transit system. ESA has helped to make this transit project a reality: from hydraulic analyses for the new multimillion-dollar Willamette River Transit Bridge to stream and habitat restoration designs at the Tacoma Station Light Rail Site, along Johnson Creek, and the light rail and railroad crossing on Crystal Springs Creek.

A Model Approach to Coastal Management

Ocean Beach is a national park, recreational destination, the site of major infrastructure, and a flagstone of the San Francisco landscape. Ocean Beach's traditional coastal management approach has relied on seawalls and hard structures to hold the line, significantly impacting the beach and its users. ESA collaborated with the San Francisco Planning + Urban Research Association (SPUR) to develop an extensive interagency and public process for the *Ocean Beach Master Plan*, resulting in a comprehensive vision to address sea level rise, protect infrastructure, restore coastal ecosystems, and improve public access. The *Ocean Beach Master Plan* is widely acknowledged as a pioneering example of how to develop innovative and scientifically sound adaptation approaches to managing the challenges of coastal climate change.

Contributing to Blue Carbon Knowledge to Support Coastal Managers and Policy Makers Globally

Restore America's Estuaries "Coastal Blue Carbon" Assessment of the Tampa Bay Estuary is critical to strategically increasing our understanding of the climate mitigation and adaptation benefits of estuary habitat restoration and conservation. Tampa Bay is one of the few places in the United States that have all three critical coastal habitats—salt marsh, seagrass, and mangrove. This assessment will help local organizations and agencies understand what actions are needed most to help the Bay mitigate the effects of climate change while continuing to improve habitat health. ESA is applying a transferable approach and model for the assessment that we helped develop for the "Coastal Blue Carbon Opportunity Assessment for Snohomish Estuary: The Climate Benefits of Estuary Restoration" in Washington.



Making Shorelines Healthier, More Sustainable, and Responsive to Climate Change

Living Shorelines are pioneering habitat restoration techniques to help manage the shoreline, reduce coastal erosion, and maintain coastal processes while protecting, enhancing, and creating natural habitat for fish, aquatic plants, and wildlife. ESA's proven experience in the field studying waves, currents, and sediment dynamics informed the ideal configurations and scales of reef and eelgrass beds for Living Shoreline habitat enhancement in the San Francisco Bay. Our work in the San Francisco Bay will protect, enhance, and create natural habitat for a healthier, sustainable shoreline that can be modeled elsewhere.

First Federally Recognized Tribal Mitigation Bank in the Nation

In 2012, the Lummi Nation established Phase I of a large Wetland and Habitat Mitigation Bank on the Lummi Reservation in Washington and British Columbia that is available to generate commercial credits to compensate for unavoidable adverse impacts to the aquatic environment that occur as a result of permitted projects within the service area of the bank. Since 2007, ESA has documented existing wetland functions on the 1,900-acre site, characterizing existing vegetation and wildlife habitat; helped prepare the bank prospectus; drafted major portions of the Mitigation Bank Instrument; developed recommendations for planting, enhancement, and performance monitoring; and coordinated and negotiated with the interagency review team. The Lummi Nation Wetland and Habitat Mitigation Bank is the first tribally owned and operated commercial wetland mitigation bank in the United States.





HOW WE MEASURED UP

2014 SCORECARD

We have successfully achieved many of the measurable objectives presented in our 2012 Sustainability Plan.

By incorporating specific sustainability goals and strategies into our regional business plans, we ensure a high level of commitment at the local level for implementing reduction strategies related to paper use, commuting, waste diversion, and purchasing. Some of the more challenging areas we're still working to improve include greenhouse gas (GHG) emissions reduction, water use, and green office leasing.

