MORRISON HERSHFIELD Morrison Hershfield Corporate Social Responsibility Report June | 2022

# Table of Contents

## PRESIDENT & CEO'S LETTER | 03

## PEOPLE | 04

Focus on our People Focus on Training and Development Focus on Health and Safety Progress: People Programs

### CULTURE | 09

Focus on our Profession Focus on our Communities Focus on our Workplace Progress: Culture Programs

## CAPABILITIES | 12

Focus on Innovation Focus on Industry Leadership Focus on Sustainable Design Focus on Projects

### PRACTICES | 19

Focus on Strategy and Corporate Governance Focus on Responsible Operations Progress: Practice Programs

### GRI CONTENT INDEX | 24













## President & CEO's Letter



Morrison Hershfield is pleased to release our annual Corporate Social Responsibility (CSR) report. Our firm celebrated 75 years in business last year, and we took the opportunity to look back at important milestones and ahead at the role we can play in shaping our future.

In 2021, we remained vigilant in our efforts to respond and adapt to the global pandemic. We found opportunities to reflect on our firm's culture and improve our business. We maintained a steady focus on our key priorities: our people, our clients, our projects and the communities we serve. We continued to provide additional health and wellness resources to staff and their families, and increased opportunities for "virtual" employee engagement. Periodic surveys provided valuable feedback on staff needs and preferences and led to the development of a voluntary Flexible Work Arrangement program for staff. Our first-ever internal Diversity & Inclusion (D&I) survey yielded results that form the basis of Morrison Hershfield's top D&I priorities moving forward.

We know the Earth's climate is changing, and greenhouse gas emissions resulting from human action is a primary driver of this trend. As an engineering firm, we have a significant opportunity to contribute to carbon reduction and help ensure resilience to climate change through our individual responses, our practices and our project work. Morrison Hershfield is doing our part to support the action necessary to limit, mitigate and adapt to the impacts of climate change and support the global goal of Net Zero GHG emissions by 2050.

In June 2022, we signed the International Federation of Consulting Engineers (FIDIC) Climate Change Charter. The Charter sets out in basic, initial terms how we can address climate mitigation, adaptation and resilience of the built environment moving forward. Signing the Charter further reinforces our commitment to protect and restore the Earth by practising and teaching environmental, economic and social sustainability.

Morrison Hershfield's Climate Change response plan aims to account for climate change vulnerability and risk, and reduce embedded and operational carbon emissions in the building and infrastructure projects on which we consult, design and deliver. Our work is already helping reduce the carbon footprint of infrastructure through low energy use buildings (such as Passive House), buildings incorporating low embodied carbon (such as Mass Timber), energy modeling, EV charging stations, transit electrification, low impact development, solid waste management, circular economy, renewable energy and other approaches for sustainable infrastructure projects. We are helping our clients look at projects through a climate lens, across the transportation, transit, municipal infrastructure, buildings, power and technology sectors.

Our firm was focused throughout last year on activities to improve the experience of our people, and advance our culture, capabilities and practices. I invite you to read more in our 2021 Corporate Social Responsibility Report.

We aim to achieve the goals of our 2025 Ambition in a progressive, inclusive and inspiring environment. We will continue to contribute to carbon reduction and help ensure resilience to climate change, and look forward to the possibilities that lay ahead as we shape our future together.

Sincerely,

Anthony Karakatsanis President & Chief Executive Officer

# People

## THE FOUNDATION OF OUR SUCCESS IS OUR PEOPLE

As a professional services firm, our ability to compete and provide value to our clients is a result of the knowledge, skills and expertise that our employees bring to their work every day. Our ability to attract, retain and develop our employees in a diverse and inclusive environment, providing them an unrivaled employee experience, is central to achieving our long term strategic goals.



Staff Referral Score



## FOCUS ON OUR PEOPLE

We maintain human resources policies in accordance with regulations and practices in every country we operate. We report progress on key employee programs, including health and safety, training hours, succession planning and employee turnover, to the Human Resources and Compensation Committee of the Board of Directors, on a regular basis. Morrison Hershfield's employee programs are overseen by Vice President, Human Resources, Organizational Development and Safety, who reports directly to the CEO. This individual is responsible for supporting and maintaining Morrison Hershfield's human resources policies.

#### 2025 Ambition – Unrivaled Employee Experience

Morrison Hershfield aims to be a destination employer for professionals who share our core values and seek a balanced, supportive and intellectually challenging work environment. Providing an unrivaled employee experience is a strategic goal of the firm and is central to achieving our 2025 Ambition.

#### Employee Recruitment & Retention

Our industry is facing a shortage of experienced, qualified technical professionals, resulting in a competitive, challenging market for recruiting talent. This makes recruitment and retention a significant challenge that we work to address every day. To ensure we hire based on ability, skills and potential, Morrison Hershfield continues to improve a best-in-class applicant tracking system for all candidates utilizing the same process. Managers utilize a standardized hiring process, for screening, selection to reduce systemic or unconscious bias throughout the decision-making process.

We diligently work to improve our employees' satisfaction with their working environment. To assess our performance in this area, Morrison Hershfield periodically conducts third party employee engagement surveys. Results of the surveys are shared with staff and reviewed by the Senior Management Team to assess the overall health of our culture and identify areas for improvement. We set action plans to address potential areas of concern identified by the survey results. In response to the COVID-19 pandemic and our move to a remote delivery model, Morrison Hershfield implemented a series of employee pulse surveys over the course of the last year. These more frequent surveys help identify staff needs, shifts in expectations and encourage an open dialog, despite working virtually. The firm has used the feedback to increase employee engagement with more communications and fun events like virtual tness and mentoring sessions.



263 Internal Courses Offered



## Linked in Learning



#### Diversity & Inclusion

As our social awareness continues to grow, Morrison Hershfield has identified Diversity and Inclusion (D&I) as a key opportunity for us to collectively impact social change and improve organizational effectiveness. We are committed to developing high-performing, diverse and inclusive teams. Integrating this commitment to our 2025 Ambition illustrates the importance of D&I to our organization.

