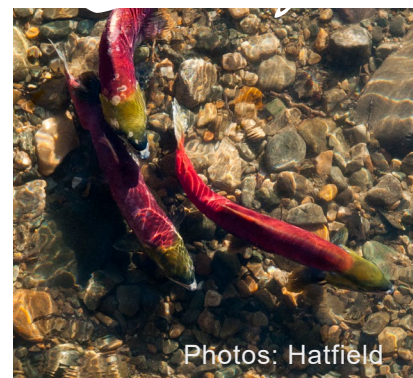
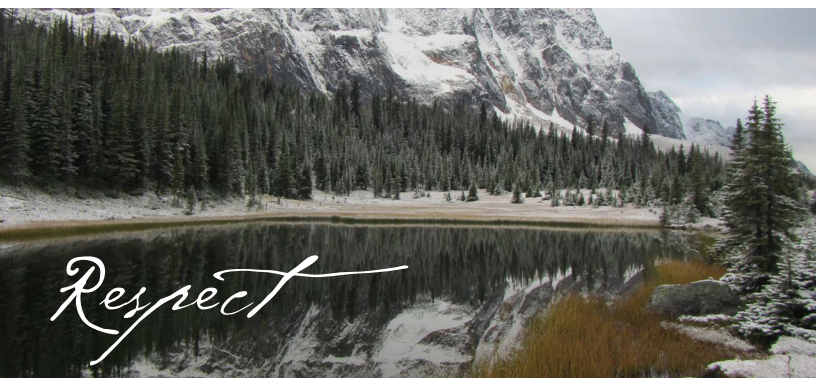
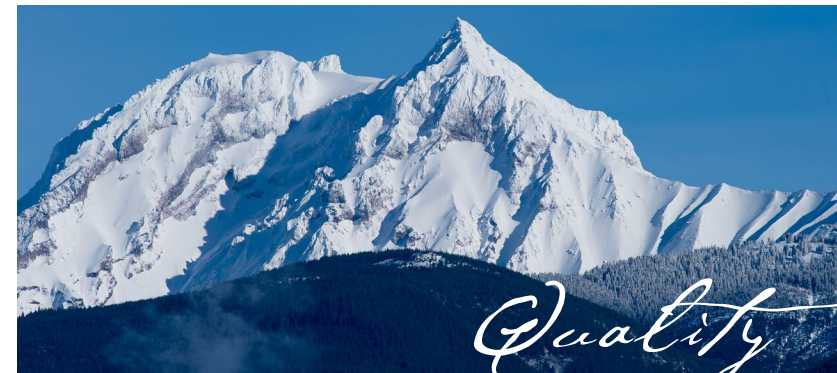
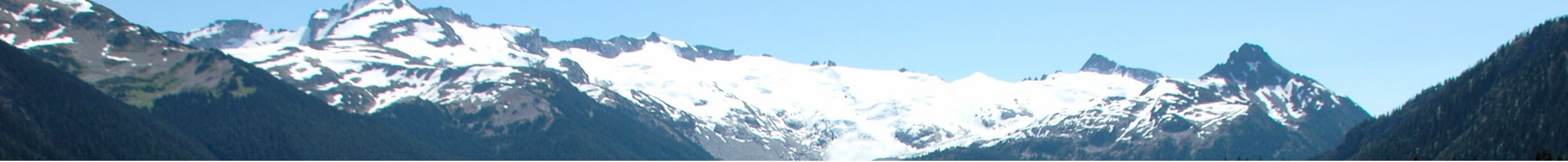


CORPORATE SOCIAL RESPONSIBILITY

2021 ANNUAL REPORT





OUR MISSION

To provide innovative, science-based solutions to address the environmental and natural resource management needs of our clients. We work collaboratively and respectfully with clients and partner organizations and support the professional goals and development of our employees.

OUR VISION

To provide high quality environmental services to private and public sector clients throughout the world.

OUR CORE PURPOSE

To enhance environmental stewardship and improve people’s lives.