RATING OUR PROGRESS

We developed ratings to reflect our progress attaining goals under each of the tenets in our 2012 Plan—environmental, economic, and social. For each of these goals we assessed:

- Progress to date toward achieving specific objectives based on the level of implementation
- Results and evidence for each objective as applicable
- Additional actions where needed

1

Did not meet objective; supporting actions not implemented

2

Supporting actions partially implemented but did not meet target

3

Mixed results: supporting actions fully implemented but objective not met

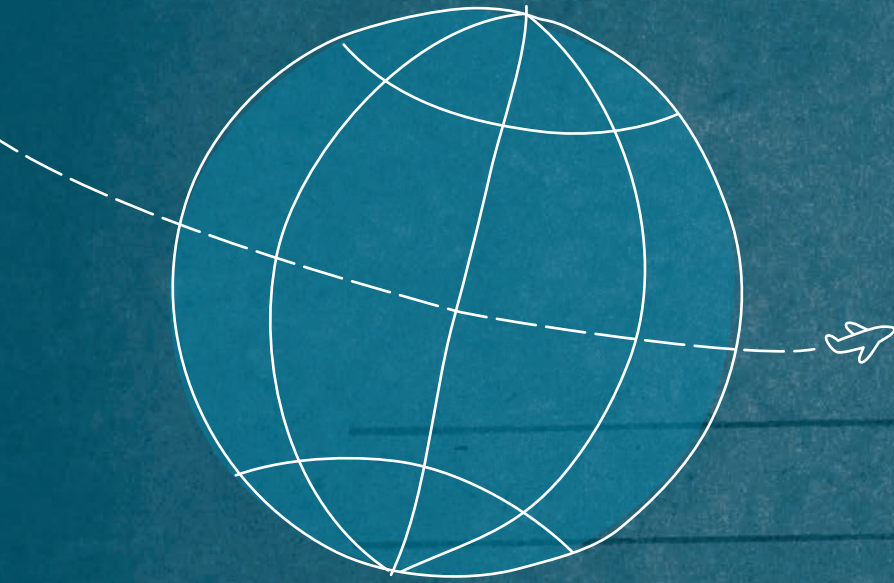
4

Policies and programs fully implemented and objective partially met

5

Clearly met or exceeded objective

ENVIRONMENTAL



GOAL:
 Minimize material impacts associated with purchasing and using office supplies, furnishings, and equipment

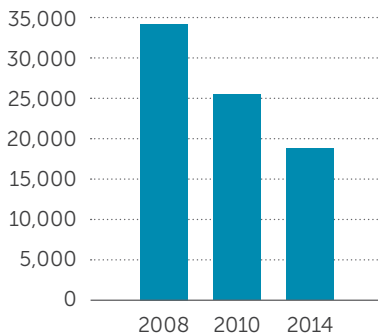
OBJECTIVE:
 By the end of 2013, reduce paper consumption on a per capita basis by 30% from 2008 baseline levels

PROGRESS RATING: 5
 In 2014, ESA purchased 2,455 reams of copy/print paper totaling approximately 18,721 pounds, equating to a 45% reduction in paper use from the 2008 baseline level of 34,300 pounds. On a per capita basis, this is a reduction of nearly 58% from 2008 levels.


DISCUSSION:
 Our hefty paper use reduction reflects a general trend toward a more digital workflow as well as successful internal policies and practices. Tools for digital document review and delivery have improved significantly since 2008, and many of our clients have sustainability goals similar to ours and encourage less paper consumption. To minimize everyday printing, most of our office printers are set to double-sided by default.

In 2014, nearly 87% of the paper we purchased had, at minimum, 30% postconsumer recycled content; while 15% of the paper purchased had 100% postconsumer recycled content. Over 90% of paper purchased was Forest Stewardship Council (FSC) or Green Seal certified.

Pounds of copy/print paper purchased annually



58%
 Reduction in paper use from 2008 levels

 It is company policy to incorporate sustainability principles when making purchases, and to educate our purchasing coordinators on how to incorporate these principles into the purchasing process.

