



Morrison Hershfield Corporate Social Responsibility Report

April | 2021



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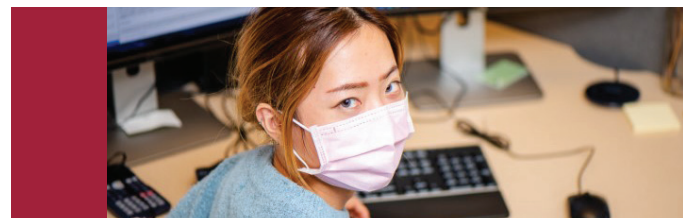
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President & CEO's Letter



Each year, we publish our Corporate Social Responsibility Report, to inform on the past year's activities regarding our people, culture, capabilities and practices. We are an engineering practice that provides critical infrastructure to our communities, and we recognize that our work has the power to directly enhance the well-being of society and mitigate the impact of climate change. We also know that our ability to apply innovative and sustainable design practices to provide solutions, and the way we do it, is critical to our long-term success, the success of our clients, and of the communities we serve together.

The world continued to face unprecedented circumstances in 2020. We were presented with many challenges but also recognized opportunities to reflect on our firm's culture and improve our business. The worldwide pandemic continues, and the increased visibility of systemic racism and social injustice is top of mind. Our priority is to keep our people, clients and communities safe and secure, in a welcoming environment while we continue to deliver our essential projects.

To this end, Morrison Hershfield updated our Pandemic Policy, implemented new COVID-19 health and safety protocols and efficiently transitioned to a remote delivery model. Additional health and wellness resources were provided to staff and their families, and employee pulse surveys were conducted periodically to ensure that the needs of staff are met. A Diversity & Inclusion Advisory Council was formed and has established priorities and objectives for 2021.

There are many successes to report on from 2020. Our commitment to social, economic and environmental sustainability is stronger and we continue to leverage sustainable principles into our designs and find opportunities to have a lasting positive impact. For the second year in a row, we won the prestigious Canadian Consulting Engineering Tree for Life Award, for a project demonstrating outstanding environmental stewardship. This is one of numerous industry-leading projects we are proud to be involved in.

Successes to celebrate this year include the following. We reached our goal of having 33% of our employees participate in the ownership of our firm. The employee-owner mentality is a cornerstone of our approach to client engagement and one we are confident will continue to stand the test of time. We brought our 2020VISION five-year strategy to a successful conclusion, and launched our MH 2025 Ambition, a new five-year strategic plan that will build on our past accomplishments. Our new Ambition is anchored on the cornerstones of the employee and client experience, and providing a progressive, inclusive and inspiring environment for all.

The pandemic will have far reaching impacts on how the A/E/C industry moves forward, and we recognize that priorities are changing. The actions we take now can have a significant impact in the future, but we must be intentional about our efforts. We remain vigilant in our corporate practices regarding our people, culture, client projects and governance as we continue to adapt, recover and thrive.

This year, Morrison Hershfield celebrates 75 years in business. We remain dedicated to continuous improvement and look forward to the possibilities that lay ahead as we shape our future together.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Karakatsanis', written in a cursive style.

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.



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.

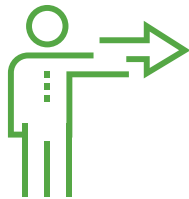
Employee Retention & Recruitment

A critical aspect of Morrison Hershfield's 2020VISION was to position the organization as 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 remains a strategic goal of the firm, and is central to achieving our 2025 Ambition. 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.

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 fitness and mentoring sessions.





TRAINING AND DEVELOPMENT OPPORTUNITIES:

COMPLIANCE



TECHNICAL

LEADERSHIP



219
Internal Courses



FOCUS ON TRAINING AND DEVELOPMENT

Morrison Hershfield provides training and development opportunities 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 has grown by nearly 20% over last year, to 219 offerings at the end of 2020. The firm is exploring a number of online training platforms that will provide broader and deeper learning opportunities for our staff, with implementation planned for 2021.

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 supported our 2020VISION and continue to support our 2025 Ambition.

Morrison Hershfield covers the full cost of any mandatory external training and 50% of the cost of any approved self-elected 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 eight technical networking groups, called Communities 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 2020 the CoP format was refreshed and one new CoP was added. The process was simplified to encourage a higher level of engagement and more cross disciplinary participation. All CoPs are hosted on MS Teams with open enrollment, and anyone can participate in any CoP, at anytime. We believe that this relaunch facilitates even greater knowledge sharing across the company.