OUR CORE VALUES

- Do our best (technical excellence, creativity)
- Do the right thing (honesty, integrity, positive influence)
- Help out (supportive, collaborative)
- Be a Goob (caring, good humour)



Letter from the President

Welcome to Hatfield's fifth Corporate Social Responsibility (CSR) report. This was an unprecedented year in which we, like many other firms around the world, faced challenges with the uncertainty resulting from the global COVID-19 health pandemic. Like many we had to adjust our operations to ensure the safety and health of our staff. More than ever, maintaining a focus on sustainability and well-being was imperative to successfully navigate this situation. As a company we adapted and, despite the circumstances, continued to deliver high-quality environmental services to our clients and provide fulfilling and supportive workplace for our employees.

This year highlighted how our commitment to our core purpose and values, shared by Hatfielders across the globe, is the key to our team's success. The outcomes presented in this report would not be possible without their dedication. We continue to challenge and empower our employees to integrate sustainability and social considerations into everything they do for Hatfield and our clients. We continue to invest in the tools, skills, and resources to support our staff in these efforts. We also take seriously our role in supporting and enabling our clients to successfully address their own sustainability challenges.

I invite you to explore our report to learn more about what sustainability means to Hatfield, the progress we have made since our first report, and the opportunities we see ahead to continue to support and contribute towards a more sustainable world.

- Garth Taylor, President Hatfield Consultants LLP



Hatfield's CSR Vision

THE CSR COMMITTEE

Hatfield's CSR committee was formed to promote practices and policies that support our CSR vision. In 2021, the committee was comprised of representatives from different seniority levels and business areas within the head office in North Vancouver. The committee held monthly coordination meetings and liaised with other staff to foster and pursue the goals outlined in Hatfield's CSR Policy and Vision.

HATFIELD'S CSR VISION

Our CSR vision is to continue to incorporate practices into our business that maintain economic, social and environmental sustainability in the places and communities where we work and live. CSR serves as a guiding tool to help us integrate social and environmental concerns into our business operations, decision-making and interactions with our employees, clients, Indigenous nations and stakeholders. By adopting this approach, we can better anticipate and manage risk, improve our social license and reputation, attract and retain staff who share our values, and increase our operational efficiency, creativity and competitiveness.

We have focused our CSR goals, and this report, on the seven core subjects defined by the International Standards Organization (ISO) 26000 CSR guidance. These core subjects and associated Hatfield commitments are summarized in Table 1:

Table 1 CSR pillars and fundamental principles

ISO 26000 Core Subjects	Commitment
Organization and Governance	We are committed to ensuring the highest ethical standards in decision making associated with our business activities.
Human Rights	We respect human rights as a fundamental practice, and we are guided by the UN Universal Declaration of Human Rights.
Labour Practices	We place the utmost emphasis on the health and safety of our employees and visitors. We support staff development and aim to operate as a meritocracy.
Environment	Protection of the environment, biodiversity, and restoration of natural habitats is the cornerstone of our business and corporate culture.
Fair Operating Practices	We adhere to laws and regulations, and maintain a high level of accuracy and confidentiality, respect intellectual property, and refrain from bribery.
Consumer Issues	We constantly pursue the highest level of quality and work to foster long term alliances and partnerships with our clients. We are an ISO 9001 certified company and strive for continuous improvement.
Community Involvement and Development	We provide in-kind and cash contributions to select causes in our local communities and support volunteer initiatives by our employees both locally and internationally.



Organizational Governance



Our commitment to corporate social responsibility is grounded in a series of governance structures, policies, and protocols. These measures help to ensure that all of us at Hatfield adhere to the highest ethical standards, accountability, and transparency in all our business activities. Key examples include:

- Our governance structure relies on a broad spectrum of committees (e.g., management, quality, human resources, health and safety, social, and mentorship) which serve to foster diverse points of view and greater transparency in corporate management, planning, and decision making.
- Hatfield's Code of Ethics to which all employees are required to abide.
- At Hatfield we abstain from providing financial support to political parties.
- Hatfield staff are empowered to report any potential conflict of interest to their supervisor, one of the partners. We also have an Anonymous Feedback mechanism on the Hatfield intranet to protect confidentiality.
- We are committed to highest standards of professional conduct and integrity in all our business dealings and relationships. Staff are encouraged and empowered to promptly report any suspected illegal, improper or unethical conduct they become aware of in the workplace or in connection with their work. Hatfield's Anti-Bribery and Anti-Corruption Policy provides guidelines on how to report unethical conduct.

