

20
24



Environmental, Social, and Governance Report



MGAC

North America

United States

Washington, DC
Houston
Los Angeles
New York
San Antonio
San Francisco
Seattle

Canada

Toronto

Europe

United Kingdom

London
Birmingham
Brighton
Glasgow

A Letter from the President and Chief Executive Officer

MGAC started with three simple goals: to do the most interesting and challenging work, to have fun working together, and to build a successful business in the process. Our success is rooted in hiring exceptional people who are driven to do challenging work with the unique blend of experience, integrity, creativity, and commitment that separates us from our competitors. We pride ourselves on being large enough to offer global service, but pragmatic in our approach so we can provide the level of personal care and attention to detail that our clients and their projects deserve.

With that said, we are taking these same goals and principles and applying them to how we, as a company, approach changes in environmental, social, and corporate governance. We want to do our part by maximizing our positive impact on the environment, focusing on the wellbeing of our employees, and benefiting the communities where we work.

These ideas have guided the company as we have grown, but we have never had a formal reporting process or policy around them. Going forward, we are making the commitment to set goals for ourselves, track them, and ensure that we are doing our part. A significant component of this commitment is our pledge to join the United Nations Global Compact, joining many other global companies in aligning our policies with the United Nations' Sustainable Development Goals (SDGs).

This report affirms our support for the principles of the United Nations Global Compact and outlines our goals for improving our global impact based on those principles. We are steadfast in this commitment and will continue to apply our experience and expertise in planning, managing, and delivering the best projects for our clients and the communities in which we work.



Sincerely,

A handwritten signature in black ink, appearing to read 'Mark G. Anderson', followed by a long horizontal line.

Mark G. Anderson
President and Chief Executive Officer

Introduction

MGAC's commitment to Environmental, Social, and Governance (ESG) principles is demonstrated by a range of business practices across the organization. From specific office operations and broader community engagement to our corporate policies, we constantly ask ourselves how we can do better for our people, the environment, and the

communities in which we live and build. This report is the first MGAC ESG Report and is meant to document our goals and track our progress against them. This will enable us to be more transparent about the risks and opportunities we face.

1

GOAL Align our strategies and operations with best practice principles for the environment, society, and corporate governance.

HOW TO ACHIEVE IT Baseline and publicly documenting performance in an annual ESG report.

2

GOAL Take strategic actions to continually improve MGAC's performance against the United Nations (UN) Sustainable Development Goals.

HOW TO ACHIEVE IT Joining the UN Global Compact as signatory member and reporting company.

3

GOAL Enable employees to become more engaged in supporting our ESG goals, making MGAC a better place to work.

HOW TO ACHIEVE IT Beginning the process of achieving building and health certifications for MGAC offices (Green Globes + Fitwel).

4

GOAL Become carbon neutral by 2050.

HOW TO ACHIEVE IT Continuing the process of moving MGAC towards carbon neutrality.

5

GOAL Create transparency and establish benchmarks for improvement towards our goals year-over-year.

HOW TO ACHIEVE IT Setting corporate targets around sustainability, philanthropy, and diversity.

UN Sustainable Development Goals

MGAC's ESG program will establish benchmarks in key areas that allows us to evaluate and improve our goals year-over-year. It will keep us accountable and visible. This first annual ESG Report serves as an important communication tool to share with all of our stakeholders, and makes public our alignment with the UN Sustainable Development Goals.

MGAC's inaugural ESG Report follows Global ESG best practices and is in compliance with principles of both the UN Global Compact and Global Reporting Initiative. MGAC will be following the GRI framework as the foundational standard for ESG, and MGAC will be reporting as a signatory member of the UN Global Compact.



We intend to become a signing member of this global compact and align our company with global best practices. We are using UN guidelines to benchmark our efforts, and throughout this report we refer to Global Reporting Initiative (GRI) standards. These are global sustainability standards recognized by the UN Global Compact.

Environmental Topics

As active participants in creating the built environment, we are mindful of the impact of our business decisions. This is clear in our view and approach to reducing carbon emissions and managing the environmental impacts of our operations.

