
SUSTAINABILITY **IMPACT REPORT**

WALTERFEDY

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, environmental 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 are 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 12 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. In 2021, we revisited our 2017 goal and pledged to further reduce our greenhouse gas emissions by 60% by 2030 over our 2017 baseline. We know this is an aggressive goal, but we are all in.

What we didn't know was that COVID-19 was going to drastically change 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 — 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.

In 2022 and beyond, we are committed to meeting our corporate sustainability goals and helping our clients achieve theirs. It is our responsibility as architects, 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 six 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,

A handwritten signature in black ink, appearing to read 'GC', with a long horizontal stroke extending to the right.

Garth Cressman
CEO

CORPORATE PROFILE

ABOUT WALTERFEDY

WalterFedy's ambition goes beyond great design; we're here to enhance the world around us.

As one of Southwestern Ontario's leading integrated architecture and engineering firms, we play a crucial role in shaping the way our communities feel and function. It's an incredible responsibility backed by a simple principle – everything matters. Every person, every relationship, and every idea has a place in our process. Every fixture, every finish, every end-user is significant. This is how we elevate the ordinary into something extraordinary.

Our team is made up of some of the industry's brightest architects, engineers, technologists, project managers, and business professionals. Rallying together behind a shared vision of a better world, we infuse everything we do with creativity and keen intellect, challenging our industry to redefine what's possible.

WHERE WE WORK

With a team of over 220 people, we have an exceptional complement of skills and backgrounds to complete any land development, infrastructure, new build, or renovation project. We are proud to provide single and integrated services to clients in a variety of sectors. This includes:

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



**CELEBRATING 70 YEARS
OF SERVICE IN COMMUNITIES
ACROSS CANADA**

A photograph of three team members in an office setting. A man in a blue shirt and glasses is leaning over a desk, smiling. Another man in a blue checkered shirt is also smiling and looking at the desk. A woman in an orange patterned dress and glasses is standing and smiling, holding a pen. They appear to be collaborating on a project.

Featured photos

*Team members
collaborating on
client designs.*

WalterFedy was formed in 1951 as HK Walter & Associates, a firm of mechanical and electrical engineers that would eventually join forces with three different structural and civil engineering firms, becoming Walter Fedy McCargar Hachborn in 1969. 1971 saw the addition of architects Horton & Ball Limited, and 1974 marked the launch of construction management services. The company became one of Canada's first integrated design firms.

In 1991, the firm became The Walter Fedy Partnership, paying tribute to the retired partners Art Walter and Joe Fedy who guided the firm to success. In 2011, we consolidated our team at an adaptive reuse, LEED CI-certified head office in Kitchener and introduced our new brand, WalterFedy.

From 2015-18, we opened two new offices in Hamilton to accommodate our growing team,

and eventually consolidated our two offices into one in 2019. In 2021, we made the leap to downtown Toronto to better serve our customers in the GTA.

Our offices sit in the heart of their cities. We're surrounded by big-thinkers, and industry trailblazers and that culture of innovation inspires the work that we do. Together we work collaboratively to serve clients across Canada.

*Featured photos
from left to right*

*Patrick Darby
guest lectures on
carbon reduction
strategies at
Conestoga College.*

*ECS members
review client
data to identify
emission reduction
opportunities.*

*WalterFedy-
designed 150 kW
solar installation.*



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, Team Manager, Energy and 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 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.

Focus Areas

- Whole Building Energy Simulation and Optimization
- Portfolio Energy Assessment
- Energy Audits
- Preliminary and Detailed Engineering Studies
- Combined Heat and Power Plant Design
- Combined Cooling, Heat, and Power Plant Design
- Incentive Program Administration
- Energy Planning
- GHG Emissions Analysis
- Geothermal System Design
- Solar Photovoltaic System Design



Featured photos from top to bottom

Civil engineering team volunteering at the annual Ground Water Festival

Employees learn about and explore a variety of electric and hybrid vehicles.

