



CIRCUMPOLAR

A Tetra Tech Emerging Initiative

WHAT IS THE CIRCUMPOLAR INITIATIVE?

The Circumpolar Initiative will position Tetra Tech as the leading provider of arctic consulting, engineering, and construction services through all stages of project development in transportation, mining, energy and infrastructure. The Circumpolar Region embraces Arctic regions around the globe as well as areas of permafrost. Traditional engineering design approaches cannot be applied in these areas without introducing an unacceptable risk of failure. Conditions such as extreme climate, permafrost, ice, limited access, remote locations, and sensitive environments require unique consulting and construction management services to operate successfully. Traditional use and land ownership by Aboriginal groups, convoluted permitting and regulatory systems, and the impacts of climate change add more layers of complexity to work in this environment. Tetra Tech will provide the full complement of consulting and construction services for projects through the full life cycle from concept, planning, and feasibility; through design, construction, and operation; and ending with closure and restoration. Example projects include mine development, pipelines, power generation facilities, ports, airfields, and highways.



WHAT IS THE CIRCUMPOLAR MARKET?

The Circumpolar market relates to the development, operation, maintenance, and reclamation of infrastructure within the Circumpolar Region. The Initiative is focused on the transportation, mining and energy sectors within the region. Clients include current and future owners of mining and energy infrastructure and government agencies in Canada, the United States, and other countries. Many Circumpolar Region economies rely on resources that are found in remote Arctic regions that, to date, remain untapped. Infrastructure development will need to keep pace with rising market demands for these resources and with increasing commitments by governments to sovereignty, security, and strengthening Arctic communities. Current opportunities under the Circumpolar Initiative are in the mining sector; medium term opportunities are in the infrastructure and energy sector; and in the long term, opportunities will emerge relative to development of infrastructure to support and protect transoceanic shipment through the Northwest Passage. Tetra Tech currently generates approximately \$53.4M in annual revenues in the Circumpolar Region (\$31.2M Mining, \$11.1M Energy, \$4.5M Transportation, and \$6.6M Community Infrastructure), of which 1 percent is outside of North America. Growth potential relative to the currently established portion of the market is 5 to 10 percent per year and is expected to increase to 15 to 17 percent through consolidated efforts to secure larger projects.



WHAT ARE THE GOALS OF THE INITIATIVE?

Double Circumpolar annual revenues to \$110M and graduate from Emerging to Strategic Initiative in less than five years. Earn 20 percent of revenues within 5 years from the Circumpolar Region outside of North America.

HOW DOES THE INITIATIVE WORK AND HOW CAN I GET INVOLVED?

The Circumpolar Initiative will integrate services across disciplines and borders to provide full service (including EPC) to projects in the Circumpolar Region. The Initiative has formed a steering committee consisting of members from multiple units across the company. Initiative conference calls are structured based on a matrix of markets and geographic areas. The Circumpolar Initiative will continue to coordinate with related Growth Initiatives in Mining, Oil & Gas, Commercial Energy, and Water. Individuals throughout the Tetra Tech organization who are interested in or even curious about providing value in the Circumpolar Region are invited to participate in this initiative.

QUESTIONS?

For more information contact Robyn McGregor at Robyn.McGregor@tetrattech.com or 403-723-3269.