

DILLON
CONSULTING

FISCAL YEAR 2021
(MARCH 2020 - FEBRUARY 2021)



**REPORT ON
CORPORATE SOCIAL
RESPONSIBILITY**



**SUSTAINABILITY
MATTERS**

Dillon Consulting Limited is a professional consulting firm at the intersection of planning, management, engineering, and environmental science. We offer services to build and improve facilities and infrastructure, protect the environment, and develop our communities.



Dillon was founded in a house in London, Ontario in 1945 by Marmaduke Murray Dillon and George Humphries. From these humble beginnings, Dillon has grown to over 950 employees located in 20 offices across Canada and remains an employee-owned firm. Our ownership structure is an important aspect of who we are as a company, because as owners we have a personal stake in the success of our firm. We know that to succeed, we must be partners with our clients and the communities we work in. This partnership is the very essence of Dillon.

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INTRODUCTION

Our Corporate Social Responsibility (CSR) Vision as described in our CSR policy...

“Our vision is to be recognized by Dillon’s key stakeholders – our owners, employees, clients, and the public – for our pursuit of excellence in corporate social responsibility. Our commitment to conduct our operations in an environmentally conscious and socially inclusive fashion influences our strategy for sustainable growth. We recognize the important role that our operations play in achieving a culture of sustainability – both in the services we provide and the way we do business – and have developed this policy accordingly.”

The four pillars of Corporate Social Responsibility are:



This Fiscal Year 2021 (FY21) edition of our annual **Sustainability Matters** report chronicles our corporate social responsibility efforts at Dillon. Sixteen years ago, we initiated environmental stewardship activities, recognizing our responsibility to preserve the environment for future generations. For over a decade, we have been implementing an ever-evolving Corporate Sustainability Strategy that has introduced a number of important initiatives in the areas of Environment, Social & Community, and Employee Well-Being.

- New in this report is the inclusion of our Communication on Progress (COP) reporting within the Sustainability Matters document. Previously we had issued a separate report to meet our obligations to the United Nations Global Compact.
- New in this report is more reference to SDGs in our internal operations and in our services we deliver in the marketplace.

New in this report is a reference to Global Reporting Initiative (GRI) standards where applicable in our reporting. For example:
[GRI 405-2] Ratio of basic salary and remuneration of women to men.



Fiscal year 2021 represents the period during a global pandemic, COVID-19, which impacted operations coast to coast from March 2020 to end of fiscal year (and into next fiscal).

Commitment from the CEO

Sean Hanlon
Chief Executive Officer



We are pleased to share our annual Corporate Social Responsibility (CSR) progress report, Sustainability Matters. I am proud to confirm that Dillon Consulting Limited reaffirms our support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This annual Communication on Progress outlines our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and operations. This is a progress report because we recognize our pursuit of excellence in corporate social responsibility is a journey that does not end.

Publishing Sustainability Matters is part of our commitment to share this information with our stakeholders. To be recognized for excellence in corporate social responsibility, we understand that expectations will continue to change and the bar will continue to be raised as we become more aware of our abilities to both promote and incorporate sustainability through the services we provide and the way we do business.

As a broadly held, employee-owned firm, our employees have the ability to define and shape the type of company they want Dillon to be. We want Dillon to be recognized as a company that is environmentally conscious and socially inclusive. We have been reporting on our commitment towards that goal since our first Sustainability Report in 2009 and re-affirmed our commitment when we signed on to the United Nations Global Compact in 2018. In that regard, in our current fiscal year (2022), we are continuing to focus on **SDG-2- Zero Hunger**. The goal aims to end hunger, achieve food security and improved nutrition and promote sustainable agriculture. Through our Million Meals Campaign we put our minds to the problem to contribute to meaningful change. We are supporting **SDG-10 - Reduced Inequalities** in our company through our Inclusiveness and Diversity (I&D) Committee.

We are proud to share and celebrate our progress in this Annual Report, but also recognize the journey must continue as we strive to do better. We will continue to learn as we make this journey and we will share our learning to assist and help influence those who are just beginning their journey.

Sincerely yours,

A handwritten signature in black ink that reads "Sean Hanlon".

Sean Hanlon
Chief Executive Officer



COMMUNICATION ON PROGRESS

In 2018, Dillon signed on to the United Nations Global Compact. With over 12,000 signatories in 160 countries, the Global Compact is the world's largest corporate sustainability initiative built on the fundamental belief that business plays a critical role in improving our world - and it starts by doing business responsibly.

It is a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.

Dillon's commitment to the goals of the Global Compact are shown both through our project work with a wide range of clients in helping them achieve their sustainability goals, and through our monetary and volunteer donations in our Environment & Community Investment Fund. We have identified Zero Hunger (SDG 2) as a focus for our community investments. And in celebration of our 75th anniversary, we launched the Million Meals Campaign, our largest and most wide-reaching commitment to corporate social responsibility yet.



The Ten Principles of the UN Global Compact

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Description of Actions

Period covered by the Communication on Progress (COP) related to UN Global Compact

From: **March 1, 2020**

to: **February 28, 2021**

Human Rights

The following actions have been taken by Dillon Consulting in the area of human rights:

- Dillon ensure workers that staff are provided safe, suitable and sanitary work facilities;
- Dillon has created a companywide program to encourage, promote and monitor workplace Diversity and Inclusion including employee training;
- We work to protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats;
- Our company takes measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during the creation of our work spaces and usage or disposal of products;
- We encourage freedom of speech and expression;
- Dillon allows staff the freedom to practice their religion (or not practice any) through work installations as possible and practical;
- We encourage equal work opportunities; and
- Dillon has developed processes to be more considerate and selective of the clients we work with. We strive to work with organizations that are aligned with our values of inclusivity and diversity. We have and are willing to not work with clients who are not aligned with our values.

Labour

The following actions have been taken by Dillon Consulting in the area of labour:

- Our company does not participate in any form of forced or bonded labour;
- We comply with and exceed minimum wage standards; and
- Dillon makes employment-related decisions that are based on relevant and objective criteria

Anti-Corruption

The following actions have been taken by Dillon Consulting to fight corruption:

- Dillon assesses the risk of corruption when doing business and had made a conscious choice to select partnerships where ethical standards are upheld and maintained; and
- Our contracts with clients often discuss “anti-corruption” and/or “ethical behavior”.

Environment

The following actions have been taken by Dillon Consulting in the area of environment:

- Dillon monitors our environmental footprint on a yearly basis as a reflection of our office locations and the interaction of our staff with those locations. We do this to reduce our environmental impacts and encourage staff and company leadership to continue to reduce our impact to our surrounding communities (i.e. waste management, reducing CO2 emissions, and other initiatives). We also do this by bringing awareness to sustainability, publishing yearly report that provides an update on our progress on identified goals, and through the establishment of a corporate sustainability team supported by our CEO.
- Dillon has identified measures to prevent and address accidents affecting the environment and human health; and
- Dillon supports on-going monitoring of our environmental performance through everyday activities at all office locations through material purchases and daily activities required to support our business. This keeps us informed, helps us to maintain our performance to continuously reduce our footprint, and alerts us to future issues that may arise.

Relevant Indicator	Measure of Outcomes
Talent represented by gender	As of February 28, 2021, 58% male and 42% female.
Fair labour practices	In compliance with the requirements of the Federal Contractors Program (FCP) under the Employment Equity Act and demonstrated that we have compensation practices that provide for pay equity and are in compliance with the Pay Equity Act of Ontario.
Equity in salary and compensation	The results of the FY2020 review indicate that there is statistically no significant difference in performance bonus allocation between our male and female partners and associates or between staff regardless of which group (technical or other) they belong to.
Percentage of spending on green products company-wide	74% of products that are green, where green products exist
Tonnes of CO2e per employee (1,843 tonnes, 903 employees)	2.04 tonnes per employee Overall emissions decreased by 1,290 tonnes (41.2%) in 2020 primarily as a result of reduced business travel and employees working from home during the COVID-19 pandemic.

