

2018 Corporate Responsibility Report

# Greate Than



"For 50 years, we've delivered solutions that have changed lives for the better, and we look forward to making an even greater impact in the years to come."

- Sudhakar Kesavan, Executive Chairman



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### Introduction

**Be greater than.** Push yourself. And those you work with. Deliver something greater than expected. Aspire to excellence. Settle for nothing less. Strive for outcomes you and your clients can be proud of.

These are some of the attributes ICF brings to every project we touch, whether it's a client deliverable, a charitable fundraiser, or a sustainability goal. Our diverse collection of experts—scientists, business analysts, policy specialists, technologists, researchers, digital strategists, social scientists, and creatives share a passion to build a more prosperous and resilient world in partnership with our clients and partners.

The pages that follow illustrate this passion by providing details on our decadeslong commitment to corporate responsibility. We have included how we met and in some cases surpassed—various goals.

# Letter from the Executive Chairman and CEO

This year, ICF celebrates <u>50 years of mission-driven work</u>. Looking back at the milestones that made us who we are today, our commitment to being a responsible corporate citizen permeates our history. Our client services addressing climate change informed our corporate commitment to carbon neutrality. Our disaster recovery programs inspired our increased philanthropic support for devastated communities. Our commercial marketing services use technology to motivate meaningful action that benefits public health, education, and the environment—to name a few.

Client work expands our understanding of corporate responsibility and reinforces our sustainable commitments. Last year alone:

- CDP (formerly, the Carbon Disclosure Project) recognized our climate leadership—scoring our climate disclosure report in the top 5% of reporters.
- We surpassed our carbon reduction goal—achieving 31% reduction in emissions per employee.
- Our internal 'Green Team' doubled in size and set companywide waste-reduction goals.
- Our employees logged thousands of volunteer hours during our first-ever matching campaign. ICF donated \$10 per volunteer hour.

As we invest in our planet, we also invest in our people—providing equitable opportunities for development, leadership, and compensation for all employees. The result is a better than average employee turnover rate.

We're proud of these accomplishments, but not satisfied. We strive to be better, and we'll continue—and grow—our partnerships to create a more resilient and prosperous world.

John Wasson President and CEO

and

# ICF's 2018 Corporate Citizenship Highlights

#### Investing in Our People

We provided opportunities for all employees to develop and advance.

#### Leadership Opportunities

56%

27

female leaders

female board members

### Gender Pay Equity

no meaningful disparity across genders in the same roles\*

#### Lower

Turnover

16.2% turnover rate, as compared to 18.6% benchmark

### Making a Sustainable Commitment

We made progress on our carbon reduction goal and remained carbon neutral.

net renewable electricity in the U.S. via renewable energy certificates

reduction in greenhouse gas emissions per employee since baseline 2013

# Zero

net zero carbon status since 2006 due to investments in high-quality carbon offsets

### Supporting Important Causes

We donated to causes important to our employees and communities.

# \$473,000

\$140,000

employee donations through

our giving program

corporate cash donations

1-to-1

ICF matched employee donations

### Recognition

 f Global Climate Disclosers:
 recognized by CDP as a corporate pioneer against climate change, scoring A-

A- MarCom Awards A- 2018:

MarCom 2 platinum and 3 Awards gold for corporate citizenship reporting

\*Annual external audit concluded no statistically significant disparities across genders for comparable incumbents in the same roles.

### Corporate Citizenship Mission:

- Invest in our employees.
- Serve our clients with integrity.
- Minimize our impact on the planet.
- Give back to our communities and society.
- Create long-term value for our shareholders.

### **About ICF**

# For 50 years, we have partnered with hundreds of organizations on transformative projects, all while transforming ourselves.

ICF is a global consulting and technology services provider with over 7,000 professionals focused on making big things possible for our clients. We are business analysts, public policy experts, technologists, researchers, digital strategists, social scientists, and creatives. Government and commercial clients partner with ICF to overcome their toughest challenges on issues that matter to their success.

Revenue

\$1.338 billion

Over **\$600 million** of our revenue is derived from services that generate **social impact**, including our support of health, education, development, and social justice programs.

Additionally, **\$300 million** of our revenue is generated from services that create positive **environmental impact**, including helping our clients reduce their energy consumption, manage their carbon footprints and protect natural resources.

#### Services

- Advisory
- Analytics
- Cybersecurity
- Enterprise technology
- Policy and regulatory
- Program implementation
- Research and evaluation
- Workforce and human capital
- Marketing and engagement (By ICF Next)

#### Industries

- Climate and resilience
- Disaster management
- Education
- Energy
- Environment
- Health
- International development
- Social programs
- Transportation

#### Locations

More than 70 across the globe

**Employees** 

7,000+ full- and part-time

### **ICF Values**

Our employees come from diverse backgrounds, but share common values, including:

# Interact with Integrity

- Be honest.
- Be open.
- Be true to your word.
- Act and interact with dignity and respect.
- Say and do what's right, even when it's hard.

### Challenge Assumptions

- Question the accepted.
- Be curious.
- Learn and grow.
- Take smart risks.
- Get creative to get it done.
- Experiment.
- Anticipate change and adapt accordingly.

# Bring Your Passion

- Have the courage to deeply care, and to show it.
- Speak up.
- Get involved.
- Make it personal.
- Leave your mark.

# Work Together

- Communicate directly and listen keenly.
- Seek out and respect expertise.
- Debate openly and constructively.
- Approach challenges as opportunities.
- Focus on solutions.

# Embrace Differences

- Act inclusively.
- Invite all perspectives and backgrounds.
- Design diverse teams to achieve better solutions.

# Be Greater Than

- Push yourself.
- And those you work with.
- Deliver something greater than expected.
- Aspire to excellence.
- Settle for nothing less.
- Strive for outcomes you and your clients can be proud of.

# 50 Years of Mission-Driven Work



In 1969, four friends started the Inner City Fund to help finance minority-owned businesses in Washington, D.C. Today, ICF is a billion-dollar company, passionate about overcoming challenges from the root cause at the local, national, and global level. Much of our work contributes to the <u>Sustainable Development Goals</u>—global priorities set forth by the United Nations in 2015. The Goals are an urgent call to action by all countries to tackle climate change, improve health and education, reduce inequality and injustice, and spur economic growth. These projects from our recent past represent a small sample of our support for the Goals.

#### Working to End Malaria

About 40% of the global population remains at risk of contracting malaria—a preventable, treatable, yet deadly disease. Insecticide-treated nets, indoor residual spraying, and prompt diagnosis and treatment help, but malaria prevention and treatment efforts have recently plateaued. ICF works to change the narrative, tracking trends in a multitude of ways to inform decision-making.

In 1984, we began working with USAID to implement <u>The Demographic and Health Surveys</u> <u>Program</u>, which is our longest-held continuous contract. We conduct surveys in 90+ countries on population and health trends. From here, stakeholders and policy-makers use the data to design and evaluate malaria prevention, treatment and awareness programs. Our <u>MEASURE Evaluation</u> and the Measure Malaria Project teams also generate high quality health data used for decisionmaking at national and global levels to measure progress. In Madagascar alone, we've seen a 50% improvement in malaria statistics since 2015.

#### Helping People—and Communities—Recover

Our disaster recovery efforts started with Hurricane Katrina in 2006 and continued with Superstorm Sandy in 2012. Our work carries on today following the devastating 2017 season that brought Hurricanes Harvey, Irma, and Maria. In Houston and Harris County Texas, we conduct outreach to help impacted local citizens apply for federal funds to get back on their feet and in their homes through nine housing resource centers and seven mobile intake teams. In Puerto Rico, we blend victim-focused care and discipline with innovative technologies—including infrared drones and 3D modeling—to assess storm damage and expedite the allocation of federal recovery funds. In both locations, we rely on the local workforce to better understand residents' needs and ensure that recovery efforts further bolster the local economy.