Human Rights

Hatfield respects and protects human rights as a fundamental practice and is committed to the promotion of diversity and non-discrimination. Our commitment is inspired and informed by the United Nations (UN) Universal Declaration of Human Rights and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). These commitments are further embodied in several policies including our Equal Employment Opportunity Policy, our Anti-bullying and Anti-harassment Policy, and Indigenous People’s Policy.

These policies aim to foster an inclusive environment and feature prominently in our hiring and career advancement practices. Any discrimination based on gender, age, race, sexual orientation, religion, disability, culture, language, social or economic status is not tolerated.

Over the last five years or so we have improved gender balance in all staff categories (Figure 1). In 2021 45% of our staff were female. Our technical and administrative roles continue to be heavily dominated by females (80%) (Figure 2), while management and partners are predominantly male (74%) (Figure 2). We have a diverse age range across the company, although the majority of our staff fell within the 31-45 range (Figure 3). As we continue to grow we anticipate an increasing proportion of our staff to come from younger people in the 18-30 yr age range.

We continuously review our hiring practices and provide opportunities for advancement fostered in a fair and unbiased manner. In 2022 we are preparing to undertake an external audit of our Human Resources operations to ensure our policies and practices embody our values of diversity and inclusion and to identify opportunities for improvement.

Figure 1
Total workforce by gender

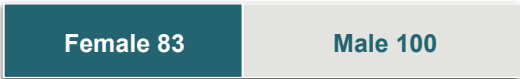


Figure 2 Staff levels gender distribution

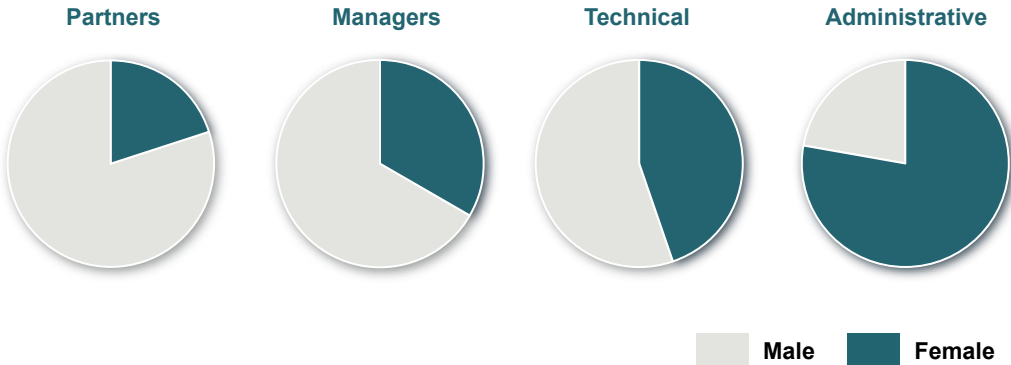
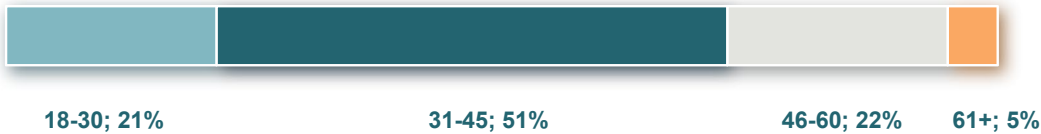


Figure 3 Total workforce by age



Human Rights

Hatfield also takes an active approach in the work we do with our clients to protect and promote human rights. We consider the human rights performance of potential and existing clients, partners and subcontractors, and refrain from signing on to projects that may involve conflict minerals or projects at risk of using child labour, forced labour, or forced resettlement. We embrace projects which are proactive about addressing human rights issues.



