



DRIVING INNOVATION FOR A SUSTAINABLE FUTURE

2022 SUSTAINABLE
DEVELOPMENT REPORT

LOGISTEC



ABOUT THIS REPORT

This report is part of our commitment to be transparent about our activities and summarizes our progress in a clear, concise way. The purpose of DRIVING INNOVATION FOR A SUSTAINABLE FUTURE is to share our sustainable development journey, starting with our long-term objectives to improve our performance in all sectors essential to the LOGISTEC family.

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OUR PURPOSE

IS CLEAR, NOW
MORE THAN EVER

We pride ourselves on building and sharing our expertise in order to contribute to the success of our customers and our communities. Our people are dedicated to finding solutions that FACILITATE TRADE, support RELIABLE AND SUSTAINABLE SUPPLY CHAINS and PROTECT and RENEW OUR ENVIRONMENT AND OUR WATER RESOURCES.

OUR VALUES

RELIABILITY

Our people are recognized for their operational excellence. Over the years, solid processes and continuous learning have allowed us to support reliable supply chains for our customers and effective remediation solutions for the environment. Whatever the circumstances, our people have an uncanny ability to find solid solutions. We are definitely resilient!

GOING BEYOND

Our people are ready to go beyond and challenge the status quo. They strive to continuously push boundaries. They seek new ways to improve their operations and cost leadership. They go after new business opportunities and partnerships. We are naturally relentless!

IMAGINATION

Our people are imaginative thinkers – people who generate new and unique solutions – and have the courage to take action to put these solutions in place. They create environments in which others can take smart risks and experiment. They foster the creative ideas of others, using good instincts and agility to bring the right solutions to our customers.

SUSTAINABILITY

Our people are fully accountable for our performance and are truly committed to long-term sustainable growth. By empowering our people, acting with integrity, setting clear goals and measuring our progress, we deliver innovative products and services to our customers and create value for our stakeholders. Our sustainability strategy is based on a sound and balanced approach to environmental, social and economic performance designed to enhance our position as an industry leader. We firmly believe that it is possible to be successful as well as responsible.

INTRODUCTION BY OUR CEO

A MESSAGE FROM MADELEINE

Today, as business leaders, we have the opportunity, and even the duty, to build on a green transformation, rethink our business models, and lead in the fight against climate change. The planet has sounded the alarm; we need to listen and act upon it. Being a business leader is more than just generating revenue and profits; it is also conceiving a sustainable and resilient future where profits are reinvested in our talent to retain them and help them grow; it is about choosing to think for the long term; it is about having a positive impact on the communities in which we operate and creating a better world for future generations.

We have been tested recently, as individuals and as a company, with the sudden arrival of COVID-19. Our agility and resilience during this pandemic have served to make our purpose that much clearer.

Passionate, bold and committed, the LOGISTEC family is well-positioned to face the challenges of the future. We pride ourselves on building and sharing our expertise in order to contribute to the success of our customers and our communities. Our people are dedicated to finding solutions that reliably support supply chains and protect our environment and our water resources.

At LOGISTEC, we are accelerating the development and deployment of our technologies. Thanks to our innovations, we build resilient water infrastructure, decontaminate soils, preserve our drinking water and aquatic habitat, and eliminate emerging contaminants.



As for cargo handling, marine transportation is the most environmentally sound mode of transport, and it facilitates trade. This sector continues to develop sustainable technologies to reduce its environmental footprint. We have introduced hybrid and electrical equipment and we will not stop there.

I see the enormous potential of a safer, healthier, fairer, and more sustainable future. All the signs are there. Science-based evidence is clear: those who act and invest boldly in green technologies are those who will benefit and make their economies more resilient and competitive. We are convinced that our culture of innovation, which is expressed daily, will make a difference. Our commitment as a team and our responsible approach will allow us to safeguard our resources for generations to come. I am extremely grateful to our talent who, day in, day out, are committed to our mission. The young talent especially, who join us with their ingenuity and enthusiasm, who question us, challenge us, and open doors to new paths, inspire me.

Our 2022 Sustainable Development Report further solidifies our commitment to transparency in everything we do, even when faced with challenges. It is by empowering our people, demonstrating integrity, setting clear and ambitious goals, and measuring our progress that we will exceed our sustainable development strategy's mission.

LOGISTEC's greatest impact on sustainability is through the solutions we developed for our customers and communities and have a positive impact on the environment. We directly and indirectly contribute to 12 of the 17 United Nations Sustainable Development Goals and we are using these to guide us in setting new environmental, social and governance (ESG) targets to support our vision. In 2022, we will commit to improving how we measure our ESG performance and contributing to a path to reach the international goal to reduce CO2 emissions by 40% by 2030. This drives our teams to find solutions that will make a difference.

While we believe there are even greater benefits that we cannot yet quantify, we know the solutions we bring to our customers and our communities are also helping them advance their sustainable development goals agenda. Currently, we estimate that 40% of our 2021 revenue can be classified as "Clean Revenue", based on the FTSE Russell's Green Revenues Classification System (GRCS). We are extremely proud of this achievement and look to increase our impact each year.

Energized by the passion and ingenuity of our people, and driven by a strong purpose, I am excited about the opportunity to lead a team ready to build a more innovative, sustainable, and resilient future.

