SUSTAINABILITY IMPACT REPORT





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Feature Focused: Looking Ahead

MESSAGE FROM THE

CHIEF EXECUTIVE OFFICER

Garth Cressman

Our corporate ambition is to challenge the status quo with bold ideas and a unified team to enhance the world around us. For WalterFedy, sustainability isn't just a part of what we do, it's a part of who we are. As one of our core values, sustainability is baked into the fabric of our corporate culture and something we are dedicated to championing.

Environmental sustainability is an incredibly important part of the world we live in. To not see and believe in its importance would be a disservice to ourselves and our clients. This is why we have worked so hard to lower our carbon footprint internally and help our clients do the same thing. As professionals in the architecture, engineering, and construction industry we have a lot of responsibility when it comes to how buildings are built, what materials are used, and where those materials our sourced from.

Our clients trust us to be educated on the newest trends and technology so that we can make solid recommendations for improving the environmental performance of their projects. But for us to give credible advice to our clients, we first have to demonstrate a true commitment to sustainability through our people and practice.

Over the past 15 years, our Sustainability Advisory Committee (SAC) has led the charge by setting aggressive sustainability goals and we have achieved each of them before our target deadlines. This is something we are very proud of. Each time we meet a goal, the SAC guides us in setting a new one and achieving it together.

COVID-19 drastically changed our lives and the way we did business. When our entire workforce went remote in March 2020, we significantly cut down our largest emission output at the time — employee travel. That decrease sparked something internally and this, along with many other factors, was a driver in creating our hybrid work playbook for return to

office. We know our employees can get the job done wherever they are and we have let them make the choice on where they work. This has had a positive effect on our carbon footprint and employee satisfaction. Opening new pffices in downtown cores with mass transit will help maintain our carbon footprint from commuting.

We are committed to meeting our corporate sustainability goals and helping our clients achieve theirs. It is our responsibility as architects, interior designers, engineers and construction managers to build sustainably and act responsibly so that our communities can thrive well into the future.

This report shows our current state and where we aim to be in the next 5 years, which includes being Beyond Carbon Zero every year until we reach our 2030 goal. We hope that talking about that commitment with clients will encourage them to join us in our pledge and make our communities more sustainable moving forward.

Sincerely,

Garth Cressman CEO

CORPORATE

PROFILE

ABOUT WALTERFEDY

WalterFedy strives for more than exceptional design; we aim to elevate and enrich the natural environment surrounding us.

As a nationally prominent and fully integrated architecture and engineering firm, we hold a pivotal position in moulding the future of our communities. We take this responsibility seriously, incorporating sustainability into who we are, what we do, and how we do it. We consider every fixture, every finish, and every end-user, to build a brighter future.

With innovation in mind, we always bring something extraordinary to the table. We infuse everything we do with creativity and keen intellect, challenging our industry to redefine what's possible. Comprised of some of the industry's brightest architects, interior designers, engineers, technologists, project managers, and business professionals, we are united by a shared vision of a better world.



WHERE WE WORK

With a team of over 300, we carry the talent and expertise to complete any land development, infrastructure, new build, or renovation project with sustainable considerations in mind. We are proud to provide services to a variety of clients and sectors, including:

- Institutional
- Commercial
- Mixed-Use Residential
- Education
- Industrial
- Healthcare Life Science and
- Pharmaceutical