SAC-led waste clean-up blitz in Kitchener.

EMPLOYEE-DRIVEN CLIMATE ACTION



The Sustainability Advisory Committee (SAC) was founded in 2009 to enhance our organization's awareness of sustainable practices and applications.

Its membership is comprised of design and business professionals across the organization who are passionate about sustainable initiatives and the ways in which 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.



The SAC seeks to enhance WalterFedy's ability to educate and guide customers with respect to 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 in a manner that integrates effectively into day-to-day life.

FOCUS AREAS

Our core areas of focus are:

EV Charging Stations

Installation of EV charging stations at the Kitchener office. This project will contribute to our corporate goal of reducing carbon emissions by supporting employees, visitors, and clients who drive Electric Vehicles or Plug-in Hybrid Electric Vehicles, or who are considering purchasing one.

Environmental, Social, and Governance (ESG) Initiative

Support the ESG program currently being explored. The selected program will support WalterFedy's core values and will include a strong sustainability component, not only focused on business operations but also on the services we deliver and how we support our community.

Data Tracking

Track WalterFedy's sustainability-related efforts both 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 to be a more environmentally sustainable company. This includes efforts to reduce our carbon footprint by 60% by 2030, remain a Net Carbon Negative company every year, and implement measures to reduce the amount of carbon we are required to offset each year.

Sustainable Design

Advocate for and implement integrated sustainable design practices both as an office and as a design firm. We will create learning resources and opportunities to make WalterFedy a leading sustainable design firm, focusing on both employee learning and thought leadership among our peers. This will include a library of information on past projects, strategies, and successes, as well as 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 areas of focus in meeting this objective.

Community and Industry Engagement

Participate in community and industry groups that support sustainability and environmental awareness. This includes Sustainable Waterloo Region, TravelWise, Sustainable Hamilton Burlington, and the Canada Green Building Council, along with 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."

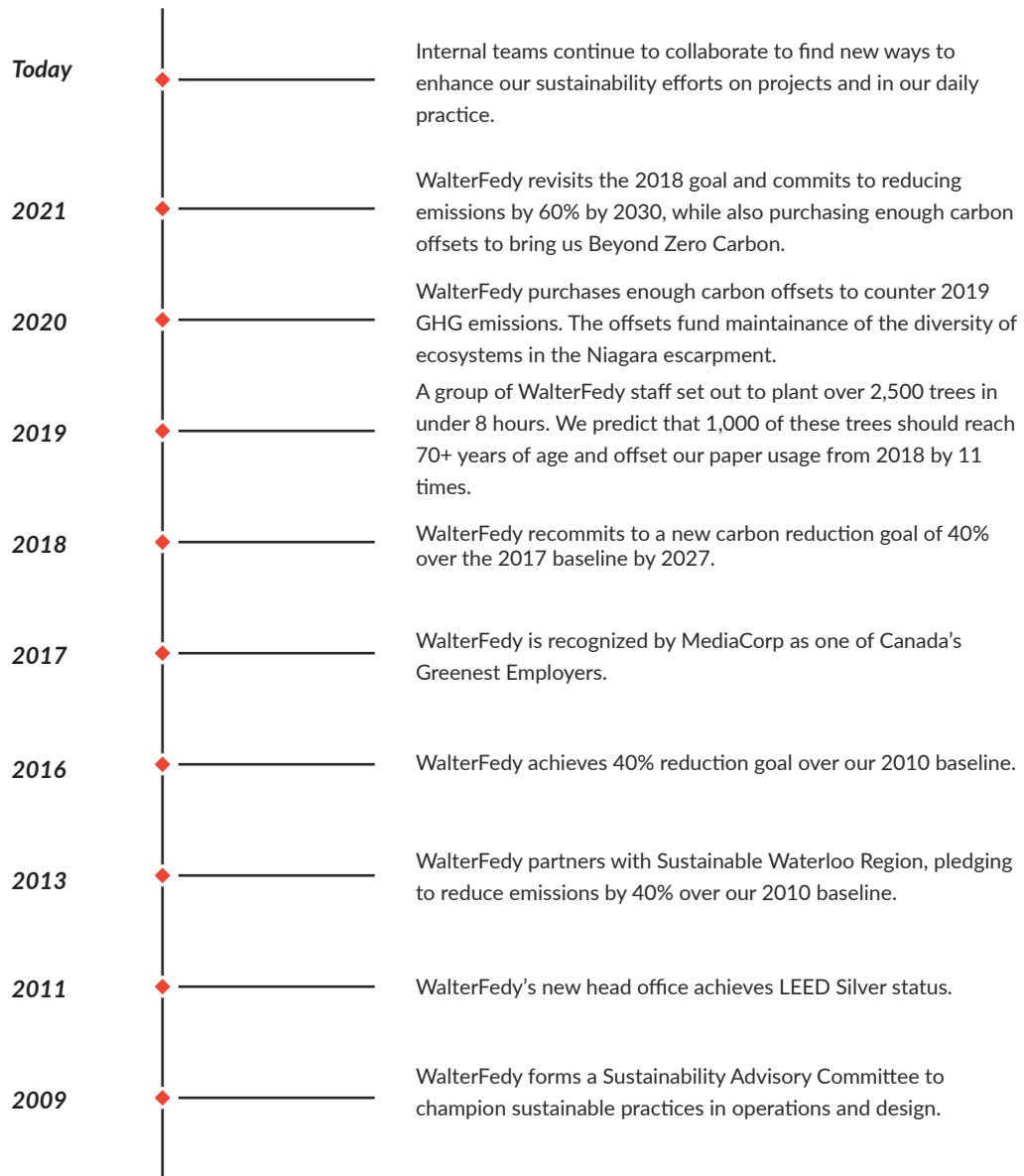
- Krystin Scheels, Senior Marketing and Proposals Specialist