GOVERNANCE

Dillon Board of Directors



Jane Allen



Rory
Baksh



Tanya Cross



Sarah
Devereaux



Flavio
Forest



Shayne
Giles



Sean Hanlon



Ravi Mahabir



Kimberly
Marshall



Jennifer
Petruniak



Bill Ross



Andrew
Wilson

Our Board is responsible for providing oversight of our firm, while our Management, led by our CEO and President, is responsible for carrying out the operations of the firm.

In 2018, the Board, through the recommendation of the Corporate Governance Committee adopted the inclusion of CSR into its oversight and requested that a CSR Policy be prepared. In 2019, we introduced our Dillon Corporate Social Responsibility Policy to represent the next step in our sustainability our contributions towards becoming a more socially responsible corporate citizen.

What Do We Do?

As an organization, we know that to succeed, we must partner with our clients and the communities we work in. We strive to be trusted advisors who apply our expertise to produce solutions that meet the goals of our clients and their stakeholders in the effective use of resources.

At Dillon, we're not just consultants. We are owners who are passionate about building a better, smarter and more purposeful community, one that works better, functions better, and is efficient, safe and sustainable for future generations.

Since our adoption of our CSR policy in 2019, we have been working to better integrate the pillars of CSR and sustainability across the entire company. We expect this evolution will be achieved by continuing to advance the programs and policies we have and by further incorporating elements of sustainability, directly into our operations. We expect this to be a considered and methodical process (walk before we run) and we expect the changes we make to be long-lasting and permeate our company culture.

As our operations further incorporate elements of CSR, then the expertise we apply to meet the goals of our clients can be applied through the lens of sustainability. This will allow Dillon's advances in CSR to be leveraged beyond our internal company operations to effect change in the hundreds of communities in which we operate every year across Canada and internationally. We are putting this belief into practice through our Million Meals Campaign.

Corporate Sustainability Team (CST)

The Sustainability Team was first established in 2009 as the Corporate Sustainability Strategy team and consists of individuals in different technical areas and offices with a personal passion for social responsibility and sustainability. The Corporate Sustainability Team works with members of the Executive Team to develop and implement CSR-related strategies and with members of the Operations Team to operationalize sustainability practices.



Andy Blackmer
Project Partner
(Halifax)



Joe Muraca
Project Partner
(Toronto)



Darla Campbell
Coordinator
(Oakville)



Laura Eldridge
Coordinator
(Halifax)



Mychal-Ann Hayhoe
Coordinator
(Edmonton)



Kelly McLean
Coordinator
(Toronto)



Adam Prokopanko
Coordinator
(Winnipeg)



Kristine Wilkinson
Coordinator
(Windsor)



OUR RESPONSIBILITY TO THE ENVIRONMENT

- **We strive for a more sustainable operation by improving our environmental footprint through limiting our waste generation, greenhouse gas emissions, and energy use.**
- **We encourage our stakeholders to be conscious of their environmental impact in both their personal and professional environments.**

In order to achieve these goals, Dillon has implemented strategies that cover the four environmental areas most closely linked to our business operations:

- Solid Waste
- Energy & Emissions
- Transportation
- Green Procurement

We track our progress in these areas annually or biennially and have taken steps to reduce our environmental footprint. Dillon generally does not aim for drastic change, but rather incremental change that can be improved upon every year and results in continual improvement. We build upon our current reality, always seeking the next step forward.

Goal

Facilitate the continuation of three stream waste management systems (waste disposal, recycling and organics collection) established in the majority of our offices. Continue efforts to implement organics collection in all offices.

Solid Waste

Dillon conducts a waste audit of selected offices every two years. The most recent waste audit was completed in 2018. It found that the average waste generated was 0.2033 kg/employee/day. 52% of this waste was diverted through recycling and composting. No waste audit was conducted in 2020, due to the pandemic, and the next waste audit is currently on hold as our offices have minimal numbers of staff on-site.

Energy & Emissions

Goal

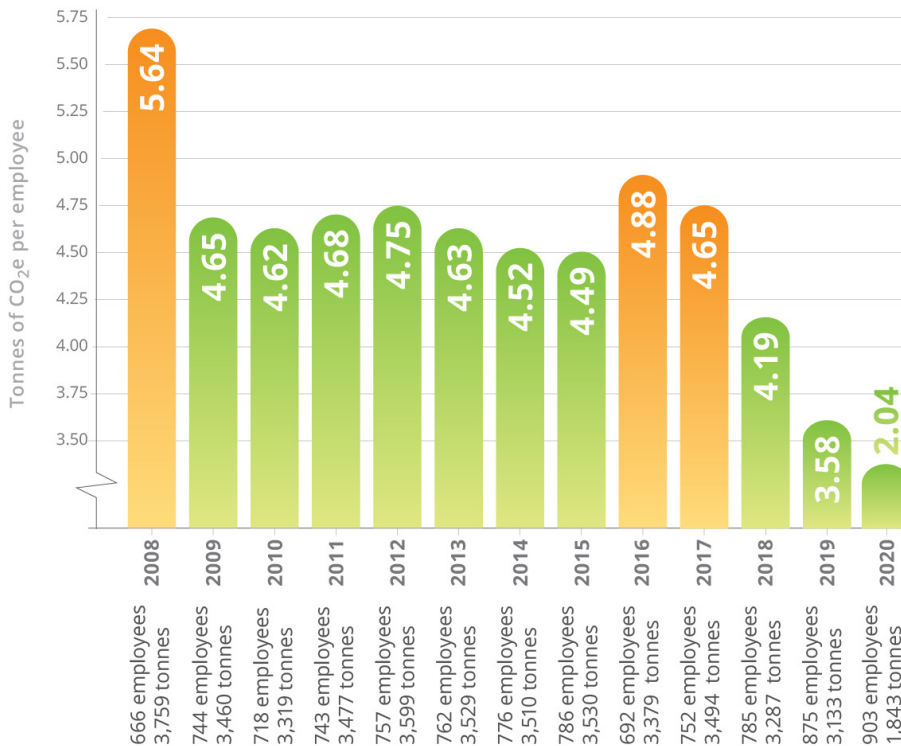
Maintain carbon neutrality with a reduction in carbon emissions, as measured by our environmental services team

Dillon is proud to be carbon neutral since 2008. Carbon credits were purchased from projects in London and Guelph to offset all our emissions from 2008 through to 2017. Credits for our 2018 and 2019 emissions were purchased through Terrapass. We actively seek carbon credit partnerships with our clients who undertake qualifying projects to reduce their emissions and have them independently verified.

A company-wide comprehensive greenhouse gas emissions assessment is conducted for every calendar year by Dillon professionals who provide the same service to our clients.

In 2020, Dillon’s greenhouse gas emissions were estimated to be 2.04 tonnes of carbon dioxide equivalent per capita (CO₂e). This represents a 43.0% decrease from 3.58 tonnes per capita in 2019 and places us well below our 2020 goal of 3.99 tonnes per capita.

Overall emissions decreased by 1,290 tonnes (41.2%) from 3,133 tonnes in 2019 to 1,843 tonnes in 2020. This drop occurred primarily in less employee commuting, air travel, paper usage, and wastewater treatment as a result of most employees working from home during the COVID-19 pandemic.