Morrison Hershfield made strong progress with our D&I initiatives in 2021. The firm launched its inaugural D&I Advisory Council, whose role is to recommend how to further embed diversity and inclusion into our culture and assist the Council's co-chairs in executing the D&I strategy for Morrison Hershfield. The Council assisted with a D&I Communication Calendar, a new dedicated D&I portal page and the company's first D&I survey. The new portal site allows staff to access updates, metrics, plans, D&I Advisory Council meeting minutes, training and other useful information. The confidential D&I pulse staff survey was established to gain insight to current staff experience and establish a baseline for the firm. Next steps include establishing our key priorities based on survey results, working with the D&I Advisory Council and moving into action on these items.

Throughout the year, managers were trained on key diversity and inclusion topics, such as "Hiring Top Talent", a webinar focused on the benefits of diverse teams. Gender Intelligence Training Workshops with staff continue to promote understanding, valuing and respecting our differences to leverage the strengths of all genders.

#### Employer Champion

Morrison Hershfield is an Employer Champion, partnering with Professional Engineers Ontario in its mandate to improve female representation within the engineering profession. This brings key stakeholders to the table to discuss challenges and opportunities to drive Engineers Canada's 30 by 30 initiative, which aims to raise the percentage of newly licensed female engineers to 30 percent by the year 2030.



5

## FOCUS ON TRAINING AND DEVELOPMENT

Morrison Hershfield is committed to helping staff build their professional mastery through work experience, mentorships, resources and training. Training and development opportunities are provided at three levels: compliance, technical, leadership. Compliance training is offered in accordance with local and national regulations in each jurisdiction where Morrison Hershfield does work. We support and invest in technical training opportunities to ensure our employees remain knowledgeable and current in their field and are given opportunities to grow. We offer training through a combination of on-the-job training, e-learning, participation in Morrison Hershfield's Communities of Practice, knowledge sharing events and supporting external training such as attending conferences, seminars and educational courses. Since transitioning our online Learning Management System to Workday in 2019, our catalogue of internal courses to 260 offerings at the end of 2021. There was also a significant increase in personal development hours in 2021, up to an average of 12 hours per employee, thanks in part to the introduction of a LinkedIn Learning subscription with access to almost 9,000 external courses for all MH staff. LinkedIn Learning is an industry leader in online training, with courses covering a wide range of technical, business, software and creative topics. It is accessible online 24/7 and promotes staff development. Staff can select courses relevant to their technical, professional and personal development.

Leadership development is supported through the delivery of a variety of focused training on customer service, negotiations practices, health and safety, project management and other modules that support our that was support our 2025 Ambition. In 2021, Morrison Hershfield launched its Project Management Academy to provide focused training for new and existing project managers. In 2022, efforts will focus on the firm's Leadership Academy and Engineer-In-Training (EIT) Mentor Program. The Leadership Academy supports the development of best in class management and leadership skills to make our people strong team leads, department managers and executives. The EIT technical mentorship program will help set the course for recent engineering graduates to gain the required technical, professional and ethical experience needed to facilitate their journey from new grad to licensed Professional Engineer.

Morrison Hershfield covers the full cost of any mandatory external training and 50% of the cost of any approved selfelected external training. This investment is critical to the development of our employees, and also contributes to our innovation, sustainable design and core business services.

#### Formal Technical Groups

We maintain nine technical networking groups, called Communitiies of Practice (CoP). They provide a forum to encourage and cultivate technical excellence and innovation, and opportunities for staff to advance their knowledge, and share interests and expertise. The groups also serve as incubators for employees to leverage best practices across business units, and develop their ideas into applications or service offerings. In 2021, a new Climate Change CoP was launched. The Climate Change CoP forms part of Morrison Hershfield's response to support the urgent action necessary to limit, mitigate and adapt to the impacts of climate change and support the global goal of Net Zero GHG emissions by 2050. It is anticipated that this CoP will help to embed a climate change focus in our sales pursuits, client interactions and project delivery, and quicken its pace of adoption.All CoPs are hosted on MS Teams with open enrollment, and anyone can participate in any CoP, at anytime.







90% EMPLOYEE APPROVAL Occupational Health and Safety



## FOCUS ON HEALTH AND SAFETY

The safety and well-being of our employees and contractors is at the core of every one of Morrison Hershfield's projects. We aim to provide our workforce with the safest possible working conditions at all times. We often conduct complex work in areas with elevated levels of risk, such as active construction sites, roads and railways. We have policies and procedures to effectively address varying types and degrees of workplace risk, and regularly update these to meet regulatory requirements and keep our staff safe.

Our Health, Safety and Environmental (HSE) program details Morrison Hershfield's approach to protecting our workforce, property and environment and is rooted in international standards, regional standards like the Certificate of Recognition (COR) program, best practices and more than 75 years of industry experience.

Morrison Hershfield's comprehensive Occupational Health and Safety Management System (OHSMS) manages risks, establishes controls, and minimizes the incidence of injury and illness to employees in all of our workplaces. In 2021, our OHSMS achieved COR Certification in Alberta, Ontario (the location of Morrison Hershfield's single largest workforce base) and Yukon. We are extending processes and procedures to the rest of our offices. This certification is evidence of our proactive and strategic approach to workplace safety, and our commitment to maintaining safe workplaces and jobsites. Significant efforts were made throughout the year to optimize the OHSMS, including management of COVID-19 risk assessments, safe office and work protocols.



Morrison Hershfield operates 12 joint health and safety committees. These committees are dispersed by geographic region and are comprised of both employee and management level team members. These committees audit various aspects of our operations, physically inspecting safety equipment and posted safety guidelines. This ensures that proper HSE processes are being upheld throughout our facilities and work sites. All joint committees meet on a quarterly basis to share findings and best practices, and to discuss potential improvements or gaps in our current safety processes. For large or complex projects with elevated hazards, we assign resources to review hazard assessments and oversee and approve project specific processes and safety procedures.

Every employee has the right to refuse work. In our most recent employee survey, occupational health and safety was one of the highest-scoring performance categories, with a 90% approval rating. Our employees feel that we have the programs in place to protect them in their work. Our Vice President of Human Resources, Organizational Development and Safety, leads our HSE program managing health, safety and wellbeing at Morrison Hershfield. This role is also responsible for reporting regular updates to our Senior Management Team, and a semi-annual report to our Board of Directors.