75
YEARS

Industry
Experience

90
EMPLOYEE
APPROVAL

Occupational Health
and Safety

12
HEALTH AND SAFETY
COMMITTEES

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 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. Our OHSMS achieved COR Certification in Alberta and Ontario, the location of Morrison Hershfield's single largest workforce base, and 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. The new MH Health and Safety manual was released in November 2020. This together with new Job Hazard Analysis and Safe Job Procedures are significant achievements in keeping our OHSMS up-to-date.



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 well-being 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 in anticipation of the COVID-19 pandemic, a COVID-19 task force was formed, and new COVID-19 health and safety protocols were implemented to protect the health and safety of our people, our clients and our communities. We efficiently transitioned to a remote delivery model, which remained in place throughout 2020. Regular and frequent communication and additional health and wellness resources were provided for staff and their families. COVID-19 specific H&S materials created for staff include Essential Services Worker letters, protocols for working on site and in offices (if essential), guidelines for screening and use of facemasks, guidelines for working from home, and multiple staff wellness resources. A COVID-19 knowledge portal page with access to all materials and updates is being maintained.



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.

7

Average Personal Development Hours per Employee

.44

Health & Safety Total Recordable Injury Frequency

81%

Employee Engagement

29%
(female)

71%
(male)

Gender Diversity

Technical Level: 23% Female

Managerial Level: 25% Female

Executive Level: 9% 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
- National and Regional Engineering Associations
- Planning Institutes
- Project Management Institutes
- Real Estate Associations
- Sustainable Infrastructure Institutes
- Transit Associations
- Transportation Associations
- Water & Wastewater Associations



FOCUS ON OUR PROFESSION

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.

In 2020, staff participated as speakers and panel experts at numerous virtual industry events. We hosted technical webinars for nearly 1,800 participants. We also launched 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.

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 2020, 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.

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.

83%

Staff Referral Score

100%

Offices with Community Outreach Initiatives

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 in 2020, 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.

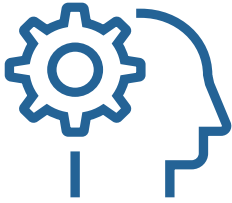
The Carson Awards of Excellence

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

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 2020, Morrison Hershfield paused our participation in the Commuter Challenge due to the COVID-19 pandemic, and the majority of staff working from home. With a sharp focus on the physical and mental health and wellness of our people, a week-long “Wellness Challenge” was held as an incentive for staff to intentionally practice self-care. Over 150 staff participated, recording time spent on their daily wellness activities.

Capabilities



Morrison Hershfield was recognized for project excellence awards in 2020 for the following types of projects:

- Building Science
- Data Centers
- Institutional Facilities
- Sustainable Design
- Transit Maintenance Facilities
- Transportation Facilities

For almost 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 2020, our Building Specialty Services advanced 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 2020, we hosted 17 live webinars, registered by nearly 1,800 participants. Our online webinar library now has over 50 recorded webinars available on demand.

20+

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.

In 2020, Morrison Hershfield also provided 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.

2020 Company and Project Recognition

Company Recognition

Building Design + Construction. 2020 Giants 400 List.

Consulting Specifying Engineer Magazine. MEP Giants List.

Consulting Specifying Engineer Magazine. 2020 Commissioning Giants List. #21.

Engineering News Record Magazine. Top 500 Design Firms and Top 225 International Design Firms.

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

Project Recognition

American Institute of Architects, AIA Dallas. Built Design Awards. Baylor Scott & White Health Administrative Center.

American Council of Engineering Companies, New York. Engineering Excellence Diamond Award: Ottawa Confederation Line LRT (Stage 1).

Architizer. A+ Award. Concepts – Plus-Architecture + Art Category. Central Presbyterian Church in Vancouver, BC.

Canadian Consulting Engineer. Tree for Life Special Achievement Award. Building NX, Humber College, ON.

Canadian Consulting Engineer. Award of Excellence, Buildings category. Building NX, Humber College, ON.

Canadian Green Building Council. CaGBC Green Building Excellence Award for an Existing Building. Building NX, Humber College.

Canadian Urban Transit Association. Corporate Leadership Award for Environmental Sustainability, presented to our client Edmonton Transit Service. Kathleen Andrews Transit Garage.