A handwritten signature in blue ink, reading "Madeleine Paquin".

Madeleine Paquin, C.M.
President and Chief Executive Officer
LOGISTEC Corporation



OUR ESG GOALS

Delivering responsibly is at the heart of how the LOGISTEC family is building a sustainable and resilient future for the next generations. It means handling our customers' goods safely, protecting and renewing our environment and our water resources, attracting and developing the best and brightest talent, investing in our communities and leading with the highest governance standards. In short, the LOGISTEC family is committed to doing everything it can today to build a better tomorrow.



ATTRACT AND DEVELOP THE MOST PASSIONATE PEOPLE

Continue to build an inclusive workplace that attracts, nurtures, and empowers the very best talent, and together build a more innovative and sustainable future.



SUPPORT OUR CUSTOMERS' RELIABLE AND SUSTAINABLE SUPPLY CHAINS

We are committed to finding innovative solutions to help our customers address supply chain challenges and thrive in the rebound.



PROTECT AND RENEW OUR ENVIRONMENT AND OUR WATER RESOURCES

We recognize that our greatest impact on sustainability comes from the solutions we developed for our customers and our communities.



SUSTAINABLY GROW THE VALUE OF OUR ORGANIZATION

Our people are fully accountable for our performance and are determined to deliver sustained, rewarding results that stimulate prosperity, a solid economy and proactive environmental stewardship for generations to come.



INVEST IN OUR COMMUNITIES

Investing in the communities where the LOGISTEC family operates is one of the best ways of helping them be stronger, vibrant, and more resilient.



DO THINGS THE RIGHT WAY

Solid, efficient corporate governance will strengthen our reputation and earn the trust of our stakeholders to cultivate our long-term success.

OUR BUSINESS



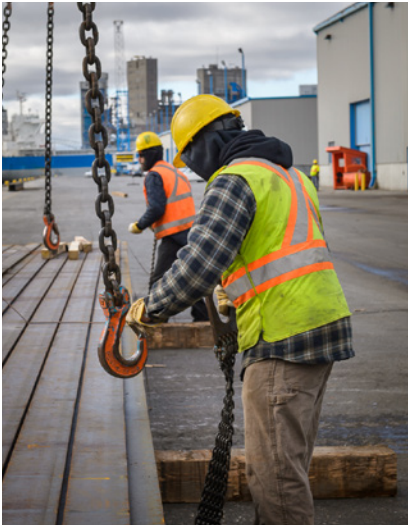
WHO WE ARE

With some \$899 million in assets at the end of 2021, LOGISTEC is a diversified company offering a unique combination of marine and environmental services, all of which are linked by water.

LOGISTEC is a leader in the marine and environmental sectors in Canada with a growing presence in the United States. In this capacity, our activities are major drivers of social and economic progress:

- A team of **3,200 PEOPLE**
- An extensive geographical range with **80 TERMINALS** in **54 PORTS**
- Some **35M TONNES** of cargo handled annually
- More than **CA\$2 BILLION** of projects completed in environmental initiatives and water technology over the years
- Renewed **2,200 KM** (about 1,400 miles) of water mains up-to-date
- **10B LITERS** of water decontaminated over the last 35 years
- Over **50+ YEARS** of consecutive profits

**+3,200
PEOPLE**



OUR CORPORATE STRUCTURE

LOGISTEC is a unique combination, a leader in our fields of expertise in North America.

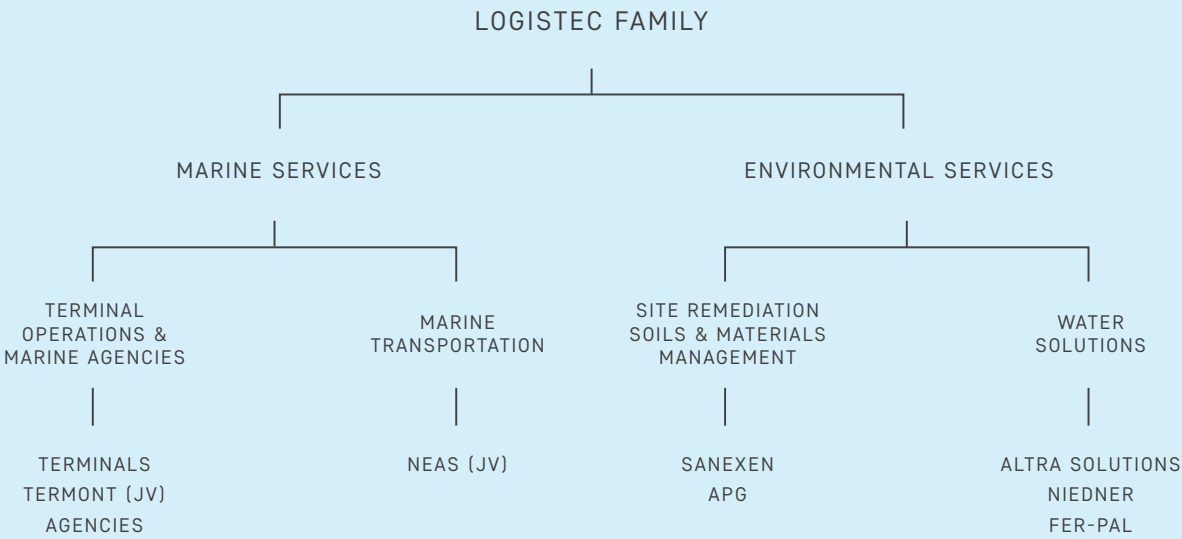
LOGISTEC MARINE SERVICES

As a leading North American marine services provider, LOGISTEC Marine Services specializes in cargo handling to a wide variety of marine and industrial customers and operates 80 terminals in 54 ports. Our marine services business segment is focused on growth through innovation, operational excellence, and expanding its network to better serve its customers across North America. LOGISTEC leases terminals, owns warehouses, and invests in cargo handling equipment and technologies to leverage its operations.