#### MH COVID-19 Response

Employee safety is our top priority. In 2020, we updated our Pandemic Policy, formed a COVID-19 task force, implemented COVID-19 health and safety protocols, created COVID-specific health and safety materials and successfully transitioned to a remote delivery model that continued through 2021. Guidelines for staff are regularly updated as the pandemic progresses. The firm continued to provide regular and frequent communication and additional health and wellness resources throughout 2021. A COVID-19 knowledge portal page with access to all materials and updates is maintained and guidelines for staff are regularly updated as the pandemic progresses. The development of an office re-opening strategy, including Flexible Work Arrangements, was developed and readied for implementation.





## PROGRESS: PEOPLE PROGRAMS

Morrison Hershfield currently tracks four key metrics to determine the success of our employee programs, which are reviewed regularly by the Senior Management Team.

Average Personal Development Hours per Employee .56 Health & Safety Total Recordable Injury Frequency

84% Employee

Engagement

**28%** (female)

72% (male)

**Gender Diversity** 

Technical Level: 23% Female Managerial Level: 27% Female Executive Level: 7% Female Shareholder Level: 20% Female Board of Directors: 40% Female

# Culture

## AN INCLUSIVE WORKPLACE, SUPPORTING OUR PROFESSION AND COMMUNITIES

Morrison Hershfield will lead by example, thereby demonstrating that a successful business can balance economic, social and environmental goals. We provide real and effective solutions to our clients and partners, enabling them to pursue sustainability in parallel with their project objectives.



#### Professional Organization Support

- Architectural Institutes
- Building Enclosure Councils
- Green Building Councils
- HVAC Associations
- International, National and Regional Engineering Associations
- Mission Critical Industry Forums
- Planning Institutes
- Project Management Institutes
- Real Estate Associations
- Sustainable Infrastructure
   Institutes
- Transit Associations
- Transportation Associations
- Water & Wastewater Associations



## FOCUS ON OUR PROFESSION

Morrison Hershfield continues to make a positive impact through industry leadership. We are regularly recognized on prestigious industry lists and with awards for industryleading projects. Morrison Hershfield employees actively engage with external agencies, industry groups and the education sector. We encourage our engineers to pursue these opportunities as a means of connecting with their peers to exchange information, share best practices and promote new training and tools to elevate their knowledge and skills.

Our staff maintain prominent roles with many local, regional, national and international industry organizations. In 2021, staff participated as speakers and panel experts at numerous virtual industry events. We hosted technical webinars for over 2,400 participants. We also maintain an on-demand webinar library on our website.





**Community Support Involvement** 

- Monetary donation to 22 local charities, one in each of the communities in which we operate.
- In lieu of accepting a personal gift to celebrate our 75th anniversary, staff from 12 different office locations requested a donation be made to the charity of their choice.
- Staff Donation Matching Programs supported disaster and humanitarian relief efforts.

#### **Engagement Opportunities**

- Volunteer programs
- STEM Education
- Employee teams
- Philanthropy events
- Post-secondary education partnerships



## FOCUS ON OUR COMMUNITIES

Morrison Hershfield's continued success depends in large part upon the health and prosperity of the regions in which we operate. Supporting our communities is another way in which we demonstrate our lasting commitment to local and regional development. We have historically taken a grass roots approach to community engagement by encouraging and empowering each local office to support causes in their local communities. In 2021, staff participated in several traditional and some virtual fundraising initiatives. During the holiday season, in recognition of the significant impact of the pandemic, a monetary donation was made to one local charity in each of the communities we serve. Each office in Canada, the U.S. and India selected the charity they wished to support. We regularly post about our community engagement efforts on Morrison Hershfield's Blog, including our volunteer programs, employee teams and philanthropy events, post-secondary education, STEM education and other partnerships. The firm also maintained its Donation Matching Programs in support of disaster and humanitarian relief efforts in our communities.

We continue to look for new ways to expand the engagement opportunities offered within our company to meet the demand of our employees to leave a lasting positive impact on the community. We are also taking steps to formalize our efforts to focus on programs that are more important to our employees and will be most beneficial to the communities in which we operate.



## PROGRESS: CULTURE PROGRAMS

Morrison Hershfield currently tracks two key metrics to determine the success of our culture programs, which are reviewed regularly by the Senior Management Team. The following outlines our most recent results.

## 2021 WELLNESS CHALLENGE RESULTS



## FOCUS ON OUR WORKPLACE

Morrison Hershfield supports a number of initiatives that encourage fun and teamwork outside of the office. Staff organize and participate in a variety of teambuilding activities, like office potlucks, summer picnics and activity days, team sports, golf tournaments, escape rooms and dragon boating. With the restrictions imposed during the worldwide pandemic continuing in 2021, in-person teambuilding activities were not possible. However, there was a deliberate effort to use technology to foster teamwork. In fact, many teams stayed connected with virtual events, contests and social gatherings. The MH 75th Anniversary virtual Scavenger Hunt was a tremendous success. Staff participated individually and in teams to complete a variety of challenges. Company-wide, more than 1 in 4 people participated.

#### The Carson Awards of Excellence

Our internal Carson Awards of Excellence Program recognizes, celebrates and advertises those who strive to achieve excellence, either through their daily activities, the development of innovative and elegant engineering solutions, or the development of new markets and products. The program is unique by allowing peers to nominate each other for their contributions in seven categories. The winners are selected by a panel of external judges. Winners are announced during an annual live video production attended by all employees across the globe. The Carson Awards recognize that these contributions not only benefit Morrison Hershfield but may also be for the betterment of our profession and our community. It is named after founding member Carson Morrison, who established the company in 1946.

#### Wellness Challenge

With a sharp focus on the physical and mental health and wellness of our people, a company-wide "Wellness Challenge" was held as an incentive for staff to intentionally practice self-care. Over 130 staff participated, recording almost 900 hours spent on more than 900 wellness activities in a two-week time period.

#### Commuter Challenge

Each year, Morrison Hershfield staff participate in the Commuter Challenge, which encourages people that may not otherwise use active and sustainable modes of transportation to use it at least once during a week-long competition. In 2021, Morrison Hershfield paused our participation in the Commuter Challenge due to the COVID-19 pandemic, and the majority of staff working from home.

