

# Annual Sustainability Report

Inspiring  
action



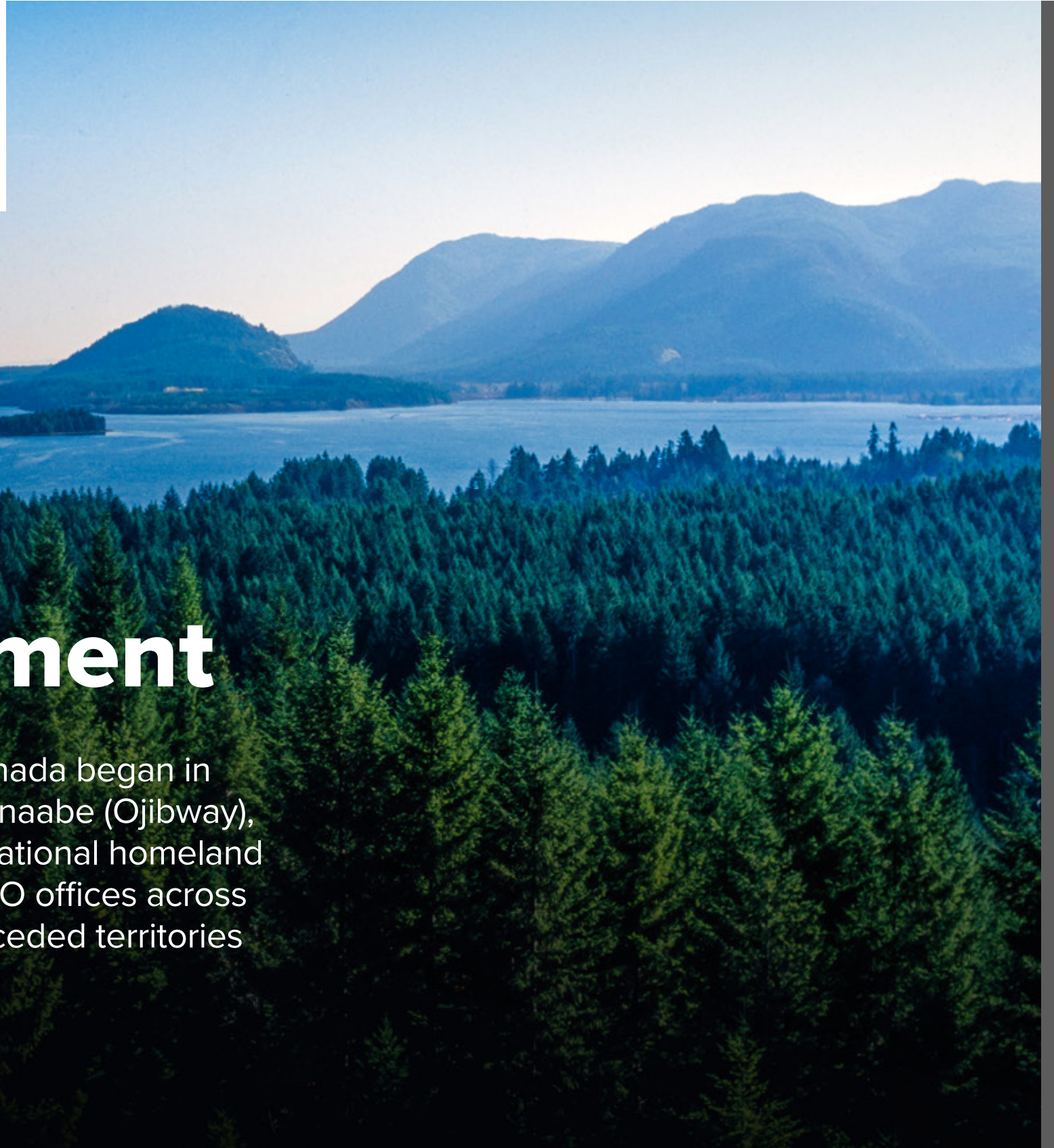


# Content

<b>INTRODUCTION</b>	<b>3</b>
Land acknowledgement	3
A message from our CEO	4
A message from our ESG Program Leader	5
Overview	6
About us	8
2023 momentum: Moving our sustainability strategy forward	14
We are part of the BDO Global Sustainability Movement	18
Client services: A practical approach to ESG	19
<b>ENVIRONMENTAL</b>	<b>20</b>
Overview	21
Metrics and targets	23
Advancing our environmental efforts	24
Emissions breakdown	27
<b>SOCIAL</b>	<b>29</b>
Overview	30
Maintaining our place as an employer of choice	32
Diversity, equity, and inclusion	35
Health and well-being	53

Learning and development	56
Community impact	60
Innovating for growth	65
<b>GOVERNANCE</b>	<b>68</b>
Overview	69
Principles of governance	71
Aligning governance with evolving challenges	84
<b>APPENDICES</b>	<b>85</b>
Appendix A – WEF IBC Index	86
Appendix B - Definitions of metrics	90
Appendix C - Materiality assessment results	92
Appendix D – Greenhouse gas inventory project	93
Appendix E – Our workforce metrics	95
Appendix F – Skills for the future	97
Appendix G - Prosperity: Community and social vitality	98
Appendix H – Board responsibilities	99
Appendix I – Skills and experience used to recruit Board members	100
Appendix J - Board committees	101

# Introduction /



## Land acknowledgement

We acknowledge the land our firm was built on. BDO Canada began in Treaty One Territory, on the traditional lands of the Anishinaabe (Ojibway), Ininew (Cree), Oji-Cree, and Dakota peoples, and is the national homeland of Red River Métis. We respectfully acknowledge that BDO offices across Turtle Island are located on the traditional, treaty, and unceded territories of First Nations, Inuit, and Métis people.

# A message from our CEO



**Bruno Suppa**  
Chief Executive Officer

At BDO Canada, our environmental, social, and governance (ESG) initiatives are a roadmap to endless opportunities, where sustainability, social impact, and strong governance redefine what success truly means for our firm.

As we unveil our 2023 sustainability report, I am proud of the progress we have made on our ESG objectives and the possibilities we have ignited. We strive to be recognized as a top-tier firm with a clearly differentiated service offering that **bends the arc of possibility for our people, our clients, and our firm**. Our ambitions must be sustainable—and in 2023, we have achieved significant milestones towards our ESG goals.

- **Environment:** We are committed to achieving net-zero emissions by 2050 across our operations. In 2023, we started formalizing our decarbonization roadmap and enhanced the quality of data used to measure our carbon footprint. We also streamlined the data collection process for our greenhouse gas (GHG) emissions. These enhancements will yield more accurate emissions information and bring us closer to realizing our reduction targets.
- **Social:** We have made significant strides as a firm in implementing our diversity, equity, and inclusion (DEI) strategies. In 2023, we increased the uptake of our self-identification tool, strengthened our mentorship programs, launched our five-year Accessibility Plan, and enhanced our inclusive physical and mental health supports. We are determined to continue enriching the diversity of our firm and fostering an environment where every individual is valued, heard, and positioned for success.
- **Governance:** Our corporate governance model is based on trust, collaboration, and accountability, and goes above and beyond regulatory requirements. The release of our 2023 Audit Quality Report reaffirms our commitment to excellence and maintaining strong, productive relationships with regulators. We continue to upskill our executives through training, assessments, peer surveys, and other external professional development.

The evolving business landscape and employee expectations have placed ESG at the forefront of organizational decision-making. At our first firm-wide **ESG Impact Week** in October 2023, we gathered meaningful ideas that were used to inform our 2024 ESG strategy. We look forward to proactively engaging our people on the strategic importance of ESG issues. This is a matter our people genuinely care about, and we believe it will continue strengthening the culture of kindness, empathy, and community within the firm.

The actions we take today will carve the path for a more resilient and responsible tomorrow, and our momentum toward ESG excellence is filled with opportunities for growth, innovation, and meaningful impact—for our clients, our people, and our planet.

A stylized, handwritten signature in black ink, consisting of a large, sweeping 'S' shape followed by a horizontal line.

# A message from our ESG Program Leader



**Glory Keong**  
ESG Program Leader

At BDO Canada, sustainability means possibility. It's our roadmap to endless opportunities, where environmental stewardship, social impact, and strong governance redefine what success truly means for our firm. As we unveil our Annual Sustainability Report, I am deeply proud of our ESG team, the work we as a firm have collectively accomplished, and the possibilities we have ignited.

**Our progress towards our ESG goals led to significant milestones last year. I'm pleased to highlight some of our achievements:**

- We were recognized as one of Canada's Top 100 Employers and one of Atlantic Canada's Best Places to Work.
- We launched our five-year Accessibility Plan, which shares the steps we are taking to remove and reduce barriers to accessibility for persons with disabilities at BDO.
- We implemented enhancements to our internal processes to improve the efficiency of data gathering on various emissions categories.
- In 2023, we increased our investment in innovation by 53% over 2022.
- We leveraged new digital tools to help our people set performance goals and track their progress.

We know our people genuinely care about ESG—this was a clear takeaway from our ESG Impact Week in October—and we believe this shared passion will continue to strengthen the kindness and sense of community within our firm. Our dedicated team members bring our ESG commitments to life through their daily actions and long-term visions, contributing to meeting our clients' needs while driving positive change in the communities we serve.

Among the many community impact programs we support, our 2023 Drive Away Hunger fundraising efforts exceeded those of 2022, underscoring the kind of positive impact we aim to make.

We intend to continue our momentum to advance our sustainability program and demonstrate how we continue contributing to a better world for our people, clients, and planet.

A handwritten signature in black ink that reads "Glory Keong". The signature is written in a cursive, flowing style.

# Overview

## Why is sustainability important to BDO Canada?

**Sustainability drives our actions. Our 2023 report celebrates our progress towards reaching our goals and holding ourselves accountable.**



Sustainability continues to be a strategic priority at BDO Canada and is integrated into our goals. As a professional services firm, we have the ability to drive meaningful change in our operations through our client services and within the communities in which we operate. Throughout our 100-plus years of business in Canada, we have always been committed to ESG initiatives across the country.

In 2022, we formalized our ESG strategy, aligned our existing program to the World Economic Forum's International Business Council (WEF IBC) reporting framework, and identified material ESG topics through effective consultation and engagement. In 2023, we continued moving our ESG program forward and contributing to meaningful change.

Our aspiration is to be the leading professional services firm that inspires an unstoppable sustainability movement.

[For more information on the WEF IBC Index, see Appendix A,](#)  
[and for WEF IBC definitions, see Appendix B.](#)

# The global drivers of our ESG strategy

Our ESG program continues to be guided by external market shifts. In 2023, we proactively navigated the following evolutions.



## The rising costs of climate change

**Market evolution:** The physical and transitional impacts of climate change and natural disasters continued to cause harm in Canada and around the globe. Record-breaking wildfires impacted Canada at an unprecedented rate.

**Our approach:** We continue to take action to reduce our carbon footprint and achieve net-zero emissions by 2050 through the development of a formal climate strategy. In 2023, we made considerable improvements in the efficiency and accuracy of our data gathering process on various emission categories and established a procurement group that works with our suppliers to set science-based targets for emission reductions within our supply chain.

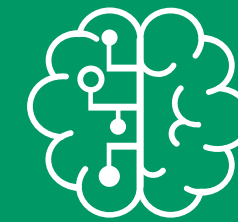


## DEI and humanitarian impacts

**Market evolution:** Systemic racism and acts of unconscious bias continue to be issues facing Canadian society. Global conflicts impose humanitarian impacts that have far-reaching consequences on nations and communities around the world.

**Our approach:** We have set measurable targets to improve diversity among senior leadership roles and have implemented strategies to help our firm achieve set targets. In 2023, we made strong progress towards our DEI goals. We are proud to report that 43.1% of our senior leaders are women and we have made significant progress in tracking the proportion of our senior leaders who identify with combined equity-deserving groups. We continue to collaborate with our DEI pillar leads to advance DEI education and support humanitarian initiatives and awareness within BDO.

In response to devastating wildfires across Canada in 2023, our firm donated to support affected communities and actively encouraged our people to personally contribute towards relief efforts and other humanitarian causes. For our people impacted by the wildfires directly or indirectly, we encouraged them to seek support using the firm's free Employee & Family Assistance Program, available 24/7.

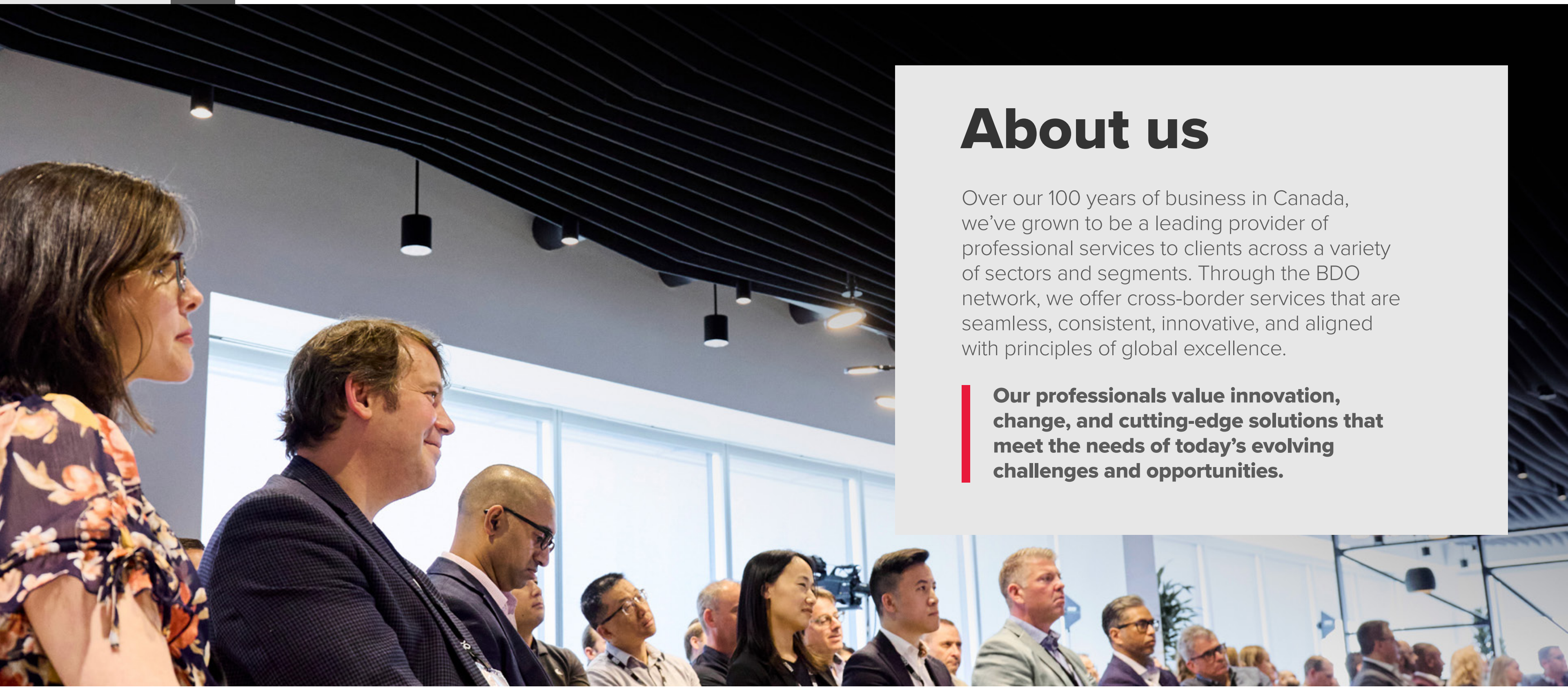


## AI-driven innovation

**Market evolution:** Technological advancements and artificial intelligence (AI) programs continue to pose challenges and opportunities for how businesses operate, deliver services, and achieve sustainability. Embracing innovation and AI, when done responsibly, has the potential to create efficiencies and lead to significant competitive advantages—but it must be pursued with a keen awareness of the carbon footprint associated with AI systems. By designing AI algorithms with sustainability in mind, businesses can mitigate the ecological footprint of their AI operations.

**Our approach:** A robust and dynamic digital agenda is a core pillar of our strategy. In 2023, we embraced emerging technologies like Microsoft Copilot and empowered our people to leverage these solutions to create efficiencies in their work. Through educational programs, our objective is to protect confidential data while adopting new technology offerings to enhance our client service delivery model.

Our dedicated Innovation & Change (I&C) team helps maintain a culture of curiosity while empowering, exploring, and implementing new ideas that create a sustainable future for our clients.



## About us

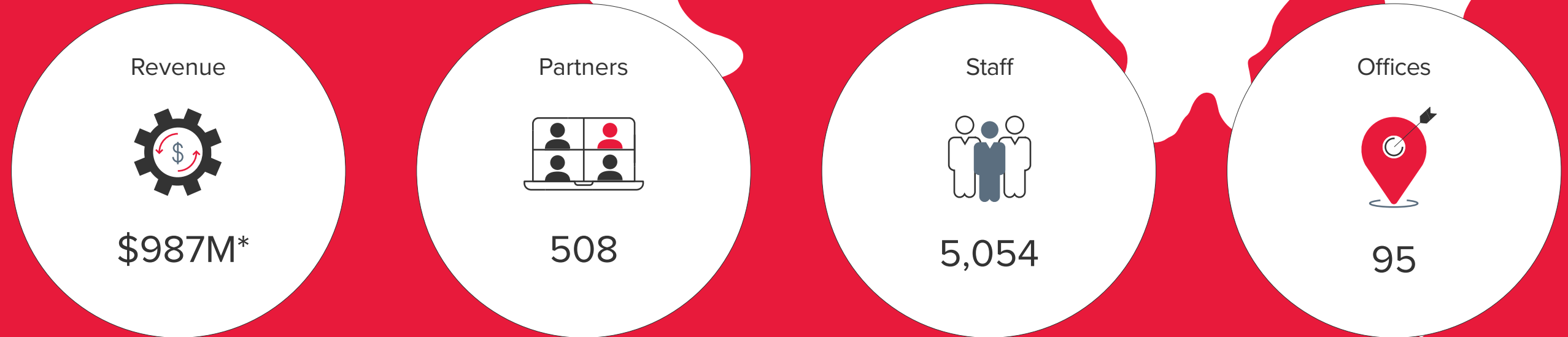
Over our 100 years of business in Canada, we've grown to be a leading provider of professional services to clients across a variety of sectors and segments. Through the BDO network, we offer cross-border services that are seamless, consistent, innovative, and aligned with principles of global excellence.

**Our professionals value innovation, change, and cutting-edge solutions that meet the needs of today's evolving challenges and opportunities.**



# Get to know BDO Canada

## BDO Canada figures



\*Unless otherwise indicated, all currency in this report is in Canadian dollars.

Canadian details current as of Dec. 31, 2023.

## Our core services

Across each service line, we have a comprehensive ESG service offering that supports clients along their sustainability journeys. With our sustainability team's extensive knowledge, we help clients embed ESG into their business operations in a practical and purposeful way.



Our **Assurance** service line provides valuable insights on client financial information and ensures their compliance with regulations at every stage of the business life cycle. Our **Audit** service line conducts risk-based audits and reviews engagements on financial information.



Our **Tax** professionals help clients meet regulatory obligations, effectively manage their tax burdens, and navigate complex regulations in Canada and abroad. Through our partner-led practice, our team draws on deep experience, global resources, and specialized industry knowledge to advise clients on tax opportunities, risks, and efficiencies in their business operations.



Leveraging data-driven insights, industry expertise, and digital platforms and tools, our **Business Services & Outsourcing (BSO)** practice provides strategic insights that lead to sustainable growth and competitive advantages. From tax structure assessments to cloud accounting integration, our diverse solutions are tailored to our clients' distinct needs and goals.



Through our **Advisory** services, our team takes its vast knowledge of industry issues, regulations, and market dynamics to help clients achieve their strategic objectives based on data-driven results and actionable insights.

## Our mission



Develop people



Discover insights



Deliver quality and value



Build trust

## Our vision

**To bend the arc of possibility** for our people, our clients, and our firm.

## Our values

We're passionate about our people and clients.

**We believe diversity, data, and a clear focus on quality strengthen our firm.**

**We seek progress over preservation.**

We're curious, collaborative, and kind.

# Core services at a glance

**We offer a diverse range of services tailored to meet the evolving needs of our clients.**

This overview is provided as an example of our core offerings and is not intended to represent an exhaustive list. For a comprehensive understanding of our offerings, we encourage you to [contact us](#) directly or [visit our website](#).