OBJECTIVE:
 Use ESA's Sustainable Purchasing Policy for repeat purchases or purchases over \$500

PROGRESS RATING: 2
 While ESA's Sustainable Purchasing Policy (SPP) has provided the guiding framework for companywide purchasing since 2010, the policy and its supporting actions could be more fully integrated into our operations.

DISCUSSION:
 We continue to apply careful consideration to all purchases throughout the company, including communicating our preferences to our vendors, negotiating competitive rates on recycled-content products, and researching the environmental impacts of capital and other large-dollar investments. Sustainability principles have informed major purchases, including company vehicles and printers.

GOAL: Reduce GHG emissions and energy consumption associated with operations and commuting



Many of our companywide programs have GHG reduction benefits, including employer subsidies for public transit and nonmotorized commuting, and we strive to locate offices in certified green buildings and obtain green business certifications for our offices where such programs are available.



ESA's GHG emissions inventory is third-party verified. We are a member of The Climate Registry, where we have been publicly reporting our GHG emissions since 2006.



The Climate Registry

OBJECTIVE:

Reduce commuting in single-occupancy car (miles) by 20% from 2010 levels by 2014

PROGRESS RATING: 3

Our average one-way commute in miles by single-occupancy car travel increased 4%—from 16.2 miles in 2010 to 16.8 miles in 2014.

DISCUSSION:

In addition to revealing a slightly longer average commute distance, ESA's 2014 commuter survey indicates that overall use of single-occupancy car travel has increased since 2010. Less than half of survey respondents—43%—in 2010 traveled alone by car. Currently, 52% of ESA employees travel alone by car, a 20% increase from 2010. ESA offers a monthly stipend to employees who commute using an alternative mode of travel at least 80% of the time.

Four out of our seven major offices are located in dense downtown areas that offer good transit service and limited parking opportunities (San Francisco, San Diego, Los Angeles, and Oakland). The remaining three major offices (Seattle, Sacramento, and Portland) are served by transit, but parking is easier, making it more challenging to decrease single-occupancy car travel.

OBJECTIVE:

By the end of 2013, reduce companywide per-capita GHG emissions (Scope 1, Scope 2, and Scope 3) by 20% from our 2007 baseline

PROGRESS RATING: 4

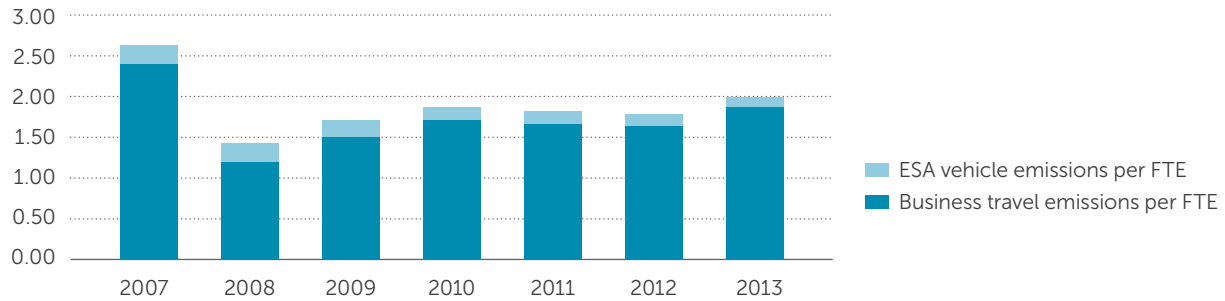
ESA's 2013 GHG emissions associated with business travel were 25% below 2007 levels, while our total per capita emissions were nearly the same in 2013 as in 2007.

DISCUSSION:

Our GHG emissions impact is perhaps our most material sustainability performance indicator in an era when climate change has become the defining challenge of our time. Since our first Sustainability Plan was developed in 2010, ESA has committed to reducing GHG emissions associated with our operations, including the emissions from business travel—flights, ground transportation, and hotel stays.