In line with the Paris Climate Agreement, Dillon’s goal is to reduce emissions by 0.1 tonnes per capita every year over ten years, aiming for a total reduction of “One Tonne in Ten”. The baseline for this goal was set at our level of 4.49 tonnes per capita in 2015. Our emissions are currently well below this trajectory. We are actively researching a new and more applicable greenhouse gas emissions target for Dillon.

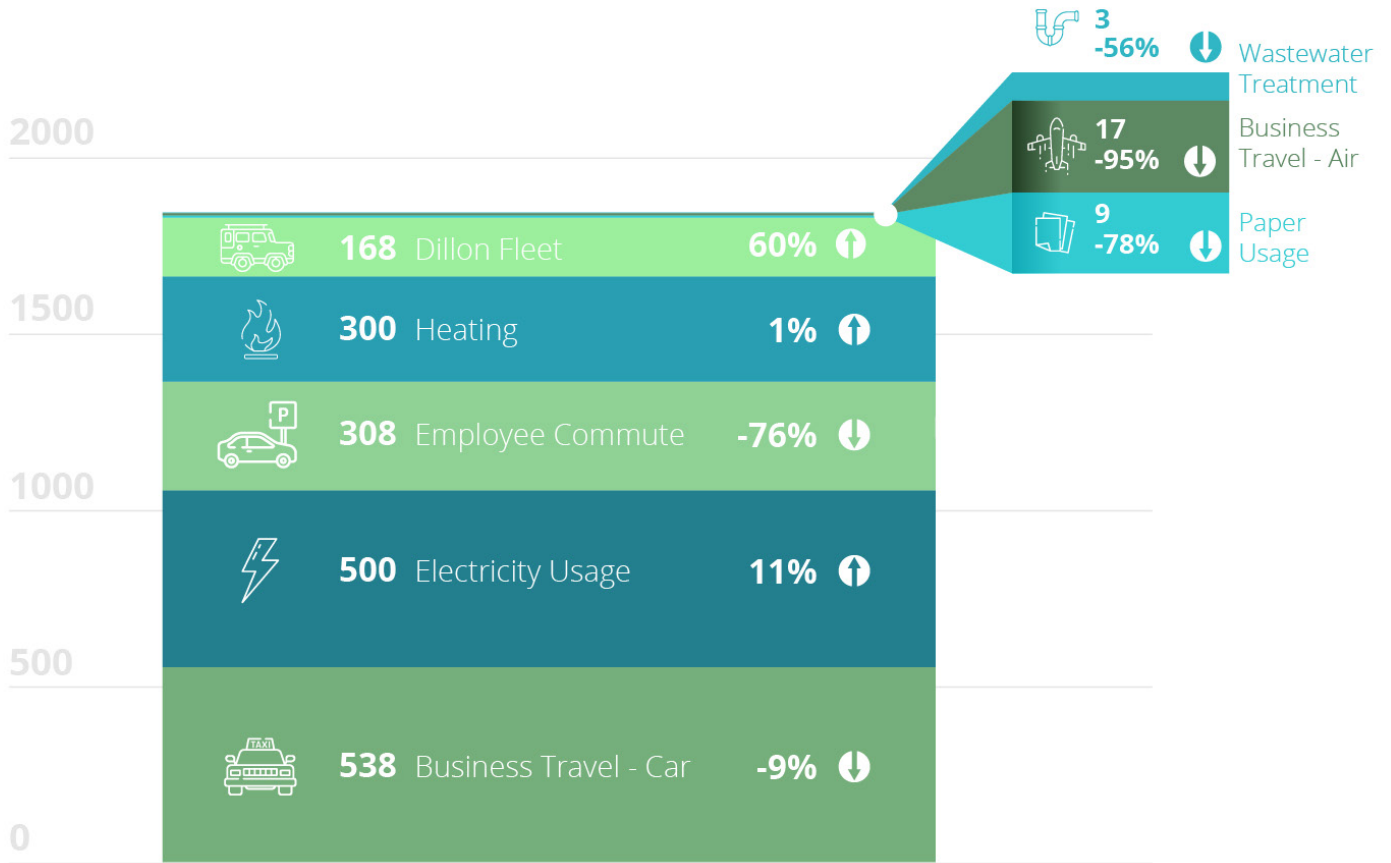


Carbon Assessment Lead

Robert Morgan, Guelph

2020 Results

Carbon Footprint (tonnes)



	Source of Emission	2020 Emission (tonnes CO2e)	% of Total	% Change from 2019
Office Sources	Electricity Usage	500	27.1%	11%
	Heating	300	16.3%	1%
	Wastewater Treatment	3	0.1%	-56%
	Paper Usage	9	0.5%	-78%
Transportation Sources	Business Travel - Air	17	0.9%	-95%
	Business Travel - Car	538	29.2%	-9%
	Employee Commute	308	16.7%	-76%
	Dillon Fleet	168	9.1%	60%
	Total	1,843		-41%

Transportation

Dillon administers an online Employee Commute Survey company-wide every second year. The most recent survey in 2019 showed 76% of employee commuting trips were made by single-occupant vehicle. 61% of employees agreed that their commute experience directly affects their overall job satisfaction. Currently, during the COVID-19 pandemic, approximately 90% of non-field employees are primarily working from home.

The next transportation survey is currently on hold as our offices have minimal numbers of staff on-site. We are looking forward to

discovering what the post-pandemic work and transportation environment looks like for Dillon.

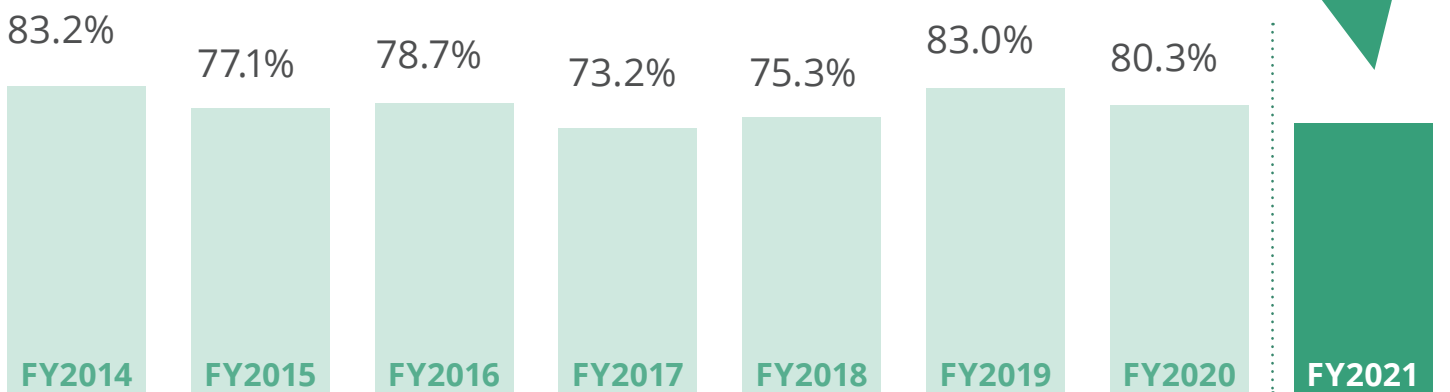
A sustainable office location guide was developed in 2020 to positively affect our commuting behaviours. Future office locations and relocations will incorporate transportation considerations including proximity to transit, active transportation, and a location that is central to where employees live and in proximity to other amenities.

Green Procurement

Goal
Purchase only environmentally friendly office products when available.

Dillon tracks office products purchased, increasing the list of green products available wherever possible. We use environmentally friendly products, such as paper and pens manufactured from post-consumer recycled materials. We purchase items in bulk and use energy efficient appliances and equipment when possible.