Services			
Audit & Assurance	BDO Digital	BDO Law	Business Services & Outsourcing
<ul style="list-style-type: none"> <li>Accounting Advisory</li> <li>Capital Markets &amp; Public Company Services</li> <li>Third Party Attestation</li> </ul>	<ul style="list-style-type: none"> <li>Application Development &amp; Modernization</li> <li>Business Applications</li> <li>Cloud Services</li> <li>Cybersecurity</li> <li>Data &amp; AI</li> <li>Digital Strategy</li> <li>Managed Services</li> <li>Modern Workplace</li> </ul>	<ul style="list-style-type: none"> <li>Business Law</li> <li>Immigration</li> <li>Tax Controversy &amp; Dispute Resolution</li> <li>Wills, Estates &amp; Trusts</li> </ul>	<ul style="list-style-type: none"> <li>CFO &amp; Controllership Services</li> <li>Cloud Accounting</li> <li>Financial Reporting &amp; Tax Filings</li> <li>Payroll</li> </ul>
Financial Advisory Services	Management Consulting	Personal Debt Solutions	Tax
<ul style="list-style-type: none"> <li>Business Restructuring &amp; Turnaround Services</li> <li>Deal Advisory</li> <li>Forensic Disputes &amp; Investigations</li> <li>Risk Advisory Services</li> <li>Strategy, Value Creation &amp; Analytics</li> <li>Valuations &amp; Modelling</li> </ul>	<ul style="list-style-type: none"> <li>People Advisory</li> <li>Public Sector Strategy &amp; Transformation</li> <li>Strategy, Value Creation &amp; Analytics</li> </ul>	<ul style="list-style-type: none"> <li>Debt Counselling</li> <li>Consumer Proposal</li> <li>Bankruptcy</li> </ul>	<ul style="list-style-type: none"> <li>China Practice</li> <li>Customs &amp; International Trade</li> <li>Domestic Tax</li> <li>Expatriate Tax</li> <li>Indirect Tax</li> <li>International Tax</li> <li>Private Wealth</li> <li>SR&amp;ED and Government Incentives</li> <li>Transaction Tax</li> <li>Transfer Pricing</li> <li>U.S. Tax</li> </ul>

## Solutions

ESG

Digital Transformation

Indigenous Communities & Organizations

Private Equity

# Get to know BDO Global

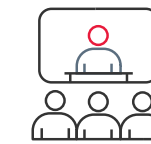
## BDO Global figures

Revenue



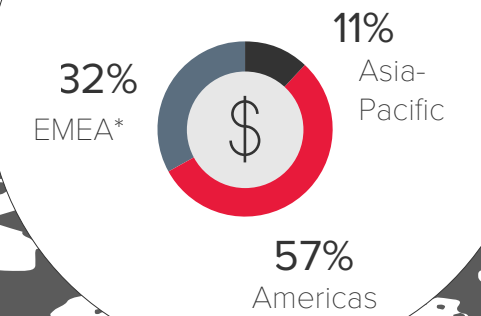
US\$14B

People



115,661

Percentage revenue by region



\* EMEA: Europe, the Middle East, and Africa

Offices



1,776

Countries & territories



166

BDO is an international network of public accounting, tax, and advisory firms showcasing a remarkable 10.2% year-on-year growth as of Sept. 30, 2023. The network's commitment to quality, underpinned by a deep understanding of client needs and a culture of excellence, sustains BDO's position as a global leader in professional services.

As part of the international BDO network, we provide world-class insights, resources, and data to support our clients through every stage of their business.

Global details current as of Sept. 30, 2023.



# 2023 momentum: Moving our sustainability strategy forward

**Our firm's sustainability strategy centres on three main pillars: environmental action, social commitment, and governance structure.**

In 2023, we made significant advancements toward achieving our goals and holding ourselves accountable. Based on the results of the materiality assessment we completed in 2021, we identified the ESG topics that were most important to our business and key stakeholders.

[To view our ESG materiality assessment results, see Appendix C.](#)

The table below highlights key milestones our firm achieved in each pillar. We proudly report that we are on track to achieve our objectives across all pillars.

ESG pillar	Pillar description	Key target	2023 performance
<b>Environmental action</b>	Embed environmental action and leading sustainability practices into our firm operations with a focus on reducing our carbon footprint.	Achieve net-zero carbon emissions by 2050.	<ul style="list-style-type: none"> <li>Made strides to improve data quality for a more accurate measurement of our carbon footprint.</li> <li>Formalized our decarbonization roadmap ahead of submitting our reduction targets to the Science Based Targets initiative.</li> <li>Continued engagement with our stakeholders across the firm and externally.</li> </ul>
<b>Social commitment</b>	Create an inclusive and equitable work environment that supports the health and well-being of our people and communities through strong social commitments.	Maintain 50% gender parity and 30% representation from combined diversity pillars in senior leadership roles.	<ul style="list-style-type: none"> <li>43.1% of our senior leaders are women and we continue to track the proportion of our senior leaders who identify with combined equity-deserving groups.</li> <li>Increased the reach and impact of our mentorship programs and networking opportunities for women in BDO.</li> <li>Launched our five-year Accessibility Plan.</li> <li>Enhanced our employee benefits program to better meet our people's diverse needs. Enhancements were made in the areas of gender affirmation coverage, fertility drug coverage, and wellness reimbursements.</li> <li>Invested \$16,351,950 in our training efforts, amounting to an average of \$2,775 per person, an increase of 41% over 2022.</li> <li>Rolled out the Accelerated Development Program (ADP) and enhanced the Enabling Performance (EP) program to support our people's learning and development.</li> <li>Invested \$2,419,955 into our communities, an increase of 18.1% over 2022.</li> <li>Raised \$337,226 for Drive Away Hunger, bringing our total to \$3 million since we began supporting the initiative.</li> <li>Increased our investment in innovation by 53% compared to 2022.</li> </ul>
<b>Governance structure</b>	Ensure our firm governance structure is robust and incorporates leading practices that build trust.	<ul style="list-style-type: none"> <li>Maintain a culture of strong ethical behaviour.</li> <li>Continue to integrate effective risk management into our firm's governance strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced our Enterprise Risk Management (ERM) program.</li> <li>Integrated ESG and climate risk into Board and Executive Leadership Team (ELT) discussions.</li> </ul>

# Engagement and material ESG topics

Engagement is a central part of our firm's commitment to sustainability. In 2021, we conducted a formal materiality assessment to determine our firm's priority ESG areas of focus.



Through a combination of surveys, workshops, market research, an analysis of peer ESG reports, and industry trends, we identified our material ESG topics and priorities.

To inform our materiality assessment, we performed the following activities:

- Conducted an analysis of relevant ESG reports.
- Completed a comprehensive market study.
- Consulted with more than 1,000 participants. To ensure we gathered many different insights on ESG, participants in the study included those with the following criteria:
  - Geography, influence, diversity, industry, and reliability.
  - External participants included suppliers, academics, and clients.
  - Internal groups included our leadership team, partners, and employees; our global counterpart, BDO Global; and internal subject matter experts.
  - Insights were obtained through a combination of tactics that included survey responses, workshops, desktop research, and an analysis of external trends at both a national and global level.

BDO's prioritization of topics was scored and objectively evaluated, resulting in a materiality matrix ([see Appendix C](#)) illustrating our firm's ESG priorities.

In addition to our formal materiality assessment, we continue to engage directly and indirectly throughout the year to understand the ESG issues that are most significant. Through this ongoing engagement, we gain a better understanding of how we can enhance our existing programs and initiatives and move our sustainability program forward.

In 2023, we executed the following engagement initiatives:

- Conducted a talent experience survey to better understand how we can implement a differentiated workplace for our people.
- Held virtual interviews and a firm-wide survey to better understand how we can build a more accessible BDO in line with the Accessible Canada Act.
- Conducted internal commuting surveys to enhance our firm's climate strategy and data accuracy.
- Had regular discussions with our Finance and Real Estate teams to improve data quality for GHG emissions.
- Collaborated with our property managers and real estate brokers to include ESG requirements into leasing language.
- Engaged in continuous client engagement throughout the year by project teams.
- Hosted live firm-wide webinars.

**We intend to maintain an open dialogue and to reconduct a formal materiality assessment in 2025 to ensure that emerging ESG issues are identified and incorporated into our strategy as our firm matures along its sustainability journey.**



# Alignment with the United Nations Sustainable Development Goals

There are 17 United Nations Sustainable Development Goals (UNSDGs) adopted by all United Nations member states in 2015. Below we highlight the seven UNSDGs we align with and our people's perspectives on each commitment.



“ I look forward to the firm's Drive Away Hunger campaign each and every year. The shared commitment of my colleagues transforms our office into a compassionate community, united in the common goal of making a positive impact in the lives of those facing food insecurity.

**Cristina Peelar**  
Administrative Professional



“ The health and wellness benefit encouraged me to think outside the box when it comes to healthy activities. Aside from my regular gym membership, which the wellness benefit helps to fund, I also added a virtual race and some home fitness equipment to my regular fitness routine. BDO's generous health and wellness reimbursement opened the door for me to try new things and up my fitness game.

**Alison Drover**  
Senior Manager, Brand & Operations



“ Participating in the group mentoring sessions has proven to be an invaluable opportunity for networking with accomplished women within the firm. These sessions have provided a platform for meaningful dialogue, allowing me to engage with professionals whom I might not have had the opportunity to connect with otherwise.

**Christina George**  
Manager, Internal Administration



“ It's an exciting time to be involved with innovation at the firm. We're constantly evaluating new trends that will impact our people and our clients and making thoughtful investments in innovation initiatives. I'm proud of the work we're doing to position BDO as a leader in the market.

**Anthony Morra**  
Partner, Data Strategy, Analytics and Governance



“ I am so grateful to BDO for supporting me over the years while I pursued my CPA designation. Not only did the company reimburse my fees, but they also provided extra paid study days. My people leaders and CFE mentor made a huge effort to ensure my workload was manageable to accommodate my studying. I am so happy to be a successful CFE writer and soon enough, call myself a CPA!

**Ashna Behl**  
Consultant, Risk Advisory Services



“ My work with small and medium-sized businesses allows me to see firsthand the significant impact they have in their local communities. I am proud of the role I play in helping them to be successful and contribute to the economy in a meaningful way.

**Michele Anderson**  
Senior Manager, Business Services & Outsourcing



“ Not only is BDO committed to doing our part to combat climate change, but we're working hard to ensure our clients are also equipped to lead change in their organizations. We understand everyone has a role to play in progressing sustainability and we maintain a comprehensive ESG service offering as a result.

**Mohamed Salem**  
Senior Consultant, Risk Advisory Services

# We are part of the BDO Global Sustainability Movement

BDO firms are committed to making a difference in their respective markets through our collective BDO Global Sustainability Movement, which encourages everyone in the BDO community to learn more about how they can embrace sustainability practices as individuals, BDO professionals, and advisors to clients.

In 2023, our firm advanced the following goals as part of this global movement:

- **Contributed to BDO Global's carbon footprint report**
  - Supported other member firms in calculating their carbon footprint in order to enhance global climate reporting.
- **Net Zero Financial Service Providers Alliance**
  - Through our BDO Global network, we are a signatory of the Net Zero Financial Service Providers Alliance, a global group of financial service providers supporting the goal of net-zero GHG emissions by 2050 or sooner.
  - In 2023, we made progress towards reaching net zero by 2050 or sooner and meeting our environmental commitments.
- **Data quality and technology**
  - Selected a technology solution to support our ESG reporting capabilities and carbon footprint calculation through enhanced data quality and automation.

**BDO Global champions the pursuit of excellence with its bold vision: Global solutions. Driven to be the best. This vision is brought to life through its core purpose—people helping people—which reflects a deep-seated commitment to collaboration, human connection, and mutual support.**





# Client services: A practical approach to ESG

**As ESG issues evolve and take on new dimensions, we are continually adapting our strategy to provide value and offering new sustainability services to support our clients' sustainability journeys.**

We advise our clients on how to embed sustainability into their operations with pragmatic and actionable strategies. Our client facing teams assist organizations to be better, do better, be more efficient, and contribute to a more sustainable future through a range of practical services and tools. We apply a value-creation lens to clients' ESG programs, strategically aligning ESG objectives and decarbonization initiatives with opportunities for government funding.

Our [suite of ESG services](#) encompasses comprehensive offerings relevant to organizations in all sectors of activity, similar to how we approach our internal ESG program.

**Our goal is to apply a sustainability lens and implement practical ESG principles within our operations and our client-service model.**



# Environmental



# Overview

**For progress and innovation to be meaningful, they must be guided by environmental ethics. At BDO, we believe we have a shared responsibility to preserve our planet and natural resources for future generations. Striking a balance between progress and environmental sustainability is fundamental to our firm and our strategy.**





**In 2023, we made considerable strides in our ESG journey and are determined to take meaningful action in the urgent fight against climate change. With a clear strategy and unwavering resolve, we are actively following through on our environmental commitments, a dedication that positions us as one of the leaders in the **BDO Global Net Zero Forum**. As a leading voice in this collective of ESG practitioners from BDO firms around the world, we provide guidance on appropriate governance practices as our peers develop their strategies to achieve net zero. We collaborate with this council to implement and align best practices in operations and plan to **reach net zero<sup>1</sup> by 2050 or sooner**.**

<sup>1</sup>According to the Science Based Targets initiative (SBTi), net zero for an organization involves:

- a) Setting near- and long-term science-based targets to reduce GHG emissions in line with a 1.5°C trajectory, with the intention to halve emissions by 2030 and cut all possible emissions before 2050.
- b) Neutralizing residual carbon dioxide emissions either by removing/reducing direct emissions (Scope 1), or by taking steps to reduce emissions indirectly through steps such as purchasing carbon credits from projects that remove carbon dioxide from the atmosphere.



# Metrics and targets

**One of our critical environmental goals is to reduce our emissions by 50% by 2030 and reach net-zero emissions by 2050 or sooner. We continue to support the overall ambition to limit global temperature increase to 1.5°C above pre-industrial levels.**

In 2022, we began the process of measuring our carbon footprint and establishing estimates for our Scope 1, Scope 2, and Scope 3 emissions.

As we align to the Task Force on Climate-Related Financial Disclosures' (TCFD) metrics and targets recommendations, our 2023 carbon footprint continues to be in line with the World Resources Institute's (WRI) internationally recognized reporting standards:

- Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard (2015 revised edition)
- GHG Protocol: Scope 2 Guidance (amendment to GHG Protocol) (2015)
- GHG Protocol Corporate Value Chain (Scope 3) Accounting (2011)
- GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (version 1.0)

[Further details regarding our 2023 greenhouse gas calculations and assumptions are outlined in Appendix D.](#)

# Advancing our environmental efforts

**In 2023, we aligned our greenhouse gas emissions reporting with the calendar year (January to December), consistent with our 2022 approach.**

Following the inaugural process of estimating our Scope 1<sup>2</sup> and Scope 2<sup>3</sup> GHG emissions across our Canadian operations for which we maintain operational control, the calculations were completed in accordance with 100-year time-horizon global warming potential (GWP) values from the Intergovernmental Panel on Climate Change's Fifth Assessment Report (2014).

<sup>2</sup> **Scope 1:** Direct GHG emissions that occur from sources that are owned or controlled by the entity. For example, emissions from combustion in owned or controlled generators, boilers, etc.

<sup>3</sup> **Scope 2:** Indirect GHG emissions from the generation of purchased electricity, steam, and cooling consumed by the entity or otherwise brought into the organizational boundary. Scope 2 emissions physically occur at the facility where electricity is generated.

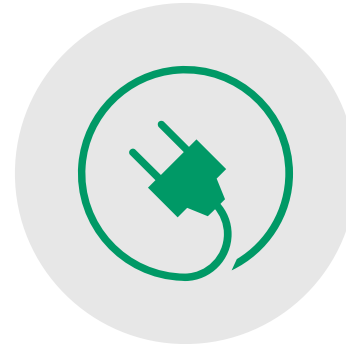




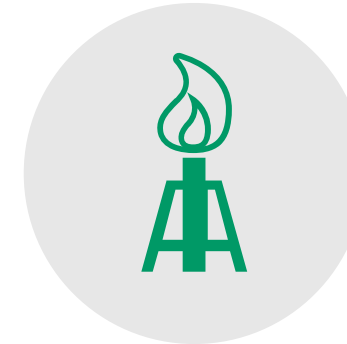


For the 2023 reporting period, we implemented internal process enhancements to improve the efficiency and accuracy of the data gathering process on various emission categories.

## Enhancements were applied in the areas of:



**Electricity**



**Natural gas**



**Water**



**Business travel**

**The WRI’s five reporting principles—relevance, completeness, consistency, transparency, and accuracy—are foundational and underpin our methodologies used to obtain the relevant emissions estimates. We also continued to report on material Scope 3<sup>4</sup> emissions categories.**

We actively encourage our property managers to pursue goals that contribute to their net-zero journey. We also collaborate with our real estate brokerage firm to include ESG requirements in any renewal or new lease agreements, notably the requirement to obtain GHG data.

As a professional services firm, most of our emissions come from within the value chain, particularly business travel. Understanding that business travel volume has increased post-pandemic, we’ve made efforts to reduce it whenever possible, balanced with the need to serve our clients and communities. We included business travel reductions as one of our performance metrics and implemented a hub-and-spoke model for various conferences to help streamline the efficiency of our meetings.

In 2023, we established a procurement group, which collaborated with the ESG team to align on an approach to work with our top suppliers to set science-based targets for emission reductions within our supply chain.

<sup>4</sup> **Scope 3:** Other indirect GHG emissions, which are the consequence of the activities of the entity but occur from sources not owned or controlled by the company. For example, extraction and production of purchased products and services, and employee commuting.

# Our decarbonization roadmap

We developed our decarbonization roadmap in preparation for submitting emissions reduction targets through the SBTi and for confirming our baseline year's emissions. This commitment is aligned with our ESG commitment through BDO Global.



# Emissions breakdown

The Scope 3 categories that were determined to be most relevant and material to our business and most significant in terms of their respective emissions (in Mt CO<sub>2</sub> eq) include:

Our 2023 GHG emissions are estimated at

**23,161**  
Mt CO<sub>2</sub> eq\*

with the largest source being indirect GHG emissions (Scope 3).

\*Metric tonnes of carbon dioxide equivalent.

The largest emissions in this category are attributable to expenditures for the delivery of professional services, computer hardware and software, facilities and maintenance, and office supplies.



**Purchased goods and services (including capital goods and services)**

Emissions attributed to the remote work activities of our employees.



**Remote work**

Business-related travel and transportation undertaken by our employees via methods not owned or operated by BDO, including rail, vehicle, air travel, and ground transportation (i.e., parking, tollway, etc.).



**Business travel**

The disposal and treatment of waste generated as part of our operations, including wastewater, landfill garbage, recyclables, and organic waste supplies.



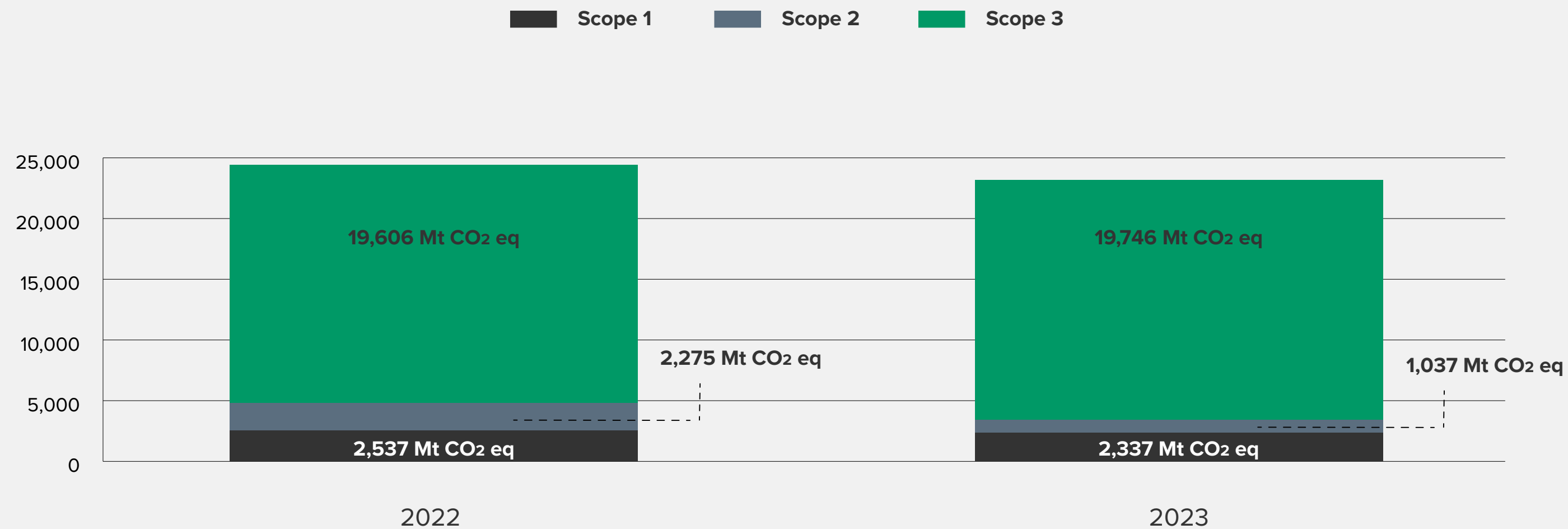
**Waste**

**Employee commuting**



Emissions generated by our employees' commutes between their homes and our offices and client sites using methods not owned or operated by BDO (i.e., private vehicles and public transportation).