LOGISTEC ENVIRONMENTAL SERVICES

LOGISTEC Environmental Services’ mission has been to build and share its expertise in order to contribute to the success of its customers and its communities. Our team of environmental scientists, engineers, project and field leaders offers a comprehensive suite of unique environmental solutions, including the renewal of drinking water infrastructure, technologies to remove emerging contaminants such as PFAS, dredging and dewatering of residual materials, environmental site characterization and remediation, contaminated soils and materials management, risk assessment studies, as well as manufacturing of fluid transportation products.

A UNIQUE COMBINATION



MILESTONES IN OUR ESG JOURNEY



MILESTONES IN OUR ESG JOURNEY

Sustainability has always been at the heart of the LOGISTEC family, embedded both within our company and underpinning everything our people do. Over 70 years ago, we started a journey to transform the way we do business with a fundamental belief that we could contribute to building a better future for the next generations.

PROTECT AND RENEW OUR **ENVIRONMENT**

1959

LOGISTEC INAUGURATES WINTER NAVIGATION on the St. Lawrence River, the most ecofriendly method of facilitating trade into the region

1992–2000

Our environmental team uses in-house **INNOVATIVE TECHNOLOGY** to combat PCBs, a highly toxic product contaminating the environment and then in 2000, initiates solutions for trenchless renewal of water mains

2003

LOGISTEC adopts first **ENVIRONMENTAL POLICY**

2019

Our TERMONT Montréal (TERMONT) joint venture recognized as the first port operator in the world to use a **FULLY HYBRID VEHICLE FLEET**

2020

ALTRA Proven Water Technologies, our water main renewal technology, recognized by Solar Impulse as one of the **TOP 1,000 SOLUTIONS** to change the World. Climate change resilient

2021

Our environmental experts have treated over **10B LITRES** of contaminated water and more than **15M TONNES** of impacted soil over the past 35 years



BE **SOcially** RESPONSIBLE

SINCE
1967

Supporting collective **WORKERS’ RIGHTS**. Currently a party to some 30 union agreements

SINCE
1987

Extending **FEMALE REPRESENTATION** beyond the Board to senior levels in the organization

1994

Strong ties are established with the **ARCTIC COMMUNITIES** – today, joint ventures in NEAS, Qikiqtaaluk Environmental and Avataani Environmental Services in Nunavik

2006

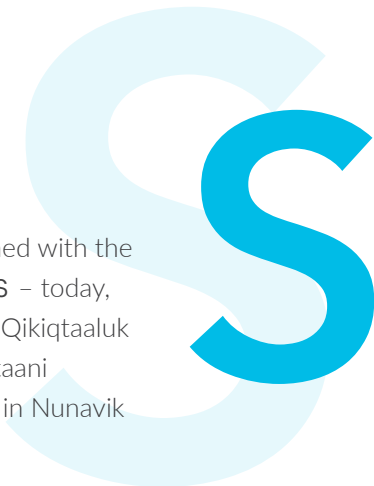
LOGISTEC adopts **FIRST HEALTH and SAFETY POLICY** corporate-wide

2020

A focused community investment program the **KINDNESS PROGRAM**, supporting talent, humanitarian initiatives, health and safety, and the environment is launched

2021

DIVERSITY, INCLUSION and BELONGING POLICY introduced



LEAD WITH STRONG **GOVERNANCE**

SINCE
1969

50 YEARS of being listed on the TSX with positive reviews

1987

A **DIVERSIFIED and INCLUSIVE GOVERNANCE** approach with the Chair and the majority of directors being independent

2004

CODE OF ETHICS and BUSINESS CONDUCT introduced: Culture of integrity and commercial ethics.

LOGISTEC wins Revue Commerce **CORPORATE GOVERNANCE EXCELLENCE AWARD** by Korn/Ferry

2015

Creation of **COMPLIANCE COMMITTEE**

2020

A solid corporate-wide **ENTERPRISE RISK MANAGEMENT** plan in place

2021

Supported by the Board with an executive-level **ESG COMMITTEE**



OUR RECOGNITIONS

LOGISTEC has won several prestigious awards that recognize our leadership in innovation and are a testament to the talent, expertise and passion of our people who always seek to provide creative solutions for our customers.



SOLAR IMPULSE

ALTRA Proven Water Technologies was awarded a Solar Impulse Foundation “Efficient Solution” designation, recognizing us as one of the 1,000 clean and efficient solutions that will change the world



ENVIROLYS INNOVATION AND ENVIRONMENTAL PROTECTION AWARD

Our environmental team won the prestigious Envirolys Innovation and Environmental Protection Award from the CETEQ (*Conseil des entreprises en technologies environnementales du Québec*) for the recovery plant dedicated to recycling residual materials issued from CDR fines, the first in North America.