Percentage of spending on green products company-wide



...of products that are green, where green products exist.



OUR RESPONSIBILITY TO SOCIETY

- We strengthen our communities by donating a percentage of our earnings to environmental and charitable organizations.
- We engage with the communities around us and strengthen our shared values by contributing our time and ingenuity.

With FY2021 came many unexpected challenges for Dillon and its employees, including COVID-19 (March) and a cyber attack (July). Although these events caused many uncertainties, they did not deter Dillon employees from supporting and engaging with the communities around them.

In FY2021, Dillon contributed 3% of our pre-tax profits to various community and environmental organizations.

\$1.6 Million +
ECIF Spending since 2009



Scholarships

Since 2005, we have contributed more than \$325,000 in scholarships across Canada. Scholarships awarded in FY2021:

- 🎓 Canadian Institute of Planners (CIP) - \$5,000
- 🎓 Canadian Water Resources Assoc (CWRA) \$5,000
- 🎓 Canadian Memorial Engineering Foundation (CEMF) \$5,400



As part of Dillon's commitment to the United Nations Global Compact, we intend to work on the Zero Hunger Sustainable Development Goal (SDG-2) as part of the ECIF annual initiative. In August 2020, the Corporate Sustainability Team identified options with accompanying commentary on the scale of potential impact that each option could have on moving towards the goal of zero hunger. Through this exercise the Million Meals Campaign (MMC) was conceived.

Million Meals Campaign Launch



On October 1, 2020, Dillon kicked-off the **Million Meals Campaign (MMC)**. The MMC involves a commitment to provide pro-bono consulting services to selected partner organizations working on food insecurity in Canada. Our focus is on not-for-profit organizations and Indigenous organizations and communities. We're not only looking to provide one million meals, but we're also looking to work on solving problems associated with the root of the causes of food insecurity and seeking to contribute to a transformation of the system for generations.

To mark the start of the Campaign, Dillon hosted a Thanksgiving Food Drive, where 7,700 meals were generated by all offices - exceeding our goal of 5,000 meals by more than 50%! Since that time, Dillon has donated \$75,000 in cash donations to organizations working in food insecurity in Canada, began engaging our communities on pro-bono services opportunities, there have been a number of local office initiatives and Dillon hosted an online auction where staff raised \$2,800 that was donated to a food related organization. With the ongoing activities and pro-bono services in FY22, there will be lots of exciting news in FY2022!

MMC Initiatives in FY2021 included:

- **Holiday Donation Drive (December 2020)**
- **Food Gift Cards to Children's Aid Society (Windsor)**
- **Marpole Community Food Hub - Freezer Donations (Vancouver)**
- **Cochrane Food Bank (Calgary)**
- **Friendship Inn (Saskatoon)**
- **Wild Harvesting Program - Food Matters Manitoba (Winnipeg)**
- **Donation to Kids Kottage (Edmonton)**
- **London Basket Brigade (London)**
- **Sponsored a garden bed and cooking classes for kids (Fredericton)**



Shayne Giles donating funds to Building Roots as part of the Holiday Donation Drive (Toronto).



Kerr Street Mission donations distributed to roughly 250 families as part of the Holiday Donation Drive (Oakville)



Donations made to the Wheatley Food Bank as part of the Holiday Donation Drive (Chatham)



7,700
Meals



22% Staff
Participation



100% Office
Participation



13 Days
Campaign

In April 2020, the **London office** partnered with 3 local restaurants to provide meals to over 300 staff at **Alexandra Hospital in Ingersoll, Woodstock General Hospital, and Strathroy Middlesex General Hospital**. Dillon staff who live in each of these surrounding communities of London helped to deliver the meals which were very well received by hospital staff. This was a great initiative to support both small businesses in our local communities and show our appreciation to our front line healthcare workers.



Strathroy Hospital
Delivery (London office)



Building Green Propeller Design logo (above);
Green Propeller Design
Logo (right; Oakville
office)

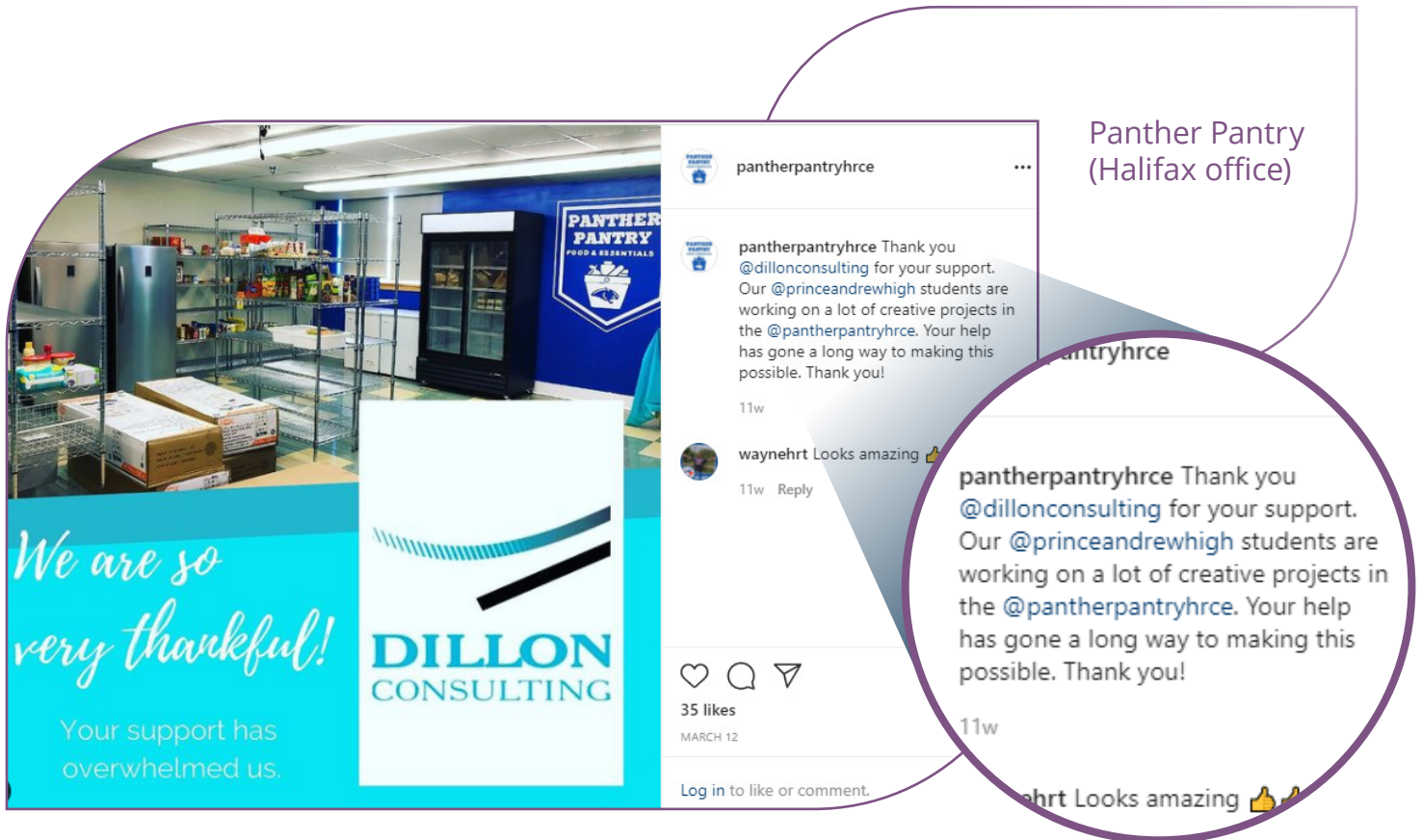


In November 2020, the **Oakville office** participated in the very first **CANstruction Halton Challenge** hosted by Green Propeller Design, an architectural consultant that Dillon works with. Due to the short notice, the Oakville office did not enter their own sculpture, however they did sponsor Green Propeller Design by donating

over 500 cans of tuna to build their company logo sculpture. Six Oakville staff volunteered their time and efforts sourcing and acquiring green tuna cans to support the design. Twelve engineering

companies participated in event and donations went to the Burlington Food Bank, the Georgetown Bread Basket, and the Milton Salvation Army Khi Community.