OFFICE LOCATIONS

- Kitchener
- Toronto Hamilton
- Calgary Edmonton

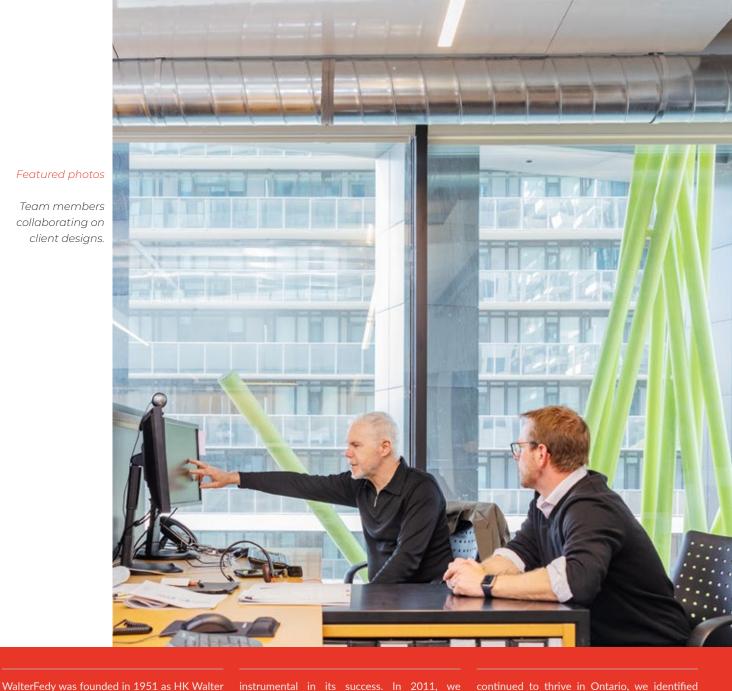


& Associates, a mechanical and electrical consolidated our team at an adaptive reuse, opportunities to grow across Canada, opening engineering firm that later joined forces with LEED CI-certified head office in Kitchener our first Alberta office in Calgary in 2023. In 2024, three structural and civil engineering firms, and introduced our new brand, WalterFedy. we further expanded our presence in Western becoming Walter Fedy McCargar Hachborn in 1969. The firm expanded in 1971 with the Since 2015, we have expanded strategically to Architecture Engineering Interior Design Ltd., addition of architects Horton & Ball Limited better serve our clients. We opened an office in enhancing our team and portfolio in the region. and further grew in 1974 with the launch of Hamilton to accommodate our growing team, construction management services, becoming followed by a downtown Toronto office in 2021 With offices in key cities and a collaborative, one of Canada's first integrated design firms. to enhance service in the GTA. In 2022, we multidisciplinary approach, we are committed to In 1991, the firm rebranded as The Walter acquired Baird Sampson Neuert Architects Ltd., delivering innovative design solutions to clients Fedy Partnership, honoring retired partners a Toronto-based design studio, strengthening across Canada. Art Walter and Joe Fedy, who were our expertise in architectural excellence. As we

Canada with the acquisition of Riddell Kurczaba



Team members collaborating on client designs.



Featured photos from left to right

A sustainable Operations Centre designed to support field workers with natural light, flexible workspaces, and energy-efficient systems.

Team members collaborate on energy-efficient design.

WalterFedydesigns office space to enhance health and wellbeing with a biophilic green wall.







ENERGY AND CARBON

SOLUTIONS GROUP

"Awareness is fast becoming one of our best tools in combating climate change. By helping our clients understand the impact of their choices—large and small, short-term and long-term— through thoughtful data analysis, we are opening their eyes to the extent of their impact. We are helping them realize that every choice counts."

- Patrick Darby, Director of Energy & Carbon Solutions

What if there was a way to reduce the strain on the environment while saving clients money in the long run? How would the built environment change?

Energy and Carbon Solutions (ECS) was developed to help clients Focus Areas understand their impact, see the value of green responsibility, and make informed decisions about their facilities.

The team offers complete turn-key facility solutions including identifying energy and carbon reduction opportunities; energy, GHG, and economic analysis, planning, and roadmaps; incentive program support; detailed engineering design; and complete project delivery through construction, project sign off, and measurement and verification.

Demonstrating WalterFedy's core value of environmental sustainability, ECS seeks to understand our clients needs, develop practical solutions to achieve desired energy and

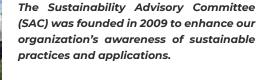
greenhouse gas outcomes, and support them through implementation. They are a primary driver to supporting the parallel global climate goal initiatives and economic growth.