Sustainable Development Goal 3: Good Health and Well-Being



Sustainable Development Goal 11: Sustainable Cities and Communities



#### Sustainable Development Goals 11 and 13: Sustainable Cities and Communities; Climate Action



Sustainable Development Goal 3: Good Health and Well-Being

#### **Giving Underserved Children a Head Start**

Through the U.S. Department of Health and Human Services, the Head Start program improves outcomes for underprivileged children as they prepare to enter school. With a focus on those under the age of five (and expectant mothers), it supports over 1 million children and families with services, including readiness, health screenings, and family goal planning including financial planning and educational attainment. Since 2003, ICF has been one of Head Start's most reliable partners, implementing training and technical assistance programs across multiple regions. In fact, we currently hold contracts to help Head Start in three-quarters of the U.S. states. Our early childhood education experts provide continuous support to Head Start grantees, in quality teaching and learning, school readiness, and family partnership—as well as program management, fiscal operations, and quality improvement services.

#### Providing a Province-Wide Climate Risk Assessment

We began analyzing climate risks in the 1980s and published, in conjunction with the EPA, the groundbreaking book *Greenhouse Effect and Sea Level Rise: A Challenge for This Generation*. Since that time we've continued to report on this important topic, including developing a province-wide climate risk assessment for British Columbia Canada, which was the first of its kind. It's the first phase of an initiative to help people, communities, businesses, and the government develop appropriate measures to address climate-related risks. In 2018, we explored the likelihood of climate-related risk events and the potential consequences of those events—if they were to happen today or in 2050. Applying our climate risk assessment framework will aid local government planning, improve transportation infrastructure resilience, help agricultural producers prepare for changing conditions, and promote climate-resilient forest management.

#### **Ending the Stigma of Addiction**

With a staggering public health crisis unfolding, the U.S. Centers for Disease Control and Prevention (CDC) entrusted our health communications team to develop, test, and launch RxAwareness, a public education campaign targeting adults at risk for an opioid use disorder. It showcases real stories of how prescription opioids negatively affected people's lives. We launched the campaign in key communities through digital, social, broadcast, and out-of-home channels.

This highly effective campaign reflects a research-based and audience-driven approach that is helping to change the public's awareness and behaviors. Most viewers said they would seek alternatives to opioids, or avoid them altogether. Campaign research and evaluation suggests that personal stories and targeted media help sensitive health issues resonate with the public.

#### Advancing Cybersecurity Defense

For over two decades, ICF has partnered with the U.S. Army Research Laboratory on a broad spectrum of information sciences. Now, as the prime contractor for a cybersecurity research client, we engineer the systems, software, and analytics for the next generation of cyber defense. This includes artificial intelligence, malware and intrusion detection analysis, defensive cyber operations, tactical and automated research, and training in best practices for tactics, techniques, and procedures.

ICF scientists and engineers regularly research and analyze new technology and emerging threats, looking at risks associated with cyber behaviors, cultural tendencies for attackers and victims, risk and resilience in sensing, and estimating the value of features from sensed network data.

#### **Educating Europeans on Their Rights**

The European Commission's "EU and Me" campaign promotes the rights of EU citizens and encourages exploration of benefits, including mobility, sustainability, and fundamental rights. To reach the target audience (18-35 year olds), ICF Next, the integrated marketing and communications services group within ICF, uses storytelling techniques to simplify and streamline the information—and the opportunities—available.

Our multifaceted social marketing campaign boosted awareness of consumer rights by 14%, new business opportunities by 17%, and professional development prospects by 22%.

We brought together professional directors and young filmmakers across Europe to create <u>15 short films</u> to support the campaign. To date, these films have won two Golds and a Silver at the Cannes Corporate Awards, as well as a two Golds at the Deauville Green Awards, celebrating social responsibility and eco-innovation films.

#### **Bringing Energy Efficiency Home**

In 1992, ICF helped the EPA launch its ENERGY STAR label, initially focusing our work on technical assistance, communications and marketing. Our vision grew to include energy efficiency implementation programs for building contractors and local utilities. In the process, we helped ENERGY STAR save American families and businesses nearly 4 trillion kilowatt-hours of electricity (170 billion kilowatt-hours in 2017 alone) and achieve more than 3 billion metric tons of greenhouse gas reductions. We helped turn ENERGY STAR into a household name. We also now run the Energy Technology List for the U.K. Department of Business, Energy and Industrial Strategy—advising on energy performance standards and labeling.



Sustainable Development Goal 16: Peace, Justice and Strong Institutions

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Sustainable Development Goal 16: Peace, Justice and Strong Institutions

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Sustainable Development Goal 7: Affordable and Clean Energy

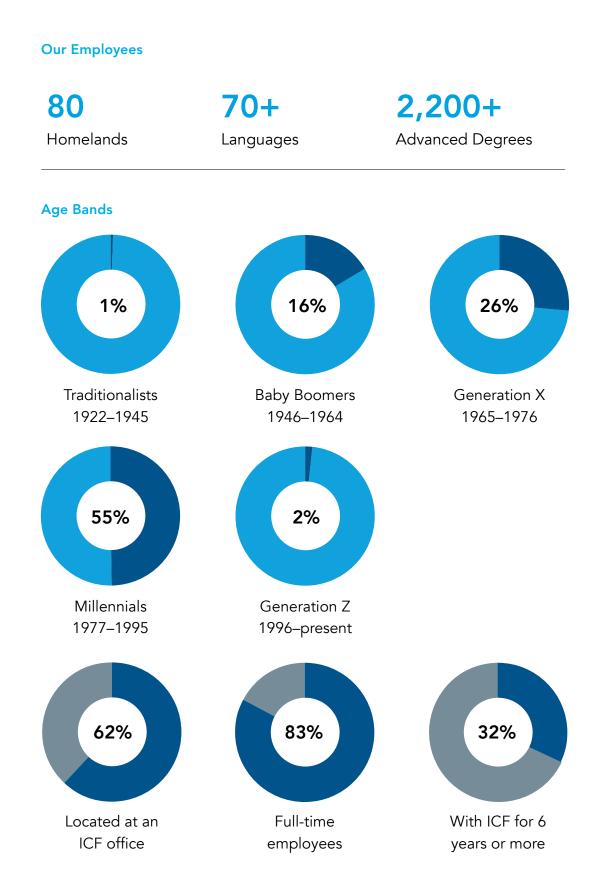
# Investing in Our People

The "average" ICF employee is anything but average. We are change agents, committed to inspiring our teams, clients, and ourselves to make big things possible. As a company, this motivates us to provide—and anticipate—the environment, tools, and systems that allow our people to thrive. All of which help us retain a turnover rate lower than industry average.

- Culture of Openness: A <u>corporate environment</u> that's stimulating, supportive, respectful, and encourages free expression.
- In-House Learning Center: Tools and resources to keep employees ahead of best practices in their industry, hone leadership skills, and stay on track to reach their career goals.
- <u>Rewards</u>: A comprehensive compensation and benefits program, in addition to a recently launched internal rewards and recognition program.

"You don't have to have a particular personality to do well here, quirkiness is a plus. We have people from all walks of life, all cultures, and all age groups. Inclusion and diversity are really important."

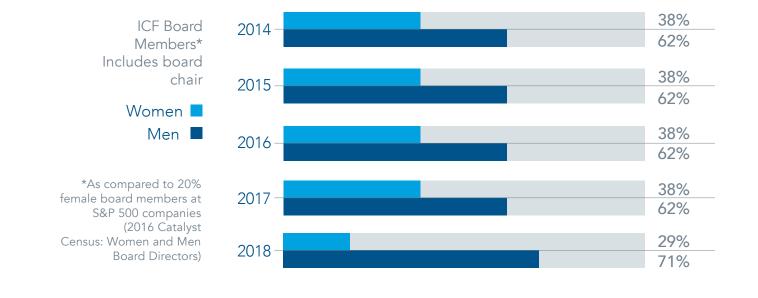
Recruiting Manager, with ICF 18 years



#### ICF 2018 Corporate Responsibility Report



#### Leadership Opportunities Abound for Both Women and Men





## Pay equity across genders in the same roles

# Learning and Development

# 2018 Data:

Annual reviews of compensation by external audits found no disparities across genders for comparable incumbents in the same roles.

