

Dillon Consulting Limited Corporate Governance

ABOUT DILLON

Dillon is an international, Canadian-owned professional consulting organization committed to guiding clients towards the successful application of science, technology and management. Dillon operates primarily across Canada and also in Asia, the Middle East, the Caribbean Region, the United States and Central and South America. Employees are skilled in over 30 distinct disciplines that include professional engineers, architects, planners and physical and social scientists. As a client-centered organization, Dillon takes a collaborative approach and often operates as members of its client project teams, ensuring that client needs are fulfilled and that their problems are solved innovatively, expeditiously and cost-effectively.



LOCATION

OFFICES: Locations across Canada

ADDRESS: 235 Yorkland Boulevard, Suite 800, Toronto, Ontario

WEBSITE: www.dillon.ca

CORPORATE GOVERNANCE - CORPORATE SUSTAINABILITY

In 2004, Dillon developed its Corporate Environmental Management (CEM) program with a vision to be recognized by key stakeholders as a leader in providing corporate environmental management. This internal initiative was developed to improve the organization's environmental and social impact by incorporating environmental and social considerations into management decisions. As Dillon emphasizes the value of corporate responsibility to its clients, it was important that it demonstrate the effectiveness of these practices by instituting them in its own organization.

Dillon follows a three-dimensional approach to sustainability and tracks financial, social and environmental targets. This approach revolves around the goal of investing in social, environmental and community initiatives. Some of these initiatives include: funding the



Dillon staff embrace sustainable transportation options

Dillon scholarship program; donating to local charities; maintaining carbon neutrality; encouraging sustainable transportation; purchasing green products; reducing solid waste generation through a comprehensive recycling program; and supporting the staff in each office to undertake community projects.

The CEM lead team is responsible for providing leadership in the development of CEM policies and strategies. This includes developing the overall strategy and annual action plan, conducting annual reporting and evaluating progress of the strategy year-after-year. The CEM annual report,

which is available on-line, evaluates corporate progress in greenhouse gas emissions, energy efficiency, alternative transportation, water and waste reduction, green procurement, social and community engagement and employee communications and outreach.

Implementation of the CEM annual action plan is the responsibility of the director of corporate services, the director of finance and the local office managers. The local offices are supported by Community and Environment Committees, which assist with confirming the office direction, developing office-specific actions, and assisting with office transportation surveys, waste and energy audits.

ENGAGING EMPLOYEES IN SUSTAINABLE SOLUTIONS

Dillon works to develop a culture of environmental stewardship that emphasizes senior staff leadership and broad-based employee engagement. The organization's philosophy is that to effectively build skill sets at all levels of the organization, ideas and innovation around sustainability should come not only from the top down but also from the bottom up. Dillon's staff includes many environmental professionals who are highly motivated and engaged in corporate environmental management.



Environmental stewardship is part of Dillon's corporate culture

The organization's approach is to encourage staff to innovate and create environmental initiatives that can be translated into the CEM program and business opportunities with clients. The organization's internal website, which provides a news feed on various sustainability projects, is the vehicle used for internal communications. Office managers have monthly discussions around the latest sustainability goals and approaches as well as share their ideas and develop initiatives that facilitate friendly competition.

ENVIRONMENT AND COMMUNITY INVESTMENT FUND

The Environment and Community Investment Fund helps to support efforts to improve Dillon's environmental and social performance. The purpose of this fund is to be a catalyst for ideas and activities that contribute to reductions in Dillon's environmental footprint and improvements to the local or global community. The fund encourages grassroots actions within Dillon and all decisions are made at the local level.

Initiatives implemented through the fund meet specific environmental or social criteria. The environmental criteria for the Environment and Community Investment Fund initiatives require that projects:

- support the CEM's vision and targets;
- result in reductions of GHG emissions, water use or waste generation;
- facilitate continual improvement; and,
- are cost-effective.

The social criteria for the Environment and Community Investment Fund initiatives require that projects:

- encourage learning, engagement and relationship building for Dillon employees;
- act as a catalyst for activities that contribute to our local and global communities; and,
- involve Dillon employees.

The Environment and Community Investment Fund is available to all staff in each office. Ideas for application of the fund are proposed to the office managers, who are responsible for the development and implementation of the office initiatives.

In 2008, all Dillon offices established Community and Environment Committees. The committees are volunteer groups that support the development and implementation of local green initiatives. For example, in 2009, approximately 40 per cent of corporate GHG emissions were estimated to come from employee travel. In an effort to reduce GHG emissions generated from employee travel in single occupant vehicles, the committees developed and implemented a number of action items at different offices. These included purchasing public transit tokens for business travel, partnering with Smart Commute (visit www.smartcommute.ca for more information), and offering employees flexible working hours. A corporate commuter challenge was also developed to encourage alternative transportation including cycling, transit and car pooling.

RESULTS

Dillon achieved carbon neutrality for its 2011 fiscal year. A key goal of the CEM initiative is to maintain carbon neutrality with a reduced dependence on carbon credits through annual improvements in reduced GHG emissions. To identify opportunities for GHG emission reduction, Dillon conducted energy audits at two offices last year. These audits led to energy management retrofits such as installation of efficient lighting, air-tight sealing on doors, occupancy sensors and timers on office equipment. Green leasing criteria were also developed

to help incorporate sustainable decisions in office leasing and renovation agreements. The green leasing criteria consider the energy efficiency of buildings, access to transit and parking, and the existence of energy monitoring systems.