February through March, 2020, the **Halifax office** was proud to assist the **Prince Andrew High School "Panther Pantry"** by procuring and delivering miscellaneous capital items for their school based food bank and free lunch program including cabinets, prep tables, storage bins, a display refrigerator, freezers, and immersion blenders. Dillon also supplied biodegradable food containers, lids, bags and utensils along with grocery gift cards and bulk backpacks to support their current inventory. The Panther Pantry provides healthy food and non-food essentials to all students, including those experiencing food insecurity. The Panther Pantry strives to improve the well-being and achievement of students by reducing barriers through an accessible, safe, school-based food pantry. The goods and materials supplied to the Panther Pantry will assist them with becoming a sustainable program and will ensure their desired growth and reach does not exceed their previous capabilities.



The **Shoebox Project for Women** is a charity that collects and distributes gift-filled shoe boxes around holidays to women impacted by homelessness in communities across Canada. The **Winnipeg office** has participated several times, filling shoeboxes with meaningful gifts which were wrapped and dropped off at their Winnipeg office or a local library. Due to covid-19, the Winnipeg office could not participate in the same way as previous years due to restrictions; however, this did not stop the Winnipeg office from donating gift cards and masks for distribution. Between direct financial donations, in-kind gift card donations and proceeds from the virtual 'Shoebox', the Manitoba Chapter raised a total of \$11,415.00, and were able to help 185 women in their communities across Manitoba.

In February 2021, the **Edmonton Office** used its remaining ECIF funds to donate 30 thermometers and 18 analog scales to Leftovers Edmonton. **Leftovers Edmonton** is a food rescue charity that aims to fight poverty, reduce food waste and save our environment. With the thermometers and scales, the organization is able to handle food safely and better track food quantities. The total cost of the donated equipment was just under \$1700!

to: Josh, Mychal-Ann, & the awesome team @ Dillon,
Thank you so much for your generous donation of scales and thermometers to Leftovers & EG. These supplies will help our volunteers more accurately track the amount of food they are rescuing, and ensure that food is handled safely - two tasks that are easily overlooked, but are critically important to us and the communities we serve. Your behind-the-scenes support has already made a huge difference for our & EG volunteer team - thank you so much! We love partnering with you!
In community, Kyra & the Leftovers team ♡



Letter from Leftovers Edmonton (Edmonton office)

For the 8th straight year, the **Fredericton Office** was proud to co-organize **Kingsclear First Nation's Christmas for Kids Campaign**. The campaign is organized in collaboration with KFN Child and Family Services and Community staff to give less fortunate families from the community a chance to make Christmas morning extra special for their children. Applications are accepted by the Community and include the children's age, clothing sizes, needs and a few wishlist items. Dillon staff, with some help from a few corporate sponsors (we help to organize), then use the list to shop for each individual child. Pandemic restrictions made this year's shopping spree a challenge. Although many in the office were ready and willing to help, a few weeks of evening and weekend shop-a-thons completed by a number of our local staff and their families made Christmas morning for 61 children that much brighter. For anyone that has done a significant amount of Christmas shopping for their loved ones, it is a substantial undertaking to purchase meaningful gifts for each of these children. None of this would be possible without a team of dedicated staff that are willing to put in extra effort at a typically very busy time of year for all of us. Since the beginning of this program, we have helped purchase gifts for over 350 children. A truly remarkable undertaking that has grown to become a tradition that we all look forward to in the Fredericton office.

Pictured from left to right are: Ryan Dunbar, Amanda Morgan-Polchies (KFN Education), Chantal Sirois (KFN Education), Lucas Storey, Jasmine Hunter, Rory Pickard (Fredericton office)





CREATIVITY
DISCOVER NEW
POSSIBILITIES.



COURAGE
DO THE THINGS THAT MATTER,
ESPECIALLY WHEN IT'S HARD



CONTINUOUS DEVELOPMENT
ALWAYS LEARNING. ALWAYS
ADAPTING. ALWAYS GROWING.



ACHIEVEMENT
DO THE WORK TO HIT
THE TARGET

OUR RESPONSIBILITY TO OUR WORKPLACES



RELIABILITY
WORDS THAT RESULT IN
ACTIONS BUILD TRUST



INCLUSIVENESS
ENABLING BELONGING TO
DRAW STRENGTH FROM
OUR DIFFERENCES.

- **As employees of Dillon we strive to create workplaces that encourage and sustain the health, safety, and well-being of all of our employees.**
- **We conduct our business in a sustainable manner that takes a long term view and reflects the communities in which we work by promoting diversity, inclusivity and accommodation in our workplaces.**

Culture

Two years ago in 2019, we undertook an ambitious engagement with all Dillon employees in order to consciously define the culture that would align the aspirations of our employees with the strategic mission of the organization. The culture belongs to all the members within it and so the engagement was a platform for all stakeholders to be heard.

In 2020 and into 2021, we were tested. We, collectively and individually, faced significant challenges related to the global pandemic, social unrest, and our cyber security breach. Last year we introduced our Dillon Values of Inclusiveness, Continuous Development, Courage and Creativity, Achievement and Reliability.

We challenge our employees to reflect on the last year and think of time when one of your Dillon peers lived our Dillon Values. Each of us can likely think of creative solutions that someone came up with during our network shut down, or developed a new skill to better engage each other on virtual meeting platforms. Was there an example of reliability and achievement with a client or internal team that transcended the challenges of working from home or without our normal technical tools? Did this new distributed working style allow for a more inclusive team, since location was removed from the equation?

If so, live into courage and tell that person or team what you witnessed and how you thought their actions aligned with the Dillon Values. This is how a culture shifts, though small acts of success recognized and shared.

VISION:
**Balancing the Opportunities of Today
With The Needs Of Tomorrow**

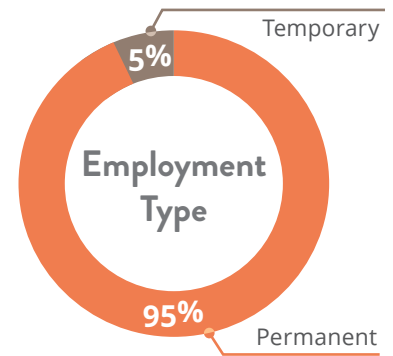
Our Values speak to the broader goal of sustainability. Mission follows Vision, and our Values enable both.

In case you missed it - this is Dillon's current Vision.

This is sustainability in practice, look for places to *"live our values"* and see our vision come true.

This year despite the challenges associated with a pandemic we have successfully sustained a 5% growth (119 additional regular staff). Dillon provides a balance of new employment opportunities and stable careers with 45% of our workforce having been with Dillon for more than five years of their career. This past year Dillon has experienced a total turnover (regular and interim, voluntary, involuntary and retirement) of 90 staff (10.5%).

[GRI 401-1] New employee hires and employee turnover



Learning and Development

At the foundation of our culture is an organizational commitment to ongoing learning and the processes of creating, applying and sharing knowledge throughout our talent pipeline. Staff at all experience stages benefit from our investment in their development, which is more than double the Canadian average.