# Capabilities



Morrison Hershfield was recognized for project excellence awards in 2021 for the following types of projects:

- Building Science
- Community Facilities
- Institutional Facilities
- Sustainable Design
- Transportation Facilities







For 75 years, we have established ourselves as leaders in applying innovative technical solutions for our clients in North America and around the world. We employ strong technical staff who are able to look beyond the boundaries of what is thought possible and push our industry forward. It is this determined focus on finding innovative applications that fuels Morrison Hershfield's ability to stay at the leading edge of our markets.

We are dedicated to the profession and the execution of our projects. We recognize that we can have a meaningful impact on sustainability through sharing our knowledge and expertise and in our project work, where we strive to balance technical excellence and economic responsibility with environmental and social benefits.

## FOCUS ON INNOVATION

Our goal is to provide all Morrison Hershfield employees with direct access to the knowledge needed to progress in our areas of practice. We invest in technology, process development and programs that promote innovation. In doing so, we can contribute to more effective, resource efficient solutions for our clients that help control costs and reduce environmental and social impacts. We devote considerable resources to ensure that we provide our staff with the tools and opportunities to remain at the cutting edge of their respective fields.

We maintain a knowledge management system with separate platforms for knowledge sharing, operations and project teams. Morrison Hershfield employees utilize the knowledge platform to share new ideas, best practices and lessons learned, as well as solicit advice from colleagues. The knowledge platform is an effective tool for raising the collective knowledge of our firm and helping new and established engineers understand our leading practices. Our project teams platform supports our ISO 9001:2015 certified management system and serves as an effective, rigorous and secure document and data management tool for Morrison Hershfield and our external project partners.

In 2021, our Building Specialty Services continued to advance its "Innovation Initiative" program to foster and promote critical and innovative thinking to solve problems, discover new ways of doing what we do, and/or create alternate solutions that display leading edge scientific and engineering creativity and market-leading intelligence.

Morrison Hershfield formally rewards innovation through our annual Carson Awards program. The Innovation Award is presented to a person or team who has made an outstanding contribution in this area – be it through improving the efficiency of a process to increase productivity, developing new techniques or tools, applying an innovative solution to a project or internal challenge, reducing costs or developing a new product or service.





#### MORRISON HERSHFIELD WEBINARS

Our technical webinars program shares best practices and lessons learned on a variety of technical topics with industry clients, peers and students. In 2021, we hosted 34 live webinars, and registered over 2,240 participants. Our online webinar library now has over 50 recorded webinars available on demand.

18+ Company Recognition & Project Awards

### FOCUS ON INDUSTRY LEADERSHIP

Morrison Hershfield maintains a consistent presence in a wide range of industry organizations and trade shows. We encourage our people to choose the venues and organizations most applicable to their field, to share new ideas, raise awareness of leading practices and showcase lessons learned. Our leadership team encourages our people to choose the venues and organizations most applicable to their field, so they may gather and share useful information. This allows us to stay on top of specific market trends and make more effective recommendations to address our clients' needs.

Our technical excellence is also shared via Morrison Hershfield's technical webinars, technical libraries and blogs. Our live webinar program shares best practices on a variety of technical topics. We also have an "on-demand" webinar library on our website.

Morrison Hershfield also continued proactive industry leadership regarding such topics as Women in Engineering and Gender Intelligence, through organizing, moderating and participating in numerous events and panels.

Over the last year, we were included on a number of prestigious industry lists, and our projects and team members received several notable awards. We are extremely proud of these accomplishments, and believe that this recognition further demonstrates our technical excellence and market leadership.

## 2021 Company and Project Recognition

#### **Company Recognition**

Building Design + Construction. 2021 Data Center Giants List.

Consulting Specifying Engineer Magazine. 2021 Commissioning Giants List.

Consulting Specifying Engineer Magazine. MEP Giants List. Top 100 mechanical, electrical, plumbing and fire protection engineering firms.

Engineering News Record Magazine. 2021 Top 500 Design Firms and Top Designer in International Markets.

ReNew Canada. Top 100: Canada's Biggest Infrastructure Projects. Platinum Elite Status.

#### **Project Recognition**

ACEC-BC. Award of Merit. Buildings Category. Charter Telecom Headquarters Passive Building. Langford, BC.

ACEC-ON. 2021 Ontario Engineering Project Award for James Bay All-Season Road Feasibility Study.

Canadian Architect. Canadian Architect Award of Merit. Toronto Paramedic Services Multifunction Paramedic Station. Toronto, ON. Civil Engineering.

Canadian Consulting Engineer & ACEC-Canada. 2021 Canadian Consulting Engineering Award of Excellence for James Bay All-Season Road Feasibility Study.

Canadian Consulting Engineer & ACEC-Canada. 2021 Canadian Consulting Engineering Award of Excellence for the Building Envelope Thermal Bridging Online Database.

Canadian Consulting Engineer & ACEC-Canada. 2021 Canadian Consulting Engineering Award of Excellence for the Clayton Community Centre, Vancouver, BC. Building Envelope.

Civic Trust Awards, U.K. 2021 Civic Trust Award for Borden Park Natural Swimming Pool. Structural, Mechanical, Electrical and Civil Engineering.

Council on Tall Buildings and Urban Habitat (CTBUH). 2021 Buildings and Urban Habitat - CTBUH Award of Construction Excellence for Rainier Square.

Council on Tall Buildings and Urban Habitat (CTBUH). 2021 Award of Excellence for TELUS Sky Tower.

Multifamily Executive Awards. Grand Award: High-rise Project of the Year. NEXUS Tower. Seattle, WA. Building Envelope Consulting.

Silicon Valley Business Journal. 2021 Structures Award for Best Education Project given to Sobrato Campus for Discovery and Innovation.

Washington State Department of Commerce. 2020-21 Governor's Smart Communities Judges' Merit Award. Village at Totem Lake, City of Kirkland. Building Envelope Consulting.

World Architecture Festival Award: Future Projects – Civic.t m sew tx Aquatic and Community Centre, New Westminster, BC. Building Envelope Consulting.





