# Designing Sustainable and Innovative Environments

2024 ESG Report

WARE MALCOMB





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# Message from the CEO



I am pleased to share with you Ware Malcomb's inaugural Environmental, Social and Governance (ESG) report that communicates our commitment to ESG principles and our strategy to make a positive impact through our projects and actions. At Ware Malcomb, we pride ourselves on our ability to embrace innovation and think differently. As a dynamic and forward thinking design firm, we understand the pivotal role we play in shaping a more sustainable and inclusive built environment.

> For over 50 years, Ware Malcomb has designed projects that create long term real estate value for our clients.

Today we are focused on both this value creation and delivering more sustainable design solutions that exceed conventional boundaries. These efforts include not only environmental aspects but encompass and prioritize wellbeing, health and quality of life across our communities, and upholding high ethical standards. By utilizing a broader, more comprehensive approach, we can implement projects that leave a lasting positive impact. This year, we signed the AIA 2030 Commitment, reflecting our intent to support international efforts focused on curbing greenhouse gas emissions and realizing a carbon-neutral built environment. Through this commitment, we strive to work alongside our peers to accelerate progress on sustainable development across the AEC industry.

Internally, we embrace environmental stewardship and promote a culture of empowerment, diversity and inclusion, fostering a setting where every individual can thrive. This is reflected by our outstanding culture, extensive community engagement, and industry leading mentoring and leadership development programs. I am very proud of the long lasting collaborations we have solidified with various organizations we are honored to call partners.

Our partnerships allow us to make a meaningful difference where it is needed the most, while trust, transparency and collaboration are the foundations upon which we will continue to build strong relationships.

> Our ESG strategy will help us identify new ways to optimize our processes, manage our environmental footprint and operate with integrity and responsibility.

Leading by example is central to our mission. We look forward to advancing how we work with our stakeholders to measure our impact, set transparent goals and further improve our performance. We will continue to focus on making an impact in our local communities through our support of nonprofit organizations and by coordinating educational outreach for underserved students to expose them to our industry and help put them on a path to career success. We are committed to contributing to a sustainable, healthier and resilient built environment, while operating in alignment with our values.



Ken Wink CEO

# **About Us**

Ware Malcomb is a dynamic full service commercial real estate design firm dedicated to delivering cutting edge solutions for our clients. With our extensive expertise and multidisciplinary approach, we offer innovative design solutions, efficient project management and active engagement in the community and industry. Since our establishment in 1972, we have consistently demonstrated our ability to address all aspects of a project, ensuring its successful implementation.

With interconnected offices spanning across the Americas, we have built a strong presence in key markets, allowing us to serve clients effectively on a local, regional and international scale. We specialize in a range of disciplines to provide comprehensive solutions tailored to our clients' unique needs. Our services encompass architecture, planning, interior design, civil engineering, branding, building measurement and expertise in sustainable building certifications. By integrating these specialized areas, we create holistic and sustainable design solutions that maximize the value and functionality of every project.

Our commitment to excellence is deeply rooted in our company culture. We uphold rigorous attention to detail and program requirements, ensuring that our designs not only meet but exceed our clients' expectations. We pride ourselves on delivering superior service, building long-lasting partnerships and consistently delivering projects of the highest quality.

Our Legacy Inspires the Future.

D

28 Interconnected Offices



# Mission <

Ware Malcomb is the best commercial real estate design firm. We exist to pursue creative solutions to complex real estate challenges. We are innovative thought leaders that deliver long term real estate value. We support our communities through corporate philanthropy. We empower our diverse team by creating a growth oriented, ethical and successful business practice.

Ware Malcomb is a leadership academy. We are committed to a shared vision.

#### We are One Team.



# Vision <

Our company vision encompasses our commitment to innovation, growth, sustainability and community engagement. We are driven by the following core elements:

- We will bring innovation to the Commercial Real Estate industry by leveraging technology.
- We will grow our company to provide the best opportunities for our team members to thrive.
- We will continuously prepare for our next generation of leaders.
- We will be in every strategic market, providing services and product types to maximize our market share.
- We will raise awareness of our profession through broader community outreach to attract future professionals.

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SUILDING

- We will create a more sustainable built environment.
- Our Legacy will inspire our Future.

**FIMAL BAV** 

NAL GR-



Our values form the foundation of everything we do. They guide us in our pursuit of excellence and shape our vision for the future.





DESIGN Deliver creativity to help our clients succeed. **PEOPLE** Promote a culture of growth and leadership.



COMMUNITY

Work together to make a difference.



INNOVATION

Evolve all that we do.

# **Our ESG Approach**



### **Our Commitment to ESG**

We believe in the power of collaboration and partnership to create a more sustainable world. As designers, we are uniquely positioned to help drive positive change through our projects. We work hand in hand with our team members, clients and local communities to develop sustainable design solutions that have a beneficial impact. We also strive to integrate sustainable practices into our own operations.

We recognize that sustainability is a concept that embraces different aspects of varying significance depending on the stakeholder under consideration. Our focus places equal importance on environmental sustainability, the wellbeing of our people and the quality of life of our local communities, sustaining a culture of empowerment, diversity and inclusion, and adhering to high ethical standards to build trust and transparency. We go beyond traditional considerations to ensure that our designs not only meet aesthetic and functional requirements in an environmentally sustainable manner but also prioritize health, wellbeing, community impact and resilience. By integrating these principles into our design processes, we strive to create projects that have a lasting positive impact.

We actively seek opportunities to improve our internal processes and reduce our environmental impact, foster a diverse and inclusive culture, and operate ethically and responsibly. By embracing ESG, we not only help create a sustainable, healthier and resilient built environment but also deliver high performance projects that align with our clients' goals and contribute to longterm economic viability.

### Ware Malcomb's ESG Framework

Our ESG framework enables us to effectively evaluate our impact on the environment, foster inclusive and diverse communities and follow strong governance principles. It serves as a guiding compass in our efforts to strengthen our role in shaping a more sustainable, resilient and equitable built environment. The ESG framework covers the performance aspects that have the most significant impact on the overall sustainability and performance of Ware Malcomb and the projects we work on for our clients.

We recognize that the success of our ESG strategy relies on collaboration and continuous improvement. We aim to actively engage with our various partners to gather perspectives and insights on the ESG aspects that are most critical to them. This will help us ensure that our ESG framework addresses their specific needs and concerns and that our strategy aligns with their priorities. We have specified regular evaluations and performance monitoring as key aspects in our ESG strategy. We use performance indicators to measure and monitor our environmental impact, social initiatives and governance practices, allowing us to identify areas for improvement and set meaningful targets. We communicate our progress and demonstrate our commitment to responsible and accountable business practices.

# **ESG Performance Highlights**

# AIA 2030

Signed the AIA 2030 Commitment, pledging to design buildings that achieve net zero energy by 2030.

# **LEED Projects**

Worked with our clients to develop innovative projects that pursue sustainability certifications. Ware Malcomb has delivered 115 LEED<sup>®</sup> certified projects encompassing over 53,000,000 SF.

# 70<sup>+</sup> Professionals

Maintained a team of more than 70<sup>+</sup> professionals with sustainability accreditations.

# BEM

Invested in new BEM evaluation tools and processes to equip our experts with the tools to maximize energy efficiency in projects.



**Policy** 

Created our first ESG policy,

framework and strategy.

# Sustainability

Finetuned our office sustainability champions initiative.

## DEI

Launched a formal DEI program and established DEI Steering Team and DEI Leader.

# **Trainings**

Established DEI Training and Education Committee to drive DEI training, educational and outreach initiatives.

# **Vendor Diversity**

Launched a diverse vendor and consultant program.

# **Gender Balance**

Achieved a gender balance of 54% males and 46% females across Ware Malcomb, and 62% males and 38% females across leadership positions.

# **45 Sessions**

Hosted 45 companywide "Ware Malcomb University" virtual training sessions, maintaining an average weekly participation of 40% of team members.