CLEAN50

ALTRA Proven Water Technologies was awarded Canada’s Clean50 Top Project for 2021 which recognizes the best sustainability-oriented projects completed in Canada. Projects are chosen based on four “I’s” criteria: Impactful, Innovative, Inspiring and can readily be Imitated.



CANADA’S EY ENTREPRENEUR OF THE YEAR 2021

President and CEO Madeleine Paquin was one of the ten winners of Canada’s EY Entrepreneur of the Year® 2021 program, which recognizes strong leaders developing solutions that will shape the future and investing in innovation to propel meaningful progress.



INTERNATIONAL HEAVY LIFT AWARDS – TERMINAL OPERATOR OF THE YEAR & SAFETY

LOGISTEC was named Operator of the Year at the international Heavy Lift Awards and our subsidiary Gulf Stream Marine (“GSM”) won the Safety Award for its exemplary commitment towards a culture of health and safety.

The Operator of the Year award is a testament to the efforts and work of our teams that focus every day on offering reliable, innovative, and safe solutions for our customers. The Safety Award given to GSM also shows our strong commitment to safety, quality, and efficiency in handling oversized cargo.



SIGNAL MUTUAL’S FRANK R. SHARP EXECUTIVE LEADERSHIP AWARD FOR SAFETY

Our team received Signal Mutual’s Francis R. Sharp Executive Leadership Award for Safety. Rodney Corrigan, President of LOGISTEC Stevedoring Inc. accepted the award at the Signal Mutual Annual General Meeting. The award recognizes Mr. Corrigan’s ongoing promotion of employee health and safety through the implementation of a Safety Management System, setting high safety standards based on personal values and commitment to the prevention of workplace injuries and illnesses.


OUR ESG CONTRIBUTION

The LOGISTEC family contributes directly and indirectly to achieving 12 of the 17 the United Nations Sustainable Development Goals (SDGs)



GOAL 3: GOOD HEALTH AND WELL-BEING

Addressing lead in drinking water and emerging contaminants




GOAL 4: QUALITY EDUCATION

Participate in programs to help youth acquire the knowledge and skills needed to promote sustainable development




GOAL 5: GENDER EQUALITY

Help women equal rights to economic resources and natural resources




GOAL 6: CLEAN WATER

Improve water quality and infrastructure




GOAL 7: AFFORDABLE AND CLEAN ENERGY

Support the supply chains of wind energy




GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Protect labour rights and promote safe and secure working environments for all workers




GOAL 9: BUILD RESILIENT INFRASTRUCTURE AND FOSTER INNOVATION

Facilitate sustainable and resilient infrastructure development. ALTRA Proven Water Technologies' resiliency was proven




GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

Prevent disasters including water related disasters




GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Transform the Construction, Demolition, and Renovation (CDR) debris into valuable by-products such as compost, aggregates, and wood chips




GOAL 13: CLIMATE ACTION

Strengthening resilience and adaptive capacity to climate-related hazards and natural disasters



GOAL 14: LIFE UNDER WATER

As part of Green Marine, support best marine practices



GOAL 15: LIFE ON LAND

Ensure the restoration of our natural ecosystems

OUR STRATEGY



OUR STRATEGIC PLAN AND KEY OBJECTIVES

CONTRIBUTE TO A VIBRANT, RESILIENT, AND SUSTAINABLE TOMORROW

LOGISTEC's strategy is guided by our mission and purpose. The LOGISTEC family is deeply committed to responsible growth that is beneficial to our people, our customers, and our communities. Our bold ambitions of a sustainable future for the next generations influenced the development of our 2023 ACTION Plan, ensuring that these values and goals are embedded in the core of our business strategy.

Our marine services strategy is to pursue the expansion of our network in key markets, especially in the wind and bulk sectors. We will focus on building strong long-term customer relationships to anticipate their needs and respond quickly to market shifts. Further, we will rely upon our agile business model to deploy our flying team and explore niche port partnerships. We are also investing in new systems to harmonize and digitalize our operations, which will improve the quality and process of our customer experience within the supply chain.

Never before has our innovative suite of environmental services and technologies been more relevant to deliver

reliable and sustainable solutions to communities facing a growing number of critical environmental challenges. North America's aging water main infrastructure is reaching its breaking point, lead pipes are leaching lead into drinking water, PFAS chemicals continue to pollute our waterways, endangering lives and marine life, and orphaned lands remain contaminated and inhabitable.

As a business partner to our customers and communities, LOGISTEC has always focused on delivering tangible, sustainable solutions that make a real difference, and is now prepared to benefit from increased investment in climate resilient water infrastructure. The opportunity is expected to be high, as future infrastructure projects across North America may soon be required to consider major climate change. We intend to be a leading innovator and work closely with our customers to deliver climate-smart technologies.

For us, strategic growth is not just about getting bigger. It is about constantly getting better and creating a culture of innovation and high performance to power our growth and contribute to a vibrant, resilient, and sustainable tomorrow.

Continue to grow our core marine services business in key markets.

Position LOGISTEC as the leading environmental services provider in Canada.

With smart investments, ALTRA becomes the leading brand in water technology innovation in North America.

Create a culture of innovation and high performance to power our growth.