# Our 2022 and 2023 emissions estimate



Units are in metric tonnes of carbon dioxide equivalent.

Our retrospective internal review and analysis undertaken as part of our 2023 estimation identified certain inputs and factors in our calculations of emissions for procurement of goods and services and capital goods and services that required updating. Following the Greenhouse Gas Protocol's recommended best practices, we have updated our emissions estimate for 2022.

In 2022, due to an incomplete data set, we used assumptions and extrapolation methods from provinces with higher factors to estimate our Scope 1 and Scope 2 emissions. The change year-over-year is mainly due to improved data sets in 2023.

Our business operations in 2023 had an impact on Scope 3 that was more consistent with pre-pandemic levels. As a result, this category represented a larger portion of our total emissions. However, our year-over-year emissions remained relatively unchanged following the implementation of an updated set of emission factors.



# Social



# Overview

**We are committed to driving social impact, inside and outside our firm. This involves creating a positive experience for our people and an environment where everyone at BDO can learn, grow, and succeed. It also involves working together to create stronger, healthier, and thriving communities.**



## Our social programs align with the People and Prosperity themes within the WEF IBC framework, including:

Diversity, equity, and inclusion



Health and well-being



Learning and development



Community impact



Innovating for growth





# Maintaining our place as an employer of choice

We were proud to be recognized as one of **Canada's Top 100 Employers** and one of **Atlantic Canada's Best Places to Work**, underscoring our commitment to fostering a vibrant and supportive work environment where our people can thrive and contribute their best.

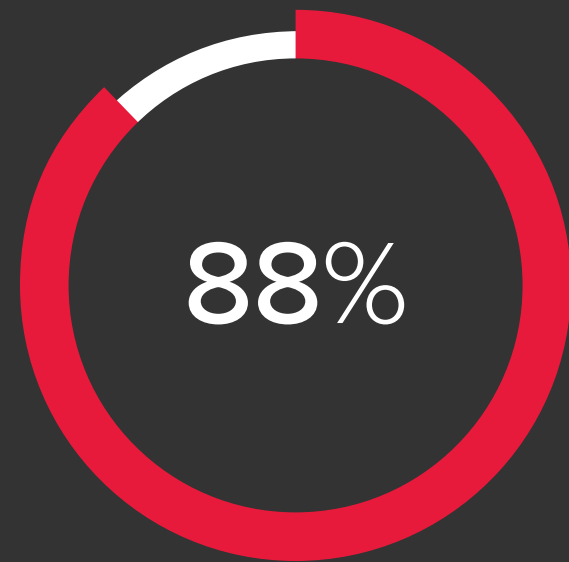
Employee engagement is at the heart of our social programs. We understand that happy, healthy, safe, and fulfilled employees are a catalyst for success, innovation, and lasting societal impact. We regularly gather and analyze employee engagement data to inform the strategic talent and culture decisions we make.



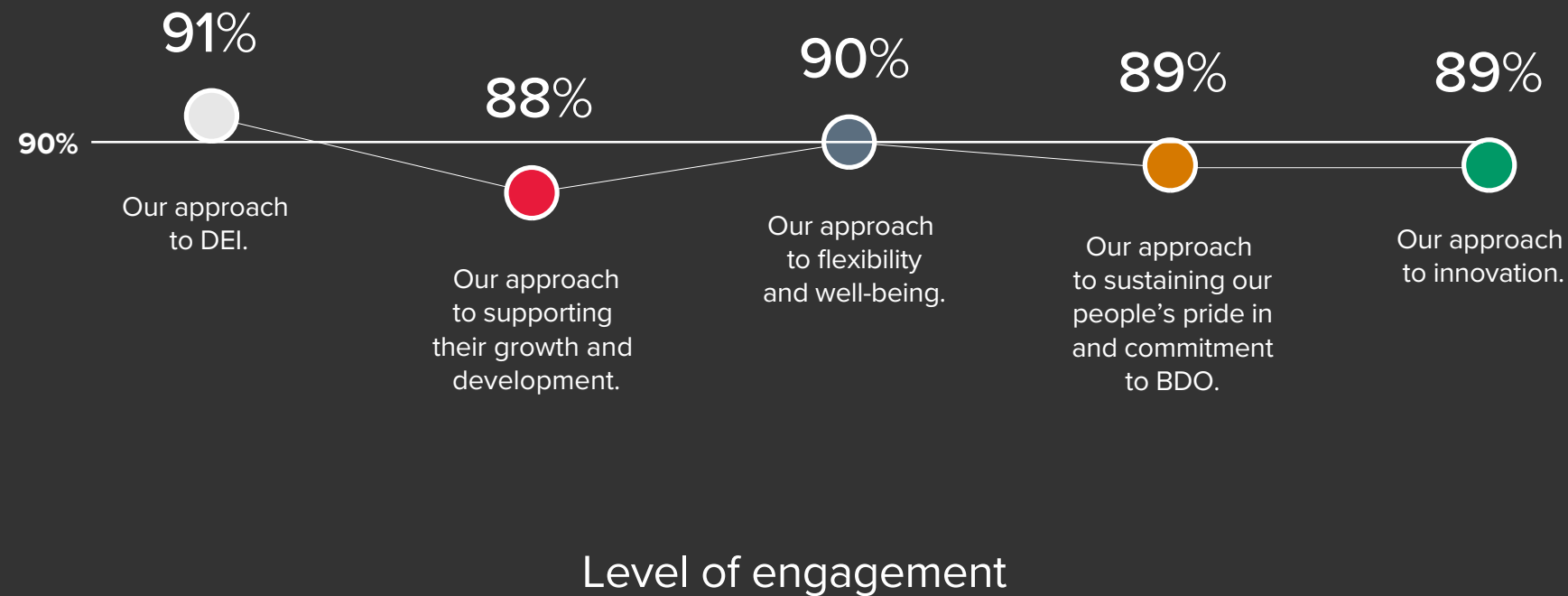


# Highlights from our 2023 annual employee engagement survey

Overall employee engagement score:



What our people say engages them about working and growing their careers at BDO:



**Figure 1.** According to our annual employee engagement survey, 91% of our people consider our approach to DEI as an area that engages them; 88% highlight our approach to supporting their growth and development; 90% highlight our approach to flexibility and well-being; 89% highlight our approach to sustaining our people's pride in and commitment to BDO; and 89% highlight our approach to innovation.

Our multi-award-winning talent experience makes us proud, and we strive to enhance the people experience by continuing to invest in and strengthen:



Our commitment to DEI.



Our efforts to build and maintain trust.



Our position as an employer of choice.



A culture of recognition within our firm.

“ I am honoured to lead our talent and culture strategy at BDO Canada, where **we are passionate about creating a differentiated talent experience.** Our people are our greatest asset and the driving force behind our sustainability vision. **We cultivate a diverse, inclusive, and supportive environment where everyone can grow, thrive, and make a positive impact.** We have also invested in new learning and development programs to help them advance their careers. We encourage everyone to be curious, pursue their passions, explore new possibilities, and collaborate with others. As a leader and a mentor, I am proud of our people's achievements and contributions to our firm and our communities. **We believe that by investing in their potential, we are investing in our future and our impact as a firm.** ”



Kerri Plexman  
Managing Partner, Talent & Culture



# Diversity, equity, and inclusion

Our commitment to diversity, equity, and inclusion (DEI) extends beyond eliminating barriers. We aspire to cultivate a work environment that embodies security, support, and acceptance for all.

DEI is the cornerstone of our employee experience. Our efforts in this space are critical to our success in attracting, engaging, and developing our people, resulting in the delivery of exceptional client service.

**Our vision is to see our firm reflect the rich diversity inherent in our clients and communities. A firm that's diverse, equitable, and inclusive. A firm where difference is valued and celebrated.**

“I believe that it is our responsibility as a global firm to hold ourselves to the highest possible standard to ensure that our workplaces provide a safe and inclusive environment for all. This allows our team members to bring the most authentic version of themselves to work every day, regardless of gender, age, sexual orientation, race, beliefs, or background.”



**Sinéad Scanlon**  
National Diversity, Equity, and Inclusion Leader

# Our approach to DEI

DEI cannot be achieved by any one group—it requires deep and meaningful engagement, a willingness to challenge each other, and a commitment to changing the systems and processes that have been in place for many years. Our collaborative approach to advancing DEI is demonstrated by the cross-functional structures we have in place.

Through our dedicated **National DEI Advisory Council**, our senior leadership team advocates for DEI priorities and ensures they are sufficiently resourced and achieved. Each of our DEI pillars is enabled by an **Executive Leadership Team sponsor**, who advocates for the pillar agenda, fosters senior leadership support, and removes barriers to progress.

Shaping tomorrow's DEI landscape, our highly skilled and specialized consulting teams support organizations on their own DEI journeys, providing them with tools and strategies to dismantle barriers, foster inclusion, and unlock the full potential of their diverse workforce.



**Our approach to DEI is centred on collaboration and strong leadership that work to integrate these values into the fabric of our policies and practices.**

# Our National DEI Advisory Council









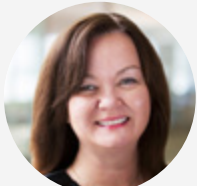








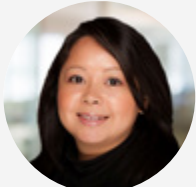

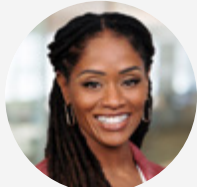
**Sinéad Scanlon**  
Diversity, Equity, and Inclusion Leader



**Glory Keong**  
Program Manager



**Fiona Rowan**  
Program Manager

DEI pillars	Women	Persons with Disabilities	Indigenous Peoples	Racialized Groups	Pride at BDO
Executive Leadership Team sponsors	 Sonia Edmonds  Jeff Chapman	 Robert Lawrence	 Mike Abbott	 Jeanny Gu	 Rachel Gervais
	 Lorraine Walker	 Stephen Meade  Rebecca Armstrong	 Jordon Brant	 Vivian Liu  Steve Brown	 Emily Heinrich
Pillar leads and teams	 Kelly Hagen	 Zinnia Khubbar	 Beverly Warnar	 Charlotte Zhen  Liz Knight	

Representatives from collaborating business functions: Talent Acquisition, Learning & Development, Total Rewards, Events, and others.

# Our DEI priorities

Our National DEI Advisory Council advanced the following priorities in 2023:

Embedding principles of DEI into our processes and ways of working.



Enabling continuous learning and awareness on key DEI topics.



Developing a diverse talent pipeline.



Supporting career progression through equitable access to mentorship, sponsorship, and development.



Establishing DEI performance metrics to foster accountability and drive better decision-making.

# Celebration, education, and awareness

Our pillar leads and teams play a critical role in designing and executing events that move the needle on DEI by creating awareness, inspiring change, and motivating action.



## Black History Month

We were honoured to be joined by Devon Clunis, the first Black Chief of Police in Canadian history. Together, we explored the powerful themes of Black resistance, Canadian Black history, tokenism and allyship, and more.



## International Women's Day

Bobbie Racette, an Indigenous woman and award-winning entrepreneur, led an inspiring session on providing equitable employment opportunities, uplifting women, and breaking barriers. Women leaders from our ELT shared insights on the theme #DigitALL, and we celebrated our 2023 Women in Search of Excellence (WISE) Award winners.



## Mental Health Awareness Month

We came together as a firm to hear Dr. Khush Amaria, Senior Clinical Director at MindBeacon, discuss happiness and what it means to live a value-driven life. Dr. Amaria explored the need to shatter the stigma surrounding mental health, engage in open conversations, and foster a culture of support and understanding.



## National Indigenous History Month

Dr. Elder Odelle Pike opened our firm-wide webcast with a prayer and teachings about the ceremonial smudge. BDO partners Mike Abbott, the Indigenous Pillar's ELT sponsor, and Blair Smith each shared their personal journey of reconciliation and highlighted our firm's work in Indigenous communities. We also heard from a panel of staff who are working with Indigenous clients and communities before ending the webcast with a performance by two Inuit throat singers, Sophie Angnatok and Ashley Dicker.



## Pride Season Celebration

Our firm tuned in to hear Tara Robertson, an advocate for driving systemic change, speak about the importance of pronouns and their impact on identities and experiences. We also delved into the history and evolution of the 2SLGBTQIA+ movement and acronym. Adding to the celebratory atmosphere, the band Queer as Funk closed the event with a performance.



## National Day for Truth and Reconciliation

We observed the National Day for Truth and Reconciliation with a firm-wide webcast aimed at keeping reconciliation at the forefront of our conversations. We shared ideas on how we can continue to build stronger relationships and a greater understanding between Indigenous and non-Indigenous people.



## National Disability Employment Awareness Month

We joined as a firm virtually to recognize the important contributions of people with disabilities. This included a captivating interview with Becky Armstrong, a manager in our Internal Accounting team, and a member of Canada's hugely successful paradragon boat team. We also heard from our people in a panel discussion that explored the definition of a disability, some of the challenges faced, and how to be an ally.

# Our 2023 diversity snapshot

For years, we have captured information on the diverse identities of our people. This ongoing process enables us to measure outcomes, make informed decisions, and enhance all facets of our talent processes, spanning recruitment, onboarding, advancement, performance, retention, and overall employee experience.

In 2023, we increased the uptake of our self-identification tool. This is indicative of the work we have done to foster a culture of acceptance and the celebration of diversity. While we are proud of the progress we have made so far, we will continue to enhance psychological safety and support for our people to empower them to bring their whole selves to work.

We recognize that gender and age are just some of the many indicators of diversity and that people at BDO identify beyond the binary gender system.

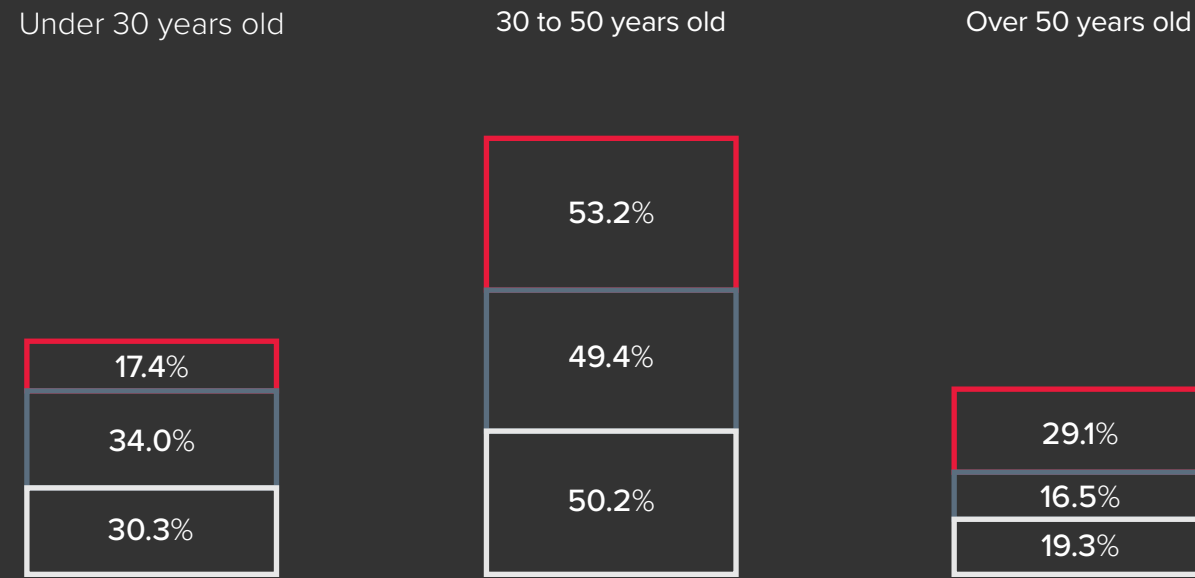


**Going forward, we plan to report externally on additional indicators of diversity tracked at BDO, such as gender identity and identification with our five DEI pillars.**

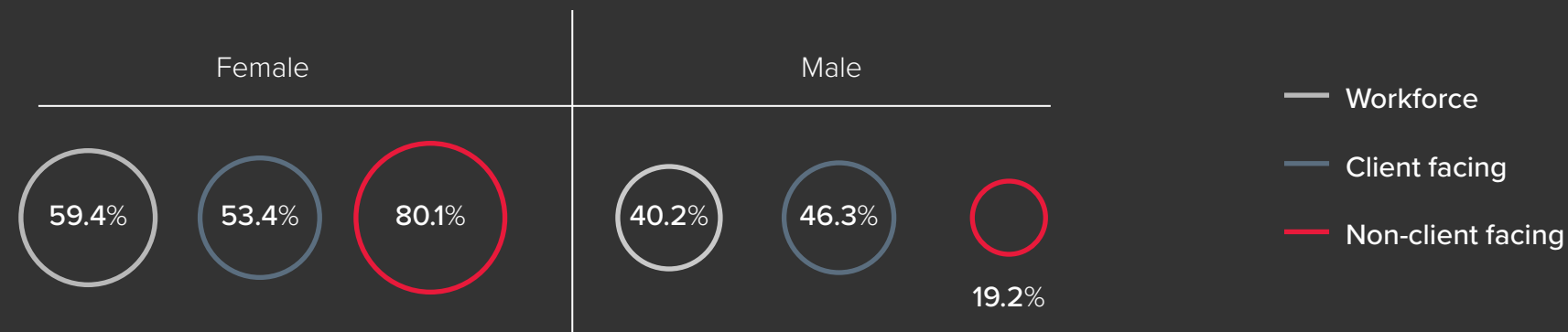


# Gender

Our diversity data by gender and age across our client facing and non-client facing employees and partners for 2023:

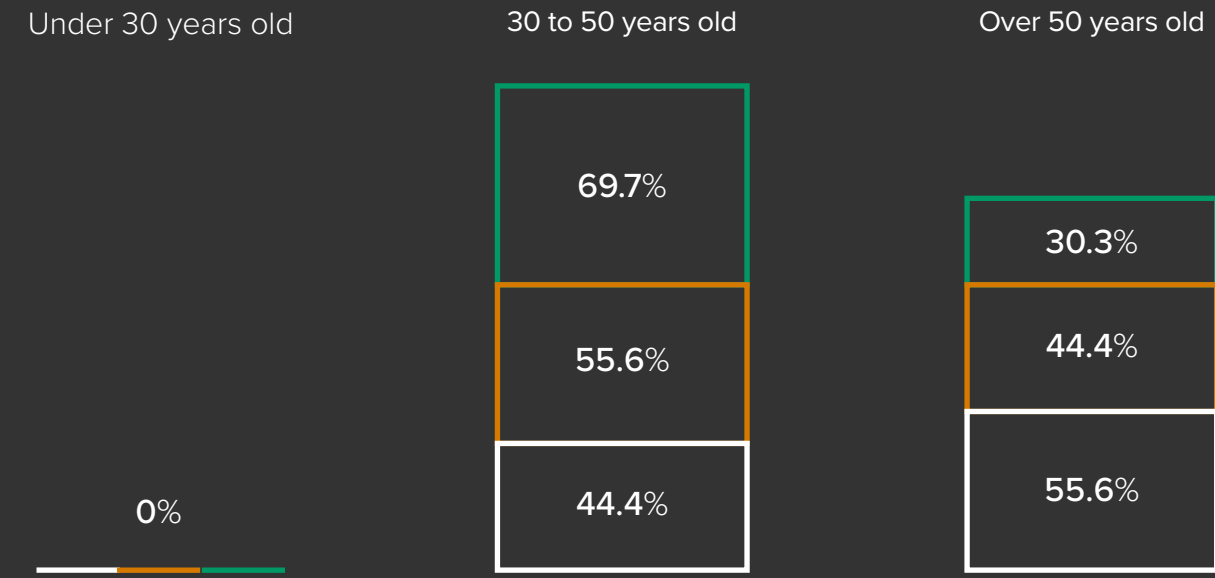


**Figure 2.** Approximately 30% of our workforce is under 30 years old, 50% is between 30 and 50 years old, and 20% is over 50 years old. The number of client facing and non-client facing employees in the 30- to 50-year-old age group is split relatively evenly, while we have slightly more client facing employees below 30 years old, and slightly more non-client facing employees over 50 years old.