# **136 Leaders**

Provided industry leading training through our formal leadership development program to 136 leaders.

# **\$75K Raised**

Organized and implemented campaigns that raised over \$75,000 for three national charities and two regional community engagement campaigns that built one home in Tijuana, Mexico and provided over 1,000 backpacks with supplies for students in Denver, Colorado.

# Cybersecurity

Robust policy and systems in place.

# Technology

Formed a new Digital Transformation group to explore and adapt future technology and processes into our designs.

2024 ESG Report

# **Environmental**

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Sustainability and Resilience in Design The AIA 2030 Commitment Energy and Sustainability Services Environmental Management



# Sustainability and Resilience in Design

Sustainability is a key component of our services at Ware Malcomb. From the initial design processes to materials selection through contract documents, we strive to prioritize environmental stewardship, resource efficiency and resilience. We firmly believe that by innovating with sustainability in mind, we can create buildings, spaces and sites that are not only highly effective and functional but also environmentally friendly, resilient and adaptable to an unpredictable climate.

#### Sustainability Integration

**01 Planning and Site Selection** Futureproofing sustainable sites with resiliency and infrastructure considerations.

**02 Conceptual Design** Innovating with sustainability in mind to minimize resource consumption and embodied carbon.

**03 Final Design** Optimizing operational efficiency and performance.

04 Construction Reducing environmental impact and waste.

**05 Occupancy** Creating sustainable, healthy and productive spaces.

# The AIA 2030 Commitment

In February 2023 we signed the American Institute of Architects (AIA) 2030 Commitment, joining our peers, we endeavor to meet 2030 energy reduction targets as a deliberate part of design.

The AIA 2030 Commitment is a major milestone in our sustainability journey. By signing it, we are embracing our responsibility to promote sustainable design practices and accelerate positive change in the AEC industry. It serves as a guiding principle that will drive our design decisions going forward.

We understand that implementing net zero energy buildings requires a multidisciplinary approach, collaboration and innovation. As we move forward, we will invest to enhance our expertise, providing our team with more tools and resources to sites, buildings and interiors that minimize their environmental impact and achieve exceptional levels of energy efficiency. We will collaborate closely with our clients, industry partners and peers to advocate for innovative sustainable design solutions that maximize energy efficiency gains and GHG emissions reductions, necessary to drive change in our industry.



# **Energy and Sustainability Services**

Ware Malcomb offers a comprehensive range of energy and sustainability services, focused on creating sustainable spaces that prioritize environmental stewardship, wellbeing and resilience. We are proud of our team of more than 70 LEED<sup>®</sup>, WELL<sup>TM</sup> and Fitwel<sup>®</sup> accredited professionals that use their expertise in

sustainable design practices to enhance projects in practical and economical ways. By implementing our design solutions, our clients benefit from healthier buildings that offer improved work environments while conserving natural resources and reducing operating costs.

53M Square feet of LEED certified projects

LEED, W Fitwel ac

70+

115

LEED, WELL, & Fitwel accredited professionals

LEED projects

Our Energy and Sustainability Services include:

Sustainable Design Services:

We integrate general energy efficient, renewable and reduced embodied carbon strategies into project designs to make projects more sustainable and resilient, even if a specific sustainability certification is not pursued.

LEED Certification Design Services: We follow sustainable design principles specified by the US Green Building Council (USGBC) or the Canada Green Building Council (CGBC) to pursue LEED Certification for projects.

**Green Globes Certification Support Services:** We provide information on sustainable design solutions incorporated into projects and offer support in achieving Green Globes certification.



### **Enhancing our Capabilities**

In an effort to improve our ability to provide effective energy and sustainability services, we are currently implementing several initiatives to evaluate new tools and processes. For instance, after testing various software options for early Building Energy Modeling (BEM) evaluations, we selected and are using cove.tool. BEM evaluations are fundamental for us to effectively achieve the milestones specified in the AIA 2030 Commitment. Our goal is to reduce the time our experts spend on evaluating different options and help them provide our clients with the options that provide the highest efficiencies at the lowest cost.

We are expanding our efforts to design lower embodied carbon buildings and interiors. This includes using

various tools to evaluate embodied carbon in the construction materials we specify to make informed decisions. We are also refining our process for performing whole building life cycle assessments (WBLCA) on major components.

As part of our civil engineering services, we want to make sure that our projects are designed thoughtfully to blend into the local environment and improve quality of life across the local community. Stormwater management can often go beyond the bare minimum requirements of treating stormwater, providing space for a playground, raised community garden, or other gathering area that dries out when it's not raining. We also work collaboratively with landscape architects, to plan for appropriate native plantings in these areas, adding beauty and value reducing water use.





### Utilizing Sustainable and Mindful Materials

Over the last few years, we have expanded our material thoughtfulness and wellness focused design initiatives. Our goal is to integrate these principles into all our projects. By using materials made from renewable sources and prioritizing those with low environmental impact, we can create healthier and more sustainable built environments.

Our Sustainability Champions team is developing internal databases and recommendations that will outline the minimum sustainability requirements for materials used in our designs. These resources will serve as tools to guide our designers in selecting the most appropriate and environmentally friendly materials for each project. The characteristics we look for include products with Health Product Declarations (HPD), Declare Labels and/or Cradle to Cradle certifications to confirm minimal human health and environmental impacts. We recognize the significance of evaluating different material options early on, conducting our analyses in the conceptual and schematic design stages to ensure our clients have a clear understanding of the effectiveness of their projects in promoting sustainability and wellness.

We are committed to continually evaluating opportunities to enhance our internal design criteria, to reflect the latest advancements and best practices in sustainable and wellness focused design.



**Q** PROJECT HIGHLIGHT

### **Project Iron Giant** Galloway, Tennessee

Ware Malcomb completed a 2-million-square-foot project for Helen of Troy Limited in Galloway, Tennessee in January 2023. This industrial warehouse with office component known as project Iron Giant achieved LEED Silver certification, becoming the second largest warehouse to achieve LEED in the State of Tennessee.

Ware Malcomb partnered with the client during biweekly meetings to educate and discuss viable sustainable options that worked with their time frame and budget. LEED Silver certification was accomplished by complying with the following requirements:

- Achieved five compliant categories within low emitting materials.
- Utilized energy modeling to create a design using 24.4% less energy than a typical warehouse of this type and size.
- Achieved reduced water use by utilizing strategies such as selecting EPA WaterSense compliant plumbing fixture and developing a design that did not require a cooling tower and associated water use.



#### **Q** PROJECT HIGHLIGHT

# Toyota Financial Services Experience Center West

Chandler, Arizona

Ware Malcomb worked with Toyota Financial Services (TFS) to deliver design services for the consolidation of 29 locations into three regional experience centers: West, Central and East. Ware Malcomb also provided design services for the East experience center situated in Alpharetta, GA. The design approach for these centers aimed to capture the essence of Toyota's brand, incorporating a professional aesthetic while embracing regional design influences.

The Experience Center West project achieved LEED v4 ID+C: CI, Gold Level certification. Ware Malcomb collaborated closely with Verde, a sustainability consultant, to implement initiatives focused on waste reduction, energy efficiency and the promotion of employee and guest wellbeing. By adopting sustainable practices and optimizing operational efficiency, the project minimized environmental impact and enhanced the overall experience for occupants.

In addition to the functional aspects of the design, Ware Malcomb's in house branding team played a key role in creating a cohesive branded environment. A comprehensive signage and custom graphics package guides visitors and employees through a curated tour path, offering a unique journey through the company's sustainability history and mission.

By integrating sustainable design principles, efficient operations and engaging branding elements, Ware Malcomb successfully delivered a dynamic and purposeful space that aligned with Toyota's vision and values. This project exemplifies Ware Malcomb's expertise in creating spaces that reflect the essence of a brand while prioritizing sustainability, employee wellbeing and a memorable visitor experience.