Consulting Engineers of Ontario. Ontario Consulting Engineering Award of Merit. Building Engineering and Science Category. Building NX, Humber College.

DCD Global Awards. Multi-Tenant Data Center Design. TOR1 Data Center, Toronto, ON. Our client, Digital Realty, shortlisted.

Houston Business Journal. Landmark Award: Mixed-Use. Buffalo Heights, Phase 1.

NAIOP Washington State Chapter. Night of the Stars Award. High-Rise Residential Development of the Year. NEXUS High-Rise Condominium Tower. Seattle, WA.

NAIOP Washington State Chapter. Night of the Stars Award. Mixed-Use Development of the Year. Kirkland Urban, Phase 1. Kirkland, WA.

Project Management Institute. 2020 Most Influential Projects. Confederation Line, Ottawa, ON.

Restore Oregon. Demuro Award for Excellence in Historic Preservation. PPS Grant High School. Portland, OR.

Royal Architectural Institute of Canada. Governor General's Medal in Architecture: Borden Park Natural Swimming Pool in Edmonton, AB.

The Society for College and University Planning. Honorable Mention. SCUP Excellence in Architecture for a New Building. University of Washington Life Sciences Building, Seattle, WA.

Washington Building Congress. Craftsmanship Award. Electrical Special Systems category and the Power Generation, Distribution and Switchgear category: LC1A Data Center in Loudoun County, VA.



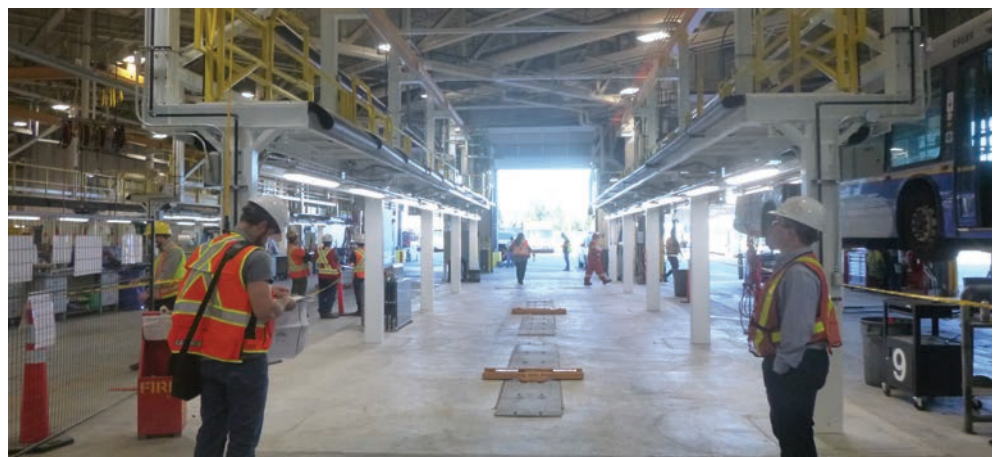
We provide sustainable solutions in the following areas:

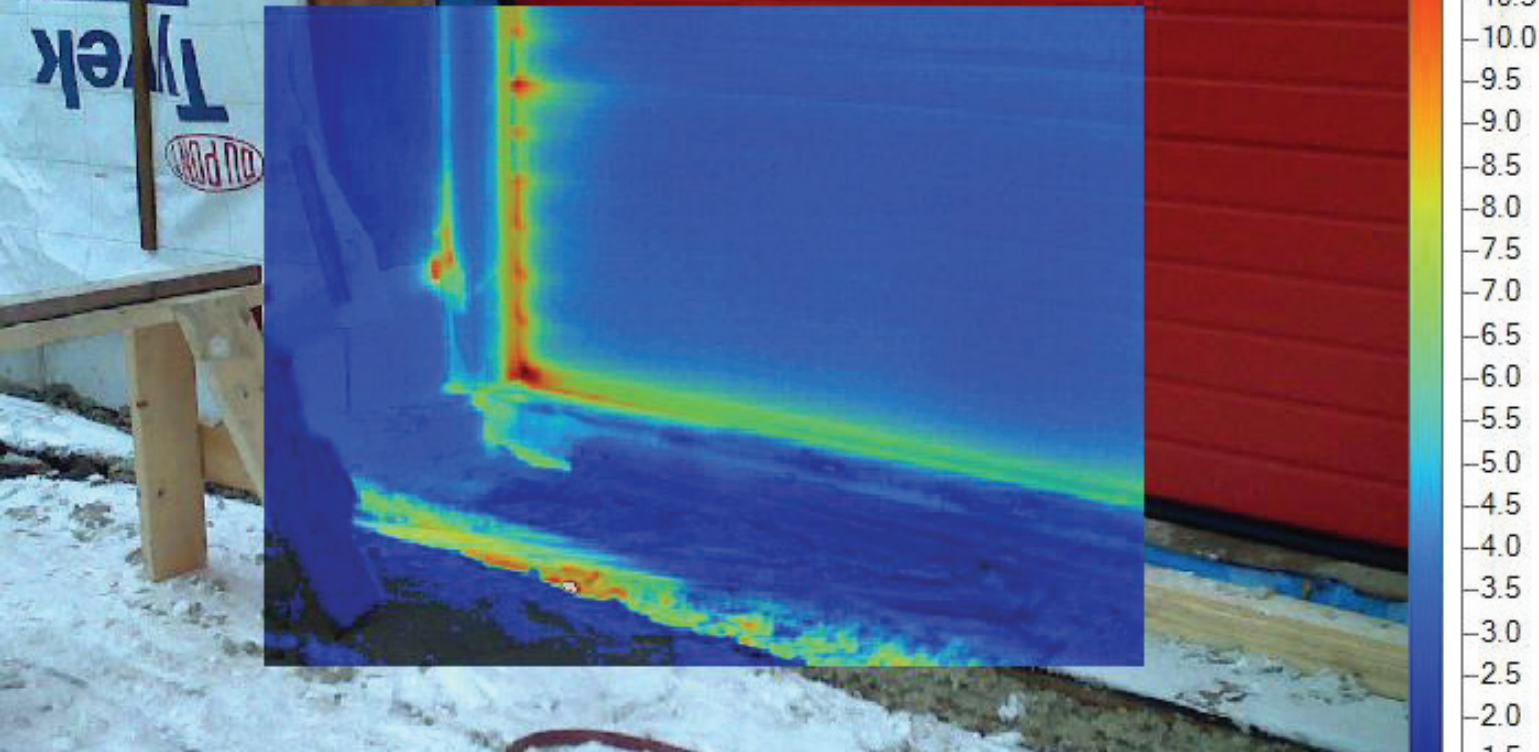
- Buildings
- Critical Facilities
- Energy
- Environmental
- Solid Waste
- Telecom & Technology
- Transit
- Transportation
- Water & Wastewater

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 meet our clients' expectations and mitigate their environmental and social impacts.





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. 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. 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 three 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.

Climate Resilience

Many of our projects are located in regions that are at increased risk of the negative effects of climate change. As an engineering firm, 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. Notably, in 2020, Morrison Hershfield was recognized for the second consecutive year with a Canadian Consulting Engineering “Tree of Life” Award for a project demonstrating outstanding environmental stewardship – Building NX at Humber College.



Building NX at Humber College, Etobicoke, ON

Achieved a holistic deep energy retrofit of an aging Building NX, making it the first existing building retrofit in Canada to achieve Zero Carbon Building-Design Certification from CaGBC. A complete envelope retrofit, energy efficient upgrades to heating and cooling systems and lighting, and a new Solar Photovoltaic system transformed NX into one of the most energy efficient buildings in North America. It has also achieved Passive House Certification and numerous industry accolades. According to the CaGBC it serves “as a national example of how to retrofit to zero carbon.”



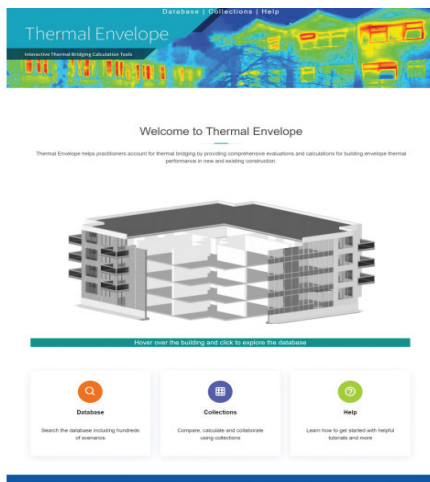
McNicoll Bus Garage, Toronto, ON

Toronto Transit Commission's newest bus maintenance facility boasts many firsts, including a Toronto Green Standard design, the use of 3-D modeling, a solar transpired wall, rooftop solar installation and the largest green roof in Toronto. Morrison Hershfield provided a wide range of services on this project, including design management, civil design, landscape design, mechanical design, electrical design, BIM management, code review, traffic impact studies, sustainability review, and energy model design.