With respect to business travel emissions, we exceeded our objective, though we saw a slight uptick in this category in 2013 as our company expanded service lines in new territories and the need for business travel increased. With the company now growing at a healthy pace, we recognize the need to better educate staff about strategies to reduce the carbon intensity of business travel (e.g., choose direct flights over multileg flights); make travel more efficient (e.g., combine meetings or field visits); and use alternative meeting modes when possible (e.g., video conferencing). ESA has recently invested in video conferencing capabilities, which should help reduce future business travel.

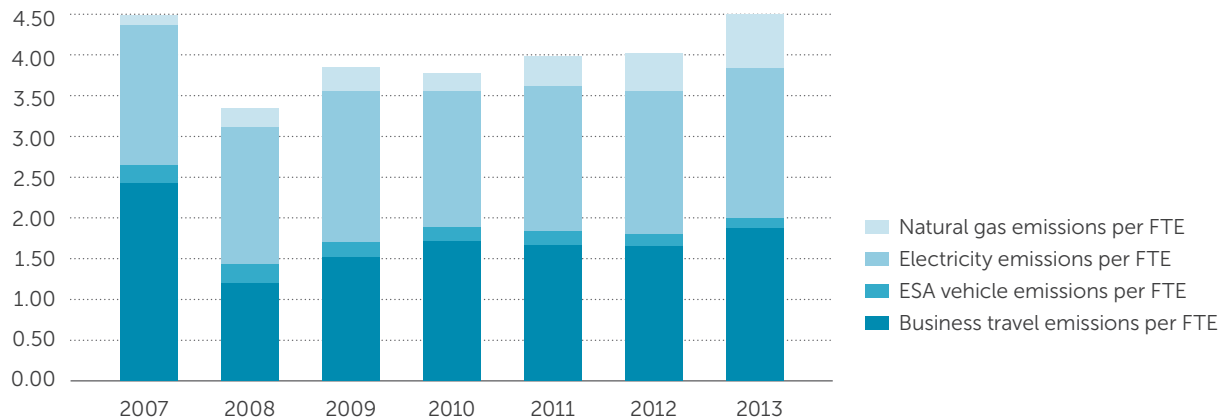
Our total per-capita GHG emissions, including emissions from electric and natural gas associated with office operations, show a steady increase since falling sharply in 2008, rising to approximately the same level as 2007 by the end of 2013. However, measurement of operational energy emissions associated with our electricity and natural gas usage is imprecise at best, since none of our offices have sub-meters that can measure our actual usage. Instead, we must estimate emissions by apportioning total office building energy consumption to our percentage occupancy in each building. Our percentage occupancy ranges from 2% to 25% across our 12 offices, with many at below 10%. Thus, our energy emissions estimates are not necessarily representative of our actual performance. However, the data does suggest that many of the buildings that house our offices are not demonstrating good energy performance overall. Our long-term objective to locate our offices in LEED-certified or Energy Star buildings should improve our future performance in reducing overall GHG emissions.



ESA's GHG emissions from business travel

Per-employee 2007–2013

Per-employee business travel emissions (from flights, taxis, hotel stays, and our company vehicle fleet) were down approximately 25% in 2013 as compared to 2007, but since 2008 we have seen a general leveling off of business travel emissions, though 2013 was slightly higher than 2012. Per-employee emissions from company vehicles have decreased nearly 50% since 2007 due to a downward trend in miles traveled and more fuel-efficient company vehicles.



ESA's publicly reported total GHG emissions

Per-employee 2007–2013

Rough estimates of ESA's per-employee emissions associated with building energy use indicate that our emissions from electricity have remained fairly steady since 2007, while natural gas emissions have increased.

GOAL:
Minimize the environmental impacts of buildings used by ESA

OBJECTIVE:
By the end of 2013, locate 20% of ESA office space in LEED or Energy Star certified buildings

PROGRESS RATING: 5
At the end of 2013, one of ESA's 12 offices (Sacramento) was located in a LEED Gold certified building while 1 (San Francisco) was located in an Energy Star building (score of 93). These two offices represent approximately 31% of our total office space, enabling us to exceed our objective.