### FlexHQ Cowarehouse Denver, Colorado

Ware Malcomb worked with FlexHQ, a leading flexible cowarehousing solutions provider, to create an innovative workspace design that prioritizes restoration and environmental stewardship for their new cowarehouse in Denver, Colorado.

The 75,000 square foot facility offers 67 scalable individual warehouse spaces ranging from 300-3,000 SF along with 21 private offices, hot desks and various amenities and services. The project team played a vital role in integrating sustainable design practices into the cowarehouse. This includes installing electric vehicle (EV) charging stations, upgrading and retrofitting the lighting system to enhance energy efficiency, and utilizing recycled materials and energy-saving fixtures. While focusing on creating an eco-friendly prototype, we also promoted functionality and community preservation in the design process. We implemented thoughtful design strategies to reduce environmental impacts and the GHG emissions and reused existing structures, thus achieving sustainable, low-impact development and responsible resource management.



# **Environmental Management**

#### Our Environmental Management Approach

**01 Measure our Impact** Utilize performance indicators to measure our office impacts on energy, water and waste.

**02 Monitor our Performance** Implement the necessary processes and actions to quantify and monitor our impact across all our offices.

**03 Specify Recommendations** Evaluate effective initiatives and specify environmental management recommendations for our offices.

#### 04 Build Capacity & Foster Continuing Education

Build upon our sustainability education and training programs to help our people become better stewards of the environment.

#### 05 Set Performance Goals

Set gradual, achievable goals to reduce our carbon footprint and resource consumption.

We are committed to not only delivering exceptional environmentally sustainable design solutions but also managing our internal environmental footprint. We have begun to implement various environmental management initiatives focused on energy efficiency, water conservation and waste reduction. Our overarching goal is to operate in a way that minimizes resource consumption and the associated GHG emissions.

Our immediate priority is to improve our ability to measure and quantify our impact. By developing measurement, monitoring and evaluation systems, we will more accurately understand our resource consumption, waste generation and GHG emissions. By establishing a baseline, we can set targets, track our progress and make informed decisions to minimize our resource consumption over the next few years. To further solidify our commitment and build momentum, we will also explore the potential for our offices to pursue sustainability certifications.

Over the long term, our focus on environmental management will gradually expand to encompass additional aspects and indicators. We will explore opportunities for renewable energy integration in our offices, identify how to promote more sustainable transportation options and evaluate how to prioritize vendors and consultants who share our commitment to environmental sustainability as part of a formal sustainable procurement program.

### "

Promoting environmental responsibility to safeguard our precious natural resources.





### Energy and Carbon

Energy consumption is a major source of environmental impact across our firm, and evaluating energy consumption across all aspects of our operations is a key priority for the next two years.

We will evaluate how to measure and monitor our energy consumption, identify areas for improvement and set achievable targets for reduction. We will assess how to best utilize more energy-efficient applications, such as energy efficient light bulbs and automated lighting.

Building upon our pledge to the AIA 2030 Commitment, we will also focus on developing the capabilities to measure and comprehensively evaluate our internal GHG emissions footprint. We will first focus on identifying and measuring the sources of GHG emissions that are under our immediate control, also known as Scope 1 and 2 GHG emissions. Then, we will gradually address GHG emissions across our supply chain, known as Scope 3 emissions.

### **Office Resource Consumption**

Water consumption and waste generation are two other key ways our operations contribute to natural resource impacts. We will prioritize the assessment of our water consumption and promote responsible water management practices.

> Going forward, we will evaluate how to best adopt water-efficient options in our offices, such as low-flow fixtures, so we can conserve water effectively and sustainably.

We are committed to promoting a culture of waste reduction and recycling throughout Ware Malcomb and implementing effective waste management processes. Our offices focus on managing and recycling waste, and we encourage all of our team members to participate in these efforts. We will continue to educate our team members to better understand how to properly separate waste to maximize recycling and identify options to reduce waste, for example by prioritizing reusable items and equipment.

### Office Environmental Management Recommendations

To ensure consistent and effective environmental management practices across all our offices, we plan to develop office guidelines and recommendations on environmental management. These guidelines will serve as a resource for reducing energy consumption, saving water and reducing waste, empowering each office to make informed decisions and contribute to our overarching ESG goals.

To develop these guidelines, we will build upon our office sustainability surveys to assess current environmental practices across our offices and identify areas for improvement. The surveys will help us gather data on energy consumption, water usage, waste management and other relevant metrics.

Through this process, we aim to better understand the specific challenges and opportunities faced by each office, so we can provide meaningful and actionable recommendations.

### **Education and Capacity Building**

We encourage and empower our employees to attain the knowledge and skills to support our environmental management efforts. We implemented several sustainability capacity building and education initiatives. Notable examples include the following:



### Ware Malcomb University

We regularly conduct companywide sustainability training events to expand our knowledge base and stay informed about the latest best practices. These cover a wide range of environmental management aspects, including energy efficiency, embodied carbon reduction strategies and sustainable materials.

# Together for a better planet Happy Earth Day

### **Office Based Sustainability Awareness**

Our Sustainability Champions coordinate events in each office to enhance awareness of sustainable ideas and concepts. Each office participated in an Earth Day activity appropriate to the office size and location. Activities ranged from potting plants to add natural elements to the work areas to planting trees as part of a community enhancement effort. Additional initiatives include sustainable focused lunch and learns, increasing awareness of food choice environmental impacts and personal carbon footprint calculations.



### Industry Partnerships

We partner with our consultants and vendors to expand our sustainable educational offerings. Examples include having a structural engineering consultant share their research on low embodied carbon concrete and heavy timber options which informs the recommendations we make to our clients. We also partnered with Interface to screen the movie Beyond Zero in all offices and made their Carbon Love and Learn training available. The Love and Learn sessions are designed to transform our perspective on carbon and foster an understanding of carbon as a resource that can be utilized in the design and construction processes. Through these events and others, we explore innovative ways to manage carbon and enhance sustainability in our projects.



### Our Offices in Action: Sustainability Initiatives in the Ware Malcomb Mexico City Office

Our Mexico City office is leading by example on how to implement effective sustainability initiatives across Ware Malcomb.

### (2) Waste Management

Weekly office-wide "Buy Nothing Days" focus on raising awareness about excessive consumption and disposal of goods, encouraging mindful consumption and waste reduction.

### Environmental Awareness

The Mexico City team participated in a LEED Green Associate Study Series and the leader of the study sessions is currently running the series again to support team members throughout the company in obtaining their LEED Green Assoc. certifications.

### **Sustainable Transportation**

Our Mexico City leaders have implemented an initiative that promotes carpooling, walking and biking. Exclusive parking stalls are introduced for carpoolers of at least two people and gas reimbursements are provided for carpoolers and those using shared ride services.

### Energy Management

The Mexico City office has set goals to reduce the use of fossil fuels for electricity and heat generation. Office leaders have implemented various energy-saving practices, including turning off air conditioners when not in use, utilizing natural lighting by raising blinds and minimizing artificial lighting, and using more energy-efficient appliances.

## Sustainable Shopping

To address the negative environmental impacts of the "fast fashion" culture and reduce waste, the office regularly discusses and encourages sustainable shopping practices. This includes buying secondhand clothing, organizing clothing swaps, renting clothes, shopping in our own closets, supporting local businesses, investing in timeless pieces and choosing clothing made from sustainable materials.

# Social

Diversity, Equity and Inclusion (DEI) Health, Safety and Wellness Talent and People Development Community Engagement

# **Diversity, Equity and Inclusion (DEI)**



### Initiatives

- Formal DEI Program
- DEI Steering Team
- DEI Leader
- DEI Office Champions Initiative
- Continuing Education and Training on DEI
- Partnerships and Outreach
- Supplier Diversity Program

We believe that our people are fundamental to our success. We are committed to fostering a culture of diversity, equity and inclusion where every employee, regardless of their background, has equal opportunities to thrive and grow their career, contribute their unique perspective and feel respected and supported. Diverse perspectives and inclusive practices lead to innovation and excellence, facilitate robust and engaged teams and ultimately support better decision making and ideas.