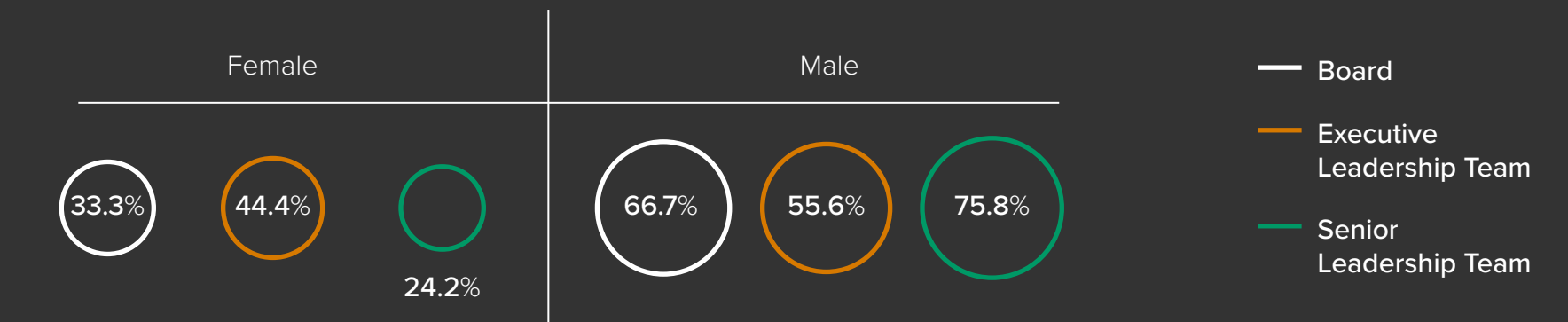


— Workforce  
— Client facing  
— Non-client facing

Our diversity data by gender and age across our key governance categories for 2023:



**Figure 3.** Our firm has no Board, Executive Leadership Team (ELT), or Senior Leadership Team (SLT) members under 30 years of age. Members aged 30 to 50 make up approximately 44% of our Board, 56% of our ELT, and 70% of our SLT. Members over 50 years old make up 56% of our Board, 44% of our ELT, and 30% of our SLT.

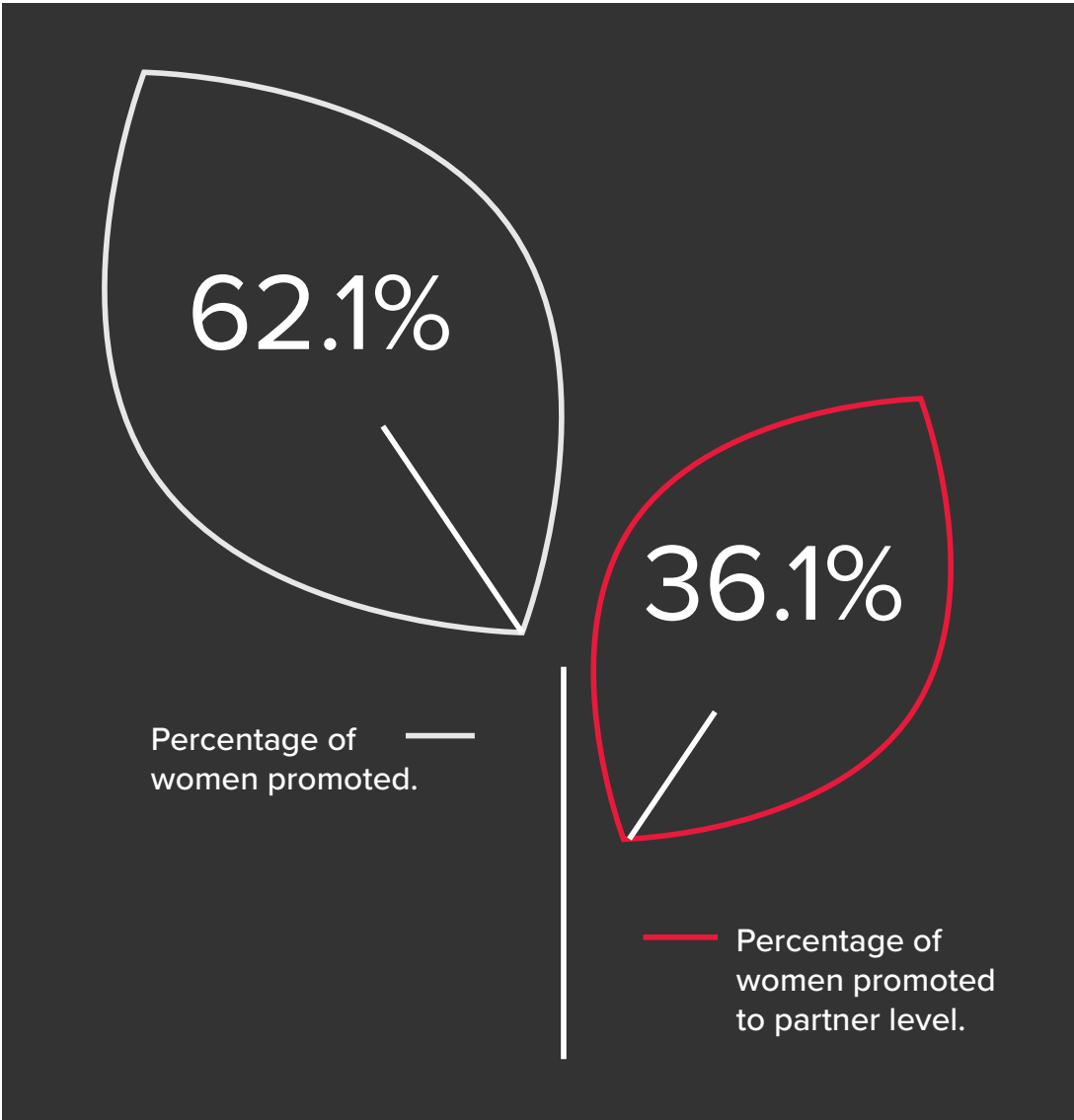


— Board  
— Executive Leadership Team  
— Senior Leadership Team



### 2023 promotions

Percentage breakdown of promotions awarded to female employees:



[To see a full breakdown of our workforce by age and gender, as well as data related to hires, attrition, and promotions, please see Appendix E.](#)

## Our firm's rich tapestry of voices

Our employees come from diverse cultural backgrounds, bringing with them a wealth of experiences and perspectives. As a firm that operates on a global scale, we believe linguistic diversity fosters understanding and collaboration across borders. By embracing diversity, we strengthen our ability to innovate, problem-solve, and adapt in an ever-evolving global landscape.

62

different languages are spoken by our people:

English, French, Chinese, Hindi, Spanish, Punjabi, Arabic, Urdu, Russian, Tagalog, Korean, Portuguese, Gujarati, Italian, Japanese, German, Vietnamese, Ukrainian, Tamil, Telugu, Bengali, Persian, Afrikaans, Turkish, Greek, Malayalam, Polish, Marathi, Romanian, Serbian, Dutch, Hebrew, Yoruba, Armenian, Azerbaijani, Bulgarian, Hungarian, Indonesian, Kannada, Sindhi, Albanian, Croatian, Czech, Finnish, Haitian, Khmer, Malay, Nepali, Swedish, Thai, Amharic, Bosnian, Burmese, Danish, Hausa, Irish, Norwegian, Pashto, Slovak, Somali, Swahili, Tajik

**We are proud to highlight the rich tapestry of languages spoken within our workforce.**



## Women: Promoting gender equality at BDO

At BDO, we dare to imagine a gender-equal world—a world free of bias, stereotypes, and discrimination towards women.

We are proud to offer programs and initiatives that are specially tailored to foster the advancement and empowerment of women within our firm.

In 2023, BDO Global released its fourth edition of the International Women's Day Report, titled [#EmbraceEquity](#), which shares stories of BDO firms embracing equity in the workplace and personal stories from women across our organization.

## The Women in Search of Excellence Awards

In 2023, we celebrated our second Women in Search of Excellence (WISE) Awards, recognizing BDO women who support and promote excellence within our firm and their communities. Hear what our 2023 WISE award winners had to say about their experience at BDO:



Receiving the Women in Search of Excellence award in 2023 is a personal tribute to the cumulative effect of small but significant steps taken in my journey—a testament to the value of every seemingly small effort and interaction in the workplace. It underscores the belief that every encouraging word, each supportive action, and the incremental progress made, no matter how seemingly insignificant, collectively contribute to fostering an environment where women thrive.

**Annik Blanchard**  
Partner, Audit & Assurance



BDO not only empowers me to excel as a valued partner within the firm, but also affords me the flexibility and resources necessary to thrive in my role as a mother. The inclusive and supportive environment at BDO ensures that women are recognized and rewarded for their dedicated efforts both personally and professionally, contributing to our collective success.

**Janna Collins**  
Partner, Tax



BDO has supported not only my career over the last 15 years, but also my professional and personal development. BDO offers so many opportunities for growth equally across all employees. I was encouraged to take my full maternity leave and felt confident that my position would be ready and waiting for my return. I have since begun mentoring other women and started networking groups within Advisory to ensure that we all support each other as we progress through our careers.

**Kristina Kalinowski**  
Partner, Advisory



I am deeply honoured and humbled to be one of the 2023 BDO Women in Search of Excellence award recipients. In my journey, my colleagues and the leaders at BDO have played an instrumental role in shaping my professional and personal growth. The supportive culture and commitment to diversity at BDO have created an atmosphere where I feel accepted and empowered to excel. The mentorship programs and leadership opportunities provided by BDO have been invaluable, allowing me to navigate the complexities of the business world confidently. Furthermore, the firm's emphasis on work-life balance has enabled me to maintain a healthy equilibrium between my career and personal responsibilities.

**Glory Keong**  
Senior Manager, Corporate ESG Strategy



I was truly humbled to have been selected as a recipient of the Women in Search of Excellence award from BDO Canada. I'm so proud to be part of BDO, which showcases diversity, equity, and inclusion in a very meaningful way. I've always enjoyed being a mentor and coach to those around me and this has provided me with more confidence to continue to break down the bias and inspire other women around me to enhance their confidence as well. Thank you for reminding me to continue to walk tall!

**Wendy McDonald**  
Senior Manager, Assurance

# Creating women-centred spaces

Mentorship, sponsorship, and networking for women are powerful conduits for personal and professional success. As we continue demonstrating our ongoing commitment to the development of BDO women at all levels, we have implemented, enhanced, and continued programs available to anyone who identifies as a woman.

## Accelle

An online community and collaborative support network for women that provides access to masterclasses, panel discussions, and other educational resources.

## Group mentoring sessions

Facilitated by female members of our Board, ELT, and SLT, these sessions support the career development of women in leadership by sharing advice and experience.

## Networking events

More than 246 BDO women across the country participated in engaging in-person events centred around common interests and shared hobbies. These diverse and engaging events provided opportunities for BDO women to build meaningful connections, share experiences in a supportive environment, address personal development goals, and empower each other.



## SHE-E-O conferences

SHE-E-O conferences in Toronto, Vancouver, and Montreal created opportunities for our "Power Women" clients to share information, navigate challenges specific to women in leadership, and build lasting relationships within local business communities.



# Persons with Disabilities: Creating opportunities for everyone

We are on a journey with the aim to become a barrier-free organization by 2040, achieving a high level of accessibility for persons with disabilities and creating an innovative and collaborative environment that better serves the needs of our people, clients, and communities.

We consistently strive to stay up to date with accessibility legislation and guidelines and ensure we are compliant with key regulations such as the **Accessibility for Ontarians with Disabilities Act (AODA)** and other relevant bodies of legislation.

In 2023, we launched our five-year **Accessibility Plan**, aligned with the AODA and equivalent provincial accessibility legislation, as well as the principles contained in the federal government's Accessible Canada Act (2019). Our firm actively contributed to the development of this act, emphasizing our commitment to leading the way in creating a more inclusive future for all.

We will continue to revise our Accessibility Plan based on the feedback and experiences of our employees and clients, evolving legislation, and best practices.

“By working together and embracing accessibility, we will strengthen our organization, amplify our impact, and create a more equitable firm.”



**Bruno Suppa**  
Chief Executive Officer

## Becky Armstrong: A BDO success story on the water and in the office



Becky Armstrong's inspiring journey is a testament to the power of determination. Despite being diagnosed with Retinitis Pigmentosa in 1994 and gradually losing her vision, Becky achieved her CPA qualification, continues to excel as a critical part of our Internal Accounting team, and represented Canada in the para division of the World Dragon Boat Championship.

[Read her incredible story.](#)



“Dragon boating was a very inclusive environment we all felt. Once we sat on that boat, there was no more disability. We were all the same people with the same paddle, and it was just a sport. Twenty paddlers, one heartbeat.”

**Becky Armstrong**  
Manager, Internal Accounting

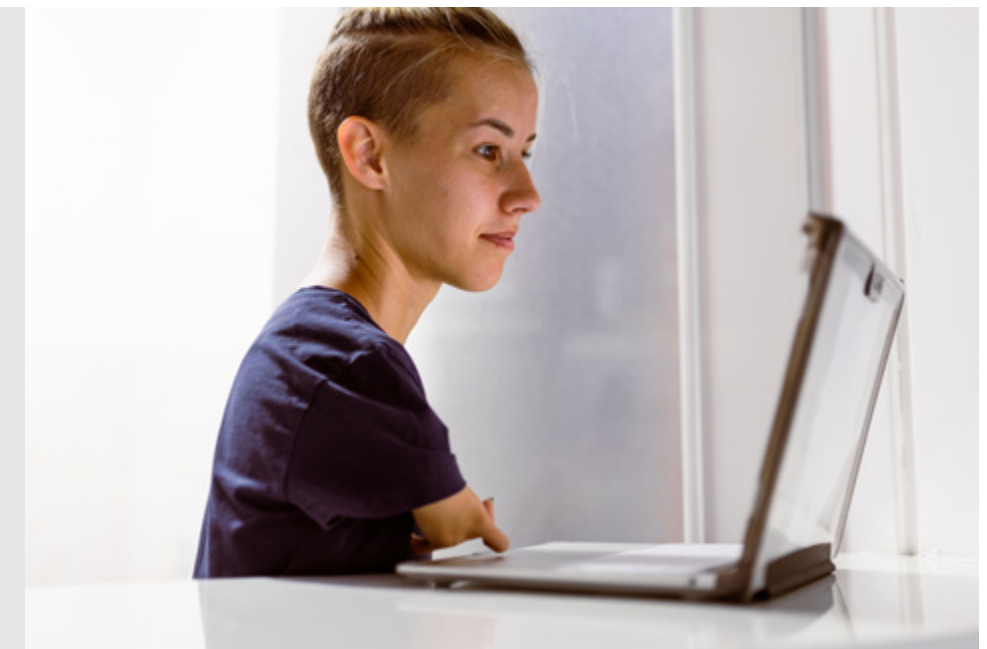
## Hoopfest 2023

A group from BDO participated in Hoopfest, a wheelchair basketball fundraising event by Wheelchair Basketball Canada (WBC), to raise funds for WBC's developmental programs.



## New accessibility request tool removes barriers

In 2023, we launched an internal accessibility request tool to provide access to an easy, efficient, and on-demand way to make special requests including for travel, events, documents, and equipment.





# Indigenous Peoples: ReconciliACTION and inclusion



Our Indigenous Pillar is composed of Indigenous and non-Indigenous staff from across the firm who come together to make progress toward our journey of reconciliation. By sharing unique perspectives, engaging in education opportunities, and supporting awareness activities, we create an environment rich with diverse experiences and knowledge.

**Our Indigenous Steering Committee is comprised of employees and partners who work in Indigenous communities across Canada.**

## Indigenous Steering Committee members

	<b>Mike Abbott</b>	Managing Partner	Markets & Industry
	<b>Jordon Brant</b>	Senior Manager	Human Resources
	<b>Brian Callander</b>	Partner	Audit & Assurance
	<b>Laura Johnson</b>	Senior Manager	Advisory
	<b>Glory Keong</b>	Senior Manager	Corporate ESG Strategy
	<b>Karlee May</b>	Manager	Marketing
	<b>Fiona Rowan</b>	Senior Project Specialist	Corporate ESG Strategy
	<b>Beverly Warnar</b>	Manager	Human Resources

## Sharing knowledge, resources, and learnings



### Indigenous Book Club

Our Indigenous Book Club continued inspiring our people to read books from talented Indigenous authors.

### Podcast Sharing Circle

We launched our first Podcast Sharing Circle in 2023, discussing important topics such as residential schools, survivor stories, lived experiences, and intergenerational trauma.

### BDO Orange Shirt Design Contest

We partnered with three Indigenous artists to design imagery that represented our journey of reconciliation. The winning artist, as voted for by BDO staff, was Travis Fleury, an Indigenous artist based out of Calgary. We worked with an Indigenous-owned printing company to produce 1,000 shirts with Travis's inspiring artwork and sent them out to staff across the country.

## Our commitment to truth and reconciliation

**We recognize the United Nations Declaration of Rights of Indigenous Peoples (UNDRIP) and the 94 calls to action issued by the Truth and Reconciliation Commission of Canada.**

Through our process of reconciliation with our Indigenous partners, clients, and employees, we acknowledge that we must examine and ensure these relationships reflect best practices consistent with the objectives of Canada's Indigenous Peoples. To this end, much of the work we have done in partnership with Indigenous communities and organizations has focused on sustainable economic development, skills training, and capacity development.

With offices located throughout the country, our people work with more than 200 Indigenous communities and organizations in Canada to help achieve their goals. Many of these relationships have been in place for decades.

Together, with input from leadership, including our CEO, Bruno Suppa, we laid the groundwork for our **commitment statement to truth and reconciliation**, which was announced firm-wide during our National Truth and Reconciliation Week webcast.



# Racialized Groups: Empowering communities at BDO and beyond

**Our Racialized Groups Pillar experienced a pivotal year in 2023, making great strides in developing the relationships and initiatives required to advance the narratives of representation and inclusivity.**



## Educating ourselves and inspiring others

Relevant educational resources, carefully curated, can be accessed on our firm's intranet site, creating a centralized hub for enlightenment and self-education.

Leading by example, our pillar leads demonstrate a commitment to continuous learning by actively participating in events such as the Canadian Centre for Diversity and Inclusion and the BFUTR Summit, led by the Black Professionals in Tech Network (BPTN). These events are opportunities for our pillar leads to learn about new ideas from thought leaders and translate these insights into actionable change within our firm.



## Engaging with the community

Discussions around the power, nuance, and value of DEI initiatives sparked an extraordinary exchange of ideas when the University of Ottawa's BIPOC Business Society visited our Ottawa offices in 2023.



# Pride at BDO: Celebrating visibility

**We are committed to fostering a diverse and inclusive workplace for everyone who identifies as 2SLGBTQIA+. In 2023, we continued to strengthen this commitment through data, education, and celebration.**

## Marching for equality

Our people proudly participated in two Pride parades in 2023, in London, Ont. and Montreal, Que., where we marched alongside the local 2SLGBTQIA+ communities, allies, and organizations in a powerful display of unity. We intend to continue to demonstrate our support and allyship at future Pride events across Canada in 2024.

## Elevating voices and sharing stories

We understand the importance of providing a platform for our employees to share their experiences, challenges, and triumphs on their own journeys.