Empress Street Rehabilitation, Winnipeg, MB

Road geometry and function was modified to convert a section of Empress Street East to one-way northbound traffic to accommodate a new active transportation corridor. The enhanced active transportation corridors provide a safe and more sustainable transportation option for cyclists and pedestrians, and better connects the local community. Enhanced safety features include a separated, bi-directional protected bike lane along with a sidewalk.



Building Envelope Thermal Bridging Online Database

Morrison Hershfield partnered with BC Housing and industry sponsors to expand the Building Envelope Thermal Bridging Guide to include details applicable to all Canadian climates and energy codes. The project included development of a web-based database (ThermalEnvelope.ca) that lets users easily search for over 500 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.

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.

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.



Anti-Corruption



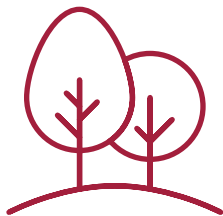
Employee Code of Conduct



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 decisions 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
 - Materials
 - Waste
 - Ecology & Nature
 - Transportation
 - Human Health
 - Economics
 - Social Stewardship
 - Education & Awareness
- 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.

MH 2020VISION

Our 2020VISION represented an important step in our evolution as we matured into a more sophisticated and future-focused organization. Our enterprise strategy stated that “By 2020, our business strategy will ensure that our firm realizes our ambition of achieving Top 5 market positions in our chosen markets for growth across Canada and the U.S. as an employee-owned firm.”

Our five-year strategy established important goals and actions that enabled Morrison Hershfield to flourish as an employee-owned, mid-sized firm when so many of our peers were losing their identity through acquisition. It positioned us as a leader in several strategic markets, delivering top-tier technical expertise and customer service by attracting market experts, thought leaders and high performing employees across North America.

Our strategy aims to allow us the opportunity to work on exciting and challenging projects that positively impact the communities that we live and work in every day. 2020 marked the final year of this plan, and we delivered impressively on our 2020VISION goals.

Some notable accomplishments include:

- Achieving remarkable results in satisfying our clients.
- Sustaining and expanding our base of employee owners.
- Improving the way we engage our people and sustain our culture.
- Simplifying our business by evolving the way we are structured.
- Delivering solid returns for an expanding base of shareholders.
- Expanding key areas of our business, including a Top 5 position in numerous markets.
- Improving the way we manage risks.

Perhaps most importantly, in 2020 we focused our collective efforts as never before to adapt to the challenges before us and continue to deliver our project commitments with a high-level of service. Our journey pushed all of us to learn and evolve. We invested the time and attention needed to stay the course, making refinements as we learned. This made Morrison Hershfield stronger and more resilient. We're excited about our strategy and the next five years.

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.”

The compelling new MH 2025 Ambition was launched in the fall of 2020 and will guide the firm for the next five years. The strategy was developed using a hard data strategy approach that sought input from stakeholders, reviewed past performance, assessed capabilities and was informed by external market data and corporate social