We are advocates for diversity and inclusivity in our communities, recognizing that creating meaningful and impactful change requires collective efforts.

Through community stewardship initiatives and partnerships with national nonprofits and organizations, we work towards promoting diversity, inclusivity and equal opportunities.

### Program

Our DEI Program drives our strategic priorities to enhance DEI both within our organization and in the communities we serve. We have established a companywide DEI Committee, which oversees and guides the implementation of our DEI initiatives. This committee includes Executive leadership. In addition, we have a DEI champion from each of our regions, thus creating a network of passionate advocates to support office-specific DEI initiatives and events.

To ensure we comprehensively address various aspects of DEI, we have established specialized subcommittees. The Outreach Committee focuses on community engagement and partnerships, with a specific focus of reaching young people in underserved communities, creating opportunities to explore future career pathways in the design community. The Communications Committee establishes appropriate communication channels to increase DEI awareness. The Education, Training and Awareness Committee identifies our learning priorities and specifies how we can best enhance our understanding to promote more inclusive practices. Our Engagement Events Committee organizes activities and events that celebrate diversity, including our annual WM Heritage celebration. Lastly, the Policies and Programs Committee ensures that we have the necessary policies and programs to achieve our DEI goals and tracks data and statistics to track our progress and identify areas for improvement.

Through the collaborative efforts of the subcommittees and the leadership of our DEI Steering Team, last year we achieved a gender balance of 54% males and 46% females across our employee base, and a 62% male – 38% female representation in our leadership positions.

### **Metrics**

2023 WM DEI Figures

# All Staff

45%	55%
Female	Male
48%	52%
Minority	White
Leadership	
38%	62%
Female	Male
26%	74%
Minority	White

### **Encouraging Continuous Education and Training on DEI**

Our commitment to fostering DEI starts with our education and training initiatives. We believe that continuous learning is essential in promoting positive change. By implementing effective programs, we can provide valuable resources that educate our employees on the principles of DEI and help them contribute to a more inclusive work environment. As part of our commitment, we made DEI training required for our leaders last year. Additionally, we conducted a companywide training on harassment and bullying prevention. These tools help us create a work environment that remains respectful, inclusive and free from any form of discrimination.

### Driving Meaningful Change through Effective Outreach

We are committed to building strong and enduring partnerships with organizations and nonprofits that exemplify dedication and commitment to DEI. Through these collaborations, we strive to identify and focus on the communities facing the most significant challenges, ensuring that our outreach efforts have a meaningful impact where it matters the most.

Ware Malcomb team members are committed to educational outreach about the design industry for youth and college students from underserved communities. Eleven offices were involved in a variety of programs including mentoring, internships, career days and office open houses. Through these efforts, team members partner with city governments, nonprofit organizations, school districts and universities.



Ware Malcomb is a sponsor for the National Organization of Minority Architects (NOMA). NOMA was founded at the American Institute of Architects (AIA) National convention in 1971 to advocate for the needs and professional development of architects from diverse backgrounds.

Our involvement with NOMA includes:

- Active in College Recruiting initiatives organized by regional and local NOMA Chapters.
- Financial contributions to support licensure, general educational programs & summer camps.
- Attend NOMA's national conference.
- Designated regional WM team members involved in local NOMA events.

We look forward to increasing our efforts in NOMA's outreach efforts focused on inspiring and informing underrepresented communities about career opportunities in Architecture, Interior Architecture, Engineering and Graphic Design.



We are also very proud of the relationship we have built with the Commercial Real Estate Women (CREW) Network. Since its establishment in 1989, CREW has provided a valuable platform for women in the commercial real estate industry to exchange best practices, foster new connections and advance their professional growth.

Our involvement with CREW includes:

- National Sponsor for CREW Network
- Local sponsor for CREW events and chapters
- 15+ CREW Members across WM
- Several WM leaders have served on CREW Chapter Committees and Boards
- Currently focus on increasing CREW membership and involvement

Together, we strive to empower our team members and promote the meaningful impact of CREW within our company.



### **Employee Engagement**

To encourage our employees to actively engage in our DEI initiatives, we regularly communicate our DEI efforts and achievements, celebrate important DEI-related events across Ware Malcomb, and organize office-specific DEI engagement activities.

#### Some examples include:

- Companywide WM Heritage Celebration

   celebrating and learning from each other about individual cultural heritage
- Black History Month Series of blog posts aimed at recognizing the influence of black architects, designers and engineers throughout history.
- Women's Leadership Panel Educational series of women leaders sharing knowledge and wisdom across company wide WMU learning platform.

As part of our engagement and communication efforts, we have developed an internal resource repository on DEI within The Hub, our internal social intranet. This allows our employees to access resources, educational materials and relevant articles that shed light on various aspects of DEI. Additionally, we publish "DEI Spotlight" posts to emphasize the importance of different DEI initiatives and celebrations.

# Partnering with Diverse Businesses

Ware Malcomb is committed to working with the best vendors and consultants. Central to this commitment is our dedication to building lasting partnerships with diverse business enterprises, expanding our reach in attracting top talent, vendors and consultants while contributing to sustainable economic development in underrepresented and disadvantaged communities. This year, we are focusing on establishing a supplier diversity program and we are currently in the final stages of developing our internal database of certified diverse consultants, vendors and businesses. Once the database is complete, we will work to establish new initiatives and performance goals to enhance diversity across our supplier base.

Our future vision includes, engaging our vendors and consultants more comprehensively to build mutually beneficial, long-lasting partnerships. We want to ensure that our partners can thrive in a constantly evolving economic and business environment, thereby stimulating innovation and improving the resilience of our supply chain. To achieve this, over the next few years we plan to develop other programs to expand and support this effort.



# Health, Safety and Wellness



The health, safety and security of our team members, clients and the communities where we operate and complete projects is paramount at Ware Malcomb. By prioritizing health and safety, we create an environment that safeguards our professionals and enables them to contribute their best to every project. We recognize that our clients trust us to deliver exceptional designs and built environments, and part of that trust is built on our commitment to providing safe, healthy and secure spaces. We uphold the highest health and safety standards not only to meet regulatory requirements but also to ensure our clients and the communities where our projects are developed that their wellbeing and interests are safeguarded.

### **Team Member Handbook**

Our commitment to health, safety and wellness is evident from the day new team members join Ware Malcomb in our Team Member Handbook. We have established an Injury Illness Prevention Program that specifies our office health and safety measures, as well as an emergency management and evacuation plan for our offices. We want to make sure our team members know how to respond to emergencies, evacuate the office if needed, contact clients and communicate with the Executive Team. General and specialized health and safety aspects are highlighted in our education and training initiatives, depending on the role and responsibilities of the team member.

### **OSHA** Compliance

We adhere to the relevant and applicable guidelines issued by OSHA and other regulatory bodies. Our commitment to safety is reflected in our outstanding safety performance, as evidenced by the safety statistics we report to the US Department of Labor via the OSHA 300A summary form. We take great pride in maintaining a safe working environment for our team members and ensuring that our safety practices meet or exceed industry standards in the projects we complete for our clients. This year, we completed a training series focused on addressing key safety concerns on construction sites, such as the safe use and access of ladders by personnel. Going forward, we remain strongly committed to following stringent safety protocols and continuously evaluating and improving our safety measures to maintain a workplace that protects the wellbeing of our team members.

### **WM Active Pursuit of Wellness**

We Are Involved. We Are Active. We Are Engaged. Together, we can make a difference.



### Wellness

As a people-focused organization, Ware Malcomb fosters a supportive and dynamic environment where our team members are empowered to thrive and prosper together.

We adopt a holistic approach that encompasses the wellbeing and growth of our team members, incorporating elements of health, fitness, wellness and engagement into their personal and professional development. By embracing this perspective, we create an environment that nurtures and inspires our team members to grow and maximize their capabilities.