Emily Heinrich, our Pride at BDO Pillar Lead, took the virtual stage at the Pride in the Workplace Panel, hosted by the Telfer Student Council at the University of Ottawa. Her presentation touched on important topics such as the positive impacts, motivations, and barriers associated with driving 2SLGBTQIA+ activism and advocacy, personally and professionally.





# Health and well-being

**We continue to invest in programs and initiatives that encourage our people to be the healthiest version of themselves—physically, mentally, and financially.**

Our goal is to provide our people with the resources to:

- Prioritize their physical and mental health
- Enhance their productivity, both at work and at home
- Support their family's health needs

We take pride in offering accessible, inclusive, and affordable group health benefits, insurance, and retirement solutions for our employees and their families.

Seeking, receiving, and addressing feedback from our employees is a cornerstone of our health and well-being program. We welcome suggestions on how to improve our offerings through regular surveys and our AssistMe platform, where comments can be submitted at any time throughout the year.

**Our National Human Resources team reviews our health and well-being offerings regularly.**

## Our health and well-being commitments



Provide our people with a safe and healthy work environment.



Respect the confidential nature of any disclosed medical information.

Collaborate with our people in the event of injury or illness to ensure a structured and safe return to work.



Ensure our Health and Safety program complies with provincial legislation requirements and the needs of all parties.



Make our internal and external communications accessible to everyone, including persons with disabilities.



Enhance wellness initiatives to raise awareness and support for physical, mental, and financial health.



Regularly seek input from our people on their health and well-being needs, as well as on the relevance and effectiveness of our programs.



Continue to meet with our wellness service providers to proactively identify new items, align programs with changing needs, and ensure continuous enhancement.

# Supporting our BDO families

We recognize the important role family plays in our people's lives. We are proud to support their diverse needs, responsibilities, and experiences to ensure they feel supported in and outside of work. We will continue to evolve our family support benefits and programs to ensure they are inclusive, relevant, and flexible.

- **Gender affirmation coverage**—For the 2023 benefit plan year, gender affirmation coverage was added to the health options with a lifetime maximum amount of \$10,000 for treatments that are not covered by provincial health programs.
- **Increase to fertility drug coverage**—Our health coverage options already included the cost of infertility treatment, including administration fees, embryo freezing, and assisted hatching to a maximum of two cycles per lifetime. New in 2023, the fertility drug lifetime maximum amount increased from \$3,000 to \$10,000.
- **Wellness reimbursement**—Reimbursements through our wellness reimbursement program have increased from 75% to 100%. The reimbursement list has also been expanded to include fitness devices, adult/elder care expenses, emergency childcare expenses, prenatal classes, and financial planning expenses.



# Mental health

We are doing our part to lift the stigma around mental health by fostering an environment where discussions about emotional well-being are not only normalized, but encouraged.

The following resources are readily available to our people at all levels to support their mental health journeys:

- Standalone mental health paramedical practitioner allowance
- Mental health training for people leaders
- Employee and Family Assistance Program
- Access to Not Myself Today, a corporate mental health program by the Canadian Mental Health Association (CMHA)
- Access to the Healthcare Online virtual care app
- PlanRight financial advisor one-on-one sessions to support financial health
- Policies and reimbursements to support time off for mental well-being

Events throughout 2023 were dedicated to increasing awareness, providing support, and fostering openness around mental health:

- **Three firm-wide events** educated our people about the mental health and support resources available to them.
- Our **Prioritize Your Mental Health in 2023** campaign provided resources and support for:
  - creating focus and productivity
  - staying mentally healthy
  - connecting socially
  - inspiring each other
- We continued to feature mental health advocates in **firm-wide webcasts** throughout the year to inspire and empower our people to be open about their own journeys.
- An information session was held during **Talent Week** on the features of the Employee and Family Assistance Program and how it can provide work-life solutions to help families thrive.

# Learning and development

**The unique contributions of our people deliver distinct value to our firm and our clients. How we train, develop, and nurture our talent is a key factor in our success.**

Our Learning & Development (L&D) team is guided by a strategy that reimagines the way we support personal and professional growth and remains responsive to the ever-evolving needs of our people, the firm, and our clients.

Through a culture of continuous learning, our L&D team strives to accelerate our talent's professional and career growth by providing them with the knowledge, skills, and capabilities they need to drive better business performance. These opportunities encompass formal, social, and experiential solutions that bridge the gap between current skills and future needs.

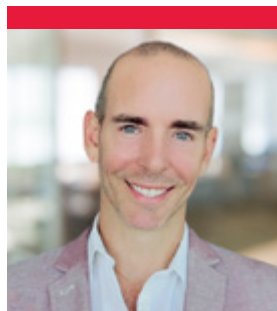
**We continue to believe that career paths should not only align with our firm's vision, but equally empower and enable our people to achieve their personal goals, realize their ambitions, and live their passions.**





# L&D strategy and priorities

"Learning and development at BDO Canada is guided by a strategy that reimagines the way BDO supports the growth of our people, the most important resource for our organization. Through an enhanced focus on holistic development and integrating learning sciences, BDO's initiatives are designed to go beyond learning to drive continuous growth. Our learning and development strategy aligns with the needs of our people and clients, ensuring we meet the needs of the market now and in the future."



**Dr. Keith Keating**  
Chief Learning & Development Officer

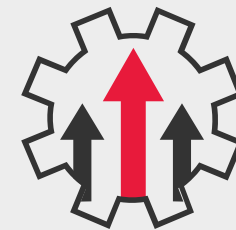
In December 2023, Dr. Keith Keating was appointed as Chief Learning & Development Officer, underscoring our steadfast commitment to employee growth and development.

In this pivotal role, Dr. Keating aspires to redefine our L&D strategy, unlocking the full potential of our firm.

## L&D priorities:



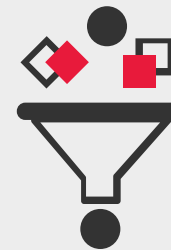
Accelerated experiential skills development



Effective and automated performance enablement and assessment



Development of leadership capabilities



Development of core skills for our industry

# Our 2023 investments in L&D

# 190,368 hrs

The total time our people spent training.

# 32 hrs

The average amount of training our people received on a per-person basis.

# \$2,775

The average amount of money spent on training per full-time equivalent (FTE).

[Appendix F outlines the time we've dedicated to supporting our people through training.](#)

# Our L&D program highlights

## On-demand learning

We have made a significant investment in providing all staff and partners with access to an on-demand digital learning library featuring resources on technology skills, leadership training, industry-specific learning, ESG and DEI, and many other competencies that are important to succeed in today's fast-paced digital age.

## Talent Week 2023

Over three action-packed days of learning during Talent Week 2023, BDO leaders shared valuable insights on topics relevant to our firm's success, including:

- DEI
- Visionary leadership
- Generative AI and its impact on the future of work
- How to prepare for an AI-driven future by building resilience and mindfulness, and managing energy

## Enabling Performance program

Performance management programs that are well-understood, equitable, and accessible help our people excel. Our Enabling Performance (EP) program aims to empower our people in steering their own professional development, contribute to our culture of continuous improvement, and align their individual goals with our strategic objectives.

In 2023, we included new digital tools in setting performance goals and tracking progress.

## Accelerated Development Program

In 2023, we celebrated the success of the Accelerated Development Program (ADP) pilot by expanding it to multiple service lines.

Once per month, learners came together virtually in small cohorts to share their knowledge and experiences and apply new learnings around essential skills from the program. Participants in this program had an opportunity to build connections, learn from BDO guest speakers, and hear practical tips to help them continue developing in their careers.

## ESG training program

In alignment with our commitment to ESG initiatives, our firm strategically invested in an internally-crafted ESG training program. Developed collaboratively by ESG practice leaders and the L&D team, this program aims to:

- Heighten awareness of the critical ESG landscape across our business.
- Drive the firm's ESG plan, advancing environmental goals in decarbonization and sustainable energy and waste management.
- Equip our professionals to advocate for ESG in the market, fostering client education on ESG risks and showcasing our firm's ESG services.

**In 2023, we included new digital tools in setting performance goals and tracking progress.**



# Supporting our people's advancement



**We are passionate about supporting our people as they advance in their careers and take on new roles, opportunities, and challenges.**

We pride ourselves on our ability to bring people together at pivotal points in their careers to learn from their peers and leaders in a safe and inclusive space.

Some of the programs that set us apart include:

- **Group mentoring sessions**—Women-only and mixed-gender group sessions for all staff, led by female members of our Board, ELT, and SLT, with the aim of providing insights on the topics that matter most to our people.
- **Future Leaders Program**—A leadership development experience aimed at high-potential managers offering a combination of leadership coaching, mentoring, and formal group career coaching sessions.
- **Senior Manager Development Program**—A multi-year leadership development experience that prepares top talent for a leadership role.
- **ACCELLE Elite**—A six-module leadership accelerator featuring masterclasses and group coaching sessions for women at the senior manager level across all service lines.
- **Talent Coach Academy**—A three-month boot camp led by external professional leadership coaches designed to help BDO partners learn the fundamentals of effective leadership coaching.
- **The BDO Harvard Global Executive Leadership Program**—Offered to our senior executive leaders annually through BDO Global, this transformative leadership development experience is delivered by leading experts at Harvard University and offers the latest academic thinking on business models for professional service firms.

# Embedding DEI principles through education



**In support of our DEI priorities, our L&D team provides ongoing consultation and curation services.**

Within this framework, we carefully curate learning content, develop learning paths, and assemble collections specifically tailored to enhance the DEI experience.

In 2023, our **New Manager** and **New Partner** conferences incorporated exclusive sessions led by our firm's DEI leaders, focusing on the nuanced aspects of guiding inclusive teams. The objective was to intricately integrate DEI concepts into the fabric of leadership mindsets, equipping them to champion DEI initiatives in their newfound roles.



# Community impact

**We are dedicated to supporting the vibrant, dynamic communities in which we live, work, and play.**

Our nationwide initiatives harness the collective strength of our people across the country to deliver greater value to the causes with which we are aligned and spark global change at the local level. We are very proud of our people's commitment to generously donating their time, funds, and energy to uplift and support local causes.

We meet our communities where they are and help them address the challenges and opportunities that matter to them. This allows us to deliver a greater impact and empowers our people to support the causes that are closest to their hearts.

**In 2023, we invested almost \$2.5 million into our communities, by sponsoring and donating to national and local causes that align with our values and priorities. This is an increase of 18.1% compared to 2022, demonstrating our commitment to community impact.**

[Please see Appendix G for a breakdown of the dollar value of our community investments.](#)

# Drive Away Hunger: Coming together to transform lives and communities



Over the years, we have provided almost **8.5 million meals** to people across Canada facing food insecurity. With the continued rise of inflation and food costs, the need for our support has never been greater.

According to Food Banks Canada's HungerCount 2023 report, there were almost two million visits to food banks across Canada in March 2023, representing a 32% increase compared to March 2022, and a 78.5% increase compared to March 2019, which was the highest year-over-year increase in usage ever reported.

In September 2023, we came together again as a firm to go the distance for our annual Drive Away Hunger campaign. This firm-wide initiative motivates our people from coast to coast to do what they can to raise funds for food banks across Canada.

**In 2023, we expanded our campaign to include more than just physical activities. Beyond those who ran, walked, cycled, and kayaked great distances, our colleagues got creative and baked, read, and sewed to raise critical funds for food banks across Canada.**





“BDO is one of our longest-standing partners of the Drive Away Hunger program, actively engaging employees in the communities in which they live and work to fight food insecurity, and inspiring others to do the same.”

—Justine Hendricks, President and CEO, Farm Credit Canada



“We are very proud to raise funds for Drive Away Hunger and hopefully our results will inspire other organizations to go that extra mile. We invite them—challenge them—to show us they can do better than us. Win/win for everyone if they do!”

—Carol Kruck, National Drive Away Hunger Lead



**\$3 M**

The total amount we have raised in our **16 years of supporting Drive Away Hunger.**



**8.49 M**

The **equivalent number of meals we have provided to families** since we began supporting Drive Away Hunger.



**12,816 KM**

The distance our employees travelled in September 2023 for our **BDO Goes the Distance fundraising event**—enough to walk across Canada twice, and then some.



**\$337,226**

The amount our people raised for Drive Away Hunger in 2023. **Every penny goes directly to local food banks or through Food Banks Canada.**

# Supporting our local communities: Office spotlights

Our offices support local organizations, programs, and causes aligned with our values and their hearts.

## Here are some of the initiatives we'd like to highlight

### Kelowna

Sponsored a Skemxist Bear for the Pow Wow Between the Lakes event, participated at the Pathways Abilities Society appreciation lunch, and volunteered as part of the Coldest Night of the Year event.

### Vernon

Raised over \$1,800 and donated food and gifts for the North Okanagan Youth & Family Services Society (NOYFSS) Adopt-a-Family Program, in our eighth year supporting the initiative.



### Edmonton

Raised over \$10,000 for Make-A-Wish Canada and participated in the Grand Slam Slo-Pitch Tournament.

### Grande Prairie

Supported the Odyssey House emergency shelter for women and children through handmade gifts and other donations, contributing approximately 500 total volunteer hours.



### Portage la Prairie

Raised \$2,000 for the Blue Jeans Fund and \$1,000 during the 24-Hour Relay for Life. Donated funds raised to organizations such as the National Indigenous Residential School Museum of Canada. Our offices across Manitoba sponsored the Manitoba Farmer Wellness Program, equating to \$5,000.



### Collingwood

Raised \$1,375 for the Coldest Night of the Year initiative by Home Horizon Collingwood.

### London

Supported the London Knights junior hockey team through Big Brothers Big Sisters of London and Area (BBBS) and held a 50/50 draw that raised \$8,248 for BBBS.

### North Bay

Raised \$1,800 for the Children's Aid Society as part of the School Supply Drive Match Program and the Joy Project Match Program.

### Oakville

Participated in a toy drive for Halton Region's Miracle on Main Street and collected donations of food, feminine hygiene products, and pet supplies for De Mazenod Door Outreach, and Community Fridges in Hamilton.



### Ottawa

Raised \$5,000 for Habitat for Humanity and \$15,045 for the Youth Services Bureau of Ottawa. Also hosted a community dinner-show fundraiser for a youth with a rare medical condition, raising \$9,188.

### Owen Sound

Supported the Salvation Army's Family Christmas Sponsorship Program and raised \$1,000 to help families through the holidays.

### Thunder Bay

Raised \$4,000 through barbecues, bake sales, and other initiatives to support the Children's Aid Society.

### Walkerton

Raised \$5,000 for the Paisley Fire Department during the Firefighters Breakfast event.



### St. John's

Raised \$2,865 for the Cancer Care Foundation and \$2,420 for the Bowl for Kids Sake initiative, a Big Brothers Big Sisters of Canada signature event.



### Montreal

Spent over 200 hours volunteering and raised over \$100,000 as the title sponsor for the BDO Cedars CanSupport Dragon Boat Race. Acted as title sponsor for the 16th year in a row.



# Impactful sponsorships: Powering potential across Canada

Our commitment to communities and people runs deep. Across Canada, we sponsor an extensive range of national, regional, and local organizations that share our commitment to diversity, sustainability, and community impact. We are very proud of the change they inspire.

The groups we support include not-for-profit organizations, charities, chambers of commerce, sports programs, associations, and organizations across a broad range of industries, from technology and financial services to agriculture and many others. **Canada's Outstanding Young Farmers, Women in Mining, and Startupfest** are just some examples of the impactful initiatives we support.

We also sponsor national and local community organizations like the **Korean Canadian Scholarship Foundation, United Way British Columbia, the Spirit of Winnipeg Awards**, and many other changemakers doing good across Canada.

**Regardless of industry or scale, we believe in empowering communities across Canada.**

## Sponsor of Golf Canada

**In 2023, we agreed to a new multi-year sponsorship of Golf Canada.**

Through this sponsorship, we're supporting Canadian tournaments that showcase the best golfers in Canada and worldwide. We're also helping to make a meaningful impact in First Tee—Canada, a youth development program that breaks down barriers to access affordable, inclusive, and life-enhancing experiences through golf.





# Innovating for growth

**Our commitment to ESG excellence drives us to harness AI and digital technologies, transforming challenges into opportunities for sustainable growth.**

This is a foundational aspect of our approach to innovation, reflecting our belief that innovation is not optional but a critical component of our sustained success.

At the forefront of our innovative efforts is our Innovation & Change team. This group:

- Creates and operationalizes purposeful innovations that deliver measured and tangible benefits.
- Empowers the firm to embrace and execute innovative ideas, creating value for our clients and advancing towards a sustainable future.
- Fosters collaboration with leaders across service lines and represents the voices of our people.
- Optimizes our use of digital technologies and adapts our business model to meet the demands of a dynamic marketplace.



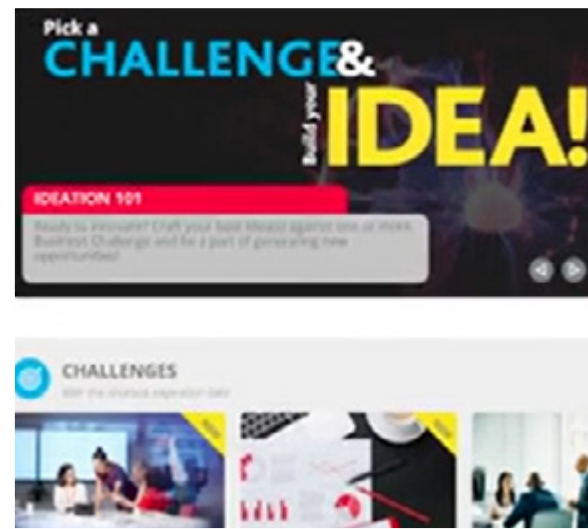
**Our investment in innovation in 2023:**

**+53%**

**underscoring a reinforced commitment to driving technological advancement and sustainable growth.**

# 2023 product and service highlights

We've channeled innovation to propel our products and services to new heights, enriching the experiences of our clients and people.



## Idea crowdsourcing

Our new ideation and crowdsourcing platform offers a formalized process for continuously capturing, collaborating on, and evaluating innovative ideas, enabling our teams to explore and refine ideas that leverage technological advancements.

Since its mid-year launch, our crowdsourcing platform has seen an influx of over 100 ideas, demonstrating a vibrant culture of curiosity and engagement across the firm.



## Enhancing strategic partnerships

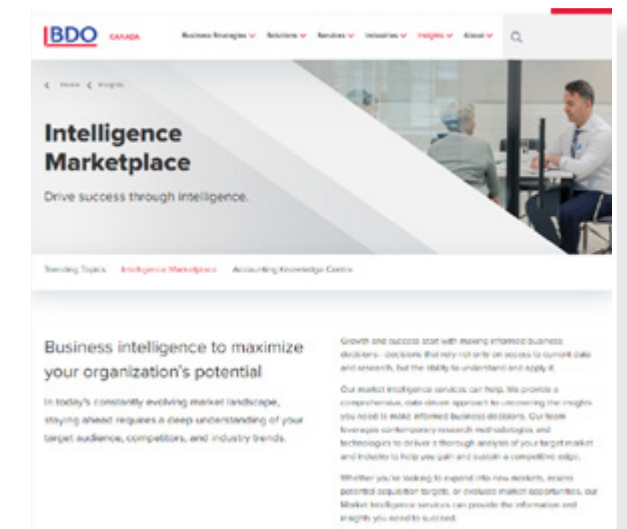
To accelerate innovation and enhance our capabilities, we've entered into strategic partnerships that bring external expertise and resources into our ecosystem.

**Our journey in AI innovation reached a new milestone when we received the Microsoft AI Impact Award 2023**, a testament to our pioneering efforts in the application of AI to drive digital transformation.



## Market Intelligence Hub

Designed exclusively for our people, the Market Intelligence Hub integrates advanced analytical tools and AI to offer real-time access to critical market insights and trends.

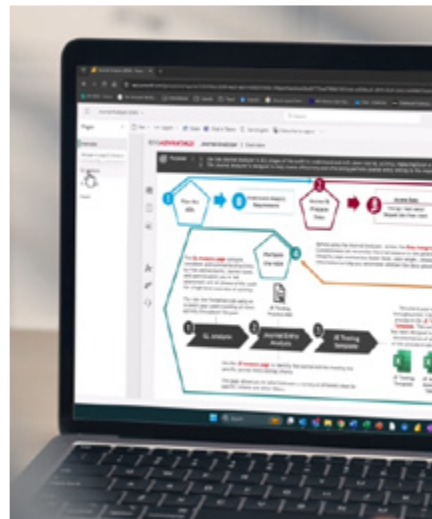


## Intelligence Marketplace

This external platform leverages contemporary research methodologies and technologies to deliver in-depth market analyses, enabling our clients to navigate the complexities of their respective industries with confidence.