- Whole Building Energy Simulation and Optimization
- Portfolio Energy Assessment
- **Energy Audits**
- Preliminary and Detailed Engineering Studies
- Incentive Program Administration
- **Energy Planning**
- **GHG** Emissions Analysis
- Geothermal System Design
- Solar Photovoltaic System Design
- Decarbonization
- Existing and New Building Commissioning



EMPLOYEE-DRIVEN

CLIMATE ACTION



Its members include design and business professionals passionate about sustainable initiatives and how the built environment impacts the natural environment.

Together, the team seeks to manage our impact on the environment through green programming and by incorporating sustainable design solutions into buildings whenever possible to support the long-term health of the facility, its occupants, and the environment.

Featured photos from top to bottom

Team members plant trees in the Township of Woolwich to combat deforestation.

SAC-led waste clean-up blitz in Hamilton and Toronto.

The SAC seeks to enhance WalterFedy's ability to educate and guide customers on sustainable buildings and practices (social, environmental, and economical). Leveraging the group's expertise, leadership, and peer experience, they promote design that aids in the preservation of our water resources, encourage energy-efficient design solutions using current and emerging sustainable materials and practices, and support the exploration of new tools and technology to track energy, electricity, and natural gas.

Within the organization, the SAC promotes sustainable commuting and encourages manageable lifestyle choices that promote environmental responsibility that integrates effectively into day-to-day life.



Charging Stations

We recently installed EV charging stations at the Kitchener office. We contribute to our corporate goal of reducing carbon emissions by supporting employees and visitors who drive electric vehicles.

Environmental, Social, and Governance Advocate for and implement integrated (ESG) Initiative sustainable design practices as an office

Our ESG program supports WalterFedy's core values. It includes a vital sustainability component focused on business operations, the services we deliver, and how we support our community.

Data Tracking

Track WalterFedy's sustainability-related efforts within our office and in the services we deliver to our clients. This information will provide accountability in achieving our goals and help us continue to develop bolder solutions to incorporate sustainability into everything we do.

Corporate Carbon Goals

Develop and implement bold corporate carbon goals to help WalterFedy reduce our carbon footprint and continue evolving into a more environmentally sustainable company.

These efforts include reducing our carbon footprint by 60% by 2030, remaining a Net Carbon Negative company every year, and implementing measures to reduce the amount of carbon we are required to offset each year.

practical and Educational r and involvement events will be this objective.

Sustainable Design

Advocate for and implement integrated sustainable design practices as an office and design firm. We will create learning resources and opportunities to make WalterFedy a leading sustainable design firm, focusing on employee learning and thought leadership among our peers. These efforts include a library of information on past projects, strategies, and successes and publicly available information for industry peers, potential clients, and community members.

Lifestyle and Education

Provide education and support to WalterFedy team members to facilitate a sustainability-focused lifestyle through practical and implementable solutions. Educational resources, special events, and involvement in community/industry events will be key focus areas in meeting this objective.

Community and Industry Engagement

Participate in community and industry groups that support sustainability and environmental awareness. These groups include Sustainable Waterloo Region, TravelWise, the Canada Green Building Council, and other industry-focused groups or events that align with our goals and values.



"I choose to be a member of the SAC because environmental sustainability is critical to our future.

I find it gratifying to contribute to environmentally friendly initiatives that encourage our team, our firm, and our clients to do their best for the planet."