WM Active is the foundation of our wellness initiatives, dedicated to support the health and wellbeing of our people. Through WM Active, we implement a diverse range of events and activities designed to promote wellness including physical, mental and financial health throughout Ware Malcomb. Some of these offerings include financial wellness and mental health awareness education. Other initiatives extend beyond the organization as we foster office-specific events and initiatives tailored to each location. Examples of WM Active events include charity walks and runs, team hikes, biking and rafting, among many others. To drive participation and engagement, we have dedicated Ware Malcomb team members throughout our company who take charge in organizing and inspiring fellow team members to actively participate in these initiatives and come up with new ideas to further enhance WM Active. We believe it is important to emphasize the significance of the health and wellbeing of our team members. WM Active events provide opportunities for our team members to connect and build relationships beyond the workplace.

In addition, we have implemented an Employee Assistance Program (EAP) that offers a wide range of resources, information and confidential counselling services. Our dedicated EAP provides a supportive environment where our team members can seek guidance and assistance in navigating personal or professional challenges they may encounter. Whether they require confidential support or guidance on specific topics, our team members can rely on the EAP to provide the necessary resources and counseling tailored to their needs.

### Designing Safe, Healthy and Productive Spaces

Our commitment to health, safety and wellness extends beyond our internal processes to encompass the design services we provide our clients. By incorporating these principles into our projects, we ensure we meet the functional and aesthetic requirements of our clients and contribute to the overall wellbeing of the people who will inhabit and interact with the spaces we design.

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Our focus on wellness translates into our design services by incorporating wellbeing into our projects.

For over 50 years, we have been at the forefront of designing spaces that prioritize safety, efficiency and wellbeing. Our team comprises accredited professionals in WELL and Fitwel, working collaboratively with clients to create environments that promote health and optimize performance. By developing healthier buildings, we can create enhanced work environments that boost productivity, employee satisfaction, engagement and foster creativity and innovation. We currently offer the following services to assist our clients with implementing easily applicable strategies and achieve the following certifications:



#### WELL Building Standard Strategies

Our focus is on optimizing occupant health, increasing employee productivity and improving the overall quality of life in the built environment through WELL certification strategies.



#### Fitwel Aligned Options

We offer strategies to improve the health of employees, visitors, or residents within a facility and its surrounding community, aligning with Fitwel certification goals.







#### Q PROJECT HIGHLIGHT

### Vesta Corporate Headquarters Mexico City, Mexico

Ware Malcomb worked with Corporación Inmobiliaria Vesta, S.A.B. de C.V. (Vesta), a leading industrial building and distribution center developer in Mexico, on the new 900 square meter Vesta corporate headquarters project located at Arcos Bosques in Bosque de las Lomas in Mexico City, Mexico. Ware Malcomb provided full service interior design, branding and construction management services.

The project was the first tenant improvement project in Mexico to be certified WELL Gold by the International WELL Building Institute (IWBI). Notably, the project also pursued the LEED ID+C Platinum certification from the U.S. Green Building Council. It was a pioneering endeavor that required a design strategy to highlight the significance and uphold Vesta's key values while promoting environmental sustainability and aligning with the rigorous WELL performance criteria on human health and wellness.

To empower Vesta's vibrant multigenerational workforce and align with the guidelines specified by WELL, Ware Malcomb divided the floor plan of the building into four distinct zones: the Focus Zone, the Interactive Zone, the Quiet Zone and the Teaming Zone. The Focus Zone is designed to support tasks requiring concentration, while the Interactive Zone provides



spaces for employees to gather and collaborate formally and informally. The Quiet Zone offers a safe space for staff members to rest and avoid the distractions of technology, and the Teaming Zone helps team members to work together by utilizing collaborative digital tools.

By creating distinct but interconnected zones, Ware Malcomb managed to connect the overall open office environment to collaborative areas, a conference center and various amenities such as a canteen and break room, while embracing the contemporary design aesthetic that reflects the Vesta "V" and other unique aspects of the Vesta brand. Moreover, by utilizing forward-thinking technology, Ware Malcomb seamlessly integrated features such as Lutron window shades and state-of-the-art telepresence capabilities in the conference rooms, developing highly functional and innovative spaces.

# **Talent and People Development**

At Ware Malcomb, our team members are so important. We have an exceptional team of professionals that share a collective dedication to delivering outstanding design and client service. We value intelligence, creativity, positivity, inspiration, dedication, investment and entrepreneurship and attract team members who embody those characteristics to set ourselves apart from the rest. Through a wide range of learning and professional development programs, we support their growth and align their aspirations with our long-term goals.

" At Ware Malcomb, it's all about our People.



## Learning New Skills and **Enhancing our Strengths**

#### Social Intranet The Hub

We have implemented various initiatives to create a dynamic learning culture, starting with our social intranet platform, known as The Hub. Serving as a comprehensive information center, The Hub is designed to provide easy access to learning resources and key information about Ware Malcomb. Our team members can conveniently access various learning materials, while The Hub also serves as a platform of collaboration, enabling our team members to connect, share insights and interact with one another.

#### Ware Malcomb University (WMU)

WMU is the foundation of our learning and development initiatives. Since its launch in April 2020, WMU has offered companywide learning and training sessions, covering various topics to help our team members to acquire new skills, broaden their knowledge base and advance their professional development. We see an average weekly participation of 40% of team members, reflecting their enthusiasm for continuous learning. As part of our commitment to accessible learning, our extensive WMU On-Demand library is readily available through The Hub, currently providing a collection of over 140 sessions.



# Strenaths

At Ware Malcomb, we believe that discovering and developing unique talents enables our team members to be more successful. That's why each team member is provided a copy of StrengthsFinder 2.0, Team Members receive a specialized report with their Top Five Strengths, and we host webinars to further support team members in leveraging their strengths to thrive.



Leadership Academy

At Ware Malcomb, we view leaders as ambassadors of our culture. We are very proud of our leadership development initiatives that help us develop and empower our next generation of leaders. We provide our team members with the tools, resources and guidance they need to excel in their roles, grow their careers and embody the values and principles that define Ware Malcomb.



Based on our belief in the power of mentorship in driving successful personal and professional development, we have developed our annual, companywide mentorship program in 2012 that has connected over 1,000 team members with experienced leaders throughout Ware Malcomb, who provide one-on-one coaching and guidance. This results in an inclusive program that engages over 35% of our team members annually.



WM Emerging Leaders Program (ELP) is an annual cohort learning program that identifies high performing and high potential team members and enhances their leadership skills through education, engagement and professional and personal development. A rotating group of WM leaders engage learners through personal development assessments, group activities and panel discussions. The 2023 ELP Cohort is comprised of 24 team members from 14 Ware Malcomb offices.



# Cultivate

WM Cultivate is a full day dedicated Leadership Development program held twice a year. This intensive training program is designed specifically for new or recently promoted leaders, we address the core principles and values that define Ware Malcomb, encompassing all aspects of our company's culture. Our goal is to provide our leaders with the knowledge and tools they need to effectively serve as ambassadors of our values and culture. The training is comprehensive and provides practical guidance on various aspects of leadership. As part of the program, each leader also receives a Leadership Guide, an experienced Ware Malcomb leader, who serves as a valuable resource to navigate their daily activities and responsibilities as leaders in Ware Malcomb.



WM Advance is a highly anticipated biannual event where our senior leaders come together for an immersive day of learning and collaboration. These events provide a platform for our leaders from across all of our offices to build connections with one another, fostering a sense of unity and synergy within the organization. Through presentations and interactive sessions, participants are inspired and motivated to contribute their best to drive the long-term growth and success of Ware Malcomb. Our WM Advance leadership meetings provide invaluable opportunities to unify our leaders around the strategic priorities of the company, as well as create opportunities for professional development, and serve as an important mechanism that fosters a strong, connected leadership team at Ware Malcomb.