Featured photo

Sustainable Waterloo Region award made of recycled materials.



MOVING BEYOND ZERO CARBON



Photo

Integrated design team of mechanical, electrical, and structural engineers brainstorm energy efficiency measures.



OUR PERSONAL COMMITMENT

The nature of our work means we can have a significant impact on environmental sustainability, both with our customers' projects and through our own decisions and actions – both corporately and individually.

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 felt there were opportunities to reduce further. In 2018, we set a new carbon reduction goal of a 40% reduction by 2027.

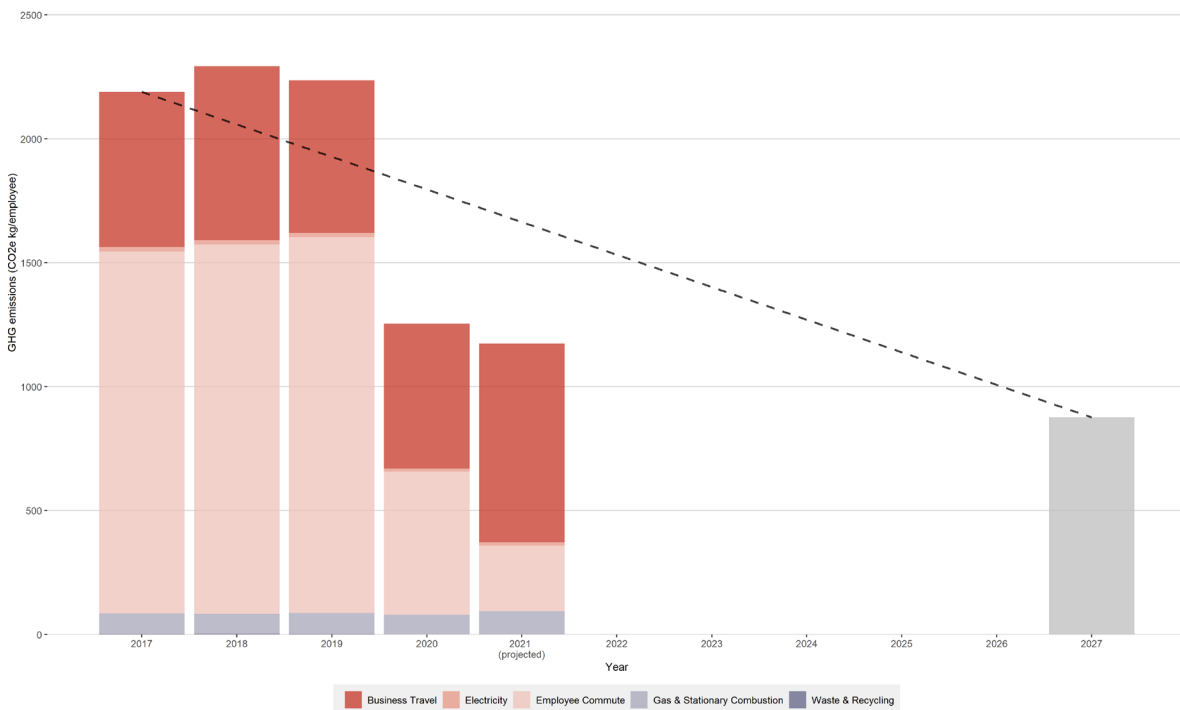
Moved to greater action by the urgency expressed by the scientific community and the increasingly catastrophic impacts of climate change, in 2021 we revisited our carbon reduction goal to set a more aggressive target. This marked the beginning of a new commitment for WalterFedy – to move **Beyond Zero Carbon**.

"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."

- Elena Wiersma, Architect

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 of our remaining emissions plus an additional 10% to take us Beyond Zero Carbon. We will continue to do this until we are able to make all of the necessary operational changes to achieve total neutrality independent of offset purchasing.

KEY FACTS AND FIGURES



CUTTING CORPORATE CARBON

This plot shows the GHG emissions per employee for the past few years broken out by different GHG emission sources. It also highlights our commitment to reduce our GHG emissions by 60% over the next 10 years. The GHG emissions emitted due to 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.

Sustainable Leadership

Similar to Sustainable Waterloo Region, this organization supports and inspires organizations of all kinds to make impactful, green changes that will help contribute to a resilient, low-carbon economy for Hamilton, Halton and Niagara regions. We have been a member since 2017.