Opportunities for continual learning and development fuel employees' engagement.

3,506

participated in elective learning experiences.

92%

of eligible employees received performance reviews.

# 16,664

learning experiences via the Learning Institute or LinkedIn Learning.

# 12.6%

received promotions.

(exceeding the 8.2% average promotion rate for U.S. companies\*)

Improvement: ICF's biennial Employee Survey saw notable improvement in 2018 (vs. 2016).

Our approach to mentorship focuses on advanced learning and growing

future leaders within the company. ICF's Mentor Connect program creates 1:1 pairings that provide our employees with opportunities to learn from (and build relationships with) fellow employees outside their industry and areas of expertise. This "big tent" approach fosters cross-company collaboration while expanding both personal networks and knowledge to better support our clients. Says one program participant: "It strengthened my interpersonal skills. And helped me recognize past experiences and

# +14%

felt they had the opportunity to develop themselves professionally.

people who advised me along the way."

# +10%

felt they had access to required tools.

Mentoring

Mentor Connect 2018 (295 mentees matched with 212 mentors) **3,616** total hours

87%

of relationships persisted for the 6-month program

88%

overall satisfaction

**91%** 

of participants would recommend to a colleague

### Voluntary turnover rate



\*Industry benchmark is based on SHRM research of turnover rates among consulting firms.

\*\*Benchmark includes advertising agencies, proportionate to ICF's advertising business. ICF turnover includes ICF Next.

#### ICF's Voluntary Turnover Rate Is Better Than the Industry Average

High staff retention contributes to corporate and client stability, as well as leaders who are highly knowledgeable in our strategy, culture and teams.



#### Take Steps for Better Health

Each summer, ICF launches an internal competition to get employees moving—literally—for fun and fitness. Pre-determined teams (based on birth month, in 2018) compete for bragging rights and an employee-designed custom tee shirt. Last year, our employees walked 182 million steps in just four weeks. That's enough to circle the Earth almost four times.

#### **Rewards Program**

ICF's newest employee recognition program "You Matter" reinforces our culture and values by recognizing and rewarding people that inspire others. Through an incredibly easy-to-use digital platform, it only took a few months for over 1,400 ICFers to be recognized using eCards—conveying thanks, recognition, and appreciation of the great work they have done—and hundreds more have added their congratulations and compliments on "You Matter's" social wall.

**69%** participate in ICF's social network

# 48%

of those employees are active members

#### **ICF's Social Network**

At any one time, you can find ICF employees working on projects in over 90 countries and nearly 20 time zones. Many project teams include a mix of remote employees, project site employees, and on-site employees. To keep everyone connected, ICF turns to several internal social networking tools. Most are strictly project-based and limited to specific team members, however our largest networking tool is companywide, accessible from any electronic device.

Channels within these tools are based on work groups, corporate initiatives, industry sectors, and personal passions. It has increasingly become the place ICF employees go to:

- Post announcements, photos, and links to share information.
- Ask questions to general (or specific) employee groups, to help solve challenges.
- Share files, collaborate, and edit documents in real time.
- Praise or thank a co-worker for a job well done.
- Stay informed on company news.
- Connect with like-minded colleagues who work in other office locations.

#### Visualization Workgroup



An example from our social platform. Minimizing Our Footprint on the Planet

# Effective Climate Action

Increased incidents of extreme weather, and displaced populations due to drought and flooding, warming oceans, and lost habitats are the new norm. To limit global warming to 1.5°C above pre-industrial levels, the <u>Intergovernmental Panel on Climate</u> <u>Change</u> determined that people need to reduce global greenhouse gas emissions 45% by 2030 and we are committed to doing our part.

Setting a Stretch Goal We previously set a goal of a 10% reduction in emissions per employee by 2018, compared to our 2013 baseline—including emissions from business travel and employee commuting. We surpassed this goal, achieving a 31% reduction. Based on this, we set a new "stretch" target: to reduce absolute scope 1 and 2 emissions<sup>1</sup> by 60% by 2025, compared to our 2013 emissions. Our new target equates to a 5% annual linear reduction and aligns with the <u>Science Based Targets Initiative</u> guidance to limit global warming to less than 1.5°C.

Scope 3 emissions<sup>2</sup> make up a significant portion of ICF's total greenhouse gas emissions, thus we're in the process of setting an additional target to reduce them. We have limited operational control over scope 3 sources, so we're conducting scenario analyses to determine the linkage of scope 3 emissions to ICF's future growth. In our fast-growing company, it's challenging to analyze performance when many metrics are changing simultaneously. For that reason, we'll normalize or align our emissions metric with a driver—such as increased revenue, number of employees, facilities square footage, or business travel. As we continue to work on reducing scope 3 emissions, we'll announce new targets in 2020.

# Understanding Our Impact

It starts with an annual inventory of our greenhouse gas emissions. We calculate the emissions of every office, our small fleet of vehicles, all business travel, and even our employees' commutes. With 10+ years of inventories, we thoroughly understand the impact of our operations. Our strategy to reduce our footprint focuses on the main sources of measured<sup>3</sup> emissions:

- Energy that powers our facilities: 4% of emissions (after purchasing renewable energy certificates).
- Business-related travel: 54% of emissions.
- Fossil fuels used to drive our commutes: 42% of emissions.

<sup>&</sup>lt;sup>1</sup> Definition: scope 1—direct greenhouse gas emissions from sources owned or controlled by ICF; scope 2—Greenhouse gas emissions from purchased electricity.

<sup>&</sup>lt;sup>2</sup> Definition: scope 3—greenhouse gas emission sources beyond the walls of our facilities (e.g., business travel and commuting).

<sup>&</sup>lt;sup>3</sup> We specify "measured emissions" because—although we measured a significant portion of scope 3 emissions—we have not measured all upstream and downstream emissions.

#### **Our Carbon<sup>4</sup> Footprint**

Thanks to our efforts to both reduce energy use and buy renewable energy, absolute emissions from facilities have decreased since our 2013 baseline. We continue working to reduce impacts from business travel and employee commuting.

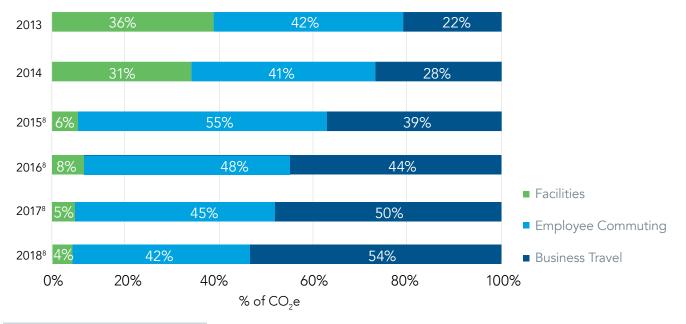
#### **Emissions by Scope** (metric tons of CO<sub>2</sub>e) Indicates level of operational control



metric tons of CO<sub>2</sub>e

- Scope 1: Direct greenhouse gas emissions from sources owned or controlled by ICF.
- Scope 2: Greenhouse gas emissions from purchased electricity.
- Scope 3<sup>7</sup>: Greenhouse gas emission sources beyond the walls of our facilities; we measured business travel and commuting only.





<sup>&</sup>lt;sup>4</sup> "Carbon" refers to carbon dioxide emissions (CO<sub>2</sub>), a greenhouse gas that makes up 99% of ICF's greenhouse gas emissions. For that reason, we use the terms "carbon footprint" and "greenhouse gas emissions" interchangeably.

<sup>&</sup>lt;sup>5</sup> Most recent carbon inventory at the time of publishing this report.

<sup>&</sup>lt;sup>6</sup> Decrease in Scope 2 emissions due to purchase of renewable energy certificates.