We provide sustainable solutions in the following areas:

- Buildings
- Critical Facilities
- Energy
- Environmental
- Solid Waste
- Telecom & Technology
- Transit
- Transportation
- Water & Wastewater

## FOCUS ON SUSTAINABLE DESIGN

Sustainability in design and function continues to rise in importance across each area of our business. The work we do can have significant, lasting effects on the communities and ecosystems in which we operate. Many of our clients expect engineering solutions that serve their primary needs and contribute to the responsible use of resources and social well-being in their communities.

Morrison Hershfield project teams have the knowledge and vision needed to meet our stakeholders' rising demands for high-performing buildings and infrastructure. Over the years, we have designed green transportation plans and networks, zero carbon buildings, renewable energy systems, efficient waste management systems, and developed regional sustainability plans. Our ultimate goal is to create sustainable, resilient designs that that meet our clients' expectations and mitigate their environmental and social impacts.

#### Climate Change Response

The goals of Morrison Hershfield's Climate Change Initiative are to account for climate change vulnerability and risk and to reduce embedded and operational carbon emissions in the building and infrastructure projects on which we consult, design and deliver. We plan to accomplish this through the accelerated development of a Climate Change Practice. Other components of MH's response plan include:

- Engaging key clients to understand their climate change goals and action plans.
- Training staff on incorporating climate change aspects into our consulting engineering work and to ensure project teams are suitably equipped.
- Pursuing and encouraging climate change accreditation.
- Advising clients on carbon emissions and their impact on climate change, and on building and infrastructure vulnerability and resilience.
- Targeting key hires with climate change expertise.



#### Sustainable Design Tools

The wealth of experience our technical staff have, gives Morrison Hershfield a strong reputation in the field of life cycle assessment (LCA). Morrison Hershfield partnered with the Athena Sustainable Materials Institute to develop the free LCA software specifically for North American buildings to calculate the total impact of building systems. The PathFinder tool has helped users test building design scenarios for operational energy and emissions for several years, and is now being complemented by the Embodied Carbon PathFinder. This free web application allows users to see the embodied carbon implication of different design and materials selections, giving life cycle assessment (LCA) results for three typical multifamily residential building types. We were instrumental in developing Athena's software solutions including Athena's Impact Estimator. Morrison Hershfield is also a leader in utilizing effective sustainable design tools, such as energy modeling, to understand the total energy input and output of both existing buildings and potential new building designs.

Our engineers can fully customize potential building designs, down to the smallest detail. Using our in-house designed software called Building Energy Performance Mapping, we can instantly assess the impact of individual design decisions on the overall efficiency and sustainability of various building systems, such as HVAC equipment, windows and envelope materials. The end result is we are able to provide the most effective, sustainable long-term solutions for our clients. Morrison Hershfield, in partnership with BC Housing and industry partners, expanded the Building Envelope Thermal Bridging Guide to include details applicable to all Canadian climates and energy codes. We also developed a web-based database (ThermalEnvelope.ca) lets users easily search for building envelope details, compare approaches to mitigate thermal bridges and calculate the overall thermal transmittance of opaque wall assemblies. These tools play an

important supporting role in achieving net zero design and implementation within the industry.

#### Green Building Accreditation and Education

Morrison Hershfield often works with clients who have a stated goal or mandate to obtain specific sustainability ratings or green building targets. To meet this growing demand, we have established ourselves as a leader in green building consulting services. We have worked with the Canada Green Building Council (CaGBC) to develop training and guidance material for LEED applicants. We were one of the first consulting firms in North America to receive American National Standards Institute (ANSI) Accreditation as a third-party GHG Verifier under The Climate Registry. Today, we can measure our clients' carbon footprint and identify, design and implement carbon reduction plans for their operations.

Many of our engineers have fellowships or certifications and training in established and emerging sustainability frameworks, including LEED, WELL Building Standards, Passive House, Envision and Green Roads. Morrison Hershfield is currently one of a select few companies authorized by the CaGBC to conduct assessments for LEED Canada submissions. Morrison Hershfield remains dedicated to training and development, to ensure our workforce is in the best position to recognize and meet our clients' evolving needs. In 2021, Morrison Hershfield led webinars on important sustainability topics for a wide range of disciplines. Of note is our partnership with Owens Corning for a series of energy efficiency webinars. Additional sessions are planned for 2022.

#### **Climate Resilience**

Many of our projects are located in regions that are at increased risk of the negative eects of climate change. As an engineering rm, we take these risks into consideration for our clients when designing new buildings or other infrastructure to last decades into the future.



### FOCUS ON PROJECTS

We strive to provide our clients balanced and resilient solutions. Over the last year, we were involved with some of the most sustainable projects across North America and beyond. Some targeted stringent zero-carbon and Passive House standards, others assessed and mitigated expected fugitive emissions in landfills or examined the impacts of infrastructure on native/ endangered species and their habitats. We assisted clients with assessing climate resiliency of their infrastructure.



#### Atlin Hydro Expansion Climate Lens Assessment, Atlin, BC

Tlingit Homeland Energy plans to develop about 8 MW of additional hydroelectric generating capacity to supply renewable energy to the Yukon. To meet federal funding requirements of Canada's Infrastructure Program, MH completed a Climate Lens Assessment, including GHG Mitigation and Climate Change Resiliency Assessments.

## BentallGreenOak Electric Vehicle Charging Infrastructure Initiative, Canada-wide

MH became BentallGreenOak's preferred consultant for this exciting initiative by leveraging our geographically diverse MES team across Canada and our significant EV infrastructure experience.









MH designed the infrastructure for MTO for what could be the first electrified ferries in North America. With these two projects, Ontario expects to reduce its GHG emissions by the equivalent of almost 500 million kilograms of carbon dioxide during the ferries' 60-year lifespans.

#### 825 Pacific Street (Artscape), Vancouver, BC

This project was required to pursue Passive House Classic Certification—and use no fossil fuels—to comply with the City of Vancouver's Zero Emissions Building Plan. It is the tallest Certified Passive House Commercial Building in Canada.

#### Clayton Community Centre, Surrey, BC

The first community centre in Canada and largest non-residential building in North America to receive Passive House certification, it was expressly intended to both slow the progression of climate change and perform in a climate-changed world.



#### Basement Flooding Protection Program, Toronto, ON

This important project identifies at-risk areas through assessments and modelling and implements infrastructure improvements that will mitigate the chance of flooding and protect community residents from water damage that can cost billions in insured losses from sewer backup claims.