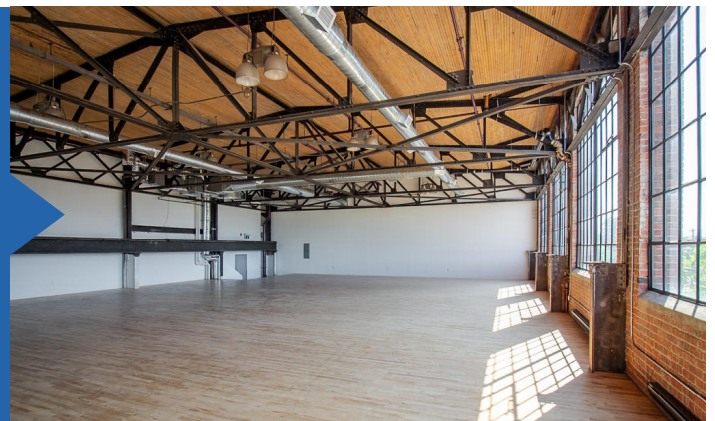
Environmental responsibility at MGAC includes not only quantifying and reducing our carbon emissions resulting from our office operations and business travel, but finding ways to reduce our emissions year-over-year.

With the goal of making progress on reductions, we approach climate efforts in a variety of ways, including:



Reducing carbon emissions annually, mitigating the emissions from travel and operations.

Continuing to seek energy efficient office spaces to occupy.



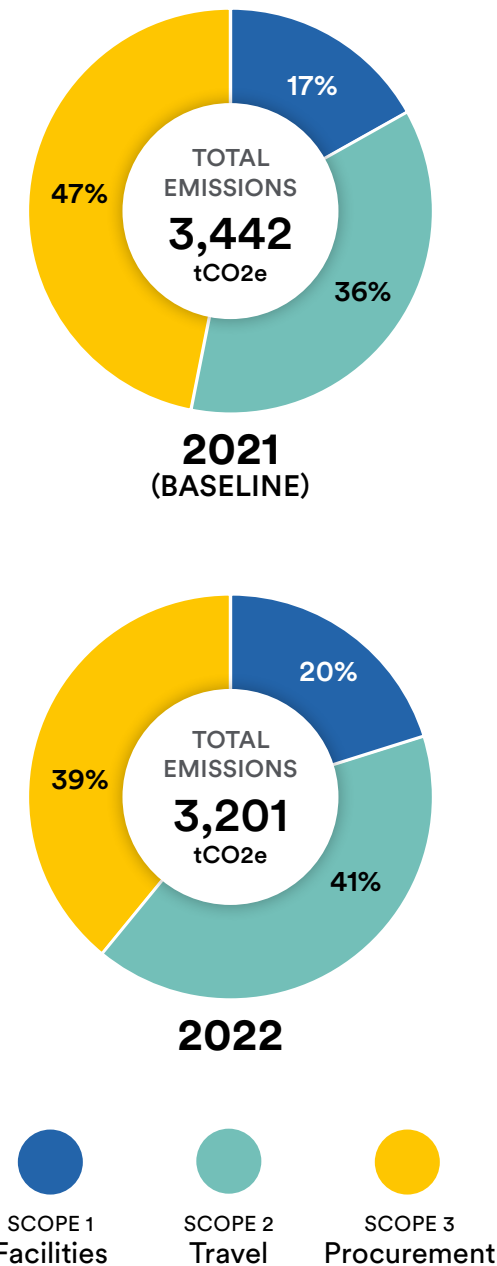
Pursuing Green Globes / Fitwel certifications for all existing office spaces.

REDUCING OUR CARBON FOOTPRINT

As an organization, our carbon dioxide emissions emanate from a limited number of sources, namely the servicing and heating / cooling of our offices (all are leased properties), travel activities of our staff, and the activities of our suppliers.

With the aim of reducing our carbon footprint, MGAC looks for ways to minimize our impact both up- and down-stream.

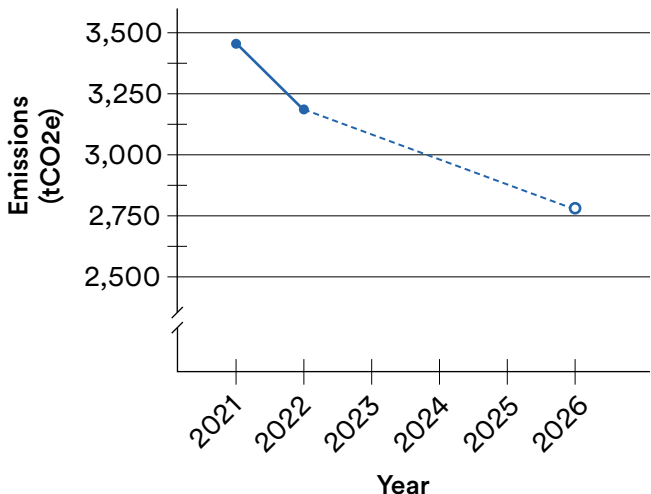
CARBON EMISSIONS BY SCOPE



Emissions Reduction Targets

In order to continue our progress to achieving carbon neutrality, we have adopted the following carbon reduction targets: we provisionally project that our carbon emissions will decrease over the next five years to a total of 2,755 tCO₂e by 2026. This is a target reduction of 20%.