### Encouraging Professional Development through Licenses and Certifications

We support and encourage our team members to actively pursue their licensure and professional certification as part of their professional development efforts.

Our reimbursement policy encompasses license and certification exams, renewals, and related fees, ensuring that our team members are empowered to advance in their respective fields.

> Our comprehensive reimbursement program covers 100% of the cost of exams taken and passed such as the ARE, PE, NCIDQ, CCIDC, ARIDO, LEED and WELL, among others.



NCARB

WELL



We also offer support for the Architectural Experience Program (AXP), reimbursing 50% of AXP fees for those who complete all sections within a 36-month timeframe. To aid in preparation, we coordinate study groups and provide access to relevant resources, ensuring that our team members have the necessary tools to succeed in their licensure and certification exams.







# **Community Engagement**

We care deeply about our local communities and strive to make a positive impact. Through our philanthropic arm, WM Community, we encourage our team members to get involved in their local communities and charitable organizations, as well as the design and commercial real estate industries. Our team members participate in pro bono projects, provide free and at-cost design services, volunteer hours to numerous charitable organizations and raise funds for nonprofits.

We take great pride in our sponsorship and active participation in various organizations that help us serve important causes, such as joining the fight against hunger, contributing to research to fight cancer and improving the lives of children in underserved communities, among many others. For the past three years, we have supported three annual companywide campaigns, focused on **United Way**, the **Pediatric Cancer Research Foundation** and the **Susan G. Komen Breast Cancer Foundation**.

#### **United Way**

Since 1999, our partnership with United Way has provided our team members with a platform to drive positive change across the communities in which we live and work. This annual fundraiser campaign empowers our team to make a meaningful impact and help create a better future for communities in need. Through our partnership, we have raised more than 1 million.





#### Pediatric Cancer Research Foundation

Annually since 2012, we have formed a Ware Malcomb team for Pediatric Cancer Research Foundation's Reaching for the Cure run/walk, to raise crucial funds and spread awareness for the Pediatric Cancer Research Foundation. Annually, approximately 300 team members help support the Pediatric Cancer Research Foundation campaign and overall we have raised over \$60,000 for this deserving charity. Additionally, we have held numerous fundraising events and attended the run walk event with many of our team members and their family and friends – serving both as employee engagement events and exemplifying our values of giving to our communities.

#### Susan G. Komen

Since 2012, we have joined forces with the Susan G. Komen Breast Cancer Foundation to collectively contribute to early detection, education and care for individuals in our local communities facing breast cancer. Through our partnership, we aim to make a meaningful impact and help raise funds that support vital research for improved treatments, and ultimately, a cure. Through the Susan G. Komen Breast Cancer Foundation campaign, we have helped raise more than \$140,000, supported by more than 200 team members every year.

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At Ware Malcomb, we are committed to making a difference in our local communities. We also organize two annual regional campaigns, focused on Pack to School and Baja Challenge – San Diego.

#### Pack to School

Since 2013, our Denver team has partnered with the Denver Boys & Girls Club to organize and host an initiative called Pack to School. This event aims to provide much-needed support for deserving students in the Denver area as they return to school for the next academic year. Throughout our 11-year partnership, we have raised \$185,000 and distributed 6,400 backpacks filled with school supplies to students across Denver.

#### Baja Challenge

Since 1999, our San Diego teams have actively participated in the Baja Challenge, an inspiring annual event that brings together volunteers from the San Diego real estate and construction community, alongside Project Mercy. Through this effort we have built over 20 homes to improve quality of life and provide shelter for deserving families in Tijuana, Mexico.

These are just a few examples of the many organizations we are privileged to partner with, as we continually seek opportunities to contribute to new transformative initiatives and make a meaningful difference in our communities.

# Supporting the Next Generation of Industry Professionals

Empowering the next generation to shape a brighter future

As part of our community engagement efforts, we encourage our team members to get involved and contribute to the continual growth and advancement of the design and commercial real estate industry. By investing in the development of youth and young professionals and actively engaging in industry organizations, we contribute to building a stronger workforce and AEC industry.

> Supporting the development of young talent and coordinating educational outreach for underserved communities is a major focus point for us.

For more than 40 years, we have been offering scholarships and internships to deserving students based on both need and talent, providing them with invaluable opportunities to expand their academic and career pathways. Additionally, our team members actively contribute to the industry's growth by sharing their expertise as guest lecturers at various high schools and universities and partnering with nonprofits and local government agencies to host workplace mentorships, coordinate design challenges and participate in career exploration panels. Through these engagements, we cover a wide array of subjects and offer insights into broader professional development topics in commercial real estate. By sharing our knowledge and experiences, we aim to inspire and empower students, especially those from underserved communities, to pursue rewarding careers in the AEC industry.

We actively engage with various organizations within the commercial real estate and design sectors. This provides opportunities to connect, learn and collaborate. Our involvement in associations include:





Interns completed 5-week group projects focused on fundamental design principles





We also actively participate in college career fairs, establishing meaningful connections with talented students and recruiting them for intern positions. Our leaders work closely with our dedicated recruiting team to foster relationships with colleges and universities, ensuring a strong talent pipeline for the future.

Also, we are engaged in these important ways:

#### Orange County United Way's Youth Career Connections

Work-based learning initiative that infuses classroom learning with real-world experiences by connecting underserved high school students directly with employers through internships.

#### CEO Leadership Alliance – Talent Leadership Advisory Board

Works across the Orange County High School and College systems to expose and interest youth in promising careers in the county.

### Scholarships

Kent State University College of Architecture and Environmental Design (CAED) Class of 1980 Study Abroad Scholarship – Developed by Ware Malcomb Chairman, Lawrence R. Armstrong, and a group of his classmates, this scholarship is awarded to second year CAED students on a need and talent basis who wish to participate in the college's study abroad semester in Florence, Italy.

Kent State University Armstrong Family Scholarship – Developed by Ware Malcomb Chairman and Kent State University alumnus, Lawrence R. Armstrong, this need and talent scholarship is awarded to the Fourth Year College of Architecture and Environmental Design student who demonstrates their aptitude with an exceptional design portfolio and an industrious academic record.

University of Arizona Bill Ware & Bill Malcomb Endowment Scholarship – Established in 1979 by our founders and alumni of the University of Arizona, Bill Ware and Bill Malcomb, scholarships are awarded to School of Architecture students based upon their Capstone Project.

The WM Foundation offers scholarship opportunities to Ware Malcomb team member children and dependents, providing financial support for their continued education, academic advancement and the desire to make a difference in the world.



# Governance

Governance

**Corporate Governance** 

**Ethics and Compliance** 

Anti-corruption and Bribery

**Risk Management** 

ESG Governance

Responsible Supply Chain

Innovation

Cybersecurity

# Governance

At Ware Malcomb, we foster an entrepreneurial spirit that empowers our employees to be creative and take initiative.

Effective governance provides the necessary structure for us to ensure that we operate responsibly and ethically. However, we understand that governance is not just about compliance, but also about proactively managing risks. By promoting responsible conduct and risk management across Ware Malcomb, we align our actions with our mission and values, and we work to consistently deliver high quality design solutions that meet the evolving needs of our clients. With a strong commitment to prudent governance, we are better equipped to address the challenges of an increasingly unpredictable economic environment, sustain our firm's long-term growth trajectory and strengthen our position as a trusted leader in the industry.



# Corporate Governance

Aligning our governance policies and strategy for effective operations and compliance.



# Sustainable Supply Chain

Working collaboratively with our vendors and consultants to develop an ethical, sustainable and resilient supply chain.



# Innovation and Continuous Improvement

Cultivating a culture of continuous improvement and empowering our people to take action and innovate.



Implementing the processes and systems to proactively identify and address risks and emerging market trends.





# **Corporate Governance**

Since our founding, we consider ourselves as more than a group of individuals.