Dillon achieved carbon neutrality with the support of LivClean. LivClean is a 100% Canadian organization with a global reach devoted to offering quality carbon offset products and solutions to both individuals and businesses. Their highly experienced team is passionate about making a difference in the environment and helping others reduce their carbon emissions. Their services include carbon footprint assessment, the procurement and sale of carbon offsets, carbon neutral water heaters and sustainable business solutions, including sustainable positioning strategies, marketing and communications. Their dedication to quality means all their carbon offset products meet their own strict criteria in addition to qualifying for the independent standards of the ISO, the CSA GHG CleanProjects or the Verified Carbon Standard. Helping others achieve sustainable living for the benefit of the entire planet is their ultimate goal. For more information, please visit www.livcleancarbonoffsets.ca.



Organic waste collection is part of Dillon's three-stream system at 60 per cent of its offices



Recycling helps reduce waste sent to landfill from Dillon offices

To better manage its solid waste stream, Dillon has implemented a three-stream system (recyclable, organics, refuse) for 60 per cent of its offices and has conducted waste audits at four of its offices to help identify actions that will further reduce, reuse and recycle waste materials. As a result, the average waste generated per employee was reduced by over 20 per cent in one year. The Office Products Green Option program has also helped to reduce the amount of waste generated. Green products are now the default purchasing option for all offices. On average, offices are purchasing 50 per cent of their products as green office products.

REAPING THE BENEFITS

Dillon's environmental stewardship was recognized in 2011 when it was identified as one of Canada's top 30 green companies and received the Green 30 award. Employees in organizations that participated in the 2011 study were surveyed on their firms' environmental initiatives. The 30 firms with the most positive responses to the environmental questions received a Green 30 award.

Dillon has implemented a range of actions that have reduced GHG emissions, water use and waste generation. The development of the CEM program has helped to ensure that Dillon's corporate goals are aligned with the environmental services it offers. It has also been an effective business development tool as it allows the organization to apply and test CEM initiatives and services in-house before they are offered to clients.

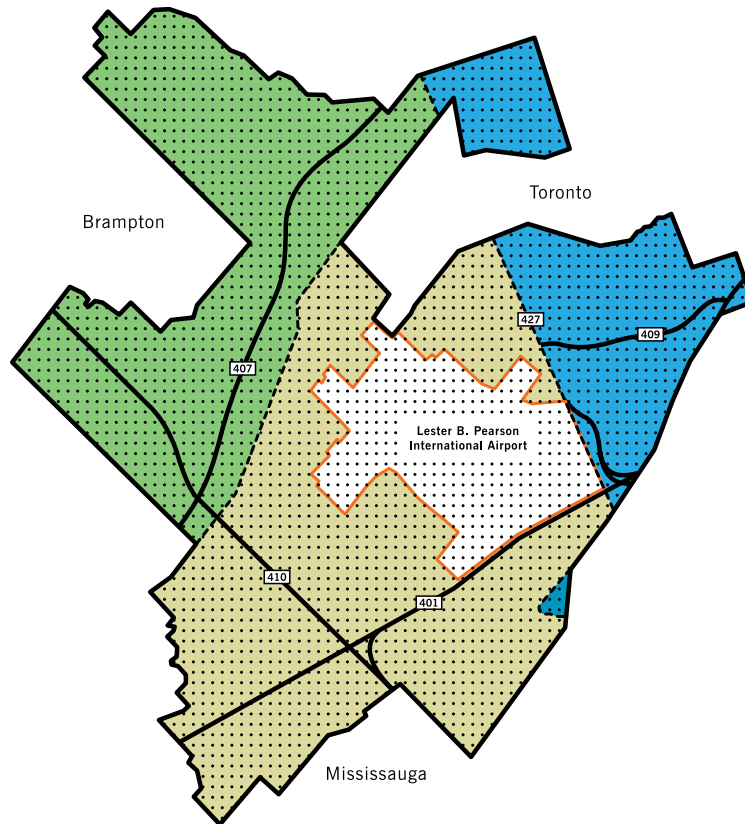
Dillon is working to embody sustainability into its organization's culture and continues to encourage all employees to be responsible for reducing their environmental footprint and to give back to the communities in which they live and work. Part of the success of the program is that policy and direction come not only from management but also from the employees themselves.

WHAT IS PARTNERS IN PROJECT GREEN?

Opportunities to gain a competitive advantage through sustainable business practices are more attainable than you think. Partners in Project Green is a growing community of businesses working together to green their bottom line by creating an internationally-recognized eco-business zone around Toronto Pearson.

Through new forms of business-to-business collaboration, Partners in Project Green delivers programming that helps businesses reduce energy and resource costs, uncover new business opportunities, and address everyday operational challenges in a green and cost-effective manner.

PEARSON ECO-BUSINESS ZONE



www.partnersinprojectgreen.com