At Dillon, development of our staff is a key corporate priority evidenced by our mission, vision, continuous development core value and our investment in learning. In fiscal year 2021, we invested 1.8% of net revenue in development, meeting our annual target between the 75th and 90th percentile benchmarked to the Conference Board of Canada. We consistently invest approximately 2.5 times more per staff member compared to the average Canadian company.

We allocate development funding in three targeted areas to address critical learning needs to meet strategic priorities: standard knowledge and skills training to drive and support growth, strategic development to equip people to execute in their role and special projects that support our core values and build our future. In addition, we provided extensive mandatory and compliance training through an enhanced onboarding program and various health and safety, policy and program training events throughout the year.

Our sustainable growth strategy balances the need for growth from our clients with the growth needs of our people. To better position our company in the face of a challenging and increasingly competitive economy, we have elevated talent development to the strategic level. Through the lens of our talent strategy, we have identified a significant opportunity to accelerate the growth of our early career staff, through our **Early Career Development Program**. We also see the value of retaining access to the significant amount of experience of partners approaching and during retirement, through our **Retired Partner Program**. These programs significantly improve the transfer of knowledge and skills within Dillon.

Health and Safety

The Dillon Health and Safety Program was developed to encompass all of our activities, including projects, enterprise management, business development and client relationship management across different workplaces and jurisdictions. Dillon is committed to achieving not just compliance with all applicable laws, but results in the prevention of workplace injury and occupational illness. The Health and Safety Principles, one of the three sets of principles comprising the Dillon Standard, provide a foundation for all activity within Dillon. All staff are charged with maintaining health and safety top of mind and achieving continuous improvement. Resource Environmental Associates has assessed our occupational health and safety program since 2010. Our rating has consistently improved over the past decade and we are growing our Health and Safety team to keep these issues front of mind in the midst of pandemic-related changes in our workplaces.

The average Dillon employee completed 4 hours of health and safety training in F2021. Dillon's core safety training includes: Supervisor H&S Awareness training, Field Staff H&S Awareness training, First Aid / CPR, Safety orientation for new hires, WHMIS. Specialized Dillon training as needed includes: Confined Space Entry, Fall Arrest, Aerial Platform Training.

Dillon considers the health and safety of its employees to be of primary importance. We have established health and safety principles as a key component of the Dillon Quality Standard, which serve to guide aligned actions and behaviours by all employees to reinforce this belief.

Dillon's Health and Safety Program serves as a management system to address the physical well-being of employees performing activities across various workplaces and jurisdictions. In addition to addressing compliance with applicable laws, our goal is to achieve continuous improvement in health and safety performance to prevent workplace injury and occupational illness.

Dillon's Health and Safety Program is regularly updated based on industry standard best practices, legislative developments, and the results of internal and external audits. In addition to these regular program updates, including the addition of measures to address

pandemic-related health and safety risks,

Dillon has established a Healthy and Safe Workplace Philosophy that

considers the broader physical, psychological and social well-being of employees. A separate Psychological Health and Safety Policy and supporting management system is being integrated as part of our broader approach to employee wellness.

During FY21 the Joint Health and Safety Committee completed 105 field assessment audits (64% of target) and the Partners completed 107 field assessment audits (73% of target).



Our Programs

Innovation Award 2021

During FY2021 there were two recipients of the innovation award: the Caribbean Regional Oceanscape Project and the implementation of the Qlik Data Analytics Platform.

Marine Spatial Plans (MSP)

Dillon developed five integrated national coastal master plans and marine spatial plans as part of the Caribbean Regional Oceanscape Project (CROP). Our team (which included David Creber, Emily Davis, Jasmine Hunter, and Grace McGinn) developed an MSP methodology that balances conservation with sustainable economic opportunities and used an integrated three-phased innovative approach to capture the interconnected relationships of the marine environment.



Dave Creber



Emily Davis



**Grace
McGinn**



**Jasmine
Hunter**

Qlik Data Analytics Platform

Dillon implemented the Qlik Data Analytics Platform to enable the transformation of raw data into actionable insights. Our team, Karl Makuch and Sandra Mulalic, utilized the functionality of this flexible, creative and scalable tool to move the business to become a more informed and knowledgeable organization.



Karl Makuch



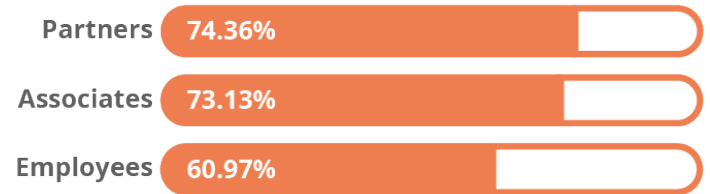
**Sandra
Mulalic**

Wellness Fund



Dillon's wellness fund is an initiative designed to help partners, associates, and employees stay active and healthy throughout their careers, through an annually-renewed fund. Through the COVID pandemic many of Dillon's employees have shifted their use of funds from gym memberships to the purchasing of fitness equipment, fitness tracking devices, fitness footwear, nutrition education, personal development and self-help, as well as birthing and prenatal education.

Uptake of employees using the fund:



Wellness Fund	FY2020 (Mar 2019 - Feb 2020)	FY2021 (Mar 2020 - Feb 2021)
Total Reimbursed Amount	\$ 142,852	\$ 187,514
Total # of Claims	910	1099
# of Claims that has "Membership" in description	363	200
% of Gym membership	40%	18%

Thrive

One month every year, the THRIVE team gives information about yoga and the benefits to your health/wellbeing. The Ontario office's THRIVE Reps chose to run off of this idea, got together, and organized virtual yoga classes for the staff members to join while working from home. The classes turned into a weekly event and grew to include one monthly meditation, chair yoga, and fitness classes. This initiative was able to help those working from home to step away and get a good stretch and some movement. We work with an external company, Innergy Corporate Yoga, to have these classes taught by trained professionals. Most staff who are able to join have said how much they enjoyed having these events to break up their work day/move a bit.



10 REDUCED INEQUALITIES



Inclusiveness and Diversity (I&D)

Dillon's Business Focus Dillon undertook a Values exploration in 2019 and Inclusiveness was selected as one of six Core Values

by our staff, Management, and the Board. As an employee owned business, our Values are critical to who we are and how we operate. Inclusiveness and Diversity (I&D) is critical to the three main elements of our business:

1. Our People. Dillon aspires to hire and retain the best and brightest, but we recognize that there are barriers in place – whether perceived or real – for some groups to be successful in our workplace. We further recognize that our own unconscious biases may be impacting who we hire, develop, and promote.

2. Our Clients. Our clients are diverse, and now more than ever it is imperative that we understand their needs. Further, I&D has become a critically important business consideration for them, which means it must be the same for us.

3. Our Brand. We want the market to know that Dillon is a place where people succeed because of who they are and because of our

commitment to inclusiveness. A place where our clients see the high-value results of a diverse and inclusive team.

I&D at Dillon is essential for us to empower passionate people to create better solutions and to stay competitive in our industry. Inclusiveness in business is about involving many different types of people and removing barriers in our workplace, so we can generate new ideas and become even more innovative in the work that we do. We know that I&D is not one person's job, but must be widespread across the organization, so everyone can see I&D as their role. In FY2020, we developed a three-year I&D Plan. The I&D Plan FY 2021 to FY 2023 outlines how Dillon defines I&D, why it matters to our business, our I&D Goals, and the specific actions we will take to support I&D in our workplace. One component of this plan is training. In FY2021, over 200 Dillon staff, including partners and various leaders and managers, received training on a number of I&D topics. Over the next two years, all remaining staff will have the opportunity to take similar training on the topics of I&D Fundamentals and Unconscious Bias.