Build a phenomenal team to take us to the next level with game-changing talent in key roles to achieve our mission of building and sharing our expertise to contribute to the success of our customers and communities.

INNOVATION-DRIVEN

INNOVATING FOR THE NEXT GENERATIONS

Our team asks bold questions and is always ready to make bold moves. We experiment, we test our ideas and discover unique ways to give life to new solutions. We drive innovation from a deep understanding and insight of what our customers and our communities value and involve them in the development of technologies and services. Our sense of purpose and our agility compels us to challenge conventional thinking and pursue improvements to tackle today and tomorrow's complex issues relating to supply chains, water, and soil contamination.

We believe in continuing to make smart investments to develop opportunities that can have a transformative impact for future generations with an intent to making these opportunities self-sustaining businesses or technologies over time.

Since 2018, our team has been hard at work developing technologies to remove persistent chemicals, namely perfluoroalkyl and polyfluoroalkyl substances (PFAS), widely present in our environment, especially in soils and groundwater. These persistent chemicals commonly found in landfills, airports, industrial and military sites have an adverse toxicological effect on humans and a negative impact on the environment. We formed new strategic relationships in 2021 and have entered several pilot projects which should generate new revenue in the coming year throughout North America.

We have also developed and started commercialization technologies to recycle and recover the fines found in CDR debris. A first of its kind in North America, our solution offers a sustainable alternative based on circular economy principles rather than sending construction waste to landfill sites. Our CDR fines technology transforms waste into reusable by-products such as compost, aggregates, and wood chips.



“With the current supply chain uncertainty, innovation and agility are more important than ever. Along our many gateways, we continue to harness the power of our people’s creativity to drive meaningful and sustainable change.”

FRANK ROBERTSON
VICE-PRESIDENT, OPERATIONS
LOGISTEC STEVEDORING INC.



ESG PRIORITIES



OUR ESG PRIORITIES

Delivering responsibly is at the heart of how the LOGISTEC family is building a sustainable and resilient future for next generations. It means handling our customers' goods safely, protecting and renewing our environment and our water resources, attracting and developing the best and brightest talent, investing in our communities and leading with the highest governance standards.

We are setting targets internally and putting systems in place to implement, measure and report on our progress.

E

PROTECT AND RENEW OUR **ENVIRONMENT**

- Reduce emissions and promote energy efficiency
- Reduce waste, recycle and reuse
- Save, protect and renew our resources
- Commit to environmental leadership
- Develop opportunities to reduce greenhouse gas (GHG) emissions for our customers

S

BE **SOCIALLY** RESPONSIBLE

- Build an inclusive workplace that attracts and develops the best talent
- Promote safety, health and wellness
- Promote diversity, inclusion and belonging
- Invest in our communities

G

LEAD WITH STRONG **GOVERNANCE**

- Ensure a culture of integrity, commercial ethics and strong governance
- Promote diversity on the Board and on the Executive team
- Lead a robust enterprise risk management process

OUR PROGRESS IN 2021

A CONTINUOUS IMPROVEMENT PROCESS

LOGISTEC has always focused on delivering tangible, sustainable solutions that make a real difference for our customers, our communities and our people. We are proud to highlight our significant accomplishments during a challenging year.



PROTECT AND RENEW
OUR **ENVIRONMENT**

REDUCE EMISSIONS AND PROMOTE ENERGY EFFICIENCY

- Completed a comprehensive **GHG INVENTORY**
- Both LOGISTEC Stevedoring and TERMONT acquired **NEW ECOEFFICIENT CRANES**
- Achieved a **LEVEL 3 GREEN MARINE SCORE**

SAVE, PROTECT AND RENEW OUR RESOURCES

- Launching a **RECYCLING PROGRAM** across the LOGISTEC family
- Launching **RESOURCE CONSUMPTION** and **WASTE REDUCTION** initiatives
- Expanding our **WATER RECOVERY** program

COMMIT TO ENVIRONMENTAL LEADERSHIP

- Collaborated to the **ZIBI PROJECT**, the most sustainable community in Canada
- Supported the **CIRCULAR ECONOMY** and work in partnership with customers to revalorize residual material
- Supported the progression of our customers' **SUSTAINABILITY-LINKED AMBITIONS**



BE **SOCIALLY RESPONSIBLE**

TALENT, DIVERSITY, INCLUSION AND BELONGING

- Elaborating a comprehensive **EMPLOYEE VALUE PROPOSITION (EVP)**
- Building the next generation of innovative leaders, by identifying **EMERGING TALENT** and creating development plans for key positions
- Developed curriculum and launched the new **LOGISTEC TALENT ACADEMY**
- Launched **DIVERSITY, INCLUSION AND BELONGING** Policy and Steering Committee

PROMOTE SAFETY, HEALTH AND WELLNESS

- Launched **JOURNEY TO ZERO INCIDENT** program
- Achieved important **SAFETY MILESTONES**
- Expanded **LOGISTEC WELLNESS PROGRAM**

INVEST IN OUR COMMUNITIES

- Refined our framework for our community investment **KINDNESS PROGRAM**
- Supported the **UQUUTAQ SOCIETY** who opened the first non-profit housing program for Inuit in Nunavut.
- **TRAINING AND EMPLOYMENT** offered to local and native/indigenous communities