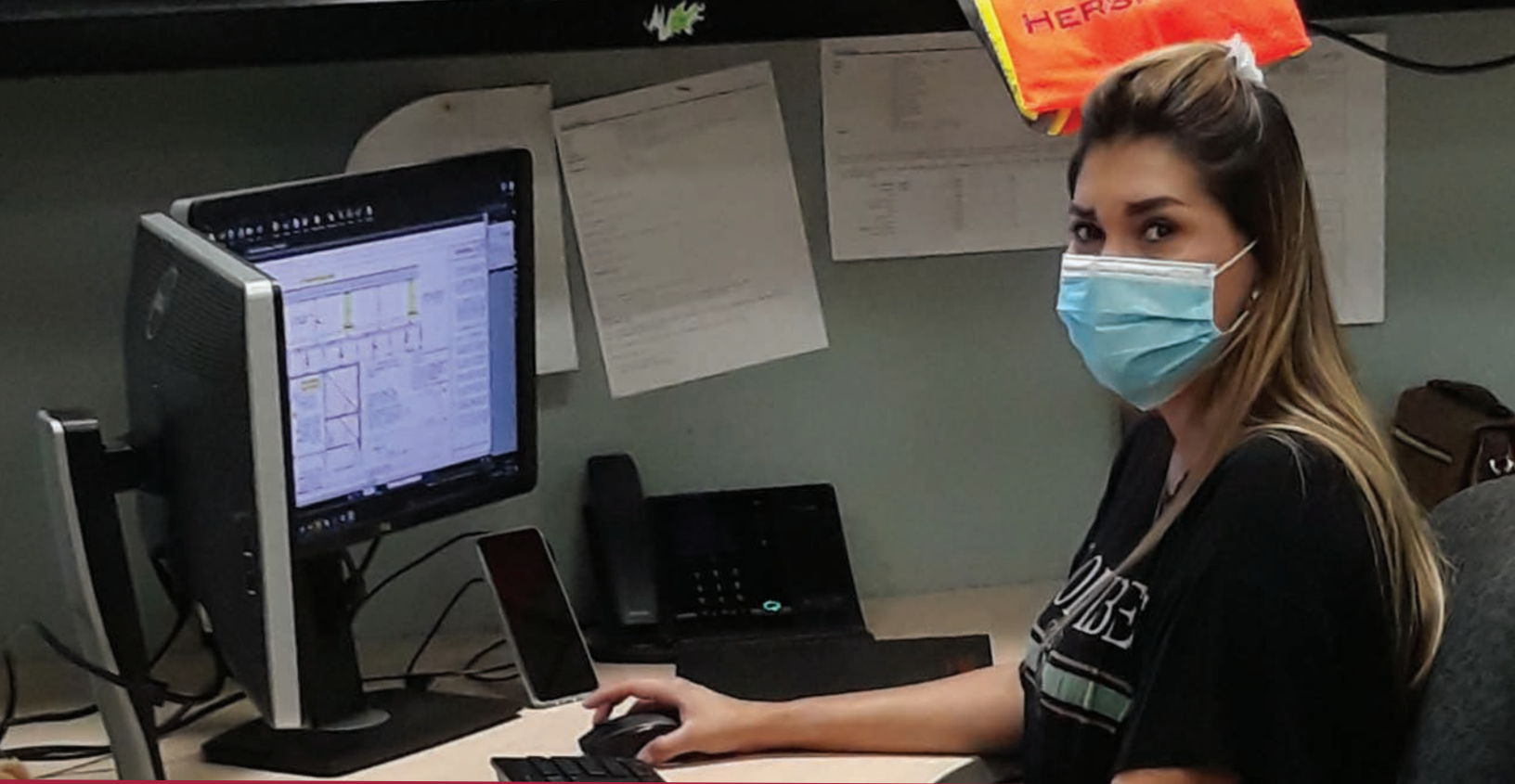
responsibility goals.

Our Ambition is built on the 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. These will be woven into the fabric of our corporate culture to accelerate the evolution of our firm and guide the execution of the 2025 Ambition.

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



Operational Carbon Footprint

1,159 tCO₂e
24% ↓



Electricity Emissions

859 tCO₂e
34% ↓



Natural Gas Emissions

300 tCO₂e
36% ↑

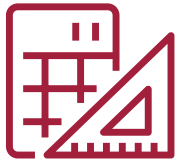
FOCUS ON RESPONSIBLE OPERATIONS

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 ago. 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



100%

Employee
Ownership

33%

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: 33% of employees are shareholders. This meets 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 within the next five years.

Carbon Footprint: We updated the firm's Carbon Footprint as reported in our 2020 CSR Report. 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 - 2021

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 23 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, Solid Waste, Telecom & Technology, Transit, Transportation and Water & Wastewater markets.
102-7 Scale of organization	Morrison Hershfield has a total of 992 employees.
102-8 Information on employees and other workers	Total number of employees by contract type for 2020. <ul style="list-style-type: none"> • Regular Full-Time: 900 • Regular Part-Time: 44 • Temporary Full-Time: 5 • Temporary Part-Time 43
102-10 Significant changes to the organization and its supply chain	Morrison Hershfield opened one new office location in 2020: Dallas-Fort Worth, TX. There are no new changes to Morrison Hershfield’s supply change management in 2020. 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.