#### United Boulevard Recycling and Waste Centre, Coguitlam, BC

Innovative engineering solutions overcame unique challenges related to subsidence, landfill gas emissions and leachate management, allowing for the safe and reliable development of this large centre on a closed landfill site.

# Practices

#### **EMPLOYEE OWNERSHIP**

Since 1968, Morrison Hershfield has been a 100 percent employee-owned firm and as stated in our 2025 Ambition, we are steadfastly committed to remaining as such. This will allow us to control our destiny as a firm, act as stewards for future generations and build strength and resilience to invest in CSR programs that benefit the firm, our employees and the communities in which we live and work. In 2020, Morrison Hershfield reached its goal of to expand our shareholder base to one-third of our employees. Our goal is to expand this to 50 percent by 2025.

#### BOARD OF DIRECTORS

Our commitment to strong corporate governance is reflected in our ten member Board of Directors and governed by our Board Charter. Our Board consists of at least three External Directors, including an external Chair. The remaining Directors must be Morrison Hershfield shareholders. One Shareholder-at-large position is reserved specifically for a non-executive shareholder. External Directors are nominated by a committee of the Morrison Hershfield Board and appointed for six year terms, reaffirmed each year at the Annual General Meeting by shareholders. Internal Directors are nominated and elected to one-year terms by shareholders.

The Board operates with standing and as needed committees: Audit and Risk, External Director Search, HR-Compensation, Ownership Roadmap, Shareholder Guideline and Shareholder Nominating Committees.

### ENTERPRISE RISK MANAGEMENT

Morrison Hershfield conducts an annual enterprise risk management (ERM) evaluation intended to identify and prioritize the most significant risks to which our organization is exposed. Following the evaluation, we assign sponsors to the most critical risks and develop risk mitigation plans that include metrics and time-bound goals. We review progress on these mitigation plans as part of our quarterly Risk Management meetings. In addition, our Senior Management Team reviews risk management plans through regularly scheduled Management Risk Committee meetings.



## FOCUS ON STRATEGY AND CORPORATE GOVERNANCE

Morrison Hershfield was founded in 1946 to provide engineering and consulting services to high technical and ethical standards. Today, our corporate governance practices and policies set expectations of our Board and employees to continue our tradition of operating with the highest levels of integrity. We believe that as a professional services firm, our behavior must be beyond reproach. Our corporate governance practices are in place to reflect that belief.

Morrison Hershfield maintains a broad set of ethics and compliance related policies that set expectations for the ethical behavior of our board and employees. All new employees are required to review and acknowledge our policies. Existing employees are required to review and acknowledge new and updated policies as they evolve.







Employee Code of Conduct

Anti-Harassment



Anti-Discrimination





## Our Environmental and Sustainability Priorities

It is essential that we employ the right measures in pursuing sustainability and in determining and communicating the correct indicators to our clients using sound engineering principles and methods. To prioritize sustainability in our business practices, we strive to:

- Understand and communicate the appropriate metrics, both internally and to our clients, so that informed more sustainable decisons can be made.
- Advance toward operational sustainability through a process of continuous improvement. Consideration will be given, but not limited to:
  - Greenhouse Gas Emissions
  - Energy
  - Water & Wastewater
  - MaterialsWaste

Human Health Economics

Transportation

- Social Stewardship
- Education & Awareness

- Ecology & Nature
- Work in partnership with our clients and partners, enabling them to pursue and achieve long-term sustainability.
- Elevate our employees' understanding of environmental issues.
- Push the boundaries. Be innovative in finding solutions that advance us, our clients and the public toward environmental sustainability.
- Monitor progress and report annually to the Board of Directors and our staff.

BY 2025, MORRISON HERSHFIELD IS ACKNOWLEDGED BY CLIENTS AND EMPLOYEES ALIKE AS THE INDUSTRY LEADER WHO TRANSFORMED BOTH THE CLIENT AND EMPLOYEE EXPERIENCE.

## CLIENT AND EMPLOYEE EXPERIENCE

#### MH 2025 Ambition

"By 2025, Morrison Hershfield is acknowledged by clients and employees alike as the industry leader who transformed both the client and employee experience."

Morrison Hershfield's 2025 Ambition strategic plan was launched in the fall of 2020 and will continue to guide the firm for the next four years. It cornerstones of unrivaled client experience and extraordinary employee experience. Our goal is to achieve both, within a progressive, inclusive and inspiring environment, to become the acknowledged Market Leaders. During the development of the plan, a number of strategic themes centered around agility, focus, technology, corporate social responsibility and culture consistently emerged. Weaving these themes into the fabric of our corporate culture will accelerate the evolution of our firm: making it more entrepreneurial, yet efficient; more agile, yet disciplined; and more mindful of the environment and our social responsibility.

2021 was a successful foundational year for our 2025 Ambition. We were effective at planning, setting goals, defining objectives, and building momentum for the next four years.

#### CSR Governance

Continually improving our CSR efforts is critical to the long-term health and success of our organization. Morrison Hershfield has a formal process, led by the Senior Management Team, to establish CSR goals, establish KPI's, and track progress towards those goals. We incorporated this goal setting process into the development of our 2025 Ambition. Once our goals are established, our CEO and the Senior Management Team will hold staff responsible for progress towards those goals. We will report progress to our staff, shareholders, the Board and the public, annually.





### **Carbon Footprint Results**





Electricity Emissions 859 tCO2e 34% ↓

Natural Gas Emissions 300 tCO2e 36% ↑

## FOCUS ON RESPONSIBLE OPERATIONS

Morrison Hershfield has an obligation to provide our clients with environmentally and socially responsible opportunities on every project, so they minimize their overall impact and achieve their long-term goals. This same philosophy applies to our own organization – we must ensure we are supporting our neighbors through a shared focus on improving our workplace, our communities and the environment. Our commitment to sustainable operations and continually improving every aspect of our business is central to our ethos as a responsible engineering firm.