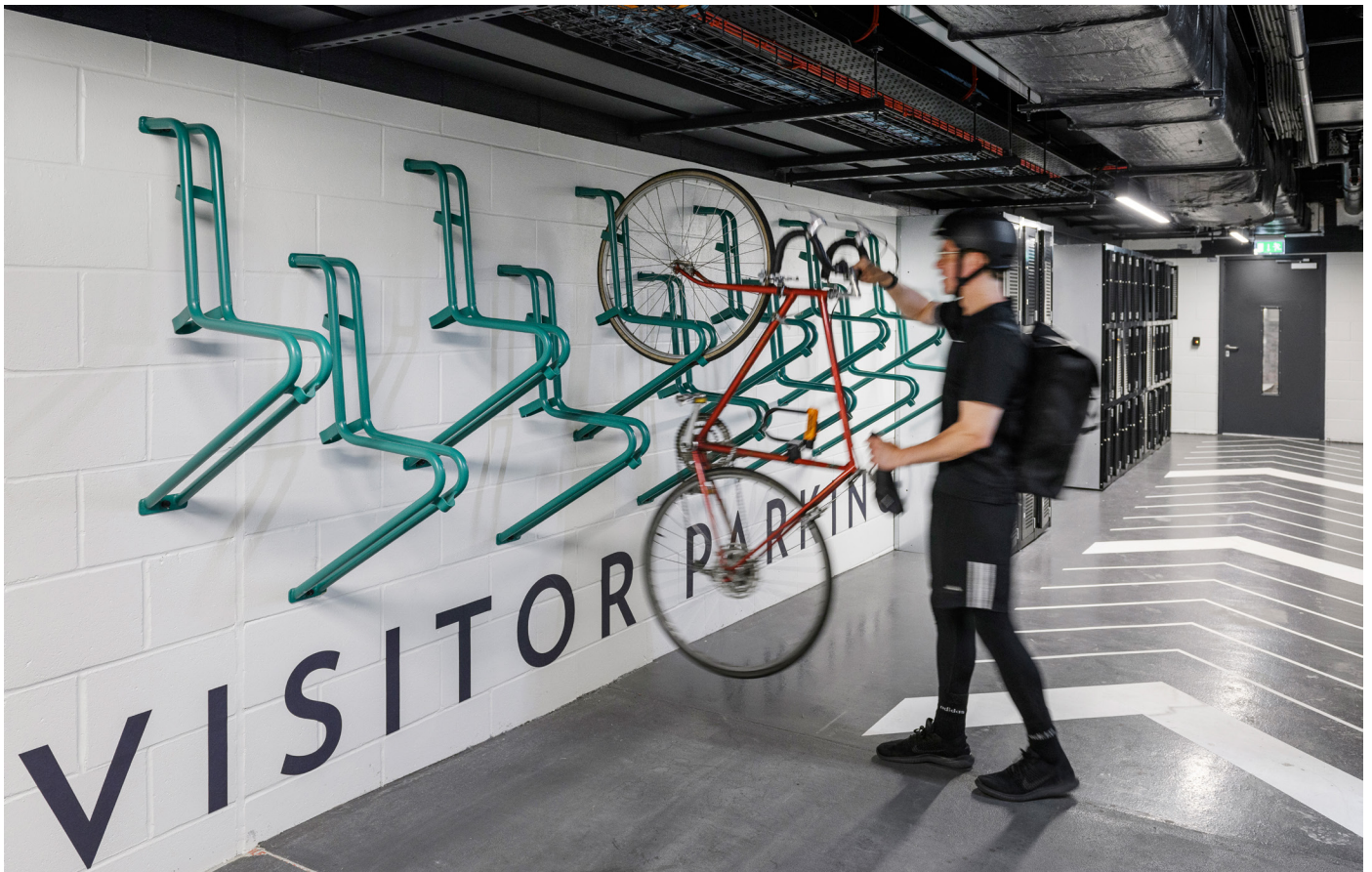
CARBON EMISSIONS BY YEAR



TRANSPORTATION IMPACTS

MGAC subsidizes public transportation costs for its employees and encourages bicycling or using other alternate modes of transportation to commute to and from the office. We also reduce travel impact as much as possible by encouraging video conferences between our offices and with clients when practical.