LEAD WITH STRONG
GOVERNANCE

SOLID GOVERNANCE PRACTICES

- **CODE OF ETHICS AND BUSINESS CONDUCT** and corporate policies inspire culture of integrity and commercial ethics
- **DIVERSITY** on the Board and on the Executive team

COMPLIANCE

- Committee meets monthly
- **MONTHLY CAPSULES** viewed by employees to educate/train on corporate policies and risk management
- **YEARLY ACKNOWLEDGEMENT** signed by all employees

ENTERPRISE RISK MANAGEMENT

- Hold bi-yearly enterprise **RISK MANAGEMENT** review with Executive team
- Pilot **RISK MANAGEMENT TRAINING** program for leaders in the environmental field

ENVIRONMENTAL



ENVIRONMENTAL STEWARDSHIP

DOING OUR PART TO LEAD TRANSITION

Sustainability cannot be a one-off commitment. Because it is a long-term journey, we know that it is not a stationary target. As that target changes, we rethink our approach, always seeking to push sustainability further — faster. In accelerating our sustainability

goals, we aim to empower our customers and our communities to do the same, to the benefit of all.

In 2022, we will continue to elaborate an actionable strategy to accelerate the achievement of our sustainability goals, tailored to local operations and context.

LOGISTEC ENVIRONMENTAL SERVICES OUR COMMITMENT

As an environmental partner, LOGISTEC’s greatest impact on sustainability is through the solutions we offer and the projects we deliver. These deliverables bring our customers and our communities closer to achieving their respective Sustainable Development Goals agenda. Currently, we estimate that 40% of our 2021 revenue can be classified as “Clean Revenue”, based on the FTSE Russell’s Green Revenues Classification System (GRCS).

We are extremely proud of some of our key achievements in 2021:

- Collaborated on the ZIBI Project, the most sustainable community in Canada endorsed by One Planet Living. ZIBI’s urban design in Gatineau, Québec, decreases emissions, prevents local flooding, and increases water infrastructure’s resiliency by leveraging our ALTRA Proven Water Technologies.
- Our team took another major step as an environmental leader in innovative solutions and opened the first dedicated CDR fines (also known as “recovered screen material”) recovery facility of its kind in North America. Our experts transform the CDR debris into valuable by-products such as compost, aggregates, and wood chips. This plant offers large-scale processing of

up to 150,000 tonnes/year and will significantly increase the rate of waste diversion from landfills.

- The lack of clean, safe drinking water is an issue that is of significant importance to the First Nations today. In the last year, our environmental team has been helping the Iqaluit community in Nunavut to gain access to safe and reliable drinking water, making the best use of local supplies through a more cohesive way of managing water resources, reducing waste, and increasing supply resiliency.
- In partnership with our customer Quo Vadis, our team was a finalist of the Reinventing the Cities challenge. The proposed TRANSITION project has all the ingredients to become the engine of a resilient economy and sustainable growth for the City of Montréal, supporting its ecological transition efforts.

RESOURCE EFFICIENCY

In 2021, we completed a comprehensive inventory of our emissions for the last two years. Our GHG emissions have been calculated for office energy consumption and refrigerant emissions, our vehicle and fleet fuel use by applying industry accepted GHG emissions factors to our business activity data. Several

sustainability-related initiatives are now being put into place and becoming an integral part of our day-to-day practices.

SAVE, PROTECT AND RENEW OUR RESOURCES

We take great care of ensuring our project sites do not impact biodiversity and water quality. In addition, our teams closely monitor our resource use and waste generated in our operations, especially at our NIEDNER facility in Coaticook, Québec.

RESPONSIBLE SOURCING

To strengthen our procurement, we want to develop an action plan to further engage with our major suppliers to reduce emissions associated with purchased goods and services and intend to provide more information in future reports. Overall, our goal is to engage with suppliers that have strong ESG programs that align with LOGISTEC's values.

ALTRA PROVEN WATER TECHNOLOGIES

Water is undeniably essential to our lives, which is why it is critical that we create a sustainable future for it. At LOGISTEC, we approach every project we undertake thoughtfully and execute it with excellence and a focus on sustainability. We partner with our customers to design solutions that address their communities' unique needs.

ALTRA Proven Water Technologies was recognized by the Solar Impulse Foundation as one of the top 1,000 solutions that will change the world. Water infrastructure is a vital part of modern society, but in many cases, pipes and other infrastructure are aging, risking damage and leakage. Our proven water technology renews and protects aging water infrastructure from the inside. It delivers significant environmental benefits.



“Our impact on positively solving the growing challenges linked to the environment, water resources preservation, climate change, energy transition and circular economy is a major source of pride for all of us.”

JEAN-FRANÇOIS BOLDUC
PRESIDENT
LOGISTEC ENVIRONMENTAL SERVICES INC.



ALTRA PROVEN WATER TECHNOLOGIES BY THE NUMBERS

50 YEARS

expected life span of the liner

25%-30%

Cost savings compared to traditional replacement techniques

58M m³

of drinking water saved due to fewer leaks

CUMULATIVE NUMBERS SINCE INCEPTION:

LANDFILL AVOIDANCE

3.5M TONNES

SOIL CONSERVATION

18.9M TONNES

NUMBER OF TRUCKS REMOVED

1.5M TRUCKS

CUMULATIVE NUMBERS SINCE INCEPTION. REDUCTION:

469 KILOTONNES CO₂

264 TONNES SO_x

837 TONNES NO_x

119 TONNES PM

93 TONNES VOCS

OUR TECHNOLOGY ALSO ENABLES:

No subsequent work on renewed water mains

Resistance to future water main breaks

Significant reduction in social and economic costs (local traffic, business, etc.)