#### **Carbon Footprint**

Morrison Hershfield's carbon footprint takes into account the energy required to keep our offices operational, and how our employees commute to the office. In 2019, we reassessed our footprint to see how it has changed since we first calculated it ten years prior. Since 2009, we have grown significantly, doubling our number of offices and increasing our workforce by 29%. The assessment consisted of gathering energy consumption data for natural gas (scope 1) and electricity (scope 2) for each of our 22 offices. Employee commuting activities were estimated based on available local and national data. Despite our physical growth, we reduced our carbon footprint by 41% per employee. The majority of this change can likely be attributed to ever-improving efficiencies within our grid networks and fuel sources. We have also taken active measures to improve the sustainability of our buildings by relocating some offices to newer, more efficient buildings. We are committed to understanding and improving our carbon footprint.

Learn more about our most recent carbon footprint report under the Corporate Social Responsibility section of our website - morrisonhershfield.com







Employee Ownership

37%

of Employees are Shareholders

## **PROGRESS: PRACTICE PROGRAMS**

Morrison Hershfield currently tracks two key metrics to determine the success of our practices programs, which are reviewed regularly by the Senior Management Team. The following outlines our most recent results.

Employee ownership: 37% of employees are shareholders. This exceeds a goal set approximately five-years ago to expand employee ownership within the firm. Our new goal is to expand ownership to 50% of employees by 2025.

Carbon Footprint: We updated the firm's Carbon Footprint in 2019. This was a necessary step for our organization to understand and improve our carbon footprint. We continue to work toward improvements in this area.



## GRI Content Index - 2022

The Global Reporting Initiative (GRI) is an independent standard organization. The GRI reporting framework helps companies communicate their performance in a clear and comparable manner. To demonstrate Morrison Hershfield's commitment to transparency and disclosure, the content in the report aligns with the GRI Standards, launched in October 2016.

GRI 102: General Disclosure		
102-1 Name of the organization	Morrison Hershfield Group Inc.	
102-2 Activities, brands, products, and services	Morrison Hershfield is a market leading, employee-owned engineering firm contributing to the social wellbeing and economic prosperity of the communities we serve. Our services include AFP/P3 Consulting, Building Science, Civil, Code & Life Safety, Commissioning, Electrical, Environmental, Land Development, Mechanical, Project Management and Structural Engineering and Consulting. (About MH)	
102-3 Location of headquarters	Markham, Ontario, Canada	
102-4 Location of operations	Morrison Hershfield has 25 office worldwide, though we are predominately a North American focused company. (Office Locations)	
102-5 Ownership and legal form	Morrison Hershfield is a private, employee-owned corporation.	
102-6 Markets served	Morrison Hershfield services the Buildings, Critical Facilities, Energy, Government, Industrial, Solid Waste, Telecom & Technology, Transit, Transportation and Water & Wastewater markets.	
102-7 Scale of organization	Morrison Hershfield has a total of 1038 employees.	
102-8 Information on employees and other workers	<ul> <li>Total number of employees by contract type for 2021.</li> <li>Regular Full-Time: 947</li> <li>Regular Part-Time: 41</li> <li>Temporary Full-Time: 12</li> <li>Temporary Part-Time 38</li> </ul>	
102-10 Significant changes to the organization and its supply chain	Morrison Hershfield opened two new office locations in 2021: San Diego, CA and Denver, CO. There are no new changes to Morrison Hershfield's supply change management in 2021. In our procurement process, we often involve external service providers in support of providing services to our clients. Under ISO 9001, we assess our service providers' capacity and performance to provide services on time, on budget and to the requirements of our contractual commitments to the client. We encourage our service providers to have comparable commitments to corporate social responsibility, including fair labor and operating practices, environmental protection and diversity.	

## **GRI** Content Index

102-11 Membership of associations	<ul> <li>Morrison Hershfield engages with professional societies and advocacy groups to benchmark best practices. We lend support and technical expertise to drive continuous improvement, in our involvement with engineering, project management, construction management, quality, and sustainable organizations across North America.</li> <li>Some of the organizations at which Morrison Hershfield maintains an active presence include: <ul> <li>7X24 Exchange</li> <li>ASHRAE</li> <li>Association of Consulting Engineering Companies Canada</li> <li>Building Enclosure Council</li> <li>Canada Green Building Council</li> <li>Canadian Institute of Planners</li> <li>Consulting Engineers Alberta</li> <li>Engineers Canada</li> <li>Institute for Sustainable Infrastructure</li> <li>International Federation of Consulting Engineerss</li> <li>Ontario Association for Impact Assessment</li> <li>Ontario Professional Planners Institute</li> <li>Professional Engineers Ontario</li> <li>The Athena Institute</li> <li>Transportation Association of Canada</li> <li>U.S. Green Building Council</li> <li>Various Universities</li> <li>Yukon Climate Leadership Council</li> </ul> </li> </ul>
102-14 Statement from senior decision maker	See the President & CEO's introductory letter to this report.

## **GRI** Content Index

102-12 External initiatives	Our staff and offices are engaged and give back to the communities where we work and live. Staff participate in numerous non-profit volunteerism activities each year, just a few of the organizations we have contributed to include: • Alameda County Community Food Bank (Oakland, CA) • Autism Ontario • Atlanta Community Food Bank • Burlington Food Bank • Calgary Food Bank • Calgary Food Bank • Canadian Red Cross • Community Food Sharing Association (St. John's, NL) • Edmonton's Food Bank • Feed My Starving Children (Minneapolis, MN) • Fred Hutch's COVID-19 Clinical Research Center (Seattle, WA) • Habitat for Humanity of Broward (Plantation, FL) • Hope Community Bikes (Burlington, ON) • Houston Food Bank • Inclusion Yukon • Lines for Life - COVID Relief Fund (Portland, OR) • Markham Foodbank • Ottawa Food Bank • Ride for Heart (Heart and Stroke) • Safe Harbor Crisis Center (Salt Lake City, UT) • SafeHaven (Dallas-Fort Worth, TX) • Second Harvest Food Bank of Metrolina (Charlotte, NC) • Siloam Mission (Winnipeg, MB) • St. Vincent de Paul - Sarah's Hope Shelters (Baltimore, MD) • The Mustard Seed (Victoria, BC) • United Way Lower Mainland (Vancouver, BC) • Vincente Ferrer Rural Development Trust - Spark a Joy program (Visakhapatnam, AP, India)
102-16 Description of Organization's values, principles, standards and norms of behavior.	Morrison Hershfield Core Values and Principles In all of our business practices and interactions, we are guided by our values of accountability, integrity and mutual respect. We believe in continuous improvement and teamwork, ensuring our clients receive quality deliverables and service. We embody our core values and principles to fulfill our duty to the public, our clients, and each other. These core values and principles define the foundation of our organizational behavior and the operating culture to which we are committed. • FOUNDED ON TECHNICAL EXCELLENCE AND ETHICS • COMMITTED TO ACCOUNTABILITY AND INTEGRITY • DEFINED BY INNOVATION AND TEAMWORK • INSPIRED TO BE CLIENT-FOCUSED AND SOLUTION-BASED