# Case studies: Our tech-powered ESG solutions in action

Discover how our innovative and forward-thinking strategies leverage technology to drive our ESG commitments.



## Revolutionizing data analysis with BDO Harmony

**Challenge:** Navigating vast data sets and ensuring precision in reporting presented our firm with significant challenges, highlighting the need for a more sophisticated approach to data analysis.

**BDO solution:** We introduced BDO Harmony, leveraging advanced technology to enable the comprehensive analysis of data, far beyond the capabilities of conventional sampling. Utilizing Microsoft Power BI for enhanced error identification and data filtering, Harmony was engineered to meet the evolving needs of data analysis, streamlining processes, and improving accuracy and efficiency.

**Impact:** BDO Harmony marked a transformative shift for us, significantly cutting data processing times, increasing operational efficiency, enhancing decision-making, and elevating the quality of insights provided to clients.



## Charting new paths with AI impact assessments

**Challenge:** In the rapidly evolving landscape of AI, our firm faced the challenge of harnessing the potential of this emerging technology while navigating its significant implications and potential impacts on our operations. The need to balance innovation with responsibility highlighted the imperative for a systematic approach to assess AI's risks and benefits comprehensively.

**BDO solution:** We implemented a robust AI impact assessment process designed to evaluate the effects and professional considerations of AI integration within our operations through a multifaceted lens. By identifying potential challenges and uncovering opportunities, our assessments provided a foundation for informed decision-making, ensuring that our adoption of AI technologies aligned with our commitment to sustainability and professional practices.

**Impact:** The impact assessments have enabled us to explore integrating AI in ways that will enhance operational efficiency and foster innovation, while also upholding our ESG commitments. Through this initiative, we've set a precedent for appropriate AI integration within our firm, guiding our journey toward a sustainable and technologically advanced future.



## Leading change with Microsoft 365 Copilot

**Challenge:** Our firm faced the challenge of modernizing internal processes to significantly boost productivity and unleash creativity across teams, crucial for maintaining our competitive edge and innovation leadership.

**BDO solution:** We embraced an opportunity to be at the forefront of technological innovation by participating in the early access program (EAP) for Microsoft 365 Copilot. This strategic move, powered by our early investments in AI readiness, placed us among the first to integrate this advanced AI tool into our daily operations. The implementation process was meticulously planned and executed, ensuring Microsoft 365 Copilot seamlessly augmented how our people work, enhanced decision-making and communication, and automated routine processes.

**Impact:** Being part of the Microsoft 365 Copilot EAP has elevated our operational efficiency and redefined the future of work for our firm. Our success with this tool underscores our commitment to leading by example, leveraging innovative technologies to drive sustainable growth and inspire change across the business landscape.



# Governance



# Overview

**Strong governance is integral to our operations. As trusted advisors to our clients, instilling confidence, acting with integrity, and maintaining an unwavering focus on quality are core to our organization.**

With more than 100 years in business, we remain committed to operating in an ethical and sustainable manner that aligns with legal and regulatory expectations, as well as our robust firm governance practices. We are dedicated to meeting and exceeding our obligations as auditors and trusted advisors.

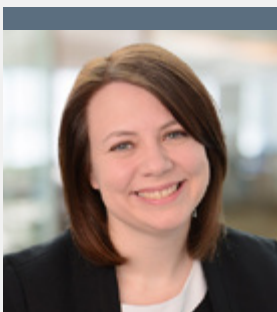
The BDO Canada Board is committed to setting high standards of corporate governance based on the following principles:

- We strive to run our business ethically, to create an environment that is inclusive and equitable, and to prioritize the health and well-being of our people.
- Our clients depend on our firm to protect their confidential information, maintain independence, and provide sound business advice through our services.
- Our communities rely on our people to give back, protect our environment, and act in a principled manner while providing opportunities for those less fortunate.
- We provide clear insights into our path forward with regular progress reports.



“

**Trust is earned through consistent, transparent, ethical actions. At BDO, the very foundation of our value proposition is to deliver services that cultivate quality, credibility, and lasting relationships with our people, clients, and communities.**



**Amy Provvionato**  
Chief Risk Officer



# Principles of governance

The guiding components that inform our decision-making process and reflect our commitment to strong corporate governance include:


Our governance structure



Ethical behaviour, legal, and regulatory compliance



Risk and opportunity oversight



Data protection



# Our governance structure



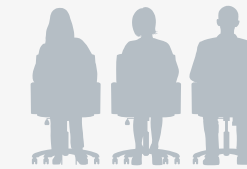
The Board acts in accordance with the terms of the BDO Canada LLP Partnership Agreement and its relevant policies. The Board has strategically established specialized committees to enhance its performance and assist in the execution of its oversight responsibilities. The firm's Chief Legal Officer acts as Board Secretary and attends all Board and committee meetings as a non-voting member.



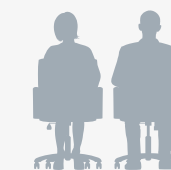
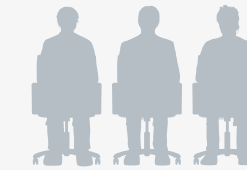
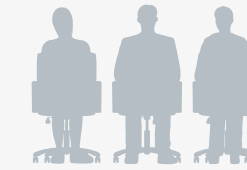
**Our CEO, Bruno Suppa, is accountable to the Board. In his capacity as CEO, he leads an ELT consisting of the Chief Operating Officer (COO) and managing partners who lead the firm across Canada.**

The Chief Risk Officer (CRO), Chief Legal Officer (CLO), and Head of Quality and Professional Standards have reporting responsibilities to the CEO.

## Our Board consists of 11 members, which include:



**9** partners with representation from all four service lines across the organization, elected by the partner group



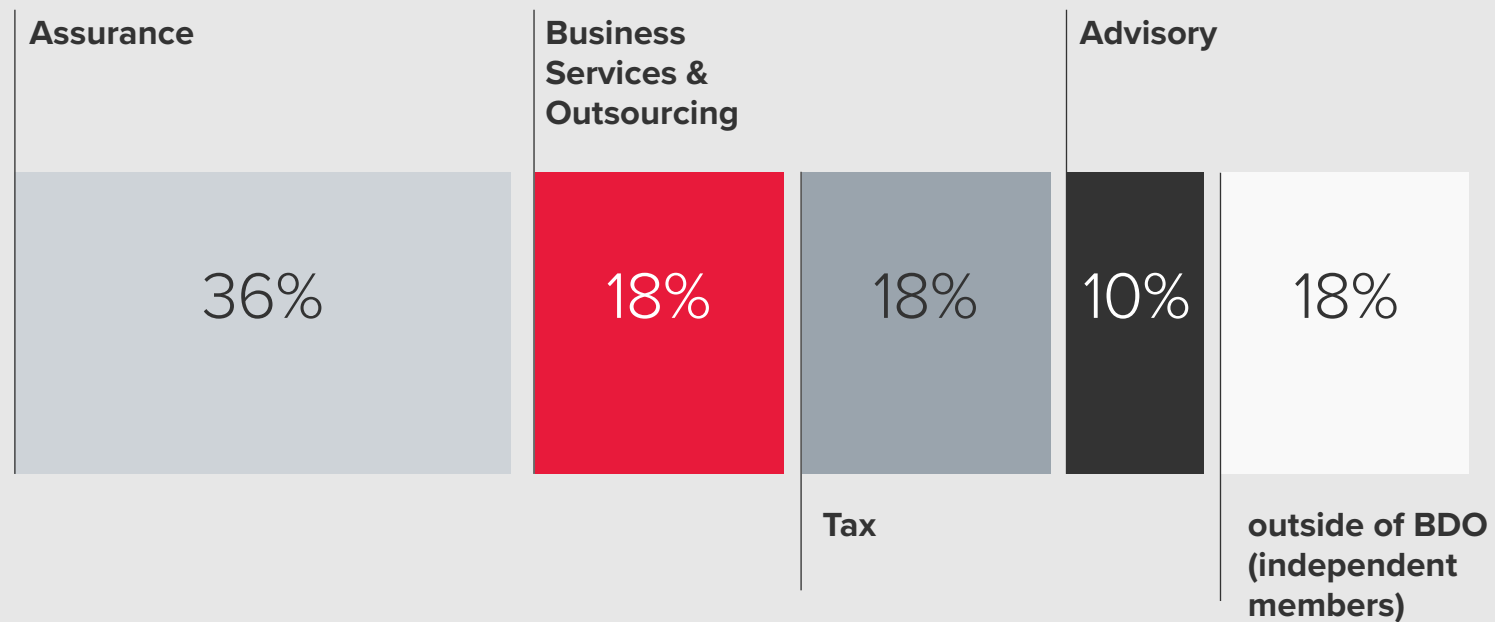
**2** external independent members appointed by the Board














**BDO Canada Board: 2023-2024 reporting period**

Anthony Marinelli is the Chair of the Board and a BDO Canada Partner. To support our commitment to enhancing Board effectiveness and good governance, the Board includes two independent members who bring a wealth of professional experience in risk management, innovation, strategy, technology, M&A, and industry experience that is relevant to BDO.

**The Board is made up of the following service lines and members:**



**BDO Canada Board members**

Board member	Office	Service Line
 <b>Jameson Bouffard</b> , Board Member	Toronto, Ont.	Assurance
 <b>Janet Boyle</b> , Chair, Governance & Risk Committee	Toronto, Ont.	Independent Board Member
 <b>Jean Desgagné</b> , Independent Board Member	Toronto, Ont.	Independent Board Member
 <b>Jennifer Dunn</b> , Chair, Talent & Culture Committee	Charlottetown, P.E.I.	Tax
 <b>Kelly Hagen</b> , Board Member	Oakville, Ont.	Advisory
 <b>Cheryl Hugill</b> , Chair, Strategy & Execution Committee	Cambridge, Ont.	Business Services & Outsourcing
 <b>Daryl Maduke</b> , Chair, Financial Oversight Committee	Vancouver, B.C.	Tax
 <b>Anthony Marinelli</b> , Board Chair	Montreal, Que.	Assurance
 <b>Bob McMahon</b> , Board Member	Oakville, Ont.	Assurance
 <b>Allan Payne</b> , Board Member	Calgary, Alta.	Business Services & Outsourcing
 <b>David Veld</b> , Board Member	Oakville, Ont.	Assurance

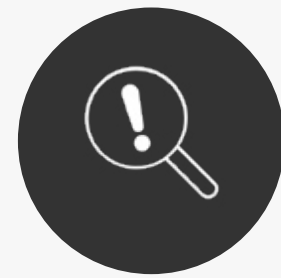
[For Board responsibilities, please see Appendix H.](#)

**Board skills matrix**

On an annual basis, the Board reviews the evolving skills and desired experience to further strengthen its skill sets. The table in [Appendix I](#) provides further information on the Board’s desired skills and experience, based on the rapidly changing business environment in which we operate.

The key competencies and areas of knowledge that strengthen our Board’s ability to provide effective oversight and strategic guidance to BDO Canada’s management team are outlined in this table.

**Key competencies and areas of knowledge**



**Risk management and assessment**



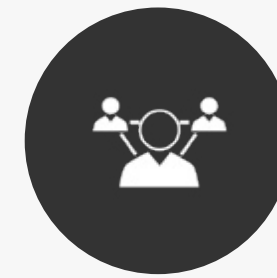
**Technology**  
Data analytics  
Digital  
AI  
Cybersecurity



**Organizational management**



**Talent strategy**  
Human resources  
Executive performance review



**Business leadership**  
Corporate and strategic planning



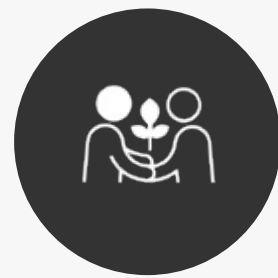
**Board Governance**



**Mergers and acquisitions**



**Regulatory environments**



**ESG**



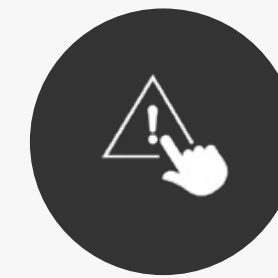
**Legal**



**Indigenous cultural knowledge**



**Client engagement**



**Crisis management**



**Accounting and financial knowledge**

# Executive Leadership Team

— Service line leaders      — Strategic accelerators



**Bruno Suppa**  
Chief Executive Officer



**Dave Simkins**  
Chief Operating Officer



**Jeanny Gu**  
Managing Partner,  
Assurance



**Robert Lawrence**  
Managing Partner,  
Business Services  
& Outsourcing



**Rachel Gervais**  
Managing Partner,  
Tax



**Jeff Chapman**  
Managing Partner,  
Advisory



**Mike Abbott**  
Managing Partner,  
Markets & Industry



**Kerri Plexman**  
Managing Partner,  
Talent & Culture



**Sonia Edmonds**  
Managing Partner,  
Innovation & Change

## Board committees

To support the Board in its mandate, we have constituted four sub-committees aimed at addressing critical organizational functions:



Financial Oversight  
Committee



Governance &  
Risk Committee



Talent & Culture  
Committee



Strategy & Execution  
Committee (ad hoc)

[For further information on the purpose and composition of these committees, please refer to Appendix J.](#)



## **Ethical behaviour, legal, and regulatory compliance**

**Our teams make every effort to provide an exceptional experience to the clients we serve, one that is focused on quality, kindness, and trust.**

High ethical standards and transparency are integral to our role as professionals as we strive to maintain confidence in our services, decision-making processes, and work ethic.

Our success in the market hinges on our firm's relentless pursuit of excellence and the resulting trust earned. We are dedicated to developing a culture of integrity and diligently work to promote ethical behaviour through training and compliance with prevailing laws, regulations, and internal policies.

### How we uphold legal and ethical standards

Our [Code of Conduct](#) outlines some of the ways we comply with laws, rules, and regulations:

- We manage breaches of confidentiality and regulatory rules honestly and appropriately.
- We maintain a zero-tolerance policy towards any form of bribery, corruption, or other unethical practices in our business relationships.
- We are committed to fighting financial crime, corruption, money laundering, drug trading, and human trafficking.
- We adhere to the sanctions imposed by the Canadian government.
- We are committed to fair business practices and competition in all our services.
- We respect our regulators and are committed to work with them to fulfill our role in the public markets.



### Independence and compliance

Independence requirements applicable to professional services firms are set out in laws, professional standards, and applicable regulations. Maintaining the independence of our firm, partners, and employees is critical to our business and is upheld through comprehensive independence policies, systems, and procedures.

These policies and processes are based on applicable independence standards and include the following:

- The CPA Code of Professional Conduct of the applicable province or territory;
- The Quebec CPA Order's Code of Ethics; and
- The International Code of Ethics for Professional Accountants by the International Ethics Standards Board for Accountants (IESBA).

Independence is maintained by providing only permissible services to our clients and ensuring appropriate business, employment, and personal relationships.

All partners, employees, and personnel of the firm, including contractors and non-client facing employees, are required to maintain independence in both fact and appearance. Our people are required to confirm this through an annual independence and ethics confirmation.

As part of our processes, we assess independence through our client procedure and engagement acceptance and consider it throughout the delivery of our services. As part of our commitment to independence, client-facing teams receive training on this process.

**All partners, employees, and personnel of the firm, including contractors and non-client facing employees, are required to maintain independence in both fact and appearance. Our people are required to confirm this through an annual independence and ethics confirmation.**



# Risk and opportunity oversight



## Our approach to managing and identifying risk

Effective risk management is a foundational element of our governance strategy, helping ensure the resilience and success of our firm. Through our Enterprise Risk Management (ERM) program, we have identified and assessed risks that could impact our ability to achieve our objectives, with a focus on priority risks, emerging risks, and appropriate and sufficient mitigation strategies.

The ERM program, based on the Committee of Sponsoring Organizations (COSO) framework, is executed by the Chief Risk Officer, Risk Owners, and the ELT, and has Board oversight.

## ERM program objectives

Our objectives for ERM include:

- Providing a structured basis for strategic planning and decision-making.
- Assisting the firm in achieving its strategic objectives.
- Enhancing the firm's governance and corporate management processes.
- Encouraging decision-makers to identify sound business opportunities that will benefit the firm without exposing it to unacceptable levels of risk.
- Providing a practical, useable framework for partners and staff to identify and assess risks inherent in the decisions they take.



## Risk identification

Organizational risks and opportunities are identified, rated in terms of likelihood and consequence, and reviewed against the adequacy of controls currently in place.

Risks and opportunities may be identified by:

- Assessing our strategy against current and emerging market conditions.
- Assessing and monitoring legislative or regulatory changes and their effect on our firm or individual service lines.
- Considering each of the risk categories included in our risk management framework.

Risk mitigation controls are assessed by reviewing existing local and national policies, and assessing whether controls are sufficient to mitigate risks to an acceptable level for our firm.

The risks and opportunities listed below are those that, effective December 2022, are considered to have the greatest significant ratings and impact on our ability to achieve our strategic priorities, should they materialize.

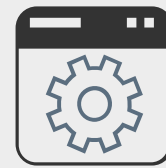
### Strategic risks and opportunities



Firm strategy

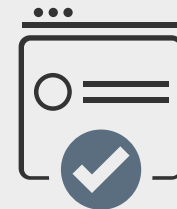


Innovation



IT strategy

### Regulatory risks and opportunities



Regulatory compliance

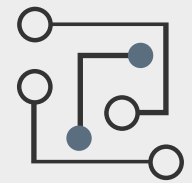
### Operational risks and opportunities



Data confidentiality and security



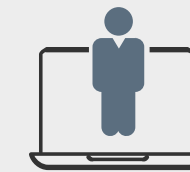
Cybersecurity



IT infrastructure



Economic uncertainty



Talent resources



Engagement processes

### Risk mitigation and risk monitoring

The risk environment is constantly changing and as a result, our priorities and objectives evolve with it. The risks we identified in our 2022 ESG Annual Report continued to be significant factors in 2023. We continuously monitor and regularly review our risk management process to ensure our ERM program is effective and continues to align with current and emerging risks and our overall strategy.

Monitoring and reviews take place during all stages of the ERM program and feedback is provided to ensure continuous enhancement of risk management processes. The results of risk monitoring and review activities are incorporated into our risk reporting.

### Communication of risk to the Board and ELT

Ultimate responsibility for the periodic review of the risk management framework resides with the Board through the Governance & Risk Committee as a sub-committee of the Board.

Effective information and communication flows are essential for our risk management framework to operate effectively. Reporting flows enable the Board to monitor the effectiveness of risk systems and controls and to oversee management's performance in managing risk. Formal reports are provided on an annual basis.

## Specific risk processes are addressed and made available to all firm personnel through our Risk Management Manual.

### Risk policies and procedures

Risk management is further supported by our Code of Conduct, targeted policies, training, and procedures. These processes support the firm both in providing the highest quality services and in confirming compliance with the BDO Code of Conduct and CPA Codes of Professional Conduct of the various provincial bodies.

Specific risk processes are addressed and made available to all firm personnel through our Risk Management Manual.