SUSTAINABLE DESIGN PORTFOLIO

In addition to the projects below, we are actively working on a number of Zero Carbon buildings and have completed over 10 Zero Carbon feasibility studies for projects of varying size, sector, and scope.

| Owner | Projects | Status |
|----------------------------|----------------------------------|--------------------------|
| Union Gas | Burlington Service Centre | Certified LEED Gold |
| | Windsor Service Centre | Certified LEED Gold |
| | Kingston Service Centre | Certified LEED Gold |
| | Hamilton Service Centre | Certified LEED Gold |
| Region of Waterloo | Waterloo Region Museum | Certified LEED Silver |
| Google | New Waterloo Region Office | Certified LEED CI Silver |
| Woodstock General Hospital | New Community Hospital | Certified LEED Silver |
| City of Kitchener | Kingsdale Community Centre | Certified LEED Gold |
| Kitchener Public Library | Main Branch Expansion and Garage | Certified LEED Gold |
| Conestoga College | Cambridge Campus Phase One | Certified LEED Silver |
| University of Waterloo | Environment 3 Building | Certified LEED Platinum |
| Enbridge Gas Distribution | Office Warehouse Expansion | Certified LEED Gold |
| | Belleville Office | Targeting LEED Silver |
| | 50 Keil Office | Targeting LEED Silver |
| | Markham Annex | Certified LEED Gold |
| Metrolinx | Cooksville Go Station and Garage | Certified LEED Silver |

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 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

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

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 low-emission 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, Architect





WALTERFEDY

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