DISCUSSION:
We continued to improve our performance in 2014, as our San Diego operations moved to a LEED Gold building in March. Meanwhile, our Oakland office is pursuing Energy Star certification for 2015, while our San Francisco office is currently pursuing LEED Gold certification, which is expected to be completed sometime in 2016.

GOAL:
Improve water conservation and reuse

OBJECTIVE:
Work with building management in each of ESA's offices to reduce employee water consumption, where possible

PROGRESS RATING: 1
We were not as successful encouraging building management to reduce employee water consumption as we had hoped.

DISCUSSION:
In our previous planning and reporting cycle, we attempted to measure company water use at each of our offices, which we discovered could not be done with any accuracy because in all cases we are one of many tenants in a larger building where water use is not sub-metered at the tenant level. The objective to work with building management on water conservation proved to be more out of our control than we anticipated when we developed our 2012 Sustainability Plan. Decisions to retrofit an office building with water-saving devices such as low-flush toilets are driven more by an owner's own sustainability goals, or local ordinances, than by a single tenant's water saving goals. Given the historic drought in California (where most of our offices are located), and water conservation policy developments throughout our operating regions, we expect that implementation of water conservation measures in office buildings will become increasingly common over the next few years.

GOAL:
 Minimize office waste through conservation and responsible management techniques

OBJECTIVE:

By the end of 2013, achieve 90% conformance with local landfill diversion programs (i.e., less than 10% of items eligible for recycling and/or diversion are being landfilled)

PROGRESS RATING: 4

Across the company, we fully participate in the recycling and organics collection services that are offered in our office buildings.

DISCUSSION:

All ESA offices have set up recycling and universal waste collection programs. Recycling bins are provided at employee desks, near printers, and in common areas. More than a third of our offices have set up food scrap collection.

Organics (compostable materials) collection programs are offered by waste haulers at our San Francisco, Oakland, Seattle, and Petaluma office locations. However, we do encourage our other offices to set up their own organics collection systems if there is a local champion to manage it.

All of these programs are being monitored to some degree. Generally, we promote their use through pictorial signage at discard stations, company emails and newsletters, and new-hire orientation. Better monitoring and feedback to staff will increase the quantity and quality of participation in all of these programs.

ESA's practices in waste prevention and minimization, as well as material reuse, are generally more beneficial than recycling in terms of energy and resource conservation. In addition to the programs described above, many offices take measures such as:

- Prioritizing reusable plates, cups, and cutlery over disposables
- Specifying "no disposables" from catering vendors
- Purchasing bulk kitchen supplies, e.g., creamer pump instead of individual packs
- Donating unneeded computers and binders to local schools
- Offering unneeded office supplies to employees and donating the rest

The table below summarizes ESA's participation in available waste prevention, minimization, and diversion programs by percent of offices and total staff represented by those offices.

ESA office adoption of waste diversion and minimization programs

Program	% Offices	% FTEs
Recycling of Paper, Bottles, and Cans	100%	100%
Recycling of Electronics, Batteries, Toner, etc.	100%	100%
Compostables Collection	36%	54%
Paperless Accounting & HR	100%	100%
Reusable Plates, Cups, Cutlery	91%	98%

ECONOMIC



GOAL:

Be a socially and environmentally responsible business that is also profitable



More than 86% of our work comes from repeat clients, many of whom are focused on creating positive change through thoughtful land use planning, climate action plans, and restoration.

OBJECTIVE:

Pursue our environmental and social objectives without compromising the company's profitability goal

PROGRESS RATING: 4

While the recent recession presented significant challenges to our industry, we have remained profitable and increased our share price while continuing to pursue our sustainability objectives.