## **GRI** Content Index

GRI 403: Occupational Health and Safety		
102-17 Mechanism for advice and concerns about ethics	Morrison Hershfield's Employee Handbook outlines Fair employment including Human rights, Employment equity, Equal Opportunity, Fair Treatment, Employee Rights, Respect in the Workplace, Grievances and Right to Refuse Work, in addition to Code of Conduct, Conflict of Interest and Anti-Bribery and Anti-corruption policies. The handbook outlines the process for reporting an issue or concern and addresses confidentiality and disclosure.	
102-18 Governance structure	Morrison Hershfield governance structure is detailed in the Governance Guidelines for Morrison Hershfield Group Inc. This document is available to employees and external Board Directors.	
	GRI 305: Emissions	
305-1 Direct (Scope 1) GHG emissions	Morrison Hershfield's latest GHG emissions report is located on our website.	
	GRI 401: Employment	
401-1 New employee hires	New employee hires for 2021: 240 regular staff.	
403-1 Occupational health and safety management system	The Morrison Hershfield Occupational Health and Safety Management System (OHSMS) details our approach to protecting our workforce, property and environment and is rooted in international standards, regional standards like the Certificate of Recognition (COR) program, best practices and 75 years of industry experience.	
	Protecting the health, safety and environment of employees is a primary concern at Morrison Hershfield. This goal is met through the development of a comprehensive health, safety and environmental policy that endeavors to eliminate unsafe conditions and minimize the impact of hazardous situations for all employees and sub- consultants. This program benefits the company by reducing illness and injury to staff, preventing property damage, and preserving the environment.	
403-2 Hazard identification, risk assessment, and incident investigation	The OHSMS outlines the policy for staff to identify hazards, conduct a risk assessment and if an incident is to occur, how an investigation of the incident must be investigated.	
	All safety incidents including near misses, first aids, medical aids, critical injuries must be reported. All incidents involving Morrison Hershfield sub-consultants and/or sub- contractors engaged in field work or working on Morrison Hershfield premises must be reported through the corresponding Morrison Hershfield Project Manager.	
	Morrison Hershfield ensures the rights of its employees, the right to know, the right to participate and the right to stop or refuse work when they think that their work may pose a danger to themselves or to others.	
403-4 Worker participation, consultation, and communication on occupational health and safety	Morrison Hershfield operates 12 joint Health and Safety committees. These committees are dispersed by geographic region and are comprised of both employee and management level team members.	
	The purpose of the Joint Health and Safety Committees is to review safety guidelines and provide feedback, identify unsafe acts and conditions within work site review processes and make recommendations to correct unsafe acts, conditions, or concerns and monitor corrective procedures, promote safety awareness, promote better communications and physically inspect safety equipment.	

403-5 Worker training on occupational health and safety	Mandatory for all MH employees include: the MH new employee Orientation, WHMIS 2015 (for Canadian employees), HAZCOM (for US employees), Violence and Harassment (Respect in the workplace).
	Mandatory for employees exposed to the hazard by their Job: Fall Protection and Prevention (for employees working on heights), Confined Space Entry, Rope Access.
	<ul> <li>Training for specific jurisdictions:</li> <li>Health and safety MOL training for employees and Supervisors (Ontario)</li> <li>Accessibility for Ontarians with Disabilities Act – AODA (Ontario)</li> <li>Leadership for Safety Excellence (Alberta)</li> <li>OSHA 10 (selected employees in the US)</li> <li>Joint Health and Safety Committee Certification (Ontario and some Canadian Jurisdictions)</li> </ul>
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	When working with Clients who have their own safety management procedures, the most stringent safety policy is adhered to by all parties.
	MH Sub-consultants have a responsibility to adhere to MH Health and safety principles, to work safely in compliance with the law and to take all appropriate safety measures to protect their staff, MH employees and all individuals impacted by their work in accordance with the MH requirements for sub-contracted work.
403-9 Work related injuries	Total number of work-related injuries for 2021 for Canada:
	Year 2021 2020 2019
	Total Recordable cases 3 12 5
	The total recordable injury frequency for 2021 was 0.56.
	GRI 404: Training and Education
404-1 Average hours of	Average training hours per employee in 2021: 12 hours.
training per year per employee	Tracking based on employee self-reporting and excludes external training programs.
404-2 Programs for upgrading employee skills and transition assistance programs	<ul> <li>Catalogue of on-line learning in Workday consisting of approximately 263 programs. Training topics include: <ul> <li>Governance, Privacy and Security</li> <li>Health and Safety</li> <li>Leadership</li> <li>Legal Compliance</li> <li>Productivity</li> <li>Project Management</li> <li>Skills &amp; Technical Development</li> </ul> </li> <li>New in 2021, all staff have access to a catalogue of nearly 9,000 online courses through Morrison Hersfield's subscription to LinkedIn Learning. Courses include technical, professional and personal development topics.</li> </ul>
	GRI 405: Diversity and Equal Opportunity
405-1 Diversity of governance bodies and employees	<ul> <li>Gender diversity of employees for 2021: 28% Female / 72% Male</li> <li>Technical Level: 23% Female</li> <li>Managerial Level: 27% Female</li> <li>Executive Level: 7% Female</li> <li>Shareholder Level: 21% Female</li> <li>Board of Directors: 40% Female</li> </ul>
	GRI 406: Non-Discrimination
406-1 Incidents of dis- crimination and corrective actions taken	No incidents reported in 2021. Morrison Hershfield CSR Report   2022