Labour Practices

Health and Safety

Hatfield aims to ensure a safe and healthy working environment for our employees, outside contractors and visitors on our premises and at client sites. We aspire to achieve zero reportable health or safety incidents. We are diligent about complying with all relevant legislation and regulations and closely follow best practice guidelines recommended by WorkSafe BC, the Workers' Compensation Board of Alberta or any other appropriate regulatory authorities. All staff receive annual training and more frequently as required by other regulating bodies. Hatfield is also a CORE-Enform and Workers Compensation Board certified company. We review and monitor our health and safety statistics for continuous improvement in accordance with CORE-Enform values.

Health and safety updates are a standing agenda item for monthly staff meetings which further help to reinforce understanding of our policies and practices and deepen our commitment to maintaining a healthy, safe, and enjoyable work environment.

We support the personal mental and physical health of our employees by offering an extended health benefits plan, paid sick days, mental health supports, and provisions for fatigue management. In 2021 we took additional steps to protect the health and safety of our staff in response to the global COVID-19 pandemic, including:

- Continued refinement and implementation of COVID-19 workplace and fieldwork policy.
- Implementation of controls to minimize the spread of the virus in our offices and field sites such as protocols and signage to encourage social distancing, increased cleaning and disinfection, and provision of non-medical masks to all employees.
- Frequent and prompt communication with staff regarding public health advisories, including how we were using these to inform initial development of return to work plans.
- An enabling environment that supported our employees in their need to work from home during the COVID-19 pandemic.

An outcome of these changes in our day-to-day operations included a reduction in recorded health and safety incidents in 2021. These incidents are reflected in Table 2 which provides a summary of the health and safety recordable incidents between 2017 and 2021.

Table 2
Summary of health and safety recordable incidents, 2017 to 2021

Health and Safety Recordable Incidents	2021	2020	2019	2018	2017
Occupational Diseases	0	0	0	0	0
Medical Injury	0	1	0	0	1
Near-misses	9	10	14	11	6
First Aid Incidents	3	4	8	5	8
Vehicle Incidents	0	1	0	0	0
Total Recordable Incidents	0	0.74	1.64	0	1.02

Labour Practices

Training and Professional Development

At Hatfield we support the professional development and career satisfaction of our staff. Partners and managers work with their staff to develop personal objectives that align with the company's strategy and to ensure they have a clear understanding of the valuable contributions they make to our business. To meet these objectives, Hatfield supports personal and professional development programs, training, and succession planning (Figure 4). Periodic annual performance reviews offer a structured opportunity to review these goals and assess career progression and satisfaction.

Attrition

In 2021, continued challenges associated with the COVID-19 pandemic required Hatfield to implement strategies to sustain our business, keep everyone employed, and begin planning for our staff to return to the office. Most of our staff had a tenure of <1 to 4 years (Figure 5). Our rate of attrition was higher than the last 5 years (Figure 6). Departing staff generally were in technical positions and the attrition rate for male and female employees was roughly equivalent.