DISCUSSION:

We experienced significant growth in 2014, and our share price has increased every year since our last report—an indicator of the firm's continuing health despite challenging economic conditions. A key activity supporting this objective is our annual business planning process. This effort guides our actions in the marketplace as well as internally, with an emphasis on the financial health of the company. It informs our business decisions and ensures we retain a competitive presence in the industry, while also weighing our environmental and social commitments against the competing priorities of the business. Companywide performance is communicated to our staff at quarterly staff meetings as well as through our monthly internal newsletter. A quarterly external newsletter keeps members of our broader, external stakeholder community abreast of key initiatives and hires, recent project wins, and other successes.

ESA's business planning, including our five-year strategic planning process to be completed in 2015, is supported by ongoing market research, client surveys, and companywide staff surveys that are used in part to gauge interest in our sustainability services and internal initiatives. Our list of clients, teaming partners, and vendors includes many long-standing relationships that we continue to value and cultivate while adapting to meet the needs of a changing market and our growing firm.

SOCIAL



GOAL:
Be an active and engaged member of our community

OBJECTIVE:
By the end of 2013, increase amount of time staff spent volunteering by 30% from 2010 baseline

PROGRESS RATING: 5
ESA's employees increased time spent volunteering 36% from our 2010 baseline.

DISCUSSION:
Staff volunteered 870+ hours in 2013 and more than 1130+ hours in 2014 to organizations that counted birds, provided food to those in need, cleaned up parks, removed invasive species along waterways, preserved trails, mentored professionals, coached soccer, and spread the joys of biking in nature.

OBJECTIVE:
By the end of 2013, increase the firm's financial commitment in support of local community organizations 10% from 2010 baseline

PROGRESS RATING: 3
While ESA continues to donate to local organizations, by the end of 2013 we fell short of our goal.

DISCUSSION:
From 2010 through 2013, ESA and our employee-owners have donated more than \$80,000 to local organizations that restore and protect the environment, educate communities, plant trees, and provide help where it's needed most. In 2012 ESA donated \$25,770 to local organizations—or 91% of our 2010 baseline. In 2013, a difficult year for the firm financially, we donated \$10,695. One reason for the steep decline in donations is the economic recession. Staff salary adjustments and promotions were also minimized during this time and several tough financial decisions were necessary to keep the firm on track.

GOAL:
Be a leader in corporate social responsibility

OBJECTIVE:
By the end of 2013, obtain Green Business (or similar) certifications in all applicable offices

PROGRESS RATING: 3
At the end of 2013, 4 of ESA's 12 offices—Oakland, Petaluma, Sacramento, and Seattle—were certified Green or Sustainable Businesses.

DISCUSSION:
The Oakland and Petaluma offices were recertified in 2014, while the San Francisco certification process commenced at the beginning of 2015. Other available programs are being considered, with the intention to seek some type of green business certification for our Portland, Los Angeles, and San Diego offices. All offices continue to use sustainable operations consistent with green business program requirements regarding waste diversion and reduction; water, energy, and natural resources conservation; and ensuring a safe and healthy work environment.

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Sustainability Committee

Jeff Caton, PE, LEED AP
Christine Dullaghan
Brian Ramos, PhD
Reema Shakra
Tamara Stauber
David Tomasko, PhD

Report Contributors

Steve Crooks, PhD
Larry Kass
Camille Majors
Anthony Padilla
Vanessa Thompson
Linda Uehara

Want to know more?

ESA's commitment to sustainability has been a core value since the company's inception. Our commitment to the future is reflected in the values we promote internally, within our company, and through the forward-thinking services we deliver. Environmental stewardship and the principles of sustainability are woven into our business plan, corporate culture, and daily decisions. We walk the talk.

Learn more about ESA's commitment to sustainability and see our 2012 Sustainability Plan at www.esassoc.com/about-esa/sustainability.

For further information on ESA's commitment to sustainability principles as well as our services related to climate change and sustainability, contact ESA's Sustainability Committee Chair:

Jeff Caton, PE, LEED AP
Director, Sustainable Communities
jcaton@esassoc.com