Our I&D Team

This plan was developed by Dillon I&D Committee. The I&D Committee is responsible for overseeing the implementation of the FY 2021 to FY 2023 plan and will meet regularly to monitor progress. The I&D committee was formed by management to inform and improve business. The committee reports to the president and is sponsored by the CEO. Progress towards meeting the goals and action items outlined in this plan will be presented at Quarterly Performance Meeting.



Andrea Winter
(Partner)
Operational Lead



Claudio Covelli
(Retired Partner)
Executive Director,
Talent Management



Erin Smith
(Associate) Women
In Dillon Lead



Grace Su
(Associate)
Manager, Human
Resources



Jennifer Petruniak
(Partner)
Technical Lead



Kate McGuinness
(Associate) Manager,
Communications



Ravi Mahabir
(Partner)
Ownership
Representative



Ryan Dunbar
(Partner)
Ownership
Representative

Dillon is committed to the principles of employment equity, inclusiveness, and diversity within our organization. We are committed to furthering our understanding of what inclusiveness and diversity truly mean at Dillon, improving practices and procedures that may impede the achievement of employment equity, inclusiveness and diversity, ensuring our workplaces are representative of our communities, and delivering our vision of an inclusionary workplace atmosphere for our staff and leadership teams.

Dillon is in compliance with the requirements of the Federal Contractors Program (FCP), which ensures that contractors who do business with the Government of Canada seek to achieve and maintain a workforce that is representative of the Canadian workforce, including members of the four designated groups (women, persons with disabilities, Indigenous peoples, and members of visible minorities) under the Employment Equity Act and we have demonstrated that we have compensation practices that provide for pay equity and are in compliance with the Pay Equity Act of Ontario.

Women in Dillon

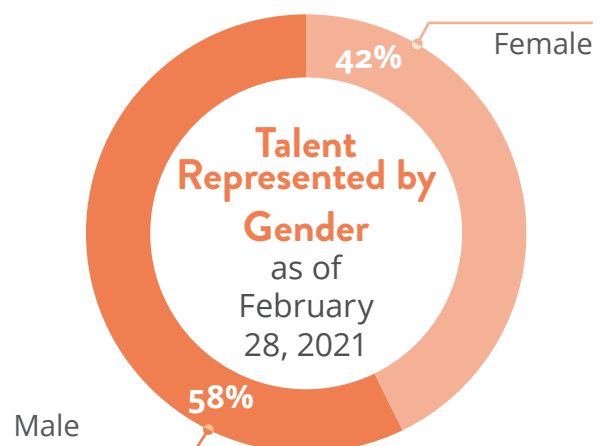


A gender-diverse workplace is one component of Dillon’s overall Inclusiveness and Diversity Plan. The goal of Women in Dillon is to understand the experience of women in our business and to inform management on this perspective; thereby influencing company choices, policies, systems, and processes as they relate to women. Ultimately, WiD strives to make Dillon the employer of choice for women in consulting and to provide exceptional value to our clients because of our diverse and inclusive workforce. Our success is measured through the health and happiness of our employees as well as our ability to attract, retain, and promote women of merit at all levels of responsibility. In 2021 Dillon’s ratio of female staff to male staff is steadily increasing with 42% of Dillon’s workforce being women.

[GRI 405-2] Ratio of basic salary and remuneration of women to men

The results of the FY2021 compensation equity review indicate that there is statistically no significant difference in performance bonus allocation between our male and female partners and associates or between staff regardless of which group (technical or other) they belong to. The Women in Dillon team is confident that the base salary component was reviewed with a gender lens for the last number of years and the adjustments consider that lens to confirm equity.

Dillon is in compliance with the requirements of the Federal Contractors Program (FCP) under the Employment Equity Act and we have demonstrated that we have compensation practices that provide for pay equity and are in compliance with the Pay Equity Act of Ontario.



OUR RESPONSIBILITY IN OUR

MARKETPLACE

- We provide services that align with this policy and apply our expertise to help our clients achieve their sustainability goals.
- We encourage the understanding of corporate social responsibility at all levels of the organization and challenge our employees to find or create sustainable solutions for our clients.

Project Spotlight

Sustainability Award

Dillon was retained by the City of Hamilton to complete the conceptual, preliminary, and detailed design for an elaborate multi-use trail facility, that combined repurposing existing infrastructure and reclaiming unused green spaces to provide an essential link for alternative transportation modes between the escarpment and the lower city.

The project team undertook a cycling safety and connectivity study to review the feasibility of introducing a multi-use trail along the Claremont Access – an existing multi-lane, divided vehicular route providing up to seven lanes of traffic access up and down the escarpment within the City of Hamilton. **Approximately 2.6 km of existing transportation infrastructure was included in the study area, and seven potential trail connections to adjacent streets, trails, and green spaces were evaluated.**



Dillon advanced the detailed design for the **Keddy Access Trail (also known as the Claremont Access Multi-Use Trail) project**, and assisted the City during construction. The trail, which ended up as a signature \$6.5M investment for alternative transportation infrastructure for the City of Hamilton, opened in December 2020 to a warm reception from the hiking and cycling communities. On May 19, 2021 the City of Hamilton received the **Sustainable Mobility Award** for the Keddy Access Trail project presented by the Transportation Association of Canada (TAC).

How do we help clients identify sustainability goals and develop strategies to achieve them?

Project Name	Client Name	Develop Sustainability Goals & Strategies	Re-use Materials	Extend Useful Life of Infrastructure	Gain Energy Efficiency	Improve Resiliency	Other
Reading Wind Project Carbon Offsets Support	Southern Power Company	✓			✓	✓	✓
NHC Support & Project Management for Low Carbon Economy Fund	Nunavut Housing Corp (NHC)			✓	✓		
Winnipeg Transit Bus Charging Feasibility Study at Brandon Garage	City of Winnipeg Transit	✓			✓		
Coastal and Marine Spatial Plans	Organisation of Eastern Caribbean States (OECS)	✓				✓	✓
Ottawa Bus Alternative Energy Study	OC Transpo - City of Ottawa				✓		
Multi-Modal Level of Service Guidelines	Ontario Traffic Council (OTC)	✓					
On-Demand Transit Studies	Milton Transit, Transit Windsor, Grand River Transit, London Transit	✓				✓	✓
Gatineau Park Shuttle Feasibility Study	National Capital Commission	✓	✓	✓	✓		✓
Alexandra Bridge Rehabilitation	Public Services and Procurement Canada (PSPC)			✓			



Reading Wind Project Carbon Offsets Support

Dillon is providing consulting support for a large renewable energy wind power facility in Kansas that has registered carbon emission offsets under the Verra Program. Royal Caribbean Cruises are purchasing the offsets as part of the power purchase agreement to offset Scope 1 emissions. Dillon is assisting with all aspects of offset quantification and regulatory reporting.

NHC Support & Project Management for Low Carbon Economy Fund

Energy efficiency upgrades to over 400 homes across Nunavut, including window and door upgrades and heat system upgrades. Project is funded under the Federal Low Carbon Economy Fund (LCEF). Dillon provided baseline GHG and energy consumption estimates and calculated savings as well as design and tendering services for the upgrades, as well as project/contract administration services.

Winnipeg Transit Bus Charging Feasibility Study at Brandon Garage

Dillon performed a feasibility study to provide a DC fast charging solution for a battery electric test fleet operating out of Winnipeg Transit's Brandon Garage. The study looked at the systems that would require upgrading such as the main service from the utility. The system parameters were to electrify two tracks of the facility, 34 parking spaces total, using 9 chargers capable of sequential charging multiple buses.