Figure 4
Average training hours per employee

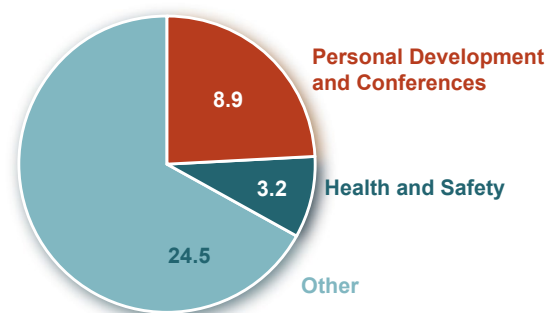


Figure 5 Staff tenure

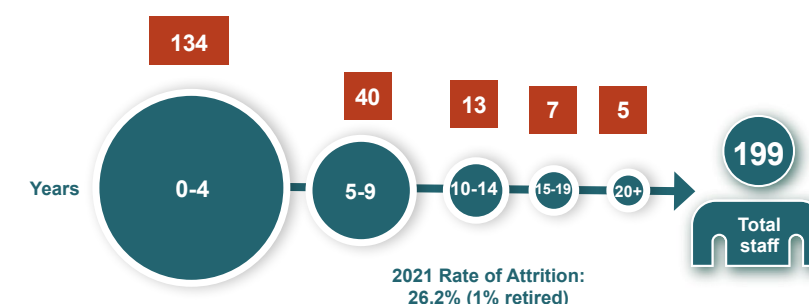
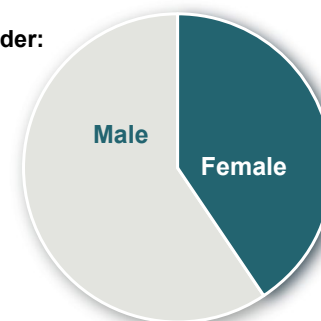
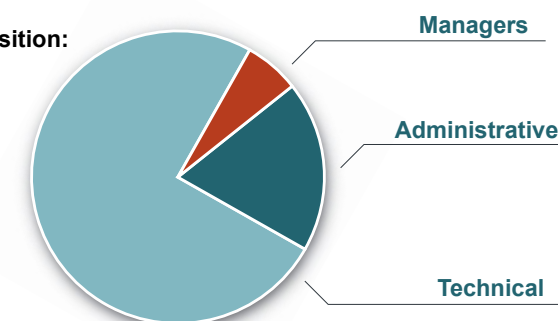


Figure 6 Staff attrition by gender and position

By gender:



By position:



The Environment

Protection of the environment is a cornerstone of Hatfield's business and corporate culture. We are committed to minimizing the impact of our activities on the environment as well as supporting our clients with environmental protection. Hatfield acknowledges there are inevitable environmental impacts associated with many businesses, and we aim to minimize harmful effects and consider the development and implementation of environmental standards to achieve this goal.

Most of Hatfield's direct environmental impacts originate from transportation to our offices and work sites, use of resources and electricity, and waste generation. The following are initiatives and metrics we have implemented and tracked in these areas in 2021. It should be noted that many of our annual metrics were impacted by the continuation of COVID-19 including telecommuting arrangements for all of our staff.

Transportation

Most Hatfield staff continued to work from home during 2021 due to the COVID-19 pandemic which eliminated their need to commute into our offices. However, before this change occurred in mid-March 2020, most staff were driving alone or using transit to commute into their offices. The majority of staff reported being satisfied or very satisfied with their daily commute.

Before the pandemic, around a third of staff used transit to commute to and from the office 25% or more of the time. Although we did not explicitly track the impact of the COVID-19 pandemic on the use of public transit, concerns about the higher risk transit presents for virus transmission was shared by some of our staff.



The Environment

Hatfield offices provide bicycle storage and shower facilities to support cycling as a healthy, emission-free option for commuting. Prior to 2020, North Vancouver staff had been active participants in Bike to Work Week since 2007.

In 2021, as part of our project work technical staff logged 396,674 km driving to and from and at project sites. This was a substantial increase from the previous years which was likely due to a combination of factors including that as a company we were extremely busy in 2021 with many large field programs leading to many more hours being worked by Hatfield staff and contractors. Also to minimize COVID-19 exposure risks some staff preferred land travel with fewer people in the vehicle over air travel to reach sites.

Resource Use

The onset of remote work in Spring 2020, continued through most of 2021 and precipitated a significant drop in our use of office supplies especially, paper used for printing. Hatfield offices have aimed to reduce paper use through investment in accounting and administrative digital tools. A transition to additional digital processes this year positively impacted this goal (including more frequent digital submission of reports to clients and accounting forms).

We also ensure our procurement practices and office operations are consistent with our environmental responsibility policies. We vet our suppliers to ensure we are purchasing products and services from companies with high environmental standards such as supplying FSC-certified paper or Fair-trade coffee.



The Environment

Waste Generation

We have systems in place to decrease waste generation which include recycling paper products, as well as electronics, batteries, plastic and glass containers, and organics. We generally aim to eliminate single-use plastic waste by providing staff with reusable cups, plates, utensils, and water bottles, and to recycle used ground coffee beans by sharing it with staff to use as garden compost.

Through these practices, we promote environmental awareness, responsibility, and best practices throughout Hatfield.