While business travel accounts for 41% of our carbon emissions, we are committed to working with our staff and clients across our projects and offices to find meaningful business solutions that decrease our impact, and support corporate travel partners who are aggressively working towards a Zero Carbon goal.



OFFICE IMPACTS

Certifications

MGAC aims to certify current offices with Green Globes and Fitwel Credentials in the next five years.

Why We Chose These Rating Systems

A combination of Green Globes to monitor and rate building / space physical performance and Fitwel to measure health and wellness factors will allow for differences in attributes of our existing offices, particularly where we have little or no control over the building systems. The two rating systems require no pre-conditions and allow us to track our own path or focus areas.

In 2022, our Toronto office became Fitwel Certified. In 2023 our Los Angeles office, located in the LEED Platinum® certified Aon Center, also earned Fitwel Certification.

We are currently studying our San Francisco and Birmingham offices with the goal that they also become certified.

Sustainable Office Practices

As influencers in the built environment, we believe the work of combating climate change begins with us.

Some of our standard sustainability practices include requiring multi-stream recycling throughout our offices; wherever possible, incorporating low-flow fixtures to reduce water consumption and waste in our offices; combining and consolidating deliveries, and using eco-friendly packing / shipping materials that include post-consumer waste recycled material; and purchasing durable dishes and flatware for office employees to reduce the use of paper goods.

GLOBAL REPORTING INITIATIVES (GRIs) ENVIRONMENTAL

302-1

Energy Consumption within the Organization

Future leases will be evaluated to ensure they meet goals for transit friendliness, carbon footprint reduction, and environmental sustainability.

Within five years, MGAC aims to certify current offices with Green Globes and Fitwel credentials.

303-5

Water Consumption

We aim to reduce water consumption and will evaluate future leases for sustainable practices.

306-2

Management of Significant Waste-Related Impacts

No single-use plastics or dishware are provided in MGAC offices. All offices are equipped with reusable utensils and dishware.

Social Topics

MGAC's culture is our most important attribute, and we are proud of our open and accepting environment. Each of our team members bring varying backgrounds of life, areas of study, and perspectives that make our culture thrive. Every

employee plays a role in maintaining our reputation as a professional, inclusive employer built on a foundation of integrity, transparency, and commitment.

GLOBAL REPORTING INITIATIVES (GRIs)

SOCIAL

Philanthropy

413-1

Operations with Local Community Engagement, Impact Assessments, and Development Programs

At MGAC, we believe that we have a responsibility to the communities in which our offices are situated; as a result, many of our philanthropic efforts and partnerships are based around supporting the interests and passions of our employees in their local communities. We work to gain insight into the unique needs of each place, taking the lead from our employees on the ground and community leaders with whom they are connected. We encourage opportunities for our employees to get to know and engage community members and local groups. As our firm grows, community engagement brings our people together, building trust and invaluable relationships. Whether providing funds or rolling up our sleeves, we give our employees a platform to make change in their communities and empower them to help change the world. We have focused our efforts on critical areas by supporting the following causes:

- Environmental Protection
- Education in Marginalized Communities
- Women's Empowerment Initiatives
- Affordable Housing and Food Availability

To meet this goal, each MGAC office has \$20,000 (£15,000) allocated to donate per year toward initiatives supporting the above objectives. In addition, each MGAC employee is given 16 paid volunteer hours per year.

Augmenting office-level activities, MGAC also makes significant contributions at the corporate level. It is our goal to continue to grow our philanthropic efforts and donate \$2M by 2030.

Benefits

405-2

Ratio of Basic Salary and Remuneration of Women to Men

MGAC takes pay equity seriously and is constantly evaluating the compensation of our teams based on function and geography. This is done through internal processes and adjustments within salary bands and qualifications, and through pay equity analyses through third-party vendors. MGAC addresses pay inequities wherever they occur.

202-1

Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage

100% of MGAC employees are compensated over minimum wage standards.

401-3

Parental Leave

MGAC provides family friendly policies, following the birth of an employee's child or the placement of a child with an employee in connection with adoption or foster care, to employees who have continuous employment for at least 12 months and have a full-time, permanent, or fixed term, regular contract with the firm. Maternity eligible employees will receive 12 weeks of enhanced family and parental leave, while paternity and partner eligible employees will receive up to 8 weeks fully paid. Adoption leave entitlements will be paid up to 12 weeks. In the event of baby loss (miscarriage, stillbirth, and neonatal death), up to two weeks of leave will be provided. Enhanced family and parental leave policies are on top of any statutory, federal, state, and provincial leave.