- David Brodrecht, Senior Geothermal Engineer



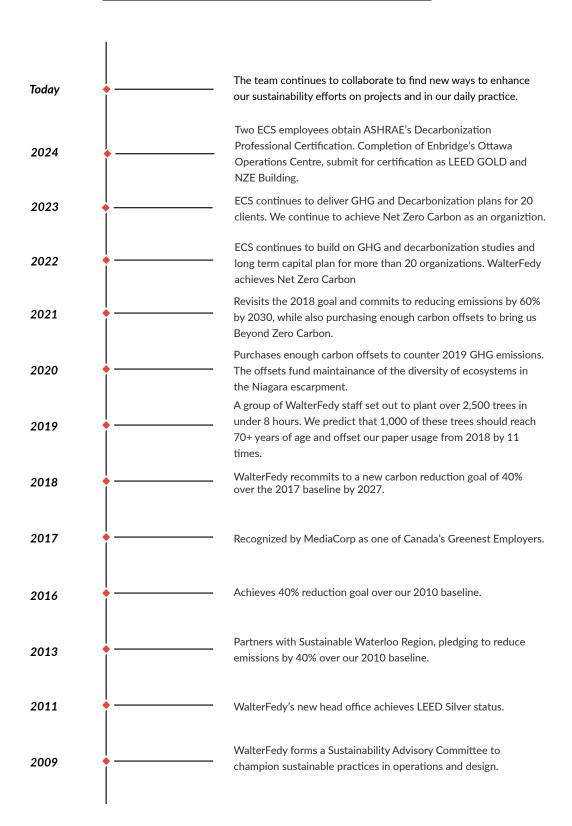






MOVING BEYOND

ZERO CARBON





OUR PERSONAL COMMITMENT

Our identity is rooted in our core value of being environmentally sustainable. We know the nature of our work can significantly impact the natural environment, both with our customers' projects and through our actions. Our internal Sustainability Advisory Committee enhances our ability to educate and guide sustainable practices within our organization and for our clients.

In 2013, we pledged through Sustainable Waterloo Region (SWR) to reduce our emissions by 40% over our 2010 baseline. We achieved that goal in 2016, but there were opportunities to decline further. In 2018, we set a new carbon reduction goal of 40% by 2027 (compared to 2016) and in 2021 increased it to 70% over baseline by 2030.

As the effects of climate change became more dire, we revisited our carbon reduction goal with the determination to have a more substantial impact. This began a new commitment for WalterFedy to move Beyond Zero Carbon.

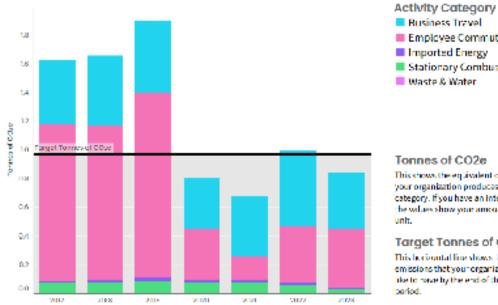
- Elena Wiersma, Principal, Architecture

Our new goal is to reduce emissions by 60% by 2030. On top of this, we are pledging to purchase enough carbon offsets annually to offset all our remaining emissions plus an additional 10% to take us Beyond Zero Carbon. We will continue to do this until we can make all the necessary operational changes to achieve total neutrality independent of offset purchasing.

[&]quot;Sustainability is no longer optional. It's mandatory. As a business and as individuals we have a responsibility to take immediate collective and corrective action to disrupt outdated processes, practices, and belief systems."

KEY FACTS AND FIGURES

Emissions Over Time



Employee Commuting

Business Travel

Imported Energy

Stationary Combustion

Waste & Water

Tonnes of CO2e

This shows the equivalent carbon dioxide. your organization produces in each category. If you have an Intensity Target, the values show your amount per intensity

Target Tonnes of CO2e

This barizontal line shows the maximum emissions that your organization would like to have by the end of their 10 year period.

CUTTING CORPORATE CARBON

This plot shows the GHG emissions per employee for the past few years broken out by different GHG emission sources. The GHG emissions emitted due employee commuting and business travel increased marginally in 2018 and 2019 which resulted in an increase in overall GHG emissions for these two years. In 2020 and 2021, GHG emissions decreased by 43% compared to the 2017 levels. This is mainly due to the work from home policies adopted by WalterFedy.

COMMUNITY PARTNERS

Sustainable Waterloo Region

Sustainable Waterloo Region supports the business community in becoming more environmentally and economically sustainable. The organization helps members discover ways to integrate sustainable practices, with a focus on commuting behaviour, regenerative buildings, community GHG impacts and electric vehicles. We have been a member since 2013.