We also support sustainability initiatives and practices through the work we do with our clients, which includes the following objectives:

- Minimizing environmental risk while providing our services, for example through implementing controls to avoid spills of harmful chemicals while sampling and opting for non-lethal sampling of organisms wherever possible.
- Ensuring environmental assessments, studies, and recommendations by Hatfield to our clients are made in an unbiased and scientifically supported manner, in line with upholding the principles of environmental stewardship and social responsibility.
- Supporting the environmental initiatives of our clients and encouraging implementation of environmentally sustainable practices.

Many, if not all of the projects Hatfield worked on in 2021 had a direct focus on supporting sustainability. Our core values are driven to find sustainable, resilient solutions for our clients and our daily practices.



Fair Operating Practices

Ethical and fair business practices are central to our operations. We stand firm in our commitment to upholding these principles: Hatfield will understand and comply with laws and regulations relevant to our business in the countries where we operate.

- Bribery of officials, whether within Hatfield, other organizations, or government, will not be tolerated. This includes offering any form of money, entertainment, or gifts that may result in personal gain.
- Hatfield will not use or infringe on third party intellectual or real property rights without documented permission, nor abuse Hatfield's own property.
- Hatfield will not share personal or confidential or sensitive data or information without the owner's free, prior and informed consent.
- Hatfield is committed to fair and transparent bidding practices, and prohibits collusion.
- Information released to the public or to potential or existing clients will be accurate, fact-based, and in accordance with applicable laws and regulations.



Consumer Issues

At Hatfield, we value building strong and lasting relationships and partnerships with our clients. Our approach is based on building mutual trust by adhering to and practicing our core values (Section 4.0). We also strive to consistently deliver high-quality and professional services that meet or exceed the expectations of our clients around the world. As an ISO 9001 certified company, we have a corporate quality management program to promote continuous improvement in our business operations.

Across the company, regardless of position, we collaborate to improve the quality of our services and enhance customer satisfaction and trust. We believe that investing in our staff's professional development is crucial, as it keeps our services relevant and fosters collaboration and innovation.

As a company, we place great value on the feedback we receive from our clients. This feedback helps us to continually improve our services and ensure their quality. In 2021, we received 23 responses from clients, which we carefully recorded and reviewed. The feedback we received was primarily focused on the timeliness and quality of our deliverables, as well as the expertise of our staff.



Community Involvement

Hatfield recognizes the value in supporting the communities in which we work and supports the development of more collaborative approaches with communities. We are committed to the following community involvement and development initiatives:

- We offer paid time off for staff to volunteer with causes they feel passionate about. Although the amount of volunteering engagement we could do was limited by the pandemic, in 2021 staff volunteered just over 100 hours of their time to participate in local initiatives in BC and Alberta (Figure 7).
- We provide both in-kind and cash contributions for select causes in local communities. In 2021, staff and the company almost tripled the donations made in previous years as we led a fundraising campaign to donate \$6700 to the Canadian Red Cross for BC flood relief in addition to continuing the holiday season local Food Bank support in both BC and Alberta (Figure 8).
- Each year we offer co-op internships for students from local education institutions. In 2021, Hatfield hired three co-op / technical practicum students, all three were subsequently hired as full-time employees.
- We engage with local industry associations and organizations, supporting our staff to be part of their membership and engage in their operations and award nominations.
- Hatfield seeks to develop partnerships with Indigenous communities and companies both as consultants and business partners.

Figure 7 Total volunteer hours

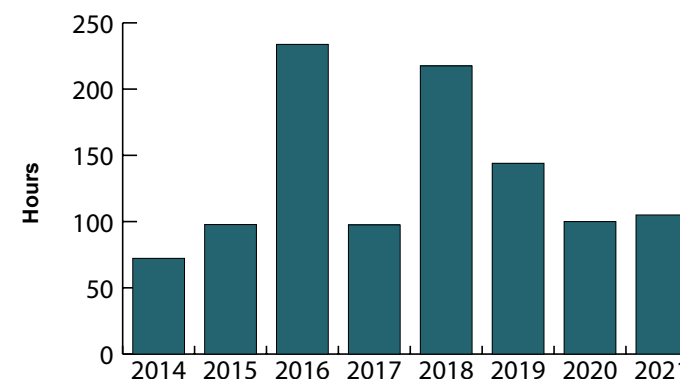


Figure 8 Charitable donations