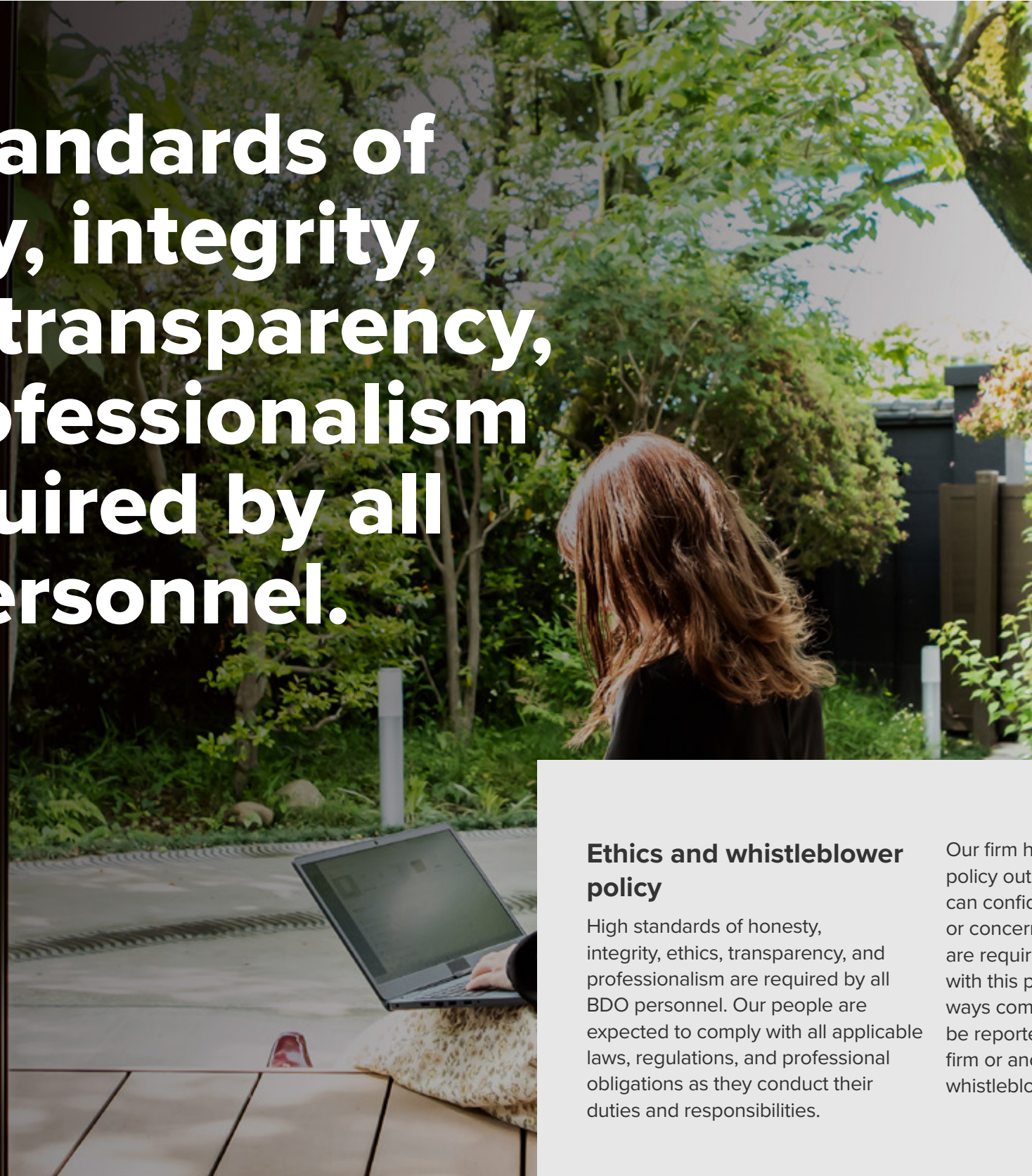
Key detailed processes include:

- Quality assurance reviews
- Conflict of interest assessments
- Independence procedures and assessments
- Client acceptance
- Engagement acceptance
- Risk rating assessments
- Mandatory risk training
- Compliance with sanctions regulations
- Compliance with anti-money laundering regulations





# High standards of honesty, integrity, ethics, transparency, and professionalism are required by all BDO personnel.



## International standard on quality management

Canadian and international regulators have required professional services firms to enhance their system of quality management.

In December 2020, the Auditing and Assurance Standards Board (AASB) issued the International Standard on Quality Management 1 (ISQM1). It was adopted for application in Canada as the Canadian Standard for Quality Management (CSQM1). Both ISQM1 and CSQM1 required that firms design and implement compliant systems of quality management by Dec. 15, 2022, and test those systems for operating effectiveness by Dec. 15, 2023.

We conducted a risk assessment that involved setting quality objectives, identifying and assessing quality risks, and designing responses for each quality component. Based on this risk assessment, we completed a full evaluation of our systems in accordance with CSQM1 requirements and within the given timeframe.

## Anti-corruption commitment

We are committed to ethical behaviour in the provision of all services and to the elimination of corruption in all forms. Anti-corruption requirements that apply to the firm are reflected in Canadian legislation, regulations, and professional standards, as well as in international legislation where our services cross jurisdictions.

One of the ways we proactively deter corruption is by maintaining an express prohibition on certain expenses and imposing a policy regarding gifts and hospitality. Our whistleblower hotline further provides a direct channel for reporting breaches or concerns relating to corruption.

We are also aligned with BDO Global's policy on anti-bribery and anti-corruption, which sets out clear principles and standards for all network firms. As part of our ongoing efforts to foster a culture of integrity and transparency, we are developing our own anti-bribery and anti-corruption policy, along with comprehensive training for all our people.

## Ethics and whistleblower policy

High standards of honesty, integrity, ethics, transparency, and professionalism are required by all BDO personnel. Our people are expected to comply with all applicable laws, regulations, and professional obligations as they conduct their duties and responsibilities.

Our firm has a robust whistleblower policy outlining the ways our people can confidentially report complaints or concerns. All members of our firm are required to read and comply with this policy, which outlines the ways complaints or concerns can be reported, either directly to the firm or anonymously through our whistleblower hotline.

Our whistleblower hotline allows BDO personnel and external parties to anonymously report concerns about inappropriate conduct related to the firm. The hotline is maintained by a third-party service provider, ClearView Connects, an independent company that specializes in hosting whistleblower reporting systems for organizations in Canada.

**A link to the whistleblower hotline is published internally on our intranet and externally on our website. We provide our people with training on how to use the hotline to submit a report.**

# Data protection

**Safeguarding personal information is at the heart of our firm's operations.**

## Privacy policy

We take appropriate technical and organizational measures designed to achieve privacy goals, including:

- Collecting, using, and disclosing personal information in accordance with our Privacy Statement, policies, and governing legislation.
- Protecting against the misuse and accidental loss or disclosure, and from unauthorized or unlawful processing, destruction, or alteration of personal data.
- Promptly responding to requests for access, rectification, erasure, and complaints.
- Complying with applicable laws in the event of a personal data breach.



**To ensure the confidentiality and the protection of our clients' and people's data, we have implemented comprehensive policies and procedures, including:**

- Regular mandatory firm-wide privacy awareness training to educate personnel on our personal information-handling policies.
- The Employee Personal Information Protection Policy, which outlines our handling of employees' personal information.
- The Privacy Code of Conduct, which outlines the personal data-handling principles we expect our people to follow.
- The Privacy Incident Response Protocol, which outlines the steps our people are expected to take and how to contact the Privacy Office if they suspect personal data may have been subject to unauthorized disclosure or access, loss, theft, misuse, or alteration.
- An Information Security Incident Response Plan, which outlines the steps to be taken in the event of an information security incident.
- The Search Warrant, Subpoena, Production Order, and Law Enforcement Access Policy, which outlines the process for handling requests to access data in our possession or control by legal authorities.
- The Service Provider Technology, Security, and Privacy Governance Process to assess the technical and organization methods employed by any service provider that will have access to information or systems in our control or possession.



## Information security statement

We are committed to protecting the confidentiality, integrity, and availability of data obtained through our business as a professional services firm.

Information security is fully embedded into our organizational culture and operations. This is reflected in all solutions and services, making our firm one of the information security leaders within the global BDO network.

As a data custodian and trusted service provider for our clients, our firm has implemented information technology processes and policies that align with ISO 27001, an internationally recognized standard for information security. We are compliant with the BDO Global Member Firm Accreditation Program and Canadian cybersecurity principles, including, but not limited to, the Personal Information Protection and Electronic Documents Act (PIPEDA) and Canadian Anti-Spam Legislation (CASL).

Our Cybersecurity team uses a risk-based, continuous evaluation process to expand and mature our security program to:

- Design and maintain highly available and secured systems.
- Prevent unauthorized exposure of personally identifiable information (PII) and confidential data.
- Hold our technology partners to the same security standards.
- React quickly and efficiently to incidents and the changing cyber threat landscape.
- Train our users to be information security incident preventers.
- Provide clear security assurances to our clients and their clients.

## Protecting client data

Meeting the data protection requirements of our clients is integral to our success. Our information security governance emphasizes the protection of client data as a firm priority and is embedded in our operations.

As part of our robust information security program, two BDO Canada offices participated in the Government of Canada Contract Security Program in 2023. We had one Company Security Officer (CSO) and six alternate CSOs for the BDO offices that were part of the Contract Security Program. The CSO is responsible for protecting sensitive government information and assets entrusted to them and developing the essential practices that build a culture of security so that information and assets are not compromised. We also maintained high-security programs and working areas in our offices.

# Aligning governance with evolving challenges

We are continuously evaluating the business, economic, and regulatory landscapes to monitor how risks are changing and impacting our operations. As such, we are well positioned to ensure we have the appropriate governance structure in place to meet the commitments outlined in this report.





# Appendices

# Appendix A – WEF IBC Index

The following table outlines the core stakeholder capitalism metrics and disclosures presented in the World Economic Forum’s International Business Council report, **Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation**, that apply to BDO Canada’s ESG journey.

## Principles of governance metrics

Theme	Sub-theme	Core metrics and disclosures	Notes
Governing purpose	Setting purpose	The company’s stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental, and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Refer to section: <a href="#">We are part of the BDO Global Sustainability Movement</a>
Quality of governing body	Governance body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Refer to section: <a href="#">Our governance structure</a>
Stakeholder engagement	Material issues impacting stakeholders	List of the topics that are material to key stakeholders and the company, including how topics were identified and how stakeholders were engaged.	Refer to section: <a href="#">Engagement and material ESG topics</a>
Ethical behaviour	Anti-corruption	<ol style="list-style-type: none"> <li>Total percentage of governance body members, employees, and business partners who have received training on the organization’s anti-corruption policies and procedures, broken down by region.                             <ol style="list-style-type: none"> <li>Total number and nature of incidents of corruption confirmed during the current year but related to previous years; and</li> <li>Total number and nature of incidents of corruption confirmed during the current year, related to this year.</li> </ol> </li> <li>Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture in order to combat corruption.</li> </ol>	Refer to section: <a href="#">Anti-corruption commitment</a>
	Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for: <ol style="list-style-type: none"> <li>Seeking advice about ethical and lawful behaviour and organizational integrity.</li> <li>Reporting concerns about unethical or unlawful behaviour and organizational integrity.</li> </ol>	Refer to section: <a href="#">Ethics and whistleblower policy</a>
Risk and opportunity oversight	Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental, and social issues, including climate change and data stewardship.	Refer to section: <a href="#">Risk and opportunity oversight</a>

# Appendix A – WEF IBC Index (continued)

## Planet metrics

Theme	Sub-theme	Metrics and disclosures	Notes
Climate change	Greenhouse gas emissions	For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F-gases, etc.), report in metric tonnes of carbon dioxide equivalent GHG Protocol Scope 1 and Scope 2 emissions.  Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Refer to section: <a href="#">Emissions breakdown</a>
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-Related Financial Disclosures.	Refer to section: <a href="#">Metrics and targets</a>
Nature loss	Land use and ecological sensitivity	Report the number and area (in hectares) of sites owned, leased, or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	BDO Canada will continue to prioritize climate change in this report. It is our intention to enhance our environmental disclosures as we mature along our sustainability journey.
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Report for operations where material, mega litres of water withdrawn, mega litres of water consumed and the percentage of each in regions with high or extremely high baseline water stress according to WRI’s Aqueduct Water Risk Atlas tool.  Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	

# Appendix A – WEF IBC Index (continued)

## People metrics

Theme	Sub-theme	Core metrics and disclosures	Notes
Dignity and equality	Diversity and inclusion (%)	Percentage of employees per employee category; by age group, gender, and other indicators of diversity (e.g., ethnicity).	Refer to section: <a href="#">Our 2023 diversity snapshot</a>
	Pay equality (%)	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men; minor to major ethnic groups; and other relevant equality areas.	Refer to section: <a href="#">Appendix E - Our workforce metrics</a> BDO is committed to fair, equitable pay and has developed important processes and measures that enable pay equity. Our compensation is internally equitable and designed to meet the following three guiding principles: <ul style="list-style-type: none"> <li>• Competitive across our relevant markets.</li> <li>• Recognizes outcomes and is differentiated based on performance.</li> <li>• Supported by clear communication and transparency.</li> </ul> We are also in adherence with provincial pay transparency legislation (for example, the Pay Transparency Act in British Columbia).
	Wage level (%)	Ratios of standard entry-level wage by gender compared to local minimum wage. Ratio of CEO's total annual compensation to median total annual compensation of all employees (excluding the CEO).	As part of our ongoing commitment to pay equity and fair practices, a regular wage assessment is performed. We can confirm that all BDO Canada personnel are paid above the applicable jurisdiction's minimum wage.
	Risk for incidents of child, forced, or compulsory labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child, forced, or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier. b) countries or geographic areas with operations and suppliers considered at risk.	We understand the important role we play in creating and upholding a responsible business ecosystem. We are committed to upholding human rights and instilling ethical practices through our procurement strategies.
Health and well-being	Health and safety (%)	The number and rate of fatalities due to work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries, main types of work-related injury; and the number of hours worked.	Fatalities and work-related injuries are not tracked as the risk of accidents in BDO's business is low.
		An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services and the scope of access provided for employees and workers.	Refer to section: <a href="#">Health and well-being</a>
Skills for the future	Training provided (#)	Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees).	Refer to section: <a href="#">Appendix F - Skills for the future</a>
		Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	



# Appendix A – WEF IBC Index (continued)

## Prosperity metrics

Theme	Sub-theme	Core metrics and disclosures	Notes
Employment and wealth generation	Absolute number and rate of employment	1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Refer to section: <a href="#">Appendix E - Our workforce metrics</a>
	Economic contribution	1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: revenues, operating costs, employee wages and benefits, payments to providers of capital, payments to government, and community investment.	In 2023, BDO Canada generated revenues of \$986,824,271, up 13.3% from 2022. A significant portion of these revenues were used for employees' wages and benefits, and compensation to the owners.  Payments to providers of capital and the government were deemed not applicable for BDO Canada.  Refer to section: <a href="#">Community impact</a>
		2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	This disclosure was not deemed applicable to BDO Canada.
	Financial investment contribution	1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. 2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	This disclosure was not deemed applicable to BDO Canada.
Community and social vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	This disclosure was not deemed applicable to BDO Canada. However, we have outlined the many ways in which we invest our time, expertise, and resources into supporting our local communities for the betterment of society.  Refer to section: <a href="#">Community impact</a>
Innovation of better products and services	Total R&D expenses (\$)	Total costs related to research and development.	We track our research and development (R&D) expenditure in an effort to quantify our contribution to innovation and highlight the value of our investments. In 2023, we invested \$3,087,257 in innovation initiatives, including internal system investments and consulting services associated with our ongoing modernization efforts. This is a 54% increase since 2022.  Refer to section: <a href="#">Innovating for growth</a>

# Appendix B - Definitions of metrics

This table outlines the World Economic Forum’s planet, people, prosperity, and governance metrics definitions presented in its report, **Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation**.

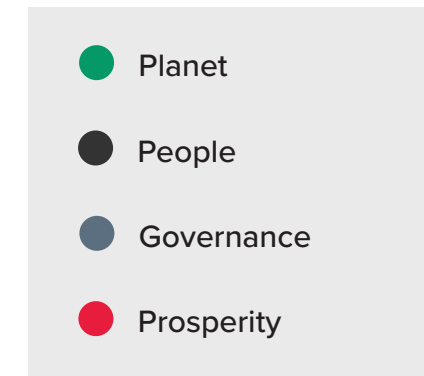
ESG component	Definition
<b>Planet metrics</b>	
<b>Climate change</b>	Reducing the discharge of substances from a source into the environment. Specifically, it refers to atmospheric pollutants such as greenhouse gases (GHG), methane (CH <sup>4</sup> ), and other substances. This topic covers management of climate change risk and strategies to identify and mitigate both physical and transition risks presented by climate change.
<b>Nature loss (biodiversity)</b>	Biodiversity and the protection of animals and natural habitats. The variety of life found on Earth (plants, animals, fungi, and micro-organisms) as well as the communities that they form and the habitats in which they live.
<b>Freshwater availability</b>	The control and movement of water resources to minimize damage to life and property and to maximize efficient beneficial use.
<b>Air pollution</b>	Introduction of harmful materials into the environment. Examples of pollutants are volcanic ash, trash, or runoff produced by factories. Pollutants damage the quality of air.
<b>Water pollution</b>	Introduction of harmful materials into the environment. Examples of pollutants are trash or runoff produced by factories. Pollutants damage the quality of water.
<b>Solid waste</b>	Waste management, including waste sent to landfill versus recycled, including managing unwanted or disused materials. Waste can be generated from the organization’s own activities and can also be generated by the organization’s value chain.
<b>Resource availability</b>	The inputs used to manufacture and/or package an organization’s products and services (i.e., energy management).
<b>People metrics</b>	
<b>Dignity and equality (diversity and inclusion)</b>	Diversity refers to recognizing, respecting, and valuing differences in people, while equality refers to providing equal opportunities to everyone and protecting people from discrimination.
<b>Health and well-being</b>	Supporting employees’ well-being by providing resources and programs to support informed decisions and health. This includes fostering a workplace culture that provides a safe and secure work environment and manages the health and safety of everyone in the organization’s workplace, including employees, clients, contractors, subcontractors, and suppliers.
<b>Skills for the future</b>	Includes employee training provided, the number of unfilled skilled positions, and monetized impacts of training.

# Appendix B - Definitions of metrics (continued)

ESG component	Definition
<b>Governance metrics</b>	
<b>Governing purpose</b>	The organizations' stated purpose that is linked to social benefit and their core business.
<b>Quality of governing body</b>	Composition of the highest governance body and its committees, as well as their responsibilities for decision-making on strategy, risk, economic performance, and associated environmental/social topics.
<b>Stakeholder engagement</b>	A list of the material topics identified in the process of defining report content and how they impact stakeholders.
<b>Ethical behaviour</b>	Internal and external mechanisms for seeking advice about ethical and lawful behaviour and organizational integrity, along with reporting concerns about unethical or unlawful behaviour and organizational integrity.
<b>Risk and opportunity oversight</b>	Integrating risk and opportunity into business processes by clearly identifying the principal risks facing the organization specifically (i.e. data security protection), the governing body's appetite in respect of these risks, how these risks have moved over time, and the response to those changes.
<b>Prosperity metrics</b>	
<b>Employment and wealth generation</b>	Includes employment rate, economic contribution, financial investment contribution, infrastructure investments, services support, and economic impacts.
<b>Innovation of better products and services</b>	Component includes total R&D spend and social value generated.
<b>Community and social vitality</b>	Disclosure refers to investments made in local communities.

# Appendix C - Materiality assessment results

Our materiality assessment results inform the direction of our sustainability strategy. We will review and reassess the applicability of our materiality assessment in 2025.



**Figure 4.** Ethical behaviour, resource availability, and climate change are highly material to BDO Canada and our stakeholders. Dignity and equality, quality of the governing body, and health and well-being are deemed to be highly material to BDO Canada and material to our stakeholders. Risk and opportunity oversight and skills for the future are considered important to both BDO Canada and our stakeholders. Solid waste, or waste management, is considered material to BDO Canada and highly material to our stakeholders. Freshwater availability is material to both BDO Canada and our stakeholders. Issues considered material to BDO Canada and important to our stakeholders include community involvement and social vitality, governing purpose, stakeholder engagement, and nature loss (biodiversity). Issues deemed important to both BDO Canada and our stakeholders are employment and wealth generation, innovation of better products and services, air pollution, and water pollution.

# Appendix D – Greenhouse gas inventory project

Below, we outline our assumptions and calculation methodology for the 2023 greenhouse gas inventory project. They are based on the Greenhouse Gas Protocol methodology, which we used to estimate our carbon footprint from Scope 1, Scope 2, and Scope 3 emissions.

## Boundary setting

Our inventory project uses an **operational control** approach, in alignment with the GHG Protocol whereby we account for 100% of the GHG emissions from sources over which we have operational control. Operational control is defined as those areas in which we have the authority to introduce and implement operating policies at the worksites.

## Our emissions estimation methodologies and assumptions

### Scope 1: Direct GHG emissions

To estimate our Scope 1 emissions, the following items were included:

- BDO has natural gas Scope 1 emissions. There are no other substantive fuels (directly combusted) emitted by our worksites.
- We estimated refrigerants and other fugitive emissions to be negligible/immaterial and have therefore assumed zero emissions from these sources.