<sup>&</sup>lt;sup>7</sup> While our inventory accounts for some of our largest Scope 3 sources, it does not consider upstream and downstream

emissions from all relevant sources.

<sup>&</sup>lt;sup>8</sup> Decrease in facilities emissions due to purchase of renewable energy certificates.

#### **Facilities Emissions Dashboard**

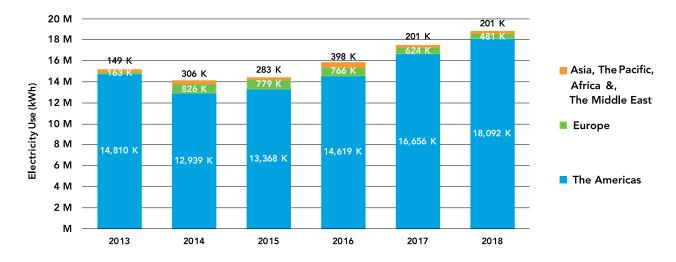
Our climate experts created the dashboard below to visualize the carbon footprint of our facilities. This interactive tool graphically displays for each facility: location, energy used, energy used per square foot, and greenhouse gas emissions over time. At a glance, we can see trends, identify areas for improvement, and prioritize sustainability initiatives.

In 2016, we moved our San Diego office to a LEED Gold building, and quickly saw positive results. Energy use dropped dramatically while the number of personnel remained constant. The 2015 increase is due to a brief overlap of leasing two facilities prior to the move.



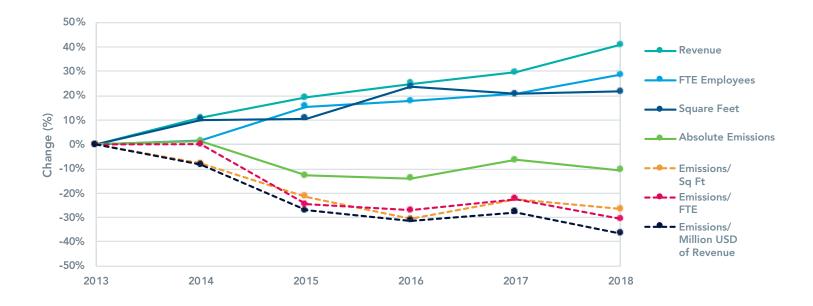
# Electricity Used by ICF's Global Operations

After taking inventory of electricity used at the end of each year, we purchase renewable energy certificates (RECs) equivalent to 100% of electricity used by our global operations (we purchase RECs rather than buying green power directly from the grid because we lease all our offices; landlords choose the energy providers).



#### ICF Grows While Emissions Decline, 2013-2018

While ICF grew in revenue, number of employees, and facilities square footage since our 2013 baseline, absolute emissions and emissions intensity decreased. Emissions depicted in this graphic include scopes 1 and 2 emissions, plus a significant portion of scope 3 emissions (business travel and employee commuting).



#### **Environmental Recognition**

- Climate Change Business Journal Business Achievement Award 2018
   For advancing best practices in climate change adaptation and resilience supporting the writing of the Fourth National Climate Assessment.
- Environmental Business Journal Business Achievement Award 2018
   For a natural resources management project that restores salmon habitat in an urban setting for the City of Portland.
- Environmental Finance Market Rankings 2018 ICF named best advisory/consultancy in China.
- Engineering News-Record (ENR) Top 200 Environmental Firm 2018 Based on market position in environmental services, such as waste cleanup and management, renewable energy and wastewater treatment facility design and construction.

#### Helping Clients Address Climate Risk

Analyses we conduct for our clients reveal a diverse set of potential risks to production, operations, supply chains, and markets due to threats from flooding, temperature extremes, and other factors. The advice we offer aligns with the recommendations of the <u>Task Force on Climate-related Financial</u> <u>Disclosure</u>. We also help clients mitigate potential future natural disasters through adaptation planning, taking into consideration both the costs and their lifecycle benefits.

Taking Action	Our sustainability strategy begins with mitigation. We make our environmental footprint as small as possible without impairing client services. Key initiatives that help us reach our sustainability goals include:				
	<ul> <li>Buying renewable energy.</li> <li>Reducing facilities environmental footprint.</li> <li>Minimizing emissions from business travel and employee commuting.</li> <li>Purchasing responsibly.</li> <li>Employing an environmental management system.</li> <li>Assessing our climate risk.</li> </ul>	<ul> <li>Reducing waste to landfill and prioritize reuse over recycle.</li> <li>Conserving water.</li> <li>Partnering for sustainability.</li> <li>Engaging employees in sustainable initiatives.</li> <li>Investing in verified carbon offsets.</li> <li>Reporting on sustainability performance.</li> </ul>			
Buying Renewable Energy	Guided by our renewable energy experts, in 2018 ICF once again purchased Green-e certified renewable energy certificates (RECs in the United States; comparable certificates in other markets) equivalent to 100% of the electricity used at our offices worldwide. An REC represents the environmental benefits associated with one megawatt-hour of energy generated from renewable resources. Purchasing RECs helps make renewable energy projects financially competitive with traditional energy producers.				
Reducing Our Facilities Footprint	<b>Leasing green facilities.</b> When selecting office space, we prioritize leases in sustainable buildings—facilities that use energy and water more efficiently, are located near mass transit, and have other health and lifestyle benefits. Of our employees based in ICF offices, 50% work in sustainable facilities.				

City (alphabetical order)	ENERGY STAR Score	LEED Certification	Electric Vehicle Charging Stations
Chicago, IL W. Randolph	89 (2018)		
Chicago, IL W. Wacker Drive	92 (2018)	Building: Gold (2018)	
Fairfax, VA	79 (2018)	Interior: Platinum—conference center (2012) Gold—floors 3, 5, 9 (2015)	€¶ <sup>†</sup>
Irvine, CA	88 (2018)		
Kansas City, MO	92 (2018)		

City (alphabetical order)	ENERGY STAR Score	LEED Certification	Electric Vehicle Charging Stations
Los Angeles, CA, W. 5th Street	94 (2018)	Building: Gold (2017)	<u>وم</u>
Los Angeles, CA, Century Park East	82 (2018)	Building: Gold (2016)	(C)
Minneapolis, MN	83 (2018)	Building: Gold (2018)	
New York, NY, 3 <sup>rd</sup> Avenue	84 (2018)	Building: Silver (2018)	
New York, NY, Wall Street	90 (2018)		
Richmond, VA	80 (2018)		esi ۱
Rockville, MD	91 (2018)	Building: Gold (2010) Interior: Platinum—floors 5, 6, 7, 8 (2012) Gold—floors 1, 2 (2014)	(C)
San Diego, CA	88 (2018)	Building: Gold (2015)	
San Francisco, CA	96 (2018)	Building: Gold (2015)	
Seattle, WA	79 (2018)	Building: Platinum (2014)	

**Influencing landlords' investments.** In our long-term leases, we leverage our relationship with landlords to influence sustainable facility investments. For example, at our headquarters in Fairfax, Virginia, we were able to significantly improve the efficiency of systems within the 30-year-old building—such as updating the conference center certified to the LEED Platinum standard.

**Consolidating offices.** When feasible, we combine nearby offices into a single, more sustainable space. In 2018, we consolidated two offices in Brussels. In 2019, we consolidated three offices in London. Together these moves reduced our physical footprint by 6,000 square feet, bringing more of our employees together for collaboration while reducing our net vacant space.

**Using HVAC systems efficiently.** We work with landlords to ensure we use heating, ventilation, and air conditioning systems as efficiently as possible—and only during working hours. We installed thermostat controls to reduce energy use by an expected 10-30%. In some locations, we participate in utility demand response programs, temporarily reducing our energy consumption during peak usage periods.

**Employing lighting controls.** Now a standard for all new ICF offices, we implemented electronic lighting controls to conserve energy in unoccupied spaces. Product specifications indicate an expected <u>energy savings of 10-50%</u>.