404-1

Average Hours of Training Per Year Per Employee

MGAC encourages professional development, learning, and continuing education within the field. We recognize that our employees' skills and knowledge are critical to the firm's success. Whether it be continuing education (supported through tuition reimbursement assistance), certifications, training classes, association memberships, or subscriptions, MGAC provides its employees with numerous avenues for professional development.

404-2

Programs for Upgrading Employee Skills and Transition Assistance Programs

MGAC believes in fostering the careers of its employees and providing valuable feedback, tools for measuring goals, achievements, and the progress of our workforce. Though evaluations of each employee are generally provided annually, providing timely and ongoing feedback is key to achieving our goals and meeting expectations. We want to see our employees grow, which is why we ensure that they have the tools to do so. MGAC's Performance Management Program, paired with career development, employee advocacy, and professional development programs, are available to help employees reach their professional dreams. Due to the hard work, dedication, and great efforts of our employee base, 21% of employees received promotions in 2023.

404-3

Percentage of Employees Receiving Regular Performance and Career Development Reviews

Currently 85% of our North American employees, and 100% of our United Kingdom employees receive annual performance reviews as part of MGAC's Performance Management Program.



Other

401-1

New Employee Hires and Employee Turnover

In 2023, MGAC workforce had a turnover of 13%, down from 20% in 2022, and it grew by 27%, equaling 2022's growth.

401-2

Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees

Part-time employees working 30 hours per week in North America receive the same benefits as full-time employees. Part-time employees working less than 30 hours a week in North America do not receive the standard MGAC benefits which include PTO, healthcare benefits, retirement contributions, etc. In the United Kingdom, all employees are entitled to receive the same benefits following a successful probation period, irrespective of the number of hours worked.

402-1

Minimum Notice Periods Regarding Operational Changes

When possible, MGAC provides 30 days of notice regarding operational changes.

403-4

Worker Participation, Consultation, and Communication on Occupational Health and Safety

MGAC has in place workplace policies that include providing a discrimination and harassment free workplace, violence and weapons free workplace, tobacco and drug free workplace, and other safety items.

403-5

Worker Training on Occupational Health and Safety

Of MGAC's US-based employees who are in program / project management and cost management positions, 64% are OSHA certified and 20% are currently in the process of becoming certified.

Our Canadian employees follow the Health and Safety protocols specific to the province in which their projects are located. As a business in Ontario, we also belong to the Workplace Safety and Insurance Board (WSIB) program, and all Canadian employees follow the H&S guidelines set by WSIB.

Of MGAC's UK-based employees, all technical members hold Construction Skills Certification Scheme cards, which provide proof of training and qualifications in occupational health, wellbeing and welfare, and general safety.

403-9

Work-Related Injuries

For the year 2023, MGAC had no reportable work-related injuries.

Governance Topics

Though MGAC is a privately held company, reporting on our Governance displays our commitment to bring value, certainty, and leadership to the delivery of complex design and construction projects.

GLOBAL REPORTING INITIATIVES (GRIs) GOVERNANCE

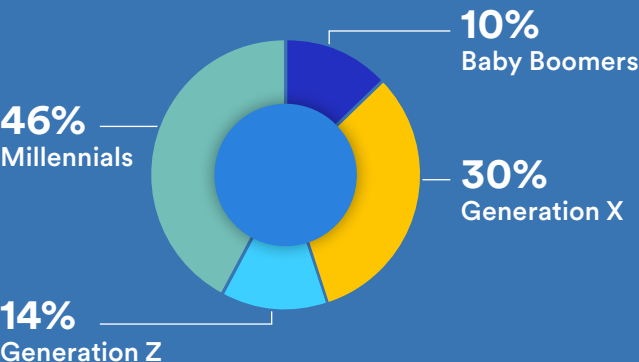
405-1

Diversity of Governance Bodies and Employees

MGAC believes in encouraging and fostering a workplace that celebrates, values, and drives a diverse and inclusive culture. We commit to bringing awareness, visibility, and a voice to our employees, clients, and our communities.

MGAC firmwide workforce demographics are listed below:

GENERATIONS



WOMEN

23%

Senior Management

MINORITY MAKEUP

23%

Firmwide

205-2

Communication and Training About Anti-Corruption Policies and Procedures

Anti-corruption policies and procedures are updated and communicated regularly to all employees.

207-4

Country-by-Country Reporting

MGAC fully complies with reporting requirements in all jurisdictions where we provide services.

MGAC

North America

United States

Washington, DC
Houston
Los Angeles
New York
San Antonio
San Francisco
Seattle

Canada

Toronto

Europe

United Kingdom

London
Birmingham
Brighton
Glasgow

www.mgac.com