Reduction in costs related to the production and pumping of drinking water

LOGISTEC MARINE SERVICES

OUR ENVIRONMENTAL COMMITMENT

As a premier partner in today’s dynamic supply chains, LOGISTEC has taken a proactive approach to improve its environmental impact.

“Nothing is more important than ensuring we do our part to reduce our marine environmental footprint, in support of a strong supply chain. We are doing this for our industry today and for future generations.”

RODNEY CORRIGAN
PRESIDENT OF LOGISTEC STEVEDORING INC.

Our marine terminals have pledged to uphold the principles of the Green Marine program, which provides the marine industry with a dynamic, scalable framework designed to help them evaluate and enhance their performance with respect to 7 prioritized environmental issues.

An annual self-evaluation, the results of which are made public, determines the level of certification (on a scale of 1 to 5). To ensure the transparency of the process, an external audit must be performed every two years to maintain Green Marine certification.

- LEVEL 1 Monitoring of regulations
- LEVEL 2 Best practices
- LEVEL 3 Adopted management plan and measurement of impacts
- LEVEL 4 Advanced technologies and/or reduction targets
- LEVEL 5 Excellence and leadership

OUR GREEN MARINE RESULTS

CANADA 9 TERMINALS: Contrecoeur, Halifax, Montréal, Rideau Bulk, Sept-Îles, Saint John, Thunder Bay, Toronto, Trois-Rivières:				
CATEGORIES	2019	2020	2021	
1. GREENHOUSE GASES AND AIR POLLUTANTS	3	3	3	
2. SPILL PREVENTION	2	2	3	
3. DRY BULK HANDLING AND STORAGE	3	2	3	
4. COMMUNITY IMPACT	2	2	3	
5. ENVIRONMENTAL LEADERSHIP	3	2	3	
6. WASTE MANAGEMENT	2	2	3	

USA 9 TERMINALS: BalTerm, Brunswick, CrossGlobe, Port Manatee, Corpus Christi, Manchester, Freeport, Care, Brownsville:				
CATEGORIES	2019	2020	2021	
1. GREENHOUSE GASES AND AIR POLLUTANTS	3	3	3	
2. SPILL PREVENTION	4	3	3	
3. DRY BULK HANDLING AND STORAGE	2	3	3	
4. COMMUNITY IMPACT	2	2	3	
5. ENVIRONMENTAL LEADERSHIP	3	3	3	
6. WASTE MANAGEMENT	2	2	3	

The voluntary program is designed to allow participants to demonstrate continued and measurable improvements. This entails evaluating each of the environmental issues surrounding a given activity using a set of performance indicators. These indicators are then evaluated on the Green Marine scale of 1 to 5. As we are registered in the program for terminals and shipyards, our seven performance indicators are as follows:

REDUCE GREENHOUSE GAS (GHG) AND AIR POLLUTANT EMISSIONS

This performance indicator aims to reduce GHG and air pollutant emissions such as sulphur oxides (SOx), nitrogen oxides (NOx), volatile organic compounds (VOCs) and particulate matter (PM). It focuses primarily on transportation activities in marine terminals and the combustion of vehicle fuel responsible for air emissions. Companies that commit to reducing their GHG and air pollutant emissions are required to quantify their results, set reduction targets, and implement the corresponding measures.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Introduction of procedures to limit engine idling
- Introduction of appointment systems to reduce congestion
- Promotion of the use of public transit, hybrid and zero-emission vehicles
- Refurbishment of assets to create a charging station for small equipment
- Acquisition of low-emission, hybrid and electric equipment

PREVENTION OF SPILLS AND LEAKAGES

The purpose of initiatives in this category is to minimize the risks of spills and leakages of pollutants into the water or soil in and around the terminal. Most terminal operations occur outside and require the use of equipment and petroleum products as well as the handling of cargoes that are potentially harmful to the environment. This indicator therefore focuses on preventing and curtailing pollution of land and water ecosystems.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Improvement of traffic fluidity at key terminals
- Improved refuelling procedures
- Placement of spill containment emergency kits in strategically located areas within terminals
- Implementation of a procedure and training on how to act in case of a spill

DRY BULK HANDLING AND STORAGE

This indicator applies only to terminals that process dry bulk. The objective is to reduce cargo losses and dust generated during the handling, transportation, and storage of dry bulk, which may have a long-term impact on the environment. Recovery, inspection, and equipment maintenance devices are used to control cargo residues and improve operational planning.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Coverage of dry bulk piles
- Sweeping and/or cleaning of critical areas to limit the spread of dust
- Use of enclosed conveyors and/or a system to reduce dust

COMMUNITY IMPACT

The objective of harmonizing use is to reduce the amount of noise, dust, odour, light, and other nuisances to which people residing close to port facilities are exposed. This indicator involves the implementation of concrete measures to reduce the impact of terminal operations by streamlining operational practices and facilitating dialogue.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Development of a complaint management procedure