We embrace the principle of WM One Team, which extends beyond coordination and collaboration to emphasize our collective responsibility to act in the best interests of our clients, stakeholders and the community. By fostering both individual responsibility and collective accountability, we maintain a culture of trust, integrity and responsible behavior.

Team members that join Ware Malcomb are provided with equal opportunities to grow professionally and receive mentoring. We invest significant resources to train and educate our team members, emphasizing the importance of governance, ethical leadership and creating an environment where individuals can confidently make sound decisions aligned with our mission and values.

This ensures that our highest governing body, our board of directors, is always comprised of leaders that exemplify our core values and are deeply committed to our mission and vision. Our Board plays a critical role in providing strategic guidance, overseeing our operations and ensuring that we stay true to our organizational goals.

#### Strategic Planning

The Board is responsible for defining the strategic direction of our company and developing and implementing our strategic plan, which serves as a

roadmap for our growth and success. Our strategic planning process is conducted in an open, transparent and equitable manner. Since 2011, Ware Malcomb has engaged all of our team members in our annual strategic planning process. Each office and team creates a strategic Mind Map reflecting the goals and strategies for the upcoming year. This highly inclusive exercise provides a forum for every team member to learn about companywide objectives and share their ideas and unique perspectives. We make sure we actively engage our team members and provide access to our leaders, which is a core principle at Ware Malcomb. We operate with an open door policy, encouraging team members to approach leaders at all levels with their ideas, concerns and feedback. By fostering a culture of open communication, we create an environment where everyone's voice is valued and heard so that we all feel empowered to speak up and contribute to the development of a better Ware Malcomb.

For this reason, Ware Malcomb operates under an open door policy and has established a problem resolution process through which we can address any policy, process, practice, or decision that affects our team members in an open, structured and transparent manner. This process allows every team member to voice their concerns about a procedure, policy or action that they feel is affecting them adversely in any way. We ensure that any team member that voices their concerns or opinions will not face retaliation or penalty so that we can address concerns quickly and effectively.

# **Ethics and Compliance**

We hold ourselves to the highest ethical standards and prioritize responsible decision making in our day to day activities. Our processes and actions are guided and supported by a comprehensive set of policies, guidelines and standards that are outlined in our Team Member Handbook. This handbook serves as a valuable resource for our team members, providing them with the necessary information on how to act ethically and responsibly in alignment with our mission and values.

Our policies and guidelines serve as a framework that balances our entrepreneurial spirit and our commitment to ethical behavior. They are designed to protect and enhance our reputation, establish a culture of accountability and facilitate effective collaboration with our clients. We make sure our team members fully understand the importance of their actions and the impact they have on our firm and our stakeholders. They are empowered to make choices that align with our values and uphold our commitment to ethical conduct. We believe that effective communication is fundamental in fostering an environment of ethical behavior.

We consistently emphasize the importance of ethical conduct to our team members through open dialogue, but also plan to expand our existing training programs and develop new education initiatives on ethics, compliance and responsible governance. By consistently focusing on addressing ethical behavior, we can create an environment where team members are supported in making the right choices and upholding our standards.





# Anti-Corruption and Bribery

Ware Malcomb is committed to maintaining an environment where corruption has no place.

Anti-corruption and bribery practices are highlighted in our Team Member Handbook, ensuring that our team members act with integrity and in the best interests of the firm and our clients.

We strictly prohibit any actions that may compromise our commitment to fair and ethical practices. For example, it is strictly forbidden for team members to misuse firm resources, confidential information, or their relationships with firm clients for personal gain or advantage. We also emphasize the importance of maintaining client satisfaction and fostering positive relationships among team members, discouraging any actions that could deliberately cause client dissatisfaction or conflict and disputes within Ware Malcomb.

To ensure that potential conflicts of interest are addressed appropriately, we encourage our team members to quickly report any situations where their personal interests may conflict with their duty to the firm. By discussing such situations with the appropriate leaders, the existence and extent of the potential conflict can be thoroughly evaluated, and steps can be taken to manage it quickly and efficiently if required.

# **Risk Management**

At Ware Malcomb, risk management is an integral part of our operations.

We have implemented several measures to manage risks throughout our organization and consistently focus on proactively addressing risks and strengthening our risk management processes. We are committed to Quality Assurance / Quality Control as consistent part of our standard design process. We have a Quality Control team that implements a process to ensure consistent quality companywide. Those team members collaborate to proactively identify potential problems, discuss areas of concern with our clients and have solutions ready.

Key points of our quality assurance program include the following:

- **01** Ware Malcomb Detail Database
- 02 Peer Review

03 Quality Assurance and Coordination Reviews

04 Constructability Reviews with the Owner's Construction Team

05 Ware Malcomb Zoning Ordinance and Design Guideline Review

Our Board of Directors is responsible for overseeing our risk management practices, providing valuable insights to appropriately identify, monitor and manage risks.

During our strategic planning process, we thoroughly assess and address risks to identify potential areas of vulnerability and opportunities for improvement. This enables us to proactively manage risks and better understand emerging trends in our industry. We also recognize the importance of addressing risks and emergencies in the projects we work on. We focus on implementing the appropriate project risk management safeguards and enhancing our capabilities in this area to ensure that our projects are executed smoothly and that we are prepared to handle emergencies.

In line with our commitment to continuous improvement, we have identified the need for a formal and centralized risk management policy. Over the next two years, we will focus on developing this policy, which will provide comprehensive guidance on how we identify, monitor and manage risks across all levels and activities of Ware Malcomb.

Furthermore, we will also explore opportunities to strengthen our risk management practices through certifications specifically related to risk management. We aim to identify certifications that will help us better understand and implement internationally recognized best practices in risk management.

### "

Maintaining robust and resilient operations, delivering excellent service and effectively managing uncertainties and emergencies.





# **ESG Governance**

We recognize the importance of governance in advancing our ESG program and initiatives. Our goal is to have sustainability, inclusivity and ethical conduct remain at the center of our business.

We implement several key measures to ensure robust governance for the successful management of our ESG framework and strategy.

We have established a dedicated ESG steering committee and appointed a sustainability lead executive. This committee and executive are responsible for overseeing and further developing our ESG framework and strategy. Our WM Culture and WM Community committees and the WM DEI Steering committee with our regional champions are responsible for overseeing the implementation of initiatives within the Social pillar of our ESG framework. Their expertise and guidance contribute to the effective integration of ESG practices throughout our organization.

To solidify our commitment to ESG, we have developed an ESG policy that outlines our principles and expectations. This policy serves as a guiding framework for our efforts, providing a clear direction and setting the foundation for responsible business practices. As part of our ongoing efforts, we are engaging our team members in initiatives such as our Office Sustainability Champions, DEI Regional Champions and companywide and regional philanthropy campaigns. These programs aim to raise awareness and drive implementation of our ESG strategy on a local level.

We will continually look for opportunities to enhance and expand our ESG program, identify new initiatives and best practices that align with our ESG goals. This includes exploring the possibility of incentivizing our team members to obtain formal sustainability certifications and engaging with external organizations and experts to ensure that we are at the forefront of sustainable design and operations.

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Ensuring effective integration of ESG principles in our organization to drive sustainable success.

# **Responsible Supply Chain**

We are committed to establishing a responsible supply chain that promotes and safeguards the basic rights of all individuals.

As a design firm operating primarily in North America, we do not perceive human rights as a material business risk. However, we acknowledge the importance of upholding international human rights principles throughout our operations and our supply chain.

In line with our commitment, we hold our vendors and consultants to the same high standards. We expect them to share our dedication to ethical and responsible business practices and actively take steps to mitigate human rights risks within our shared supply chains. By working together with our vendors, consultants and stakeholders, we can create resilient and ethical supply chains where human rights are respected at every stage.