**Applying green IT policies.** ICF policies require all laptops to be EPEAT Gold certified and all IT equipment to be ENERGY STAR qualified. This optimized equipment uses 25% less energy than alternative equipment.

EPEAT is a global rating system that rates computers based on energy conservation, materials selection, product longevity, packaging, end-of-life management, and other sustainability indicators. We also issue laptops with the power-management setting activated so computers enter sleep mode when not in use.

Training staff to be energy vigilant. Our facilities and security personnel are trained to look for unnecessary energy use as they make their rounds. In locations where we have dedicated facilities staff, they follow a standard practice of morning and evening inspections.

#### **Minimizing Emissions from Business Travel**

Leading organizations recognize that the largest emission sources often lie beyond the walls of our buildings—such as business travel and employee commutes. ICF acknowledges our responsibility for these emissions and we work to reduce emissions while maintaining critical client interactions.

Collaborating virtually as effectively as face-to-face. Our communication platform is compatible with clients' firewalls and enables collaborating on documents, posting on a shared whiteboard, messaging presenters, and soliciting feedback via polls. There are also webcams in nearly every conference room. For meetings that require higher quality presentations, we installed sophisticated cameras in approximately 80 conference rooms, providing a range of capabilities: high-definition images and audio; 360-degree view; active speaker tracking; pan, tilt, zoom, and split screen views. We also use a variety of online tools to collaborate and manage projects.

Embracing tools to reduce our travel footprint. We train employees on all aspects of remote collaboration: how to facilitate and engage participants, manage virtual teams, and choose collaboration tools best suited for each project. Use of our online meeting platform continues to grow-with monthly average participation up nearly 30% over the previous year and up more than 300% since we began measuring in 2015.

Monthly Average Use of Online Meeting Platform						
Year	Conferences	Participants	Participant Minutes			
2015	10,000	36,000	930,000			
2016	23,000	76,000	2,300,000			
2017	25,000	90,000	2,900,000			
2018	32,000	114,000	3,800,000			
Increase: 2018 vs. 2017	+28%	+27%	+31%			

#### Providing Lower Carbon Alternatives for Commuting

**Understanding our commuting emissions.** Each year, we conduct a survey of employees' commuting practices and preferences. The results inform our greenhouse gas inventory and mitigation. For example, a previous survey revealed that employees would be more likely to use public transportation if we increased the ceiling of the transit benefit, so we did.

**Subsidizing mass transit.** To reduce the emissions of our employee commuting, each year we invest in a subsidy for U.S. employees who take mass transit. In 2018, more than 700 employees used this benefit—for which ICF spent \$470,000.

**Supporting telecommuting.** Our progressive telecommuting policy enables 30% of our employees to be based at home, while others work from home occasionally. Both populations reduce our commuting footprint.

**Supporting cycling commuters.** We offer a bicycle subsidy to employees who regularly bike to work, and promote local biking events, such as Bike to Work Day. Our cycling commuters use imaginative tactics to increase participation— holding breakfasts, forming pelotons, mapping routes, and offering instruction on bike safety and maintenance. We recognize offices with the highest rates of participation. In 2018, the honors went to Minneapolis, Minnesota; Washington, D.C.; and Englewood, Colorado.

Employees who registered for Bike to Work Day	Miles traveled	CO <sub>2</sub> emissions avoided if biking replaces driving alone
259	1,550	0.626 metric tons

#### Purchasing Responsibly

ICF requires all suppliers to certify their compliance with our <u>Code of Business</u> <u>Ethics and Conduct</u>. In addition to a commitment to follow laws and act ethically, suppliers commit to awareness of their environmental impact while supplying products or services to ICF. We also work with suppliers to measure, manage, and minimize our environmental footprint. For example, travel management vendors provide reports tailored for our greenhouse gas inventory. Car rental companies know we want fuel-efficient options. Preferred hotel chains need to demonstrate sustainable measures. Computers must be registered as EPEAT Gold. Office supply vendors must include sustainable products, and more. Our expressed preferences serve as votes for more sustainable products and services.

Managing for<br/>ContinuousWe use an informal environmental management system to assess and improve the<br/>environmental performance of our global operations. We assign responsibilities;<br/>measure, manage, set goals; and then report on greenhouse gas emissions of<br/>our offices, business travel, and employee commuting. Additionally, our London<br/>and Birmingham, UK, offices have environmental management systems that are<br/>certified to the ISO 14001 standard (certified each year since 2012).

#### Assessing Our Climate Risk

Our climate experts conducted a climate and extreme weather vulnerability assessment of ICF's operations. It reviewed whether any of our facilities or operational activities are at physical risk from flooding, sea level rise, heat waves, cold snaps, storm surge, drought, wildfire, heavy winds, and winter weather (based on an assessment of each facility's exposure, sensitivity, and adaptive capacity to those events). The analysis addressed ICF's facilities, office operations, office access, electricity supply, water utilities, IT systems, supply chain, package delivery, and staff ability to work remotely.

The analysis identified no significant short- or medium-term risks. Our climate risk exposure is limited due to the nature of our operations (consulting services), our limited physical assets (we lease all of our facilities), and distributed locations. Additionally, ICF's flexible telework policies, virtual collaboration tools enabling almost all employees to work remotely, and the dispersed locations of our personnel, all mitigate our vulnerability to extreme weather events.

#### Partnering for Sustainability

ICF partners with other organizations to drive industry toward more sustainable practices. For example, we partnered with <u>NSF</u> <u>International</u> and other professional services firms to develop NSF 391.1, the new sustainability standard for professional services. As a member of the <u>Professional Services Sustainability Roundtable</u> and the <u>Boston College Center for Corporate Citizenship</u>, ICF collaborates with other leading companies to establish best practices, address challenges, and advance the field of corporate sustainability.

Engaging Employees

**Cultivating a culture of sustainability.** ICF is committed to operating in a way that reflects the ethos of our senior leaders, the passion of our employees, and the expectation of many clients and other stakeholders. We communicate our sustainable commitments to engage employees, build awareness, encourage adoption, and cultivate a culture of sustainability. We foster norms that encourage accountability and transparency, and we celebrate sustainability accomplishments.

**Sponsoring Green Team.** Our volunteer Green Team helps us identify and adopt sustainable practices. In 2018, we saw a 100% increase in the number of volunteers offering to join the Green Team, lead the Green Team, participate on committees, and provide feedback in our survey.

# Green Team in Action



#### Volunteer Green Team Member:

Used my own dishware for the group lunch today, but sadly, few others did so. Would love to see some policies, e.g., no Styrofoam.

#### Manager:

Feedback taken. I will mention this to our event planners. Thanks for starting the conversation!

#### Officer:

What a good example you set for the rest of us! Thanks to the Green Team for helping us with the **#wastenot2019** campaign—brought my own water bottle and coffee mug to the office!

	<b>Reducing food waste.</b> Our 2018 Earth Month campaign, #Food4Thought, highlighted the enormity and consequences of food waste around the world. We learned that food wasted, globally, is enough to feed 3 billion people—and uses 66 trillion gallons of water a year. Food in landfills generates 3.3 billion tons of methane gas emissions each year. Composting in particular has generated an increased interest from many ICFers, as well as significant feedback on our internal employee social channel.
Reporting on Sustainability Performance	Each year we publish a corporate citizenship report. Many clients also ask us to annually report our environmental performance. We disclose to <u>CDP's</u> climate change and supply chain programs—the most rigorous and comprehensive of all climate reporting. Our CDP report submitted in 2018 scored an A-, which landed us in the top 5% of the nearly 7,000 participating companies.
Prioritizing Reuse over Recycle	We keep a circular economy in mind, optimizing our use of resources. We maintain ICF-issued computers on a schedule to extend the useful life. We stock recycled paper, purchase recycled printer cartridges, and when possible, purchase products made with recovered materials. Duplex printing is the default setting on network printers. We print fewer copies of our promotional materials, preferring to drive traffic to our website. (Even this report is available only online.) Many of our office kitchens replaced disposables with reusable wares.
Recycling and Other Measures to Reduce Waste to Landfill	We engaged an e-Stewards certified partner to reuse or recycle expiring laptop components and dispose of unusable parts in an environmentally responsible way. In most of our facilities, we are one tenant among many—which makes it difficult to measure our waste. Nevertheless, we work to reduce waste by reusing, recycling, and composting. In ICF offices where we have 30 or more employees, building management maintains recycling programs. Several offices

also have composting programs that redirect waste from landfills.