RESPONSIBLE DESIGN

WalterFedy has invested significantly in the Leadership in Energy and Environmental Design (LEED) program, and has been a member of the Canada Green Building Council since February 2005. We have several experts in-house with CEM, CMVP, LEED AP, P.Eng., WELL, and Passive House training, including two of the first ASHRAE certified decarbonization professionals and one of only a few certified LEED Fellows in Canada.

Advocating for environmental responsibility in both design and construction, we create facilities that are sympathetic to the environment and harmonized with their sites, incorporating environmentally friendly materials and systems at every opportunity. Our approach to sustainability is based on site selection, water conservation, energy efficiency, carbon reduction, and building performance, material selection, and indoor environmental quality.

SUSTAINABILITY AWARDS

- Canada's Greenest Employer > 5 years
- Sustainable Waterloo Region Greatest Greenhouse Gas Emission Reduction
- ASHRAE LowDown Showdown
- Save On Energy Contractor with Most Non-Lighting kWh's Saved
- TravelWise Most Active Member Award
- Kitchener Chamber of Commerce -**Environment and Sustainability Award**



GREEN INITIATIVES &

SUSTAINABLE DESIGN

WalterFedy has been a committed member of the Canada Green Building Council since 2005, investing in LEED® initiatives with a strong team of ECS and LEED-accredited professionals. We prioritize key sustainability principles, including site selection, water conservation, energy efficiency, material selection, and indoor environmental quality.

Dedicated to sustainable design, we strive to minimize environmental impact while creating structures that blend with their surroundings and enhance both people's lives and the planet.





Cooksville Go Station + Parkade

| LEED® PROJECTS | | | | | | | |
|--|--|-----------------|-----------------------------------|--|--|--|--|
| OWNER | PROJECT | LEED GOAL | STATUS | | | | |
| Union Gas | Burlington Service Centre | Gold | Certified Gold | | | | |
| | Windsor Service Centre | Gold | Certified Gold | | | | |
| | Kingston Service Centre | Gold | Certified Gold | | | | |
| | Hamilton Service Centre | Gold | Certified Gold | | | | |
| Region of Waterloo | Waterloo Region Museum | Silver | Certified Silver | | | | |
| Google New Waterloo Region Head Office | | LEED CI, Silver | Certified LEED CI Silver | | | | |
| Woodstock General Hospital | New Community Hospital | Silver | Certified Silver | | | | |
| City of Kitchener | Kingsdale Community Centre | Gold | Certified Gold | | | | |
| Kitchener Public Library | chener Public Library Main Branch Expansion & Garage | | Certified Gold | | | | |
| Conestoga College | estoga College Cambridge Campus | | Certified Silver | | | | |
| University of Waterloo | ersity of Waterloo Environment 3 Building | | Certified Platinum | | | | |
| WalterFedy | Head Office | LEED CI, Silver | Certified LEED CI Silver | | | | |
| Metrolinx | Cooksville Go Station + Parkade | Silver | Certified Silver | | | | |
| Enbridge Gas Distribution | Office Warehouse Expansion | Silver | Certified Gold | | | | |
| | Bellville Office | Silver | Completed; awaiting certification | | | | |
| | 50 Keil Office | Silver | Completed; awaiting certification | | | | |
| | Markham Annex | Gold | Certified Gold | | | | |
| | Ottawa | Gold, Net Zero | Completed; awaiting certification | | | | |
| | Station B | Gold | In Construction | | | | |

| ENERGY PROJECTS | | | | | | |
|-----------------------------------|--|----------------|--|--|--|--|
| OWNER | PROJECT | DATE COMPLETED | | | | |
| Groundswell Woodstock | Geothermal System | 2018 | | | | |
| Enbridge Halton Hills | Geothermal System | 2018 | | | | |
| Durham College | Geothermal system with Siemems | 2019 | | | | |
| Conestoga College | ConCol Geothermal/Solar System | 2020 | | | | |
| Waterloo | Kris newton Paisley Geoethermal System | 2020 | | | | |
| University of Waterloo | Research Park Geothermal System | 2021 | | | | |
| Quantum | Geothermal System | 2021 | | | | |
| Enbridge Ottawa | Gothermal | 2022 | | | | |
| McMaster Innovation Park | District Energy System Expansion | 2022 | | | | |
| City of Brampton | Susan Fennell Sportsplex Geothermal System | 2022 | | | | |
| Renison College | Geothermal System | 2022 | | | | |
| Kraus Waterloo | Geothermal System | 2023 | | | | |
| Envest Petawawa | Biogas System | 2023 | | | | |
| Hamilton International Airport | Geothermal System | 2025 | | | | |
| NEB | Open Loop Geothermal System | 2025 | | | | |