### "

By working together with our vendors, consultants and stakeholders, we can create resilient and ethical supply chains where human rights are respected at every stage. Over the next two years, we will further strengthen our processes and initiatives related to responsible supply chain and human rights in particular. We will define and convey our expectations and guidelines to our vendors and consultants, emphasizing the importance of respecting human rights in their operations. Our guidelines will serve as a guiding framework for our partners to align with our commitment to responsible supply chain practices.

To reinforce our commitment, we plan to evaluate global standards and initiatives that promote responsible supply chains and human rights. By engaging with global frameworks and organizations, we will enhance our understanding and implementation of best practices, ensuring that our efforts align with global initiatives and recommendations.



# Innovation

As a design firm operating in a constantly evolving AEC industry, we recognize that staying at the forefront of innovation is not just important, but essential.

We operate under a forward thinking mindset, continuously envisioning how we can develop innovative solutions. We leverage the latest technological advancements and state of the art tools to enhance our practice and deliver exceptional end user experiences.

To ensure that innovation remains a top priority, we have reinforced it as one of our core values. As such, innovation influences how we approach projects, collaborate with clients and challenge ourselves to think critically. This way we also foster a creative environment that encourages curiosity, exploration and the freedom to think ahead and push the conventional norms. Our commitment to innovation, however, goes beyond specifying our vision and a set of aspirations. We consistently evaluate new technologies, methodologies, and best practices, building upon our internal innovation initiatives we have finetuned over the last 10 years. Our Continuous Improvement Program WM 5.0 and our newly formed Digital Transformation Group help us deliver exceptional design solutions that not only meet the needs of today but anticipate the demands of tomorrow, creating spaces that empower and enrich quality of life. We also actively seek partnerships with technology experts and industry peers to help us to stay informed about the latest advancements.

### "

Focused on continued innovation in everything we do.

### Continuous Improvement Program WM 5.0

Our Continuous Improvement Program WM 5.0 is an initiative designed to encourage new ideas across all aspects of our organization.

Originally launched as Continuous Improvement Program WM 3.0, this initiative was born out of our curiosity and desire to enhance our understanding of how we can continually evolve our practices.

#### Key Goals:

- Workplace
   Project Management
- Culture and People 
   Design
- Technology
   Our Brand
- How We Grow

The inclusive program empowers our people to share ideas to existing processes, making them more efficient and effective. Team members also share new ideas to help us innovate. Since its inception in 2009, our team members have generated over 1,000 ideas, highlighting the dedication and enthusiasm we have for continuous improvement. WM 5.0 has been instrumental in making Ware Malcomb a better and more agile organization. By fostering a culture of innovation and providing a platform for all team members to contribute, we continuously evolve, adapt and thrive in an ever-changing business landscape.

#### "

Encouraging our people to seek new ways to improve Ware Malcomb, every day.



### **Digital Transformation Group**

Our Digital Transformation Group focuses on the transformative power of digital applications and emerging technologies in shaping designs.

We have dedicated our efforts to explore the latest innovations in artificial intelligence, data science and engineering. Our immediate priority is to identify how technology can enhance and streamline our design processes, making them more efficient and effective. We constantly evaluate digital tools and applications that can improve collaboration, visualization and project management and empower our team to work more effectively and efficiently.

Our long-term goal is to better understand how technology can be integrated into the built environment. We aim to go beyond traditional design practices and explore how technology can create value added and augmented experiences for users, making spaces interactive and responsive.

#### "

Harnessing emerging technologies to shape the future of design.

### Innovation in Action: Ware Malcomb's Vision for the Logistics Building of the Future

Driven by our continuous improvement mindset and forward thinking approach, Ware Malcomb developed a pioneering Logistics Building of the Future prototype design concept to solve the biggest problems faced in the last mile industrial market today.

The ecommerce revolution has intensified the speed to market demand – it is an increasing challenge that buildings must accommodate. There are unprecedented land constraint and customer proximity challenges in almost every major global market.

We brought experts from diverse disciplines together to evaluate how we could best utilize design and technology to make the fundamental processes of a logistics building more effective, efficient and environmentally sustainable.

Industrial has gone vertical in an attempt to solve the market's challenges, and Ware Malcomb has been at the forefront of this multistory asset class. (See "Industrial Development Goes Vertical," Development Magazine).<sup>[2]</sup> The most recent generation of multistory industrial facilities require ramps and trucks using valuable real estate, creating cost and navigational challenges. The Logistics Building of the Future design overcomes these problems.



This concept utilizes systems that exist in the market – but leverages them in an extremely innovative way. Technologies like machine learning and AI redefine how each component of the building interacts with each other. Utilizing these technologies enhances the building systems' synchronization and increases efficiency to achieve maximized throughput.

It is imperative for any building of the future to focus on sustainability. This design employs conventional solar and wind strategies. The dynamic, hexagonal grid contains photobioreactor algae filled panels that capture sunlight to convert CO2 to oxygen and energy. To allow for other energy harvesting mechanisms such as water collection, agriculture, drone charging and wind turbines, a 3D printed façade system creates a flexible infrastructure that could be fitted and scaled with prefabricated and interchangeable panels as needed. As new sustainable technologies come to market, this facility would incorporate them to increase energy independence and reduce the strain on the grid.

Ware Malcomb has continued to challenge itself since NAIOP's 2013 Distribution Center of the Future competition when the team envisioned the industrial facility of 2020. Back then the primary goal was to maximize the use of a site by obtaining a higher return and max out the Floor Area Ratio (FAR) of a site. This was accomplished through a creative balance of circulation, loading and parking. The Logistics Building of the Future is the next iteration to fulfill the unique needs of the industrial market today.

# **Cybersecurity**

We understand the significance of managing cybersecurity risks and safeguarding the security and availability of our information technology systems.

To achieve the highest level of information security, we have implemented several cyber security risk management protocols and provide guidelines with clear instructions for our team members on using technology responsibly. Our key policies and recommendations on the protection of sensitive information are also outlined in our Team Member Handbook. Moreover, we regularly review and update our security protocols to align with industry best practices and evolving regulatory requirements. We are currently finalizing our cyber risk management policy that will provide more information and guidance on managing cyber risks. Since cybersecurity is a rapidly evolving concept, we acknowledge that we must help our team members to stay informed about emerging threats and new cybersecurity best practices. That's why we have developed a training course focused on information security, which covers topics such as identifying and avoiding scams, recognizing phishing emails and understanding the risks associated with cyber threats and attacks in general.

We also encourage all team members to report any suspicious activities or potential security vulnerabilities promptly. By promoting an open and collaborative environment, we can work together to identify and address potential vulnerabilities, thus maximizing the ongoing security of our systems and data.





# **Looking Ahead**

As we reflect on our progress outlined in this report, we recognize that our ESG journey is far from complete. The coming years will present new challenges that will require our unwavering commitment to the principles of ESG, innovation and collaboration with our clients and stakeholders. We are at a pivotal moment where the actions we take today will shape the future we desire.

Our ESG framework and strategy provide the foundation for us to operate sustainably and responsibly, empower our team members to grow, foster diversity and social responsibility and uphold robust governance standards so we can turn challenges into opportunities.

We have taken several steps over the last year to evaluate our processes and programs, quantify our impact and implement new processes and policies to integrate ESG principles more effectively across Ware Malcomb. While we are very proud of our many accomplishments, we understand that we must focus on continuously refining our processes, establish additional ESG goals and find new ways to measure our progress. This way, we can be sure we continue to make a meaningful and measurable impact in alignment with our values and the priorities of our clients and stakeholders.

We are strongly focused on furthering our ESG initiatives and implementing best practices to support the AIA 2030 Commitment and develop net zero energy buildings, reduce our resource consumption, promote diversity and inclusion and enhance our community impact and strengthen our risk management and policy framework to sustain our growth and success.

> We are excited to work with our clients, team members and industry partners to contribute to a sustainable and resilient future for all.

# WARE MALCOMB

ARCHITECTURE PLANNING INTERIORS

CIVIL ENGINEERING BRANDING BUILDING MEASUREMENT