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<p>102-11 Membership of associations</p>	<p>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.</p> <p>Some of the organizations at which Morrison Hershfield maintains an active presence include:</p> <ul style="list-style-type: none"> • ASHRAE • Association of Consulting Engineering Companies Canada • Building Enclosure Council • Canada Green Building Council • Canadian Institute of Planners • Engineers Canada • Institute for Sustainable Infrastructure • National Association of Tower Erectors • Ontario Association for Impact Assessment • Ontario Professional Planners Institute • Professional Engineers Ontario • The Athena Institute • Transportation Association of Canada • U.S. Green Building Council • Various Universities
<p>102-12 External initiatives</p>	<p>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:</p> <ul style="list-style-type: none"> • Alameda County Community Food Bank (Oakland, CA) • Autism Ontario • Atlanta Community Food Bank • Burlington Food Bank • Calgary Food Bank • 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 Engineering Challenge (Edmonton, AB) • United Way Lower Mainland (Vancouver, BC) • Vincente Ferrer Rural Development Trust - Spark a Joy program (Visakhapatnam, AP, India)

GRI Content Index

102-14 Statement from senior decision maker	See the President & CEO's introductory letter to this report.
102-16 Description of Organization's values, principles, standards and norms of behavior.	<p>Morrison Hershfield Core Values and Principles</p> <p>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.</p> <p>These core values and principles define the foundation of our organizational behavior and the operating culture to which we are committed.</p> <ul style="list-style-type: none"> • FOUNDED ON TECHNICAL EXCELLENCE AND ETHICS • COMMITTED TO ACCOUNTABILITY AND INTEGRITY • DEFINED BY INNOVATION AND TEAMWORK • INSPIRED TO BE CLIENT-FOCUSED AND SOLUTION-BASED <p>Morrison Hershfield's commitment and role is further detailed in our Environmental and Sustainability Policy, located on our website.</p>
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.
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GRI 401: Employment

401-1 New employee hires	New employee hires for 2020: 105 regular staff.
403-1 Occupational health and safety management system	<p>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.</p> <p>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.</p>
403-2 Hazard identification, risk assessment, and incident investigation	<p>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.</p> <p>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.</p> <p>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.</p> <p>(Health and Safety)</p>

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GRI 403: Occupational Health and Safety

<p>403-4 Worker participation, consultation, and communication on occupational health and safety</p>	<p>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.</p> <p>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.</p>								
<p>403-5 Worker training on occupational health and safety</p>	<p>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).</p> <p>Mandatory for employees exposed to the hazard by their Job: Fall Protection and Prevention (for employees working on heights), Confined Space Entry, Rope Access.</p> <p>Training for specific jurisdictions:</p> <ul style="list-style-type: none"> • Health and safety MOL training for employees and Supervisors (Ontario) • Accessibility for Ontarians with Disabilities Act – AODA (Ontario) • Leadership for Safety Excellence (Alberta) • OSHA 10 (selected employees in the US) • Joint Health and Safety Committee Certification (Ontario and some Canadian Jurisdictions) 								
<p>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</p>	<p>When working with Clients who have their own safety management procedures, the most stringent safety policy is adhered to by all parties.</p> <p>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.</p>								
<p>403-9 Work related injuries</p>	<p>Total number of work-related injuries for 2020 for Canada:</p> <table border="1" data-bbox="500 1230 1323 1318"> <thead> <tr> <th>Year</th> <th>2020</th> <th>2019</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td>Total Recordable cases</td> <td>12</td> <td>5</td> <td>5</td> </tr> </tbody> </table> <p>The total recordable injury frequency for 2020 was 0.44.</p>	Year	2020	2019	2018	Total Recordable cases	12	5	5
Year	2020	2019	2018						
Total Recordable cases	12	5	5						

GRI 404: Training and Education

<p>404-1 Average hours of training per year per employee</p>	<p>Average training hours per employee in 2020: 7 hours.</p> <p>Tracking based on employee self-reporting and excludes external training programs.</p>
<p>404-2 Programs for upgrading employee skills and transition assistance programs</p>	<p>Catalogue of on-line learning in Workday consisting of approximately 219 programs. Training topics include:</p> <ul style="list-style-type: none"> • Governance, Privacy and Security • Health and Safety • Leadership • Legal Compliance • Productivity • Project Management • Skills & Technical Development

GRI Content Index

GRI 405: Diversity and Equal Opportunity

405-1 Diversity of governance bodies and employees

Gender diversity of employees for 2020: 29% Female / 71% Male

- Technical Level: 23% Female
- Managerial Level: 25% Female
- Executive Level: 9% Female
- Shareholder Level: 20% Female
- Board of Directors: 40% Female

GRI 406: Non-Discrimination

406-1 Incidents of discrimination and corrective actions taken

No incidents reported in 2020.