FUTURE FOCUSED:

LOOKING AHEAD

Sustainable building practices can significantly reduce the impact building construction and maintenance have on both people and the planet. As advocates for environmental responsibility in design and construction, we strive to design in a way that is sensitive to the environment, incorporating environmentally-friendly materials and systems at every opportunity. But materials and systems are one small piece of a much larger, nuanced solution. Technologies change. Expectations shift. Priorities are shuffled. It is our responsibility to adapt how we think, design, and collaborate to always put forward the best solution. Looking ahead to the next year, our teams will be focusing on the four strategic themes below, among others.

OPERATIONAL ACTION

Reducing our operational impact requires an all-hands-on-deck approach. We need to reduce our emissions by 134 tonnes of CO2e by 2030. To be successful, we collectively need to make important changes to have a lasting impact. This includes:

- Reducing commutes to the office or client meetings by one trip per week (or more).
- Commuting sustainably when possible, using public transit, cycling, rollerblading, walking, and other lowemission or emission-free modes of transportation.
- Embracing a hybrid-work environment which is both beneficial to a reduction in carbon but also in how we operate as an organization.
- Leveraging electronic communication tools to reduce the need for off-site meetings or travel between offices.
- Optimizing the energy systems and their operations at our offices.
- Implementing electric vehicle charging infrastructure to support staff transition to low/no emission vehicles.

TRAINING AND ENGAGEMENT

WalterFedy has a robust training program that allows our people to pursue their passions related to the environment and sustainability. We gladly provide the time, funding, and support for our team to achieve designations like LEED, ASHRAE, CEM, CMVP, CEA, P.Eng, WELL, and Passive House and elevate their understanding of green design best practices and emerging trends. We will continue to make this investment in our people to build our sustainability-savvy design group.

Certifications alone will not win the battle against climate change. Our approach to training will explore opportunities to engage leaders and experts both inside and outside of the firm to provide valuable mentorship to our teams. This includes creating new partnerships and strengthening ties with respected sustainability-focused community groups and academic institutions.

PROCESS IMPROVEMENT

A key part of our continuous process improvement journey will involve establishing a formal sustainability philosophy and approach to our design.

We are examining a holistic integration of all of our disciplines and how every piece of design interacts with the outside world. We have a working group made up of our SAC members, management, with representation from all disciplines, currently developing this activity.

We will continue to advocate for sustainability dialogue early in the design process and look for opportunities to apply practical, creative solutions to complex problems. These solutions will look both at the here and now, and consider functionality and adaptability 30 years down the road from a climate resilience and operational energy/carbon perspective. Both embodied and operations carbon profiles and intensities will be evaluated through the design process, into implementation, and long term operations.

Our teams are committed to integrating sustainability into our most basic building blocks so sustainable design is the status-quo.



APPLYING AN INTERSECTIONAL LENS

Design is a form of human expression and as such, it is intrinsically linked to our lived experiences and wrapped up in our biases.

As we work to integrate more sustainable practices in our design, we will work to, in parallel, unpack our design choices and their impacts to create more equitable spaces that give due consideration to multiple contexts of people and place.

With support from our newly formed Diversity, Equity, and Inclusion Committee, we will learn strategies to self-examine and temper our design biases.

"Great design goes beyond form and function. It reflects and honours the natural and cultural context in which it is set."

- Jamie Van Dyk, Vice President, Buildings Division