#### Reusing and Recycling IT Equipment

During 2018, we reused or recycled 5,000+ assets weighing nearly 49,000 pounds. The reuse and recycling of ICF's retired computers saved the equivalent of:

\$210,000+

in IT purchases

Electricity to power **163** U.S. households for 1 year

**274** passenger cars from the road for 1 year

Removing

#### **Conserving Water**

Our LEED-certified offices are constructed to include high-efficiency toilets and faucets. Additionally, we've installed high-efficiency toilets and upgraded faucet aerators in some of our largest offices. We expect these devices to reduce water usage by up to 50% annually.

#### Advising Clients to Minimize Environmental Impacts

In addition to our own efforts, we help clients plan and implement solutions that improve the environmental outlook, benefit stakeholders, and comply with regulations. This includes sophisticated future scenario modeling and impact measurement, climate science expertise, engineering capabilities, natural resource management experience, and policy knowledge.

#### Investing in Verified Carbon Offsets

In 2006, ICF was the first professional services firm to make and fulfill a commitment to maintain a net-zero carbon footprint. We prioritize investments of time and money in the sustainable initiatives already described; activities that focus on reduction. After taking measures to reduce our carbon footprint, we purchase verified carbon offsets that remove emissions at a rate equivalent to what our operations generate. Our climate experts apply stringent criteria to ensure that carbon reduction would not have occurred without the carbon market.

We purchase offsets equivalent to all scope 1 and scope 2 emissions, plus all measured scope 3 emissions. We choose offsets that, in addition to reducing carbon emissions, offer other community benefits—such as investing in local job training or youth education programs.

# Making Progress Toward Goals

With our 2018 inventory, we exceeded our emissions reduction goal, achieving 31% reduction in emissions per employee compared to our 2013 baseline including emissions from business travel and employee commuting. In terms of absolute emissions, we reduced net emissions resulting from our facilities (scope 1 and 2 emissions) by 88% compared to our 2013 base year. We achieved that reduction by taking the measures described above.

	Scope 1 and Emissions fr powering IC	rom	Scope 3: Emissions from business travel and commuting	Scopes 1, 2 and 3 combined			
	Metric tons of CO2e	Change	Metric tons of CO <sub>2</sub> e	Metric tons of CO <sub>2</sub> e	Employees	Emissions/ employee	Change
2013 Base year	8,134	Base year	13,590	21,724	4,744	4.58	Base year
2018	996	-88%	18,369	19,365	6,105	3.17	-31% Emissions/ employee

# Making a Difference in Our Communities

Our employees' philanthropic passions help ICF make our communities more equitable, just, healthy, and resilient. In 2018, we matched employee donations 1-to-1, up to an annual ceiling. And we celebrated volunteerism with a 2-month campaign in which we donated \$10 for each hour volunteered. That translated to \$473,000 in cash donations, plus our employees' \$140,000 in cash and more than 4,100 volunteer hours recorded.

Our combined donations and volunteer efforts contributed to the <u>Sustainable</u> <u>Development Goals</u>.



#### **Extending Our Reach**

Thanks to our employees' giving and ICF's matching program, the reach of our corporate philanthropy extends to hundreds more charities. Here is just a sample of how, together, we're giving even more:

- <u>Ben's Run</u>—Funding research of pediatric cancer, this event was founded by an ICFer who lost her child to cancer.
- So Others Might Eat—Fighting poverty and homelessness in Washington, D.C.
- <u>World Wildlife Fund</u>—Protecting the Belize barrier reef.
- <u>New England Center and Home for Veterans</u>—Serving veterans to enable success, meaningful employment, and dignified independent living.
- <u>ALIMA</u>—Treating patients at the center of the Ebola epidemic in Democratic Republic of the Congo.
- <u>Every Town for Gun Safety</u>—Working to end gun violence and build safer communities in the United States.
- <u>Ekal Vidyalaya Foundation</u>—Bringing basic education to every child across rural India.
- <u>St. Basils</u>—Helping young people in the United Kingdom who are homeless or at risk of homelessness.
- <u>Ocean Discovery Institute</u>—Reaching underserved San Diego communities to transform young lives through science and conservation.

#### **Resilience through Healthcare in Puerto Rico**

In the aftermath of Hurricane Maria, ICF looked for opportunities to help in a meaningful way. We partnered with the Puerto Rico Community Foundation, donating \$35,000 to purchase and install a solar energy infrastructure and storage system at the Community Health Center of Patillas—one of the towns most devastated by Maria—to ensure continuous emergency room operation. We also purchased medical equipment needed to diagnose and treat patients.

#### **Biomedical Research in Homey Comfort**

The Children's Inn at the National Institutes of Health (NIH) provides free lodging for critically ill children and their families while receiving groundbreaking medical treatment. This "home away from home" makes clinical trials more accessible and helps advance biomedical research. Continuing a nearly 10-year tradition, ICF donated \$25,000 to The Inn in 2018. And our employees are equally committed. Every other month, a team of ICFers shop, cook, and serve dinner to 40–70 guests.





#### **Neighborhood Introductions in Richmond**

To celebrate the opening of our new office in Richmond, Virginia, we donated \$10,000 to Rebuilding Together Richmond (RTR). RTR repairs the homes of low-income homeowners living in some of the city's most vulnerable communities.

# Good social drives social good in the U.K.

TSB is more than a Britain-based financial institution. They wanted to raise awareness of their purpose and commitment to local charities. We designed a suite of 40-second films from the perspectives of the individuals affected by TSB's charity partnerships. <u>The campaign drove 45,000</u> <u>people to the site</u>—almost double what was expected.



Recognizing Our Philanthropists Recipients:	ICFers contribute in amazing ways every day. We recognize those efforts with our annual Volunteer Awards. Employees nominated each other in five categories focused on humanitarian and sustainability causes. Awards included donations of \$1,000 to their winners' favorite charities. Here are the 2018 recipients:
<b>9</b>	<b>Holly Dotterer</b> is a communications expert who loves animals. While it's one thing to care about animals, it's another to volunteer for the <u>Anti-Cruelty Society</u> several times a week. Holly applied her professional skills, chairing the committee that plans programs and special events, fundraising, services, and outreach.
	<b>Bella Siangonya</b> centers his career around public health—specifically, research and evaluation. Outside of work, Bella serves the health and wellbeing of the disadvantaged as president of the <u>Association of Zambians in Atlanta</u> . Bella launched fundraising initiatives to support cancer patients who were unable to work, families with ill infants, education, housing, and other life-changing services for Zambians in Atlanta.
	<b>Patrick Stephenson</b> is an enthusiastic copywriter who is equally passionate about cycling. Patrick founded two nonprofits to support the cycling community: <u>30 Days of Biking</u> (to encourage daily bike commutes while raising money for the <u>World Bicycle</u> <u>Relief</u> ) and the <u>Joyful Riders Club</u> , for those who enjoy a monthly social ride.
	<b>Rani Murali</b> thrives on climate change mitigation projects—including greenhouse gas inventories. She used her managerial skills, facility with spreadsheets, and powers of persuasion to co-lead ICF's Charity Auction—which raised \$35,000 for charity.
	<b>Matt McKinney</b> evaluates career and technical education programs. He spent three years leading ICF-wide participation in Bike to Work Day, recruiting hundreds of cyclists as well as managing the portal, and supporting cycling leaders in 40+ offices. Matt also supported logistics for the D.Carea Bike to Work Day, an ICF-sponsored event that drew nearly 20,000 cyclists.
Increasing Our Community Impact	Our employees find fun and creative ways to do great things for their communities. Here is a sampling:
	1 Atlanta, GA—Raised \$2,530 for the <u>AIDS Walk Atlanta</u> through a bake sale. Held a holiday fundraiser for low-income families affected by HIV/AIDS and raised \$1,300 for food and housing.
	2 Brussels, Belgium—Participated in the Christmas Shoe Box community event. Filled

boxes with treats and toiletries for the homeless.
Burlington, VT—Adopted a local family, making the holidays brighter for a struggling mom and her four kids.



- 4 Chicago/W. Randolph, IL—Adopted 6 Christopher House families, with 30 family members altogether, to help lowincome, at-risk kids.
- 5 Chicago/W. Wacker, IL—Donated toys and wrapped and delivered packages for disadvantaged families—part of the Chicago Celebration of Giving.
- Columbia, MD—Participated in Race for the Cure to support their client, a cancer survivor. They raised nearly \$950, and ICF matched their donation for a total of \$1,900.
- 7 Denver, CO—Donated toys for kids participating in the Boys and Girls Clubs.
- 8 Detroit, Jackson, Ann Arbor, MI— Collected 150+ pounds of food and donations for Gleaners Community Food Bank of Southeastern Michigan.

- 9 Durham, NC—Donated \$500 in gifts to hospitalized children.
- Fairfax, VA—Hosted the 26<sup>th</sup> annual charity auction that raised \$44,000 for scores of charities. Held blood drives for the Red Cross. Launched a bake sale, a book sale, and a Duck Dunk to raise funds for American Cancer Society. Formed a Tough Mudder team that raised funds for Water For People.
- 11 London, UK—Collected food and clothing to help The Trussell Trust and FareShare to support people in need. Collected clothes for Mind, a charity that provides mental health services. Raised **£400** with a festive bake sale in advance of the holidays to secure shelter for the homeless.



- 12 Minneapolis, MN—Launched a creative video campaign to raise \$2,400 for Second Harvest Heartland. Continued their Impact Week tradition, volunteering at Cookie Cart, Second Harvest, Children's Hospital Minneapolis, and BrandLab.
- New York City/3rd Avenue, NY—Held Taco Tuesday events to raise funds for Hurricane Florence recovery efforts. Raised more than
   \$500 for GlobalGiving. Donated to the Purse Project, which provides handbags filled with toiletries to women in shelters.
- 14 New York City/Wall Street, NY—Collected coats for their underserved neighbors and raised funds with a Change War for Charity.
- 15 Portland, OR—Held a Change War for Charity and donated to the Gateway Center for Domestic Violence Services.
- 16 Richmond, VA—Donated \$10,000 to Building Together Richmond to enable housing for lowincome families. Held Potluck with a Purpose to raise funds for the local food bank.

- **Rockville, MD**—Hosted blood drives for the Red Cross. Held a change war, and donated goods and services to help raise \$44,000 at the Fairfax charity auction. Regularly provide meals for families of ill children in research trials at The Children's Inn at NIH.
- **Sacramento, CA**—Fulfilled the wishes of about 40 disadvantaged children with a Holiday Giving Tree for the Sacramento Children's Home. Contributed 160 purses, toiletries, and treats to fill them (plus dozens of makeup bags) to the Purse Project.
- 19 San Diego, CA—Adopted families for the holidays through the Ocean Discovery Institute. Incorporated a silent auction into their holiday party and raised \$3,350 for Ocean Discovery Institute.
- 20 Washington, D.C.—Volunteers gave hundreds of hours to produce ICF's 26th annual charity auction, which raised \$44,000 for charity. Held a clothing drive for neighbors in shelters, and a bake sale to raise money to fight breast cancer.



# Ensuring Value Through Governance

Trust is key to ICF's business—and the foundation for our relationships with employees, clients, shareholders, business partners, and other stakeholders. Governance helps us continue to earn that trust. Our corporate policies and structure help us operate efficiently, ethically, and in compliance with laws and regulations. ICF's governance benefits all our stakeholders by mitigating risk and safeguarding against mismanagement. Plus, it increases access to capital, creating more opportunities for our business and our employees while building long-term value for our shareholders. As such, we follow a strict <u>Code of Business Ethics and Conduct</u> and hold ourselves to the highest professional standards.

# Governance Framework

While governance involves the actions and behaviors of all employees, it is a particular responsibility of ICF's leaders. Our leaders guide the firm in accordance with our values.

**Board of Directors and Audit Committee**—<u>Guides</u> the management of the firm, overseeing strategies and priorities with the best interests of shareholders, customers, and employees in mind. The <u>Audit Committee</u> oversees the Corporate Compliance Committee and receives regular reports from the Chief Ethics & Compliance Officer.

**Executive Leadership Team**—<u>These leaders</u>—who comprise ICF's C-suite executives, primary operating group executives, and major corporate services group executives—determine our business strategy and corporate priorities.

**Corporate Compliance Committee**—Manages our Compliance and Ethics Program, creating awareness of the <u>Code of Business Ethics and Conduct</u>, promoting a culture of ethical conduct, and ensuring corrective measures if any improper conduct occurs.

**Global Data Protection Officer (DPO)**—<u>Manages</u> our <u>Global Data Protection and</u> <u>ePrivacy Program</u> to ensure that ICF complies with data protection and ePrivacy regulations and provides guidance regarding related best practices across the globe. ICF's DPO is subject to European Economic Area regulators' oversight and reports compliance findings to ICF executives and board.

**Corporate Project Management Office**—Works to ensure that the firm follows management best practices to maintain accountability, transparency, and fairness in our relationships with stakeholders.

**Corporate Responsibility Steering Committee**—Recommends strategies, policies, and initiatives that will enhance corporate citizenship.



# Putting Our Values into Practice

The proof of our ideals goes beyond adherence to appropriate polices, monitoring, and control mechanisms.

**Ethical business training.** From day one, ICF employees learn about corporate policies governing conduct, anti-corruption, conflicts of interest, timekeeping, security awareness, data privacy, harassment, procurement, fair employment, diversity, and inclusiveness. Eligible employees also take an annual refresher course to determine where they can improve their understanding of ICF's <u>Code of Business Ethics and Conduct</u>.

**Ethics hotline.** We maintain a secure hotline, international phone line, and website—available in more than 20 languages—to gather confidential feedback from all stakeholders, including employees, clients, and shareholders. We publicize these channels, managed by a third party vendor via icf.com, our intranet, training, email, and posters to increase visibility.

**Stop human trafficking.** ICF issued a statement and plan against human trafficking and modern slavery in the operation of our business. Policies against human trafficking are also built into our employee <u>Code of Business Ethics and</u> <u>Conduct</u>.

**Ethical procurement.** ICF maintains a dedicated procurement team, along with a set of policies and procedures to govern our procurement process. We use management controls, such as training and internal audits, to ensure that we follow policies, regulations, and laws. We actively seek diverse and small business suppliers. And we ask our suppliers to commit to the same guiding principles we follow, including being mindful of the environmental footprint of work and travel for ICF. Data protection. Our Global Data Protection and ePrivacy Program follows best practices and complies with regulatory frameworks across the globe—such as the European Union's General Data Protection Regulation (GDPR) and California's landmark privacy legislation. ICF institutes data privacy, data security, and ePrivacy measures that safeguard employee, client, partner, and others' personal and sensitive data. We align our internal procedures, processes, data systems, documentation, and supplier relationships to comply with globally recognized data protection and ePrivacy laws and regulations. Annually, we conduct mandatory training for all employees to raise data protection awareness and subject our sub-processor to data protection supplier assessment reviews.

ICF uses National Institute of Standards and Technology, the International Organization of Standards, Auditing Standards Board, and similar robust standards as its baseline for information security policies and procedures. Annually, ICF undergoes independent third party audits to maintain ICF certifications for ISO 27001, which validates its information security management as well as Statement on Standards for Attestation Engagements #16 and Service Organization Control #2, which validates ICF's core corporate systems.