Coastal and Marine Spatial Plans

Dillon developed five integrated national coastal master plans and marine spatial plans as part of the Caribbean Regional Oceanscape Project (CROP). In 2019, the CROP facilitated the enhancement of The Eastern Caribbean Regional Ocean Policy (ECROP) through a revision to align it with the United Nations 2030 Agenda for Sustainable Development. The concept of a Blue Economy was at the core of the project, which expresses an opportunity for ocean-based growth and improvement in livelihoods, combined with a responsibility for the sustainable stewardship and protection of the world's marine spaces. The development of coastal and marine plans were guided by UN SDGs, including SDG 14 ("Life Below Water"), SDG 1 ("End poverty in all its forms everywhere"), SDG 13 ("Take urgent action to combat climate change and its impacts") and SDG 15 ("Life on land").

Alexandra Bridge Rehabilitation

This is a 120 year old truss bridge within view of the Parliament. Dillon is the structural lead developing a strategy to maintain the bridge until its planned replacement. Dillon is implementing Structural Health Monitoring used as a data-based decision making tool to optimize the rehabilitation design.



Spotlight on Circular Economy

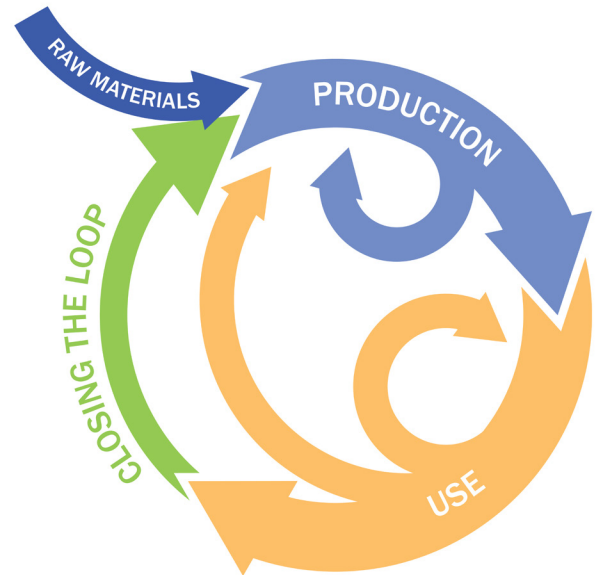
Did You Know? A circular economy is an alternative to a traditional linear economy (take, make, use, dispose) in which value creation is based on existing or renewable resources, decoupling growth from the use of finite natural resources. It means designing systems and solutions to keep resources in use for as long as possible, extracting the maximum value from them while in use, then recover and regenerate products and materials at the end of each service life.

Dillon is committed to supporting its clients to accelerate the growth of a circular economy. For example, Dillon supported clients identifying opportunities for value retention and creation in plastics, food, metals, and construction material and rubber supply chains.

One example is a study Dillon undertook for the National Zero Waste Council, Waste Prevention: The Environmental and Economic Benefits for Canada. It explored 15 business cases that prevent value loss in six important Canadian industry sectors: construction, manufacturing, healthcare, agriculture, plastics and retail. Each intervention was evaluated for its potential to reduce greenhouse gas emissions, prevent waste, create jobs and generate other economic benefits.

List of Projects:

- Material Flow Analysis and Circular Economy Strategy for a Circular Food Economy, City of Guelph
- Socio Economic and Environmental Study of the Canadian Remanufacturing Sector and other Value Retention Processes in the Context of the Circular Economy, Environment and Climate Change Canada
- Waste Plastics Collection and Treatment Infrastructure in Canada: A Needs Analysis to 2030, Environment and Climate Change Canada
- Waste Prevention: The Environmental and Economic Benefits for Canada, National Zero Waste Council





Spotlight on Clean Water

Did You Know? Boil water advisories for drinking water and sewage treatment systems not meeting Canada’s national performance standards are still common in many parts of the country, particularly in remote, northern and Indigenous communities? Providing clean, reliable water and sanitation is a key driver for health, economic development and environmental protection. Beyond helping communities meet legal requirements for drinking water and sanitation, this work provides a direct, tangible benefit to quality of life, restoring beaches or rivers for recreation use and removing uncertainty around water sources.

Dillon has a long history of delivering projects that support clean water and sanitation across the country, including remote, northern and Indigenous communities. For example, Dillon recently worked with the Shamattawa First Nation in Manitoba, who are “off and on” boil-water advisories, to design a state-of-the art treatment system that will consistently provide clean drinking water to the community. In Inuvik, Northwest Territories, a water treatment plant that Dillon designed in 2016 was honoured with the Willis Award for Innovation through the Canadian Association of Municipal Administrators.

Outside of consulting service, Dillon contributes to the Michael R. Provart Environmental Award that is presented during the annual Ontario Water Works Association Water Conference & Trade Show to a university student for excellence in their presentation on research conducted in the field of drinking water treatment and distribution.

In addition to supporting communities’ clean water needs, Dillon has been heavily involved in helping industry become better corporate citizens by addressing their on-going wastewater management needs. This includes a number of projects for large petrochemical, pharmaceutical and food processing companies.

List of Projects:

- Inuvik Water Treatment Plant Upgrade, Town of Inuvik
- Nunavut Standard Water Treatment Plant Design, Government of Nunavut
- Class1 Exemption Program Assessment, City of Barrie

Ongoing:

- Whale Cove Water Treatment Plant Upgrade, Government of Nunavut
- Naujaat Wastewater Treatment Facility, Government of Nunavut
- Shamattawa Water Treatment Plant, Shamattawa First Nation
- Asset Management Plan Update, Lake Huron and Elgin Area Water Supply Systems
- Wastewater Treatment System Support, various food, dairy, chemical and pharmaceutical companies

CLOSING

Dillon is proud of the evolution of our Corporate Social Responsibility (CSR) and Sustainability programs over the past year. Highlights from FY2021 include continuing our commitment to the United Nations Global Compact to align our operations with universally accepted principles and advance the Sustainable Development Goals, the implementation of our Corporate Social Responsibility policy, and the continued advancement of our ongoing sustainability priorities. In FY2021 we committed to focus on two UN Sustainable Development Goals: Zero Hunger (SDG 2) through the initiation of Dillon's Million Meals Campaign; and, Reduced Inequalities (SDG 10) through Dillon's Inclusiveness and Diversity program.



Ongoing Priorities:

- Continuing our Business Strategy - the Sustainable Growth of our Organization - including understanding and aligning with our Core Values; and,
- Dillon's growth in Sustainability by continuing the integration of sustainability into our operations - including rolling out our enhanced mental health and wellness programs, and completing the investigation and assessment of what our future offices will look like.

Areas of Focus for FY2022:

- Continue to focus on two sustainable development goals: Zero Hunger (SDG 2) and Reduced Inequalities (SDG 10) through the Million Meals Campaign and Inclusiveness and Diversity program;
- Gather insight from key stakeholders (employees and clients) to guide selection of SDGs for Dillon to prioritize in FY2023;
- Prepare a plan of sustainability activities to be incorporated and resourced in the F23 business plan.
- Develop strategic goals and objectives with a longer term view that aligns with Dillon's business strategy.

Thank you for reading Dillon's annual Sustainability Matters report.

Our commitment to Corporate Social Responsibility is a choice that we make for the benefit of our business growth and culture, the benefit of people and the planet, and the benefit in knowing that our business strives to operate holistically, inclusively and ethically.

Special thanks to Kate McGuinness for her input and Mohammad Yearuzzaman for his graphic design work in creating this report.

For further clarification about this report or any of its contents, please contact **Andy Blackmer**, Project Partner 902.450.4000 | ablackmer@dillon.ca



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