- Responsible management of operations to limit community impact (management of lighting, noise, dust, traffic congestion, etc.)
- Implementation of a purchasing policy for the selection of less noisy equipment
- Verification of sound level of operations on a regular basis
- Implementation of a new procedure to evaluate the environmental and social aspects of new projects, activities, or types of operations

ENVIRONMENTAL LEADERSHIP

The purpose of this indicator is to encourage and recognize the implementation of original and exemplary environmental initiatives by marine companies. Environmental leadership is ensured by port authorities to influence marine terminal activities by incorporating the environmental cause in programs, policies and various agreements.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Environmental compliance audits every five years
- Encouragement of involvement in community activities

WASTE MANAGEMENT

This indicator focuses on reducing waste arising from administrative activities and site operations and increasing recycling. Minimizing the overall quantity of waste requires implementing recycling tools, conducting a waste characterization campaign, and supporting ongoing training for personnel.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Promotion of recycling in terminals
- Support for the purchase of reused/recycled materials

- Elimination of single-use plastic items from administrative offices
- Waste reports to quantify the type and amount of different waste streams
- Training modules on waste reduction strategies

COMMUNITY RELATIONS

This indicator, although optional for the 2021 reporting period, was adopted by LOGISTEC's terminals. The indicator focuses on the maintenance or improvement of the quality of relations with the various community stakeholders through open and transparent communications.

EXAMPLES OF INITIATIVES TAKEN BY SELECT TERMINALS:

- Communication of terminal activities through social and traditional media
- Monitoring of media posts about terminal activities
- Development of a documented procedure to keep track of and respond to inquiries and concerns (including complaints).

Our certified terminals are audited every five years. The findings are reviewed and corrective measures put into place.

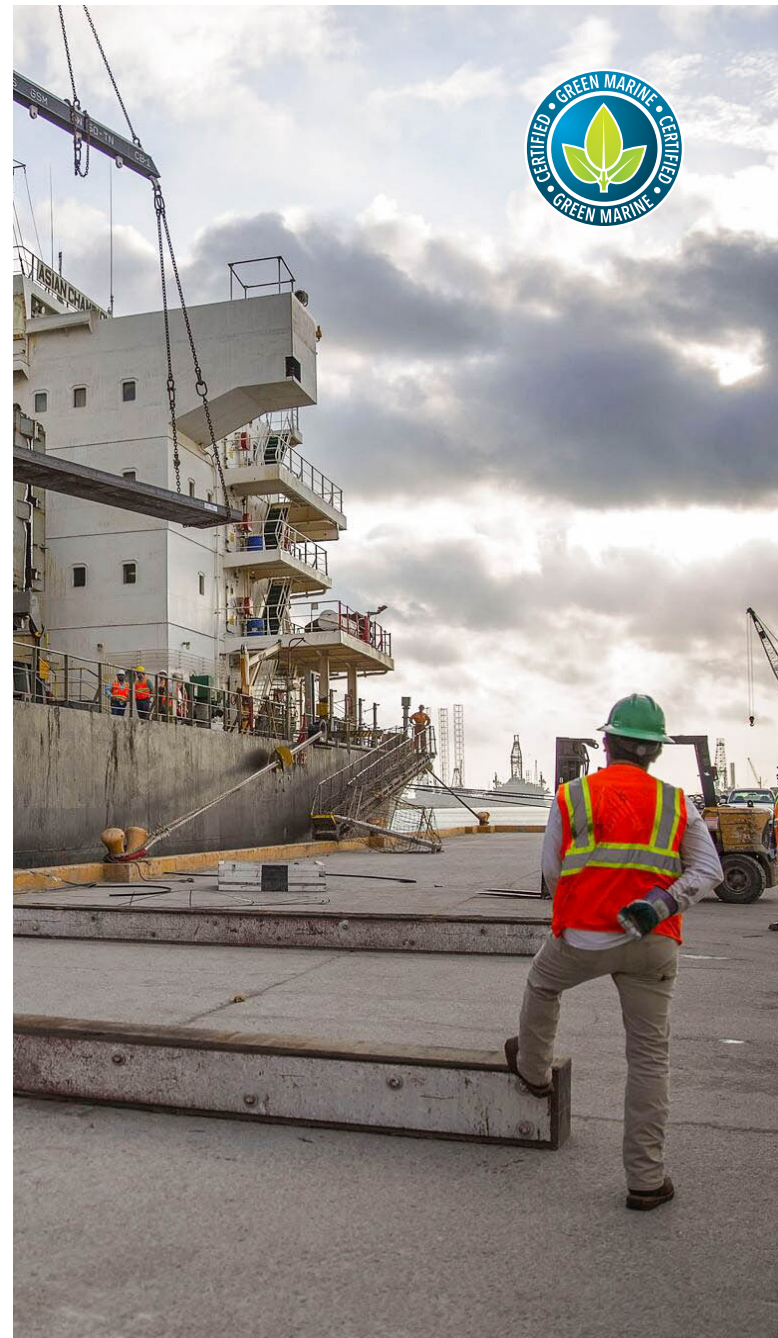
The first evaluation took place in the summer of 2016 and the second evaluation took place in 2021.

All findings that fall under the terminals' authority are inputted into our environmental management software to ensure transparency and accountability in implementation of corrