

# 2014 ANNUAL SUSTAINABILITY REPORT

One company. One commitment.



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## INTRODUCTION

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**“Our Corporate Sustainability Program empowers each and every employee to implement best management practices that improve our business while delivering real value to our clients and the communities in which we work.”**

– Michael Gray, Vice President, Operations





## Welcome to Cascade Drilling's 2014 Annual Sustainability Report.

With this report, we are very pleased to announce the launch of our Corporate Sustainability Program. Our program is founded on the principles of environmental stewardship, social responsibility, and sustainable growth.

In the first year, our focus has been on internal assessment and stakeholder engagement in an effort to identify material aspects of our business on which to report. From there, our team has been hard at work establishing our baseline metrics. We are proud of our position as the market leader and celebrate our success.

- We lead the industry in breadth and depth of services, geographic coverage, and fleet assets-doubling our size in just two years.
- Significant investments in our fleet, facilities, and technology systems have streamlined our operations and integrated our network of thirty offices and more than 550 employees.
- Our field crews embrace best management practices consistent with nationally recognized guidelines for sustainable remediation.
- Clients across the country have recognized our health and safety program as the best in the industry. We have the statistics and compliance record to prove its effectiveness.

There is more to be done. Over the next three years, we will continue to put systems and processes in place to integrate our sustainability priorities throughout the organization and provide our stakeholders with credible sustainability reporting.

I hope this report provides insight into our business, our people and our passion for the environment.

Tim Smith  
CEO & President



## ONE COMPANY

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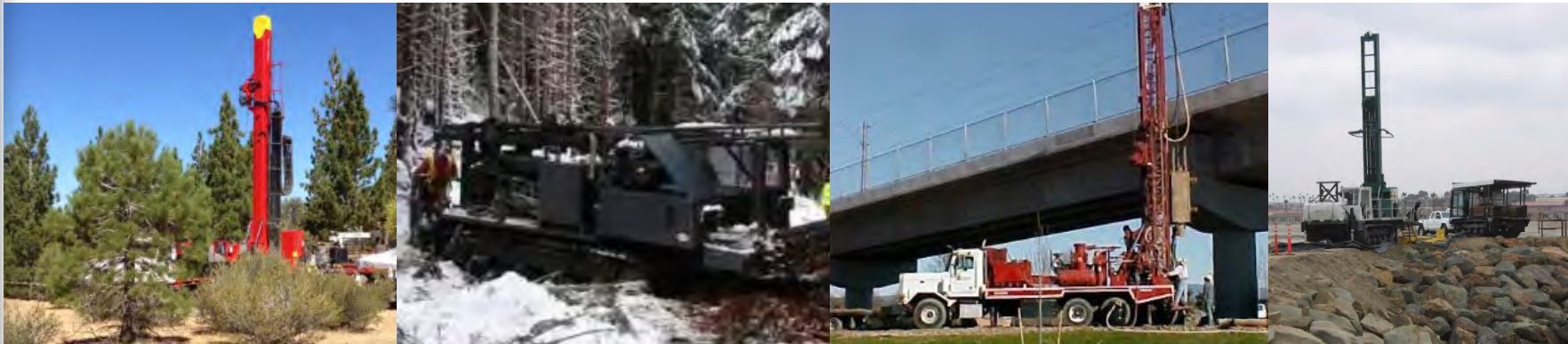
**"We are one company with one commitment—  
to grow our business in a responsible way."**

– Tim Smith, CEO and President

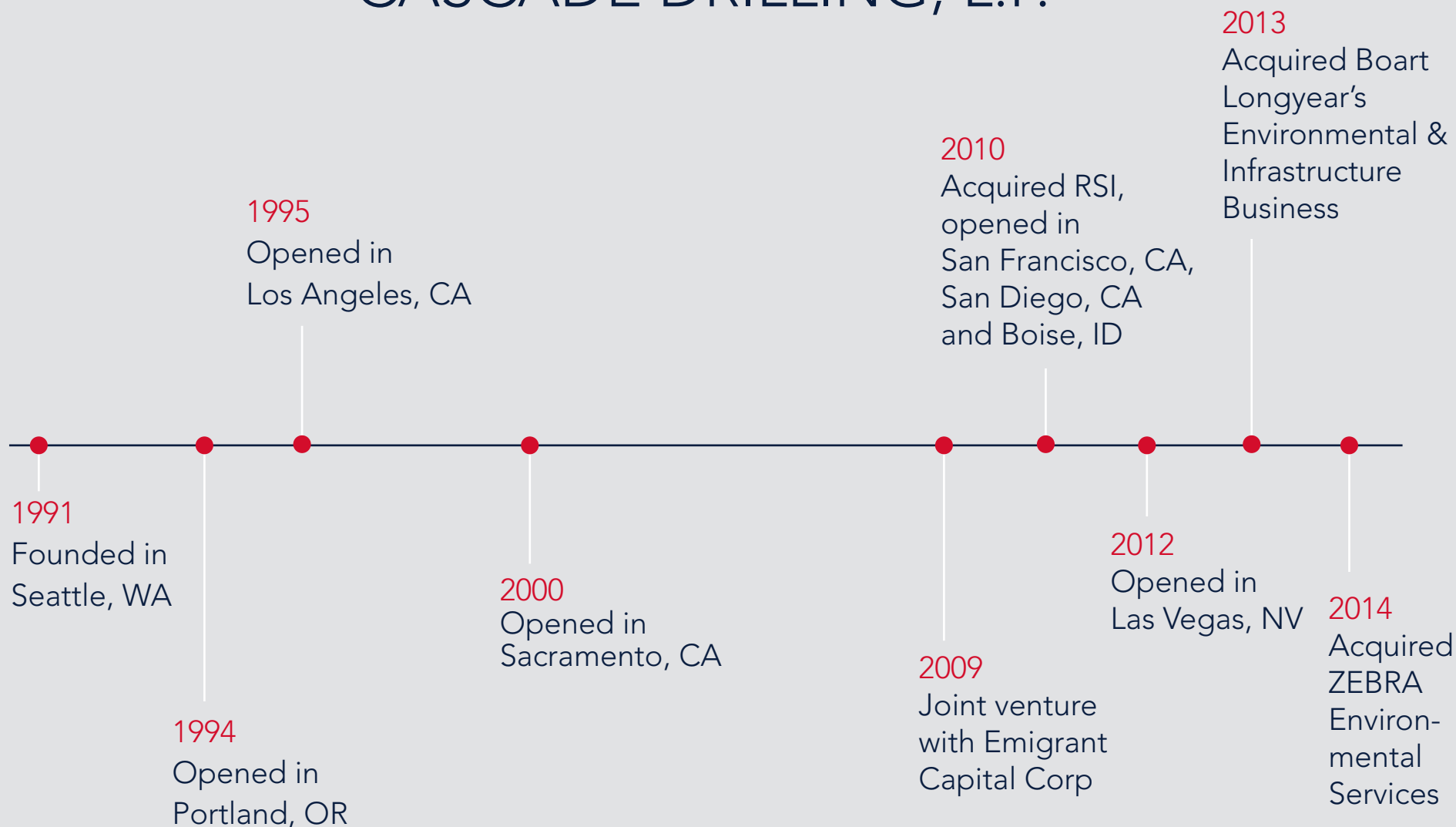
## ONE COMPANY

Cascade Drilling, L.P. (CDLP) is the leading provider of environmental drilling, in-situ remediation applications, and direct sensing technologies in the United States with a strong focus on the high-end, differentiated sonic drilling technology.

Environmental drilling is used to characterize and monitor subsurface contamination for the purpose of evaluating potential remediation and continual monitoring activities. CDLP is the only environmental drilling provider with a national presence and an extensive breadth of drilling technologies. Our high quality service, reliable crews, and leading safety program make CDLP the first choice in drilling services.



# THE HISTORY OF CASCADE DRILLING, L.P.





CDLP is nationally recognized for our service excellence and commitment to safety.

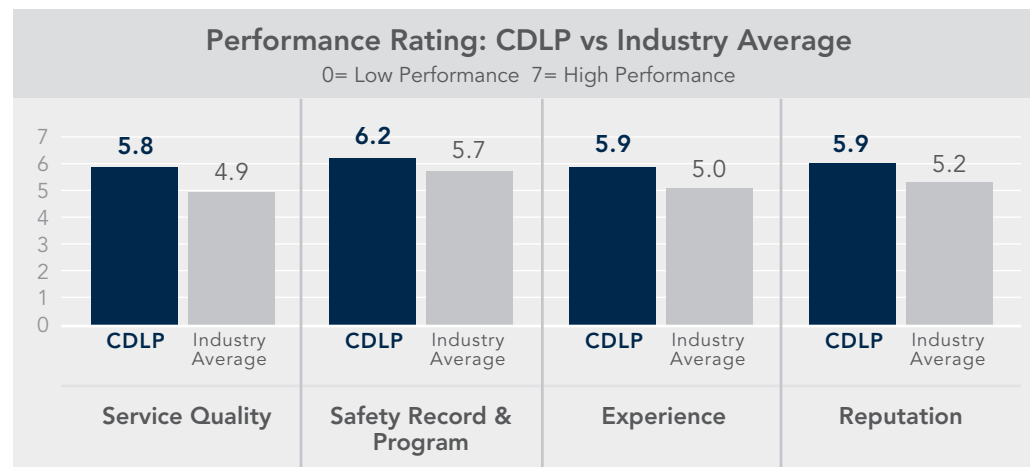
- Ranked no. 126 by Engineering News- Record's Top 200 Environmental firms for 2014
- Environmental Resources Management's recognition for Excellent Contribution to ERM Safety Culture
- Our locations and employees are regularly recognized by our clients for on-site safety performance

*What our clients say:*

**"National providers are likely to have more equipment required for a job, even if they ship it in from elsewhere. If we're working on a larger project where we need multiple crews for a drilling job, Cascade satisfies that need."**

*- Project Geologist, Environmental Consulting Firm*

In recent market research, customers believe the CDLP's performance exceeds that of diversified drilling companies.







Sue Bruning,  
Director of Sustainability

## OUR SUSTAINABILITY VISION

Our actions affect the environment around us and the people in it. Everything impacts environmental and social systems in some way, from what we buy to what we eat, from how we get to work to what we throw away. At CDLP, we believe it is our business to take care of the natural environment, invest in our communities, and grow our business in a way that positively impacts all those around us. We call it Sustainability.

Launched in 2014, CDLP's Corporate Sustainability Program supports the company's core values: safety, quality, productivity, and service. The program aligns our sustainability goals with the values and expectations of our stakeholders. Our Sustainability Leadership Team meets routinely to ensure accountability, transparency, and continuous improvement in understanding the company's financial, environmental, and social performance.

Our top priority in this first year is to establish our baseline performance then implement the appropriate management systems to monitor, report and improve on the issues that mean the most to our primary stakeholders. We've chosen the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines as the framework for our program.

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**"Sustainability is changing the way we make business decisions", explains Sue Bruning, CDLP's Director of Sustainability, "and it's exciting to be the first in our industry to embrace the full circle of sustainability—planning, execution and reporting."**

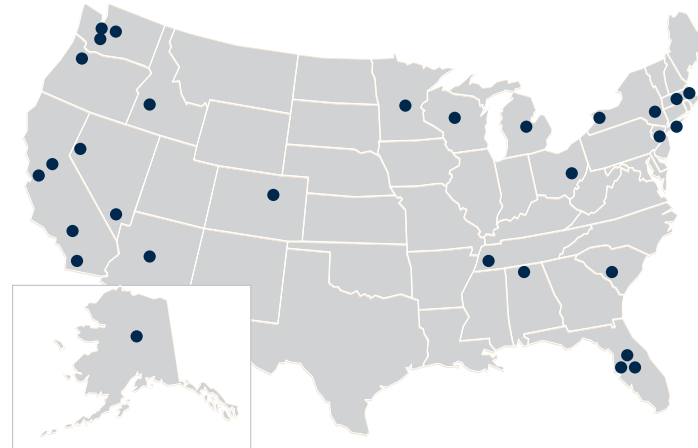
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## COMPANY PROFILE

CDLP is a privately held corporation headquartered in Woodinville, WA. The company has 30 locations across the United States and employs approximately 550 people. Our diverse portfolio of environmental, investigation and remediation services are evidence of our ability to complete even the most challenging projects on time and on budget.

SERVICE	DESCRIPTION
 <p><b>Drilling Services</b></p>	<p>We operate sonic, air and mud rotary, auger, direct push, probe drilling technologies for:</p> <ul style="list-style-type: none"> <li>- installation and development of monitoring wells and remediation systems</li> <li>- soil, groundwater and soil gas sampling</li> <li>- over water barge drilling</li> <li>- geotechnical investigations</li> </ul>
 <p><b>In Situ Remediation</b></p>	<p>We offer a variety of solutions for injection designed to reduce or eliminate sub-surface contamination without costly and wasteful excavations including:</p> <ul style="list-style-type: none"> <li>- chemical oxidation</li> <li>- thermal treatment</li> <li>- bio-remediation</li> </ul>
 <p><b>Direct Imaging</b></p>	<p>We offer state-of-the-art technologies to profile and map underground contaminants in real time, minimizing disruption to the natural habitat and increasing the effectiveness of remediation applications:</p> <ul style="list-style-type: none"> <li>- Membrane Interface Probe (MIP)</li> <li>- Hydraulic Profiling Tool (HPT)</li> <li>- Electrical Conductivity (EC)</li> <li>- Cone Penetrometer Testing (CPT)</li> </ul>
 <p><b>Investigation Derived Waste</b></p>	<p>We provide technical support, transportation, and disposal services for the efficient and compliant management of hazardous and non-hazardous investigation derived waste (IDW) in bulk or drum with a focus on waste reduction and recycling.</p>

## CASCADE DRILLING, L.P. LOCATIONS



<b>Corporate Headquarters</b> <b>17270 Woodinville-</b> <b>Redmond Rd</b> <b>Woodinville, WA 98072</b>	5785 Southwest 6th Pl, Suite 101 <b>Ocala, FL 34474</b> (352) 237-1995	30 N. Prospect Avenue <b>Lynbrook, NY 11563</b> (516) 596-6300	2166 Steese Hwy <b>Fairbanks, AK 99712</b> (253) 883-5200
6424 Pinecastle Boulevard <b>Orlando, FL 32809</b> (407) 615-1061	5016 Saunders Settlement Rd, Ste #2 <b>Niagara Falls, NY 14305</b> (716) 297-6567	117 Bo Cole Rd <b>Huntsville, AL 35806</b> (352) 237-1995	1020 South 82nd Street <b>Tampa, FL 33619</b> (813) 626-1717
2846B Curry Road <b>Schenectady, NY 12303</b> (518) 355-2201	7823 W. Golden Lane <b>Peoria, AZ 85345</b> (623) 935-0124	34 Talbot Rd <b>Northborough, MA 01532</b> (508) 936-1050	1010 Greene St <b>Marietta, OH 45750</b> (740) 373-3970
3000 Duluth St <b>West Sacramento, CA 95691</b> (916) 638-1169	17 Boston Avenue <b>Uxbridge, MA 01569</b> (508) 581-9880	13600 SE Ambler Road <b>Clackamas, OR 97015</b> (503) 775-4118	11442 Woodside Ave North <b>Santee, CA 92071</b> (619) 596-0644
6215 Lehman Dr <b>Flint, MI 48507</b> (810) 877-7176	1585 Columbia Hwy. N., <b>Aiken, SC 29801</b> (803) 652-2705	120 S. 23rd Street <b>Richmond, CA 94804</b> (510) 478-0858	209 LeMieur St <b>Little Falls, MN 56345</b> (320) 632-6552
4885 E. Shelby Drive <b>Memphis, TN 38118</b> (731) 445-8206	1333 W. 9th St <b>Upland, CA 91786</b> (909) 946-1605	4590 Copper Sage St <b>Las Vegas, NV 89115</b> (702) 643-0023	35100 Pacific Highway South <b>Federal Way, WA 98003</b> (253) 883-5200
Sales Office- Todd Marti <b>Denver, CO</b> tmarti@cascaadedrilling.com	230 E. Sydney Dr <b>McCarran, NV 89434</b> (530) 682-3068	19404 Woodinville-Snohomish Rd <b>Woodinville, WA 98072</b> (425) 485-8908	6480 Contractors Street <b>Boise, ID 83709</b> (208) 345-0878
629 Wright Debow Road <b>Jackson, NJ 08527</b> (732) 275-8333	301 Alderson St <b>Schofield, WI 54476</b> (715) 355-8516		

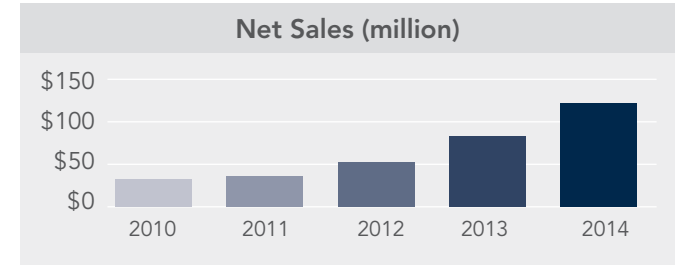
## INVESTING IN OUR COMPANY, OUR PEOPLE AND OUR COMMUNITIES

Today, CDLP is well-known and recognized by our clients for high quality service, technical expertise, a leading safety program, and broad technological offerings. The only way to achieve this recognition is through significant investment in our company, our people, and our communities.

### OUR COMPANY

Since 2010, we have invested in a significant organizational transformation – from a legacy entrepreneur-owned business model to a highly professional, focused and disciplined corporate structure.

- 50 state coverage via 30 locations
- Industry leading fleet of over 1,000 rigs and support units
- Experienced, innovative management team
- Completed four strategic acquisitions since 2011
- Significant capital investment
- Executed over 3,000 projects across 46 states in 2014



**Company Growth**

	2010	2014
Number of Locations	4	30
Jobs Executed	1,700	4,000
Net Sales	\$26.2 M	\$102 M

#### New Locations

Aiken, SC  
 Denver, CO  
 Fairbanks, AK  
 Federal Way, WA  
 Memphis, TN  
 Orlando, FL  
 Peoria, AZ

#### Closed Locations

Fife, WA  
 La Habra, CA  
 New Ellenton, SC

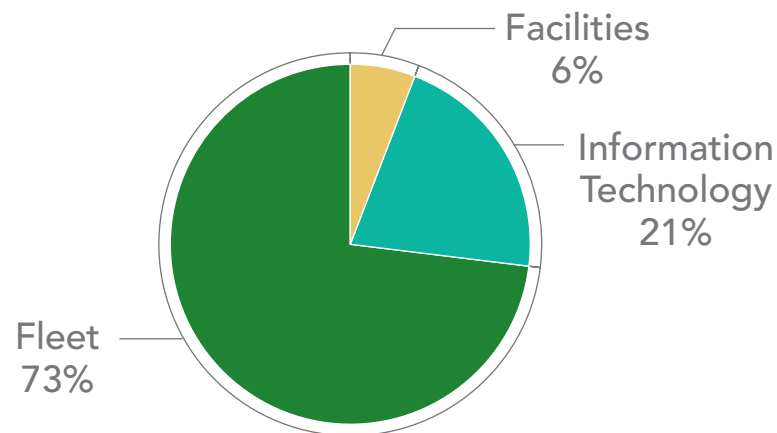
## OUR PEOPLE

As the company has grown in size, we've invested heavily in our infrastructure to ensure our employees have the right tools to get the job done safely, efficiently, on-time, and on budget.

- Over \$8M invested this year in our fleet, facilities, and information technology improvements that directly contribute to employee safety and well-being.
- Created the industry-leading, proprietary health and safety program focused on employee training and injury prevention.
- Our ability to flexibly move equipment and personnel between markets to meet client demand helps retain highly experienced drill rig operators by providing steady work in uncertain times.
- Significant investment and upgrades in systems software, processes, and human capital have streamlined our office and administration functions.



### 2014 Capital Expenditure





## OUR COMMUNITIES

CDLP supports our local economies through our procurement program, charitable contributions, and employee volunteer efforts. Strong communities are good for our employees and our business.

Our 30 offices across the United States support a number of local non-profit events and associations each year. Our Seattle area employees look forward to the Touch-A-Truck annual fundraiser for the Junior League of Seattle. The event offers children a hands-on opportunity to explore working trucks of all types and to meet the people who build, protect and serve the Seattle community.

Each year the CDLP's corporate office partners with charity organizations to support important local community services such as the regional food bank and gifts for the holidays.

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**“Please know you are not just a donor. You positively impact lives and make a significant difference in our community. We are so deeply grateful for your community partnership.”**

– Director, Regional Non-Profit Organization

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## STAKEHOLDER ENGAGEMENT

CDLP understands that our stakeholders are critical to the long-term success of our business. We actively engage these groups through a variety of channels to share information, determine material aspects of concern, and align our program to address those values and expectations.

Genuine stakeholder engagement enables CDLP to identify the issues that truly impact our business.

## CHANNELS OF ENGAGEMENT

### EMPLOYEES

Featuring cloud-based employee resource center with 24/7 instant access to important company information, programs, and policies and support.

*Also includes: open door management policy, newsletters, email, surveys, interviews, contests, and training*

### CLIENTS

Featuring a technical outreach program including webinars, local seminars and safety demonstrations.

*Also includes: e-campaigns, advertising, website, newsletter, sales calls, interviews, surveys, individual meetings, social media, and social events*

### VENDORS

Featuring collaborative partnerships to advance our sustainability program through environmentally preferred purchasing principles.

*Also includes: business review meetings, website, contracts, and surveys*

### OTHER PROGRAMS

**Local Communities:** participate in local events, advertising, open meetings, employee volunteer events, and sponsorships

**Industry:** association memberships, speaking engagements, conferences, trade shows, and technical seminars



**“In my experience, there is no other professional organization with the same opportunities for professional collaboration and peer-to-peer mentoring as SURF. By partnering with other remediation professionals and regulators across the nation, we work towards common goals, and along the way find that we share far more commonalities than differences.”**

- President, Sustainable Remediation Forum

CDLP interacts with many stakeholder groups through our involvement with professional and trade organizations. These organizations also provide valuable continuing education and professional development opportunities for our employees.

### Our employees are active in 30 professional and trade organizations:

- Assoc. of Environmental & Engineering Geologists
- Assoc. of Environmental Health and Sciences
- American Exploration & Mining Association
- American Institute of Professional Geologists
- Assoc. of State Dam Safety Officials
- Colorado Mining Association
- Central Pennsylvania Geotechnical Council
- Engineering News Record
- Environmental Professionals of Arizona
- Florida Assoc. of Environmental Professionals
- Georgia Assoc. of Environmental Professionals
- Geologic Assoc. America
- Geologic Society of Nevada
- Geologic Assoc. of Nevada
- Hudson Mohawk Professional Geologic Assoc.
- International Society of Sustainability Professionals
- National Assoc. of Environmental Professionals
- North American Tunneling Assoc.
- Northwest Environmental Business Council
- Northwest Environmental Council
- National Groundwater Assoc.
- Nevada Groundwater Remediation Assoc.
- Professional Environmental Marketing Assoc.
- Society of Military Engineers
- South Florida Remediation Assoc.
- Society Mining Engineers
- Sustainable Remediation Forum
- Texas Assoc. of Environmental Professionals
- Tampa Bay Assoc. of Environmental Professionals
- Utah Geologic Assoc.



## ONE PLANET

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**“Environmental stewardship is a responsibility we take very seriously. From the office to the field—our teams focus on technology, services and best practices to reduce our environmental impact.”**

- Gary Crueger, Vice President, Safety and Administration



## ONE PLANET

Sustainable practices are at the core of our operations. CDLP operates in all 50 states completing over 3,000 projects in 2014. We are dedicated to working closely with our stakeholders to ensure we have a positive impact at every worksite.

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**“I have seen the beneficial impact of my work on the environment. These things remind me to make sure I am doing my job safely and properly.”**

– CDLP Driller

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## INNOVATIVE TECHNOLOGIES & SERVICES

We offer innovative technologies such as in-situ contaminant screening to reduce disruption at project sites. ZEBRA Technical Services, a wholly-owned subsidiary of Cascade Drilling, L.P. has been providing direct sensing technology services since the tools were first introduced in 1996. Direct sensing technology produces real-time sampling data and site characterization which reduces the need for drilling and generates less drilling waste. These technologies include:



**Membrane Interface Probe (MIP)** the probe, using a carrier gas, brings volatile organics to the surface through tubing which is connected to a laboratory grade detector for immediate analysis.



**Hydraulic Profiling Tool (HPT)** characterizes hydraulic properties by measuring the formation's response to pressurized water injection.



**Cone Penetrometer Testing (CPT)** is an in situ testing method used to determine the geotechnical engineering properties of soils and delineating soil stratigraphy.



**Electrical Conductivity (EC)** characterizes soil types in real time through the use of electrical current.



Since 2011, CDLP has offered our clients the convenience of managing investigation derived waste (IDW). We provide a variety of options for recycling, treatment, and disposal of liquid and solid waste.

## BEST MANAGEMENT PRACTICES

Best Management Practices (BMPs) improve workplace efficiency and limit the negative impacts our company has on the environment, local communities and our employees. Some of the most innovative solutions come from our employees.

Nobody knows the rigs and equipment better than our field operators. When we are able to implement their innovative solutions to improve service- everyone wins.

A Project Manager from our Albany, NY office is a shining example. Recognizing the need for an improved all-terrain vehicle system, he developed a specialized carrier vehicle for the ZTS Direct Sensing Systems. The new carrier vehicle reduces set up time and permits easier access for maintenance in the field. Its digital fuel injection system reduces fuel consumption and exhaust emissions. A custom rack easily stores essential supplies reducing handling and potential health and safety risks.



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What our clients say:

**“I am very pleased with the sensitivity Cascade Drilling has exhibited towards minimizing natural resource impacts at the drilling site. This includes the minimal impact on trees/vegetation and the excellent practices displayed in handling fluids from the borehole.”**

– Assoc. Vice President, Engineering Firm

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Transportation is a concern for many of our employees. They often work together carpooling for daily office commutes and to client work sites. Some employees even prefer to commute by bicycle.

Our crews utilize best management practices to protect the environment and minimize disturbance to communities in which we operate.



**“I commute by bicycle about 75% of the year, saving roughly 70 miles of driving per week.”**

– Project Coordinator,  
CDLP Corporate  
Office

Environmental Impact	CDLP Best Management Programs
<b>Energy, Air &amp; Climate Change</b>	<ul style="list-style-type: none"> <li>• Preventative Maintenance Plan</li> <li>• Fuel Reduction Strategy</li> <li>• No idle policy</li> <li>• Compliance with emission standards</li> <li>• Dust control &amp; mitigation measures</li> <li>• Chromium and zinc negative air removal systems in welding bays</li> </ul>
<b>Natural Resources</b>	<ul style="list-style-type: none"> <li>• Water Conservation Strategy</li> <li>• Spill Prevention Strategy</li> </ul>
<b>Waste Reduction &amp; Management</b>	<ul style="list-style-type: none"> <li>• Waste Minimization Strategy</li> <li>• Electronic Communication Standard</li> <li>• IDW Management Strategy</li> <li>• Recycling access for solid and universal wastes</li> </ul>
<b>Materials</b>	<ul style="list-style-type: none"> <li>• Environmentally Preferred Purchasing Strategy</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Nuisance Strategy</li> <li>• Rubber tracked track rigs minimize surface disturbance</li> </ul>

## FLEET

Our fleet is a critical asset to our operations. It is also a substantial contributor to our environmental footprint. We recognize our fleet has a significant impact from fuel consumption to greenhouse gas emissions and worker health & safety. Providing well-maintained equipment not only contributes to a safer working environment but also enables us to deliver reliable service and limit our carbon footprint.

- To maintain the equipment and maximize the useful life, CDLP manages a network of 15 maintenance and repair (M&R) shops and three refurbishment centers. The M&R shops are designed to perform preventative maintenance and small to medium class repairs. The three rebuild centers direct all large scale restoration and refurbishment of rigs and support equipment.
- Our proprietary and highly proactive industry leading Maintenance Advantage Program® (“MAP”) integrates preventative maintenance with corporate health & safety and transportation compliance programs. This comprehensive fleet management program results in total fleet and equipment support with an emphasis on prevention.
- Once removed from our fleet, equipment is sent for salvage or sold at auction.



### CDLP Fleet Assets

Support Trucks	495
Trailers	327
Drill Rigs	198
Other Equipment	135

## SPILL PREVENTION

CDLP recognizes that spills of fuel, hydraulic fluids, or chemicals may pose a serious threat to human health, safety, and the environment. Equipment failure poses the greatest likelihood of spills for our operations. In order to mitigate the risk of spills, CDLP focuses first on prevention then on action.

We use several procedures to prevent spills or releases to the ground or surface water while working on project sites. These include but are not limited to:

- Documented pre-shift site and equipment inspections
- Site specific Spill Prevention and Response Plans
- Job Safety Analyses for spill prevention and response completed before operations commence
- Hydraulic Hose Inspection Program to prevent leaks and broken hoses
- Secondary containment of chemicals and fuels carried in trucks, equipment and stored onsite
- Ground cover used under equipment and drill rigs to safeguard sensitive habitats and prevent contamination from spills.
- Job Safety Analyses for refueling and equipment service to prevent spills
- Spill kits and absorbents carried on all equipment, trucks and drill rigs



CDLP is proud of our spill prevention program resulting in zero reportable spills

What our clients say:

**“The drilling crew took steps to prevent a hydraulic fluid release to the environment by placing plastic under the drill rig during operations. When a weld failed on the equipment the plastic sheet prevented release to the soil and made it easier to clean-up. A simple action that made a difference.”**

– Manager, Oil & Energy





## ONE COMMUNITY

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**"As a market leader, we are dedicated to leaving a positive impact on the people surrounding our business. Through extensive engagement efforts we continue to align our sustainability goals with the values and expectations of our stakeholders."**

-Todd Marti, Vice President, Sales and Marketing

## ONE COMMUNITY

More than 550 employees and their families depend on us every day. Over 18,000 clients call on us every year. We take that obligation seriously. CDLP is committed to recruiting and retaining the industry's most dedicated workforce. We protect our communities by instilling a culture that reinforces safe behavior and exemplary regulatory compliance. We focus on delivering best in class service to every client every time.

### Employees

Our employees are the most valuable asset at CDLP. Our drillers and managers are some of the most experienced professionals in the industry. We strive to recruit, train, and retain employees for rewarding careers in a wide variety of professional occupations including drillers, field apprentices, mechanics, administration, health & safety, and management.

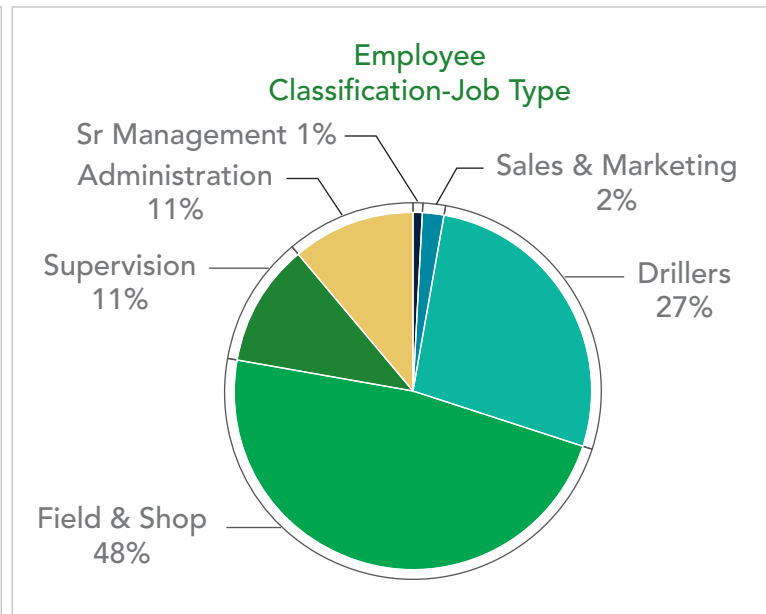
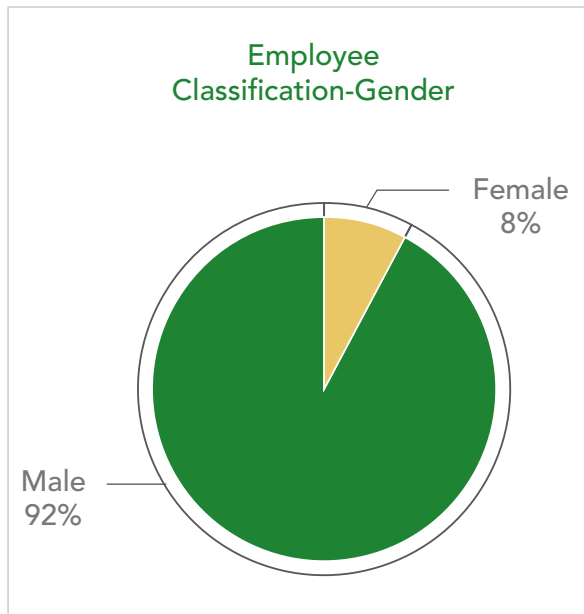
When asked what they like about their job, our drillers describe the satisfaction they receive from solving new challenges on each project site. They enjoy the flexibility of travel and the diversity of skills needed to be successful.



Total Workforce	
Corporate	51
Field & Operations	533
Full Time Employees	584
Part Time Employees	0

The vast majority of customers believe that service quality is the most important criterion when choosing a drilling contractor. Our diverse workforce has decades of experience in the industry. They understand the needs of our clients and can solve complex challenges in the field without compromising safety or quality.

Deep Bench of Highly Technical, Experienced Senior Employees				
Position	Regional Managers	Operations Managers	Licensed Drillers	Business Development Managers
No. Employees:	8	42	164	7
Avg. CDLP Tenure:	15 years	13 years	18 years	12 years
Avg. Drilling Experience:	19 years	23 years	24 years	15 years



CDLP uses employee turnover rates as a way to measure employee engagement. A certain number of turnover is unavoidable as employees retire, move or leave the workforce. Each year, our Human Resources Department closely examines employee turnover rates, gathers information regarding the reasons for employee turnover and analyzes this data to identify trends. The results are shared with the management team and are used to improve work environments.

**Efforts to Reduce Employee Turnover:**

- Leadership development for supervisors and managers
- Annual performance review for all employees
- Competitive wages and benefits
- Employee recognition programs
- Open door communication policy

**WELLBEING**

Our top priority is ensuring a safe, healthy and satisfying work environment for our employees. We provide many programs for our employees and their families for health and wellness, career advancement, and work-life balance.

**Benefits Offered to Full-Time Employees:**

- Accidental death & dismemberment insurance
- Bereavement leave
- Civic leave (jury duty)
- Dental insurance
- Direct deposit
- Educational and license assistance
- Health savings account with employer contribution
- Life insurance
- Long- and short-term disability insurance
- Maternity/Paternity leave
- Medical insurance
- Medical leave
- Military leave
- Paid vacation and personal time off
- 401(k) retirement plan with profit sharing
- Vision insurance
- Workers compensation

2014 Turnover Rate*	
U.S. Total	3.3
Construction Industry	5.2
<b>CDLP</b>	<b>1.13</b>

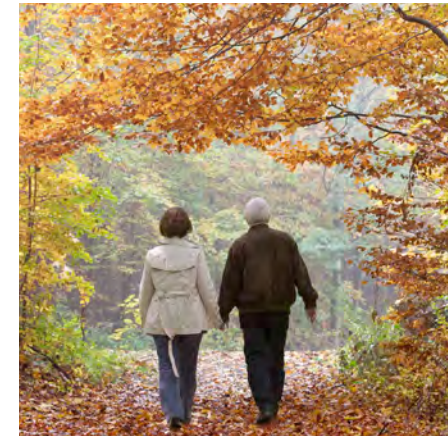
\*based on average of monthly Job Openings and Labor Turnover Survey (JOLTS) published by US Bureau of Labor Statistics. Includes voluntary and involuntary separations. The turnover rate is the ratio of total separations to the average number of employees.

### Assistance Programs Offered to Full-Time Employees:

The challenges we face outside of the workplace can affect our health, family, and our job performance. CDLP believes that providing employees with special assistance programs leads to a better quality of life and helps employees focus on performing their duties safely and efficiently.

CDLP offers many assistance programs for employees and family members:

- Confidential counseling
- Legal support
- Financial planning
- Tuition reimbursement
- Safety boot reimbursement
- Healthcare support



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### Employment Programs and Policies to Ensure Safe Workplace:

- Background and reference checks
- Break time for nursing mothers
- Discriminatory harassment
- Drug free workplace
- Non-retaliation (whistle blower protection)
- Sexual harassment
- Tobacco and smoke free workplace
- Violence prevention in the workplace
- Workplace harassment

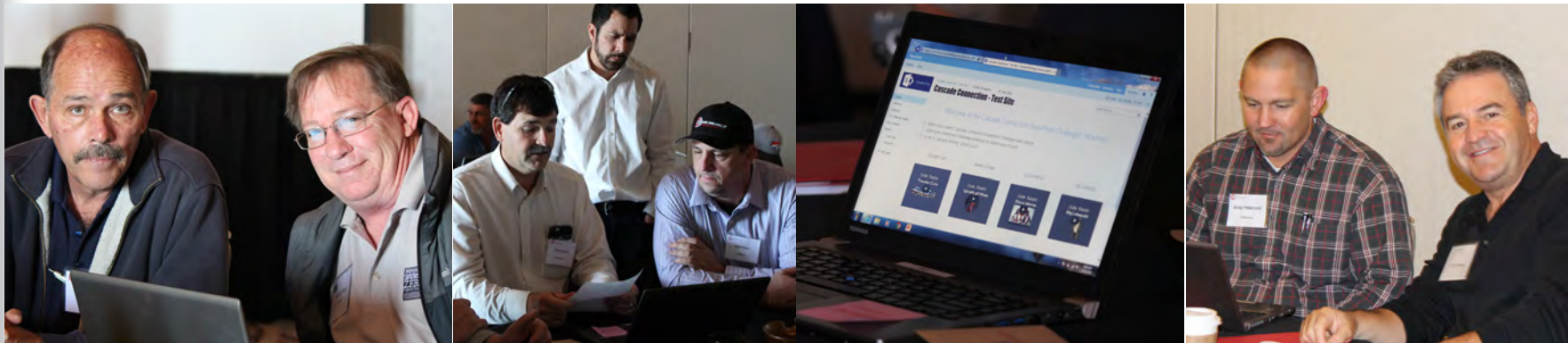


## TRAINING & DEVELOPMENT PROGRAMS

CDLP supports ongoing training and development of employees in order to build knowledge, skills, and capabilities that advance the individual and team performance.

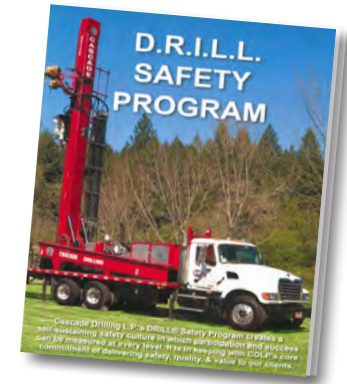
- **New Employee Orientation** – introduction and familiarization of company policies, procedures, and practices with an emphasis on department and job specific functions.
- **Technical & Functional Training** – acquisition and development of specific knowledge, skills, and abilities relating to the job function.
- **Safety Training** – awareness, understanding, and adherence to company policies, procedures, and practices regarding health and safety.
- **Compliance Training** – awareness, understanding, and adherence to regulatory, insurance, credentialing requirements and standards, as well as the company's internal policies and procedures.
- **Leadership & Development Training** – awareness, understanding, and application of effective and compliance leadership practices.

CDLP employees receive an average of 50 hours of training annually.



## HEALTH & SAFETY

Health and safety is our number one priority. Our DRILL™ Health and Safety Program empowers each and every CDLP employee with their personal safety and the safety of everyone in the organization. DRILL stands for: Don't Risk Injury, Learn and Lead. It is a behavior based approach focused on incident prevention. Employees receive extensive classroom and on-the-job training. All Cascade field and operations personnel are in compliance with OSHA 1910.120 Hazardous Waste Training requirements.



### DRILL is designed to:

1. Focus on the prevention of work related incidents through enhanced training
2. Create a measurable behavior-based, self-sustaining safety culture that is easily articulated and comprehended
3. Assign specific responsibilities at all levels throughout the Company and provide proven tools to eliminate incidents



The DRILL Safety Program creates a behavior based, self-sustaining safety culture in which participation and success can be measured at every level



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What our clients say:

**“The CDLP crew demonstrated a strong and real dedication to the robust health and safety culture we expect our staff and subcontractors to follow. This safety dedication resulted in no significant health and safety issues during the time we worked together to successfully complete our scope of work. The good humor and attitude of all the CDLP staff made the arduous 10–day long work shift easily palatable.”**

– Staff Geologist, Environmental Consulting Firm

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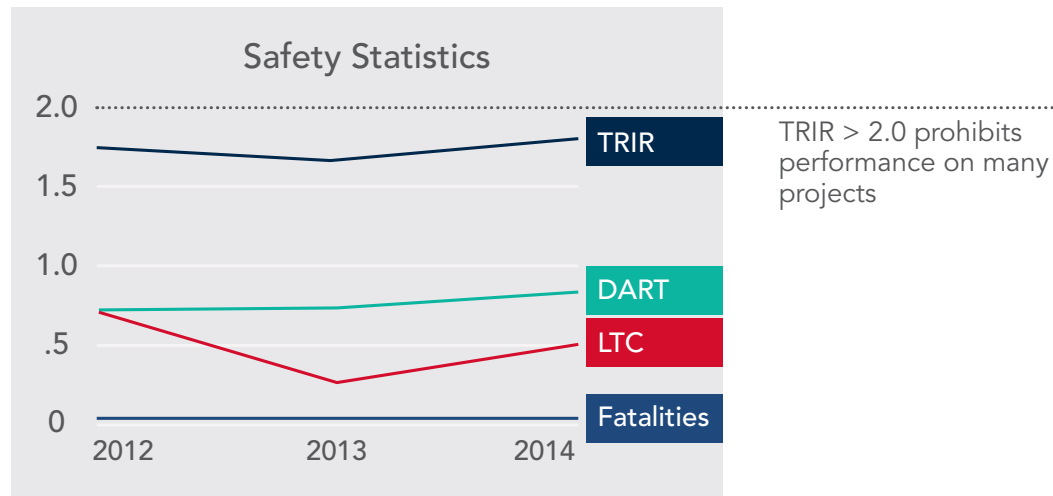
CDLP's comprehensive DRILL safety program addresses specific job-related risk factors:

- Air monitoring
- Barricades and signs
- Biological hazards
- Use of explosives
- Cold/heat stress
- Confined space
- Cranes and rigging
- Daily safety meeting
- Emergency response
- Energy isolation
- Ergonomics
- Excavations
- Fall protection
- Fire prevention
- First aid
- Hazard communication
- Hazard recognition
- Hazardous substances
- Hearing conservation
- Health & safety plans
- Illumination
- Incident reporting
- Material handling
- Medical surveillance
- Protective equipment
- Proximity to utilities
- Record keeping
- Respiratory protection
- Severe weather
- Spill prevention
- Substance abuse
- Tool selection
- Transportation compliance
- Ventilation
- Welding & hot work
- Working near water
- Record keeping

CDLP is extremely proud of our strong health and safety record. Our DRILL Safety Program is a customized, comprehensive program designed to provide clear expectations for safety and performance and to ensure compliance with regulations.

**“The health and safety program implemented by Cascade Drilling is a very important and crucial ongoing process for all employees and clients. I personally think most of us do our best to follow the procedures outlined by our safety team, not only as a requirement but as a primary means of a delivering quality and professional services to all our clients and the families we all go home to.”**

– CDLP Driller



### Understanding OSHA Safety Statistics

#### TRIR

The total recordable incident rate reflects the number of OSHA recordable injuries during the total hours worked by all employees that year.

#### DART

The Days Away, Restricted, and Transfer case rate reflects the number of cases which involve days away from work, days of restricted work activity, and/or days of job transfer during the total hours worked by all employees that year.

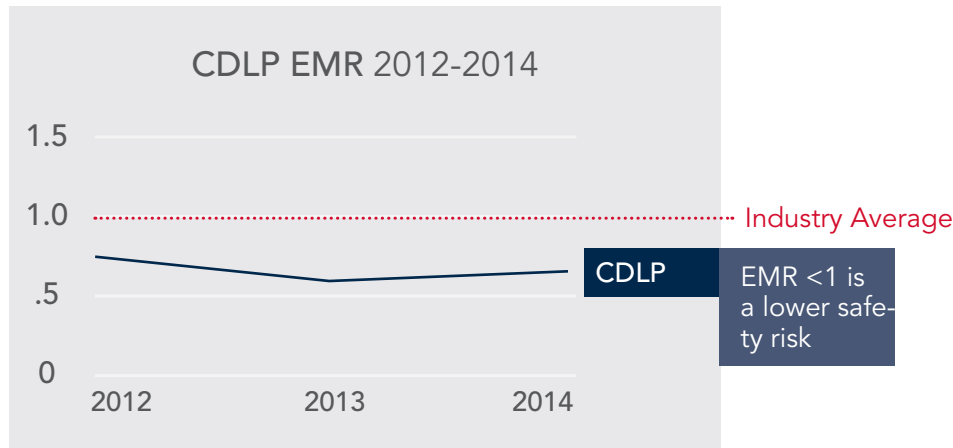
#### LTC

The lost time case rate reflects the number of occupational injury or illness which results in an employee being unable to work a full assigned work shift during the total hours worked by all employees that year.

#### Fatalities

The number of workplace incidents that result in death of an employee.

Most customers from both large and small firms state that a drilling contractor’s safety record and program is a critical criterion in selecting a service provider. CDLP’s exemplary worker safety record is reflected in the company’s Experience Modification Rate (EMR). EMR is a number used by insurance companies to gauge both past cost of injuries and future chances of risk. An EMR of 1.0 is considered the industry average, a rating greater than 1.0 may limit bidding opportunities.



What our clients say:

**“The driller’s safety record is one of the most important criteria. It’s the first thing on our minds and the first thing we ask our drillers about. We and our clients have very high requirements for safety. It’s something we take very seriously, and other firms, even smaller ones, do as well.”**

– Program Manager,  
Environmental/construction  
engineering consultants

### EMR

The experience modifier adjusts workers compensation insurance premiums for a particular employer based on a comparison of past losses of that employer to what is calculated to be “average” losses of other employers in that state in the same business, adjusted for size

EMR Rating		CDLP’s EMR	
Excellent	0.40 – 0.75	2014	<b>0.75</b>
Good	0.76-1.00	2013	<b>0.73</b>
Average	1.01-1.25	2012	<b>0.81</b>
High Risk	1.26-2.00		



**Stop Work Authority prevents serious injuries and property damage.**

Every employee has the authority to stop work any time a potential health or safety threat is identified. CDLP expects employees to exercise this authority to protect people, property and the environment at all times. Recently, one of our crews was recognized by a well-known global energy company for making safety its first priority.

**“While drilling a series of remediation wells, the drill rig was placed at a new location and the crew prepared to raise the mast. The drill rig operator took the helm, powered up the rig, and then immediately powered it down and called stop work. Two overhead utility lines within the swing radius of the mast had just been identified by the operator. The overhead lines were not spotted when discussing the positioning of the truck or during the initial site visit because they blended in with the background of trees. The work crew was able to reposition the rig to completely avoid the lines and maintain greater than 25 feet of distance. Nice Catch!”**

– Project Manager, Global Energy Company



## COMPLIANCE

At CDLP, we believe that simply complying with applicable laws and regulations doesn't go far enough. Our Environmental, Health and Safety professionals take a proactive approach by preventing infractions through training, professional development, and enforcing positive behaviors. Our management team ensures employees have the right tools and equipment to perform tasks safely and efficiently.

Our work is governed by federal, state, and local laws pertaining to worker health and safety, transportation, environmental protection, and employment practices. CDLP is proud of our exemplary compliance record:

- Zero significant fines or non-monetary sanctions for non-compliance with laws and regulations in 2014
- Out of Service (OOS) rate significantly better than national average
- Ranked in top 1% for safe driving among similar carriers

CDLPs Out of Service (OOS) rate is significantly better than national average

Vehicle:	CDLP 11.3%	National Avg:	20.7%
Driver:	CDLP 3.0%	National Avg:	5.5%

BASICs (Behavior Analysis & Safety Improvement Categories):

Unsafe Driving:	1%
Hours of Service:	35%
Vehicle Maint:	21%
Drug and Alcohol:	0%
Driver Fitness:	59%

For more information on BASICs scoring, visit <https://csa.fmcsa.dot.gov/about/basics.aspx>

## CLIENTS

CDLP clients include leading national environmental consulting firms, blue chip industrial companies, contractors, energy and utility providers and government agencies. Our personal service, attention to detail, exemplary safety record, and operational excellence result in long-term collaborative relationships with our clients.

- 90% of revenue comes from recurring customers
- 10+ average relationship tenure with top customers
- 18,000 client relationships

In 2014, CDLP received over 125 individual letters recognizing our employees for their dedication to service quality. Customers typically define this as having the right equipment at the right place at the right time with a capable and professional crew.

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What our clients say:

**"I have used Cascade many times. I would say they are the industry leader. I have never had any complaints with the quality of their work. They are efficient, prepared, and good to work with. They are our go-to guys".**

- Senior Environmental Consultant

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**"I do take pride in the work that I do and my reputation with clients."**

- CDLP Driller with 10 years' experience



## ONE FUTURE

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**"The journey that lies ahead is exciting and full of challenges. With sustainability as our compass, we will continue to invest in our people, our operations and our communities."**

- Tyler Kopet, CFO

## ONE FUTURE

While our Corporate Sustainability Program is new, our commitment to our employees, our clients, the environment, and the sustainable growth of our business has been strong for over twenty years. We are proud to be the first in our industry to fully embrace sustainability as a way to run our business.

We look forward to continuing our journey together with our stakeholders. Through the stakeholder engagement process and our own internal assessment, we've designated energy conservation, supplier diversity and employee engagement projects as priority projects in the next three years.

**Energy Conservation-** develop and implement a company-wide energy conservation plan to include source inventory, data collection, trend analysis and reduction efforts. The program covers fuel, electric, and natural gas consumption with the primary objective of calculating and reducing greenhouse gas emissions.

**Supplier Diversity-** develop and implement a corporate supplier diversity program to collaborate with qualified small, minority-, women-, and veteran-owned business enterprises.

**Employee Engagement-** benchmark and maintain a high level of employee satisfaction and commitment through a structured employee engagement program that considers recognition, evaluation, communication, training, succession, recruitment, retention, safety, health, and wellness.

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For further information on Cascade Drilling, L.P. please visit our website at [www.cascadedrilling.com](http://www.cascadedrilling.com) or contact

Sue Bruning  
Director of Sustainability

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