### Scope 2: Indirect GHG emissions

Our Scope 2 emissions include purchased electricity and steam. We have a limited number of worksites which use purchased heat or steam—these were included as part of our Scope 2 emissions estimates.

We made considerable improvements in the data collection process and continue to employ extrapolation methods in our calculation for worksites with unavailable data.

Scope 1 and Scope 2 emissions were based on the following information:

- **Electricity activity data:** We leveraged data representing 68% of the total leased space, a significant improvement from 44% in 2022.
- **Natural gas activity data:** In 2023, we started developing a comprehensive database of the worksites that use natural gas. As a conservative approach, the Scope 1 emissions extrapolation assumed that all worksites within our operational boundaries use natural gas.
- **Building area footprint:** For offices with no disaggregated common area maintenance (CAM) data, we established a ‘manufactured’ CAM% based on Leadership in Energy and Environmental Design (LEED) certification rating estimates and aligning with the Building Owners and Managers Association Standard Methods of Measurement (BOMA) for Canadian Property Evaluation by the Appraisal Institute of Canada.
- **Worksites with unavailable data:** For worksites without accurate leased area information, we used the median space of all known worksites and extrapolated the kilowatt hour (kWh) usage per month per square foot.

- **Provinces with unavailable emissions data:** For provinces with worksites lacking reported emissions data, we used the conservative data factors from the highest province within Canada and multiplied these data factors by the total office area to estimate emissions.

### Scope 3: Other indirect GHG emissions

The following categories were included as part of our Scope 3 emissions::

- **Category 1: Purchased goods and services**
- **Category 2: Capital goods**
- **Category 4: Upstream transportation and distribution**
- **Category 5: Waste generated in operations**

We used the spend-based extended environmental input-output (EEIO) method to estimate the emissions of these four categories. To convert the spending total to estimated emissions, we used the 2021 U.S. EPA Supply Chain Greenhouse Gas Emissions Factors and adjusted for appropriate foreign exchange and inflation rates (i.e. the consumer price index).

In 2023, we shifted the waste emissions calculation from extrapolating from available data to the EEIO method. We recognize the difficulty in collecting waste activity data (landfill, recyclable, and organic waste) and it remains an area for improvement. This is because most of our leased worksites outsource waste disposal to third-party vendors that do not track the waste output. We will continue to work with our real estate brokers and property managers to improve our waste data.

- **Category 3: Fuel and energy-related activities**

In 2022, we did not include this category in our emissions reporting as we deemed it to have been captured as part of our Scope 1 and Scope 2 emissions. In 2023, we determined that this category should be included separately in a net zero-aligned carbon footprint, as it is a data point the SBTi expects to see when carrying out its verification process. We revised our approach for our 2023 reporting.

- **Category 5: Waste (water) generated in operations**

Given the limitations in the data set available as part of our inaugural GHG inventory project, we extrapolated our wastewater emissions based on the following information:

- We estimated a per-person usage/output from the data available and applied this estimate to the total BDO worksite population (average headcount over January 2023 to December 2023).
- The percentage of those coming into the office is calculated using IT login data from January 2023 to December 2023.

# Appendix D – Greenhouse gas inventory project (continued)

- **Category 6: Business travel**

For 2023, we used the spend-based method to estimate emissions associated with business travel. To estimate the emissions from the spend data, we used EEIO emission factors from the 2021 U.S. EPA Supply Chain Greenhouse Gas Emissions Factors and adjusted for appropriate foreign exchange and inflation rates (i.e., the consumer price index).

- **Category 7: Employee commuting**

Employee commuting is another contributor to our Scope 3 emissions. Given the limited data available on the type, quantity, and cost of fuel consumed during transportation, as well as the mode of transportation used by individual employees, we estimated the emissions based on average data of commuting patterns.

We achieved a 41% participation rate for our commuting survey, an improvement from 29% in 2022. The percentage of those commuting to the office is calculated using IT login data from January 2023 to December 2023.

For estimated emissions related to remote work, we used the highest energy configuration of equipment currently provided to employees. This is calculated based on the energy consumption rates of the most common equipment model in the computer series in use and assuming an average operating time of eight hours per day.

- **Category 13: Downstream leased assets**

Of the worksites within the 2023 reporting boundary, four of our spaces are subleased. They account for approximately 4% of BDO Canada's total square footage.

As we continue refining our data collection process and improving the quality of our data and estimates, we will consider recalculating our base year emissions, once established, upon occurrence of any of the following circumstances:

- Structural changes in the firm.
- Changes in the calculation methodology or improvements in the accuracy of emission factors and activity data that result in improved accuracy and have a significant impact on the base year estimates.
- Discovery of significant errors.

# Appendix E – Our workforce metrics

The tables in Appendix E present a breakdown of our workforce by age and gender, as well as data related to hires, attrition, and promotions.

## People - Dignity and equality

Gender and age diversity data for 2023 is outlined below as it relates to our employee and governance categories. More information on our approach to tracking and reporting on indicators of diversity can be found in the section, [Our 2023 diversity snapshot](#).

■ 2023 ■ 2022

	2023		2022		2023			2022		
	Female	Male	Female	Male	Under 30 years old	30 to 50 years old	Over 50 years old	Under 30 years old	30 to 50 years old	Over 50 years old
Workforce*	59.4%	40.2%	58.7%	41.1%	30.3%	50.2%	19.3%	33.2%	46.8%	20.0%
Client facing**	53.4%	46.3%	53.1%	46.7%	34.0%	49.4%	16.5%	37.2%	45.5%	17.3%
Partner	28.1%	71.5%	28.0%	71.3%	0.0%	60.1%	39.9%	0.0%	57.5%	42.5%
Director	37.7%	61.0%	36.5%	63.5%	0.0%	42.9%	57.1%	0.0%	46.0%	54.0%
Senior manager	52.7%	47.2%	51.4%	48.6%	1.5%	79.3%	19.2%	4.0%	75.5%	20.5%
Manager	52.7%	47.0%	52.5%	47.2%	19.5%	68.8%	11.7%	25.4%	61.5%	13.1%
Non-management staff***	59.1%	40.7%	58.7%	41.1%	52.2%	36.3%	11.4%	54.6%	33.5%	11.9%
Non-client facing****	80.1%	19.2%	78.4%	21.1%	17.4%	53.2%	29.1%	18.1%	51.9%	29.9%
Partner	42.9%	57.1%	41.2%	58.8%	0.0%	50.0%	50.0%	0.0%	22.2%	77.8%
Director	58.6%	37.9%	52.2%	43.5%	0.0%	75.9%	24.1%	0.0%	75.0%	25.0%
Senior manager	66.3%	32.6%	65.2%	33.7%	0.0%	71.9%	28.1%	1.2%	72.0%	26.8%
Manager	78.3%	21.7%	68.9%	31.1%	4.9%	72.0%	23.1%	9.9%	68.3%	21.8%
Non-management staff***	70.4%	29.4%	78.0%	22.0%	22.4%	53.8%	23.8%	19.2%	47.8%	33.0%
Administration	93.4%	5.7%	93.1%	5.3%	20.9%	43.3%	35.1%	28.5%	45.1%	26.4%
Board	33.3%	66.7%	33%	67%	0.0%	44.4%	55.6%	0%	44%	56%
Executive Leadership Team	44.4%	55.6%	44%	56%	0.0%	55.6%	44.4%	0%	60%	40%
Senior Leadership Team	24.2%	75.8%	26%	74%	0.0%	69.7%	30.3%	0%	61%	39%

\*Workforce includes the full set of individuals who contribute to BDO encompassing all type of employment relationships (full-time, part-time, fixed-term contracts and co-ops), however, it excludes contingent workers.

\*\*Client facing roles are described as those with more than 40% billable time.

\*\*\*Non-management roles include seniors, specialists, intermediates, juniors, and co-ops.

\*\*\*\*Non-client facing roles are described as those with less than 40% billable time. Non-client facing staff include our firm-wide services teams.

# Appendix E – Our workforce metrics (continued)

## Prosperity - Employment and wealth generation

Employment data for 2023 is outlined below. More information on our approach to tracking and reporting on indicators of diversity can be found in the section, [Our 2023 diversity snapshot](#).

### Hires

■ 2023 ■ 2022

	Female	Male	Female	Male	Under 30 years old	30 to 50 years old	Over 50 years old	Under 30 years old	30 to 50 years old	Over 50 years old
Hires*	55.0%	43.3%	55.4%	43.2%	64.1%	27.3%	7.3%	59.1%	33.0%	6.5%
Client facing	50.0%	48.5%	50.5%	48.2%	68.6%	24.5%	5.8%	62.6%	30.6%	5.5%
Non-client facing	76.9%	20.5%	55.4%	43.2%	44.4%	39.5%	13.7%	41.4%	45.4%	11.8%

\*Hires refers to the number of hires under each diversity category, relative to the total number of hires.

### Turnover

	Female	Male	Female	Male	Under 30 years old	30 to 50 years old	Over 50 years old	Under 30 years old	30 to 50 years old	Over 50 years old
Turnover*	55.4%	43.2%	10.4%	8.0%	59.1%	33.0%	6.5%	10.4%	8.0%	0.1%
Client facing	50.5%	48.2%	8.2%	7.2%	62.6%	30.6%	5.5%	6.2%	8.0%	1.3%
Non-client facing	55.4%	43.2%	2.2%	0.9%	41.4%	45.4%	11.8%	0.9%	1.7%	0.5%

\*Turnover refers to the number of voluntary departures relative to the employee count, categorized by diversity categories. This does not include contingent workers, contractors (fixed term) or co-ops. The variance observed in the 2023 turnover figures above and those published in the 2022 ESG report stems from internal data timing discrepancies

### Promotions

	Female	Male	Female	Male	Under 30 years old	30 to 50 years old	Over 50 years old	Under 30 years old	30 to 50 years old	Over 50 years old
Promotions*	53.3%	46.1%	52.0%	48.0%	26.8%	63.9%	9.3%	24.3%	67.1%	8.7%
Client facing	48.8%	50.5%	50.0%	50.0%	29.5%	63.7%	6.8%	26.0%	65.9%	8.1%
Non-client facing	85.0%	15.0%	68.4%	31.6%	7.5%	65.0%	27.5%	10.5%	76.3%	13.2%

\*Promotions refers to the number of new promotions under each diversity category, relative to the total number of promotions.



# Appendix F – Skills for the future

Our people bring a unique value to our firm—we are committed to their holistic development to help them achieve their personal goals, realize their ambitions, and live their passions. These tables outline the time we’ve dedicated to supporting our people through training, broken down by position and average per-person training hours we dedicated.

## Average training hours per person by role

Role	Average training hours per person (2023)	Average training hours per person (2022)
Partner	38	37
Director	17	17
Senior manager	31	27
Manager	30	25
Senior consultant	34	35
Consultant (junior, specialist, intermediate)	30	36
Administrative	11	22
Co-op/Intern	76	27
<b>Firm-wide average</b>	<b>32</b>	<b>32</b>

- The 2022 figures have been revised due to internal changes made to our employee categories to better reflect our workforce. While the change is not deemed to be material, the original 2022 figures have been recalculated and included within this report to allow for comparability.

## Average training hours per person by gender

Category	Average training hours per person (2023)	Average training hours per person (2022)
Female	30	30
Male	36	35
Not declared	17	21
<b>Firm-wide average</b>	<b>32</b>	<b>32</b>

- Training hours are defined as verifiable training based on program durations offered by or through BDO Canada LLP, for example, our Workday completion status reports, Percipio learner activity reports, learning pilot programs, development programs, and coaching programs.
- Average headcount is used to calculate learning and development metrics per person. Average headcount for the year is defined as the average total number of partners and employees, including both active employees and departures. This figure does not include any contingent workers.

## Average training spend per FTE

Category	Average training spend per FTE (2023)	Average training spend per FTE (2022)
Total training spend	\$16,351,950	\$10,070,616
Total FTE	5,893	5,123
<b>Average training spend per FTE</b>	<b>\$2,775</b>	<b>\$1,966</b>

- It should be noted that BDO is compliant with the professional development requirements of CPA Canada.
- The data presented here does not include external training such as self-study, authoring, facilitated technical training, etc.

# Appendix G - Prosperity: Community and social vitality

We track our investment in community sponsorships and charitable donations to demonstrate the long-term value that BDO creates for society at a local and national level in Canada. Much of the firm’s community efforts, however, cannot be measured or monetized. This table provides a breakdown of the dollar value of our community investments.

**Community sponsorships and donations**

Type	Community investments	Total 2023 (\$)	Total 2022 (\$)
Sponsorships	Charitable—sponsorships and bursary sponsorships	374,464	314,299
Sponsorships	Non-charitable—sports teams and other local sponsorships	2,004,494	1,531,220
Donations	Charitable—monetary donations	61,213	202,786
<b>Total</b>		<b>2,440,170</b>	<b>2,048,305</b>

# Appendix H – Board responsibilities

The role of the Board includes, among others, the following activities:

- Appoint the CEO.
- Ensure that the firm has an appropriate strategic plan and oversee and monitor the firm's direction as it relates to the plan.
- Annually assess the CEO's performance, approve their goals for the ensuing year, and review their compensation plan.
- Receive and review continuous reporting from the CEO.
- Establish and monitor policies for the firm.
- Hear any appeals from partners as provided for under the Partnership Agreement and Board policies.
- Oversee good financial and cultural governance (including setting the tone from the top on culture and ethics).
- Set and monitor high standards for quality, independence, and responsible business that meet or exceed regulatory requirements.
- Review monthly financial statements and approve annual financial statements.
- Review and approve computations and distributions of profit.
- Approve the firm's annual budget and business plans.
- Appoint the nominating committee and other committee members as provided for in Board policies.
- Conduct annual general meetings and special general meetings.

# Appendix I – Skills and experience used to recruit Board members

This table defines the skills and experience that strengthen the BDO Canada Board.

Category	Description of skills and experience
<b>Risk management and assessment</b>	Experience identifying enterprise-wide/corporate risks and to ensure that management has implemented the appropriate systems to manage risk.
<b>Technology / Data analytics / Digital / AI / Cybersecurity</b>	Understanding the use of digital tools and capabilities to advance and enhance performance and its impact on people, processes, and tools, including controls to protect systems, networks, programs, devices, and data from cyber attacks.
<b>Organizational management</b>	Understanding organizational design and management, including succession planning and culture. Experience with governance of innovations and effective change management, stakeholder engagement, and operational design and excellence.
<b>Talent strategy / Human resources / Executive performance review</b>	Understanding/experience with strategy of human resource/personnel considerations for key talent recruitment, compensation structure, and performance review.
<b>Business leadership / Corporate / Strategic planning experience</b>	Experience with business/corporate and strategic planning, relevant leadership experience, evaluation, and implementation of a strategic plan. Clearly demonstrates strategic and execution capabilities.
<b>Board / Governance</b>	Experience in serving on large Boards and/or serving as a committee chair.
<b>Regulatory environments</b>	Knowledge of regulatory environments, changes in regulations, etc., which impact the firm and its services.
<b>ESG</b>	Understanding of environmental, social (including DEI matters), and governance standards for company operations.
<b>Indigenous cultural knowledge and/or experience</b>	Knowledge and experience working with and within Indigenous communities, and current and upcoming considerations for Indigenous people and communities.
<b>Client engagement</b>	Experience targeting markets, design thinking, customer experience (CX), e-commerce, client segmentation/analysis, client value, and proposition.
<b>Crisis management</b>	Experience working through a crisis and its impact to the business, clients, and people.
<b>Mergers and acquisitions</b>	Experience with mergers and acquisitions.
<b>Accounting and financial knowledge</b>	Understanding of financial operations management, financial statements, auditing, and other issues regarding finance.

# Appendix J - Board committees

Appendix J outlines the purpose and composition of our Board Committees.

## Financial Oversight Committee

The primary purposes of the Financial Oversight Committee include:

- 1. Informing and making recommendations to the Board on financial reporting and financial management issues;
- 2. Providing oversight on those issues that are fundamental to promoting the financial integrity of the management reporting process; and
- 3. Monitoring the financial performance of BDO.

The CEO and Board Chair are invited to all committee meetings.

The Board Chair appoints the Chair and members of this committee, which include:

### Chair of the committee



**DARYL MADUKE**  
Partner, Tax

### Board members



**JAMESON BOUFFARD**  
Partner, Assurance



**ALLAN PAYNE**  
Partner, Business Services & Outsourcing



**DAVID VELD**  
Partner, Assurance

Executive Officers and others present by invitation of the committee may include:

### Executive officers and others



**DAVID SIMKINS**  
Chief Operating Officer



**JOE DOBSON**  
Director of Finance

# Appendix J - Board committees (continued)

Appendix J outlines the purpose and composition of our Board Committees.

## Governance & Risk Committee

The primary purposes of the Governance & Risk Committee include:

- 1. Assisting the Board in fulfilling its risk oversight responsibilities;
- 2. Ensuring periodic review and update of the Partnership Agreement, Board policies, and operating policies;
- 3. Monitoring and supplementing the Board’s skills matrix; and
- 4. Other duties as determined by the Board.

The CEO and Board Chair are invited to all committee meetings.

The Board Chair appoints the Chair and members of this committee, which include:

### Chair of the committee



**JANET BOYLE**  
Independent Board Member

### Board members



**JENNIFER DUNN**  
Partner, Tax



**KELLY HAGEN**  
Partner, Advisory



**BOB MCMAHON**  
Partner, Assurance

Executive Officers and others present by invitation of the committee may include:

### Executive officers and others



**AMY PROVVISIONATO**  
Chief Risk Officer



**CHRISTINA PORRETTA**  
Chief Legal Officer

# Appendix J - Board committees (continued)

Appendix J outlines the purpose and composition of our Board Committees.

## Talent & Culture Committee

The primary purpose of the Talent & Culture Committee is to assist the Board in fulfilling its oversight responsibilities for:

- 1. Advancing talent management practices, including human resources strategy, employee engagement, and culture;
- 2. Providing input on succession and promoting talent management;
- 3. Reviewing and recommending partner compensation;
- 4. Reviewing and recommending executive compensation, including performance evaluation; and
- 5. Risks related to talent management.

The CEO and Board Chair are invited to all committee meetings.

The Board Chair appoints the Chair and members of this committee, which include:

### Chair of the committee



**JENNIFER DUNN**  
Partner, Tax

### Board members



**KELLY HAGEN**  
Partner, Advisory



**CHERYL HUGILL**  
Partner, Business Services & Outsourcing



**DARYL MADUKE**  
Partner, Tax

Executive Officers and others present by invitation of the committee may include:

### Executive officers and others



**KERRI PLEXMAN**  
Managing Partner,  
Talent & Culture

# Appendix J - Board committees (continued)

Appendix J outlines the purpose and composition of our Board Committees.

## Strategy & Execution Committee

The Strategy & Execution Committee is an ad hoc committee that was created in 2022, as a result of the appointment of the new CEO. The primary purpose of the committee is to assist the Board in fulfilling its oversight responsibilities for approving the strategic plan of the firm and monitoring the firm’s direction as it relates to the plan.

The CEO and Board Chair are invited to all committee meetings.

Managing partners and other individuals will be invited as guests of the committee when required.

The Board Chair appoints the Chair and members of this committee, which include:

### Chair of the committee



**CHERYL HUGILL**  
Partner, Business Services & Outsourcing

### Board members



**JEAN DESGAGNÉ**  
Independent Board Member



**BOB MCMAHON**  
Partner, Assurance



**DAVID VELD**  
Partner, Assurance

Executive Officers and others present by invitation of the committee may include:

### Executive officers and others



**DAVE SIMKINS**  
Chief Operating Officer



**NICK LANE**  
Chief of Staff



Thank you for taking the time to review our ESG report. We are proud to adopt responsible business practices that embody our unwavering commitment to ESG and to bending the arc of possibility for our people, our clients, and our firm. If you have any questions or would like to speak with one of our practice members, please contact us.

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**About BDO**

BDO Canada LLP is a leading provider of professional services to clients across a variety of sectors and segments. For over 100 years, our team has served communities across Canada through a comprehensive range of assurance, tax, and consulting services, complemented by deep industry knowledge. With over 5,000 people across 100 offices in Canada, and more than 1,800 offices in 164 countries, BDO is well-positioned to assist clients with both domestic and global needs.

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