**Carbon neutrality.** As a carbon-neutral firm, ICF serves as a model for clients and employees alike. This status helps the people and organizations we serve minimize their own environmental footprint—as we're part of their supply chain.

**Objective advice.** We provide data-driven, unbiased advice to clients. Our impartiality makes us a reliable resource for advocates on either side of an issue.

# Governance Factors

Here we present some key factors of our accountability and governance.

Key Factors	2012	2013	2014	2015	2016	2017	2018
		<b>.</b>	<b>*</b> · • <b>-</b> ·	<b>* *</b> .	<b>* -</b> -	** ***	<b>.</b>
Revenue (U.S. millions)	\$937	\$949	\$1,051	\$1,132	\$1,185	\$1,229	\$1,334
Employees	4,500	4,500	5,000	5,000	5,000	5,000+	6,000+
Board of Directors	8	7	8	8	8	8	7
Independent Directors*	7 of 8	6 of 7	7 of 8	7 of 8	7 of 8	7 of 8	6 of 7
Women on Board	2	2	3	3	3	2	2
- 1/2							
Board/Committee Meetings Held	22	25	25	24	24	25	26
Corporate Political							
Contributions	0	0	0	0	0	0	0

\* Independent board members are not employees of the company, do not receive any remuneration from the company except for their compensation, and are not directly related to any of the company's executives.

# About This Report

#### POT E Byrd St. Suite 700 Richmond, VA 23

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ate: 10/10/2018

Ten Thousand and <sup>00</sup>100 Dollars

Organized around our stakeholders, this report addresses ICF's citizenship performance during calendar year 2018.

- ICF as employer—providing careers to over 7,000 fulland part-time employees.
- ICF as solution creator—helping clients navigate change and shape the future.
- ICF as community contributor—investing where we work and live.

Read more about ICF's roles and impact on the following page.

ICF's emissions data account for emissions generated by our operations through 2018.

All financial data is presented in U.S. dollars unless noted otherwise.

**NOTE:** The information in this report and ICF International, Inc.'s corporate responsibility/sustainability reporting and website, inclusive of charts, graphs, and discussion, and all other information presented ("Materials"), may contain forward-looking statements, estimates, or projections based on expectations as of the original date of those materials. Those statements, estimates, and projections are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties are detailed in our reports filed with the U.S. Securities and Exchange Commission, including Forms 8-K, 10-K, and 10-Q. Presented information may also discuss non-public financial and statistical information and non- GAAP financial measures. All information was current only as of the date originally presented. We do not update or delete outdated information contained in Materials, and we disclaim any obligation to do so. All content and related intellectual property is the property of ICF International or its respective referenced partners or clients.

# Making Progress Toward Goals

#### Goals

#### Investing in our Employees

Survey full-time employees and act upon feedback to enhance culture and employee experience.

Conduct companywide mentorship program to foster leader development.

Update career paths and a corresponding career growth framework.

Expand leadership and people management training and development programs.

Implement the new merit tool.

Minimizing Our Footprint on the Planet

Reduce carbon emissions per ICF employee by an average of 10% (including facilities, business travel, and commuting) as measured in our 2018 carbon inventory compared to a 2013 baseline.

Reduce absolute scope 1 and 2 emissions by 60% by 2025, compared to our 2013 baseline.

Conduct an inventory of carbon emissions resulting from ICF operations—including emissions from facilities, business travel, and employee commuting.

Purchase renewable energy certificates to offset 100% of electricity used at ICF's U.S. facilities.

Remain carbon neutral through investments in high-quality carbon offsets.

Provide a transit subsidy to encourage employees' use of mass transit.

Recycle e-waste through a vendor certified in providing end-to-end accountability to ensure data security; health and worker safety; and no exporting, prison labor, dumping, or incineration.

Making a Difference in Our Communities

Increase employees' philanthropic engagement by 5%, year over year.

Increase the number of offices participating in ICF's volunteer program, GiveForward.

Recognize employees' outstanding volunteerism with annual awards.

Ensuring Value for Our Clients and Shareholders

Hold 100% of eligible staff accountable for required compliance training on: code of conduct, harassment and discrimination, timekeeping, security awareness, data privacy, procurement, and anti-corruption policies.

Conduct customer surveys to better understand clients' interests and continue to align our services with their missions.

	Progress				
Timeline	More to Do	On Track	Achieved		
Biannually			$\checkmark$		
Annually			$\checkmark$		
2019		$\checkmark$			
2019		✓ ✓			
2020		$\checkmark$			
2019		$\checkmark$			
2025		$\checkmark$			
Annually			$\checkmark$		
Annually			✓ ✓ ✓		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		
Annually			$\checkmark$		

ICF's Roles and		ICF's Impact as:				
Impact	ICF's Stakeholders	Employer	Solution Provider	Community Contributer		
ICF's daily operations affect all of our stakeholders in varied, fundamental ways.	Employees	For our 7,000+ talented full- and part-time employees, we provide a respectful environment that welcomes divergent views and encourages staff at every level to flourish. We provide leadership opportunities for staff at all levels. As a result, we maintain better than average employee turnover rates (13+ years among senior staff).	Our motivated employees are able to pursue their passions and become thought leaders in areas important to them. We provide training, development opportunities, challenging assignments, an extensive set of online resources, management coaching, and leadership development programs.	We support our employees' philanthropic passions and multiply their efforts by matching their donations. Employees enjoy leadership opportunities and engage with communities by participating in ICF's volunteer organizations: Green Team and GiveForward.		
	Clients	Our clients benefit from ICF's ethical culture, which mitigates risk and safeguards against mismanagement. On day one, employees learn about corporate policies governing conduct, and each year they take a refresher course to improve their understanding. ICF rigorously enforces our code of ethics. Clients can trust our solutions to be impartial and aligned with our commitment.	Together with our clients, we develop solutions to some of the most challenging concerns related to public health, climate change, disaster recovery, and cybersecurity, among other vital areas. We apply engagement techniques that make a difference for essential brands and government programs. What's more, we are a positive part of our clients' supply chains. Because we offset our own carbon emissions, we contribute net zero emissions to our clients' carbon footprints.	Our clients live and work in communities that can benefit from corporate philanthropy. Many of our clients run community programs—both government and nonprofit. ICF supports our clients' constituents and communities with donations and services.		
	Planet	We recognize our company's activities have an environmental footprint. We work in facilities that use natural resources and generate waste. Our employees commute to and from their offices, and they often travel to meet client needs. When we calculate our carbon emissions each year, we consider their totality. We know that measuring is the first step in managing, but we don't stop there. We work to reduce and offset our emissions by purchasing renewable energy certificates and investing in high-quality carbon offsets.	Many of ICF's projects benefit our planet. We tackle issues such as energy efficiency, climate change, climate resiliency, natural resource conservation, transportation demand management—and more.	A portion of our giving targets environmental causes including land and wildlife conservation, initiatives to slow climate change, and clean energy programs. We engage employees in these efforts through the Green Team, our volunteers who help us work and live in a more sustainable way.		
	Communities	ICF is a local employer and an active member of the communities where we have offices. The jobs we provide enable commerce, investment, and stability. We pay taxes that benefit schools, roads, and other infrastructure. And we purchase goods and services that support the local economy, including small businesses.	ICF designs and implements programs that strengthen families and communities. Areas of focus include housing assistance, justice-related youth programs, fatherhood programs, workforce development, victim services for those affected by crime or natural disasters, and business and process improvement for governments and nonprofits.	ICF gives back to our communities—supporting health programs, the environment, disaster response, veterans, and more. Our employees' volunteerism and giving help leverage corporate donations.		
	Shareholders	ICF shareholders benefit from all that we do as an employer,	service provider, and responsible corporate citizen. The outcome	e for shareholders is long-term value.		

# Looking Ahead

To continue making a positive impact through our professional services and corporate citizenship, we welcome your feedback. Please email your recommendations or comments to our Corporate Responsibility Steering Committee at CorpResponsibility@icf.com.

Thank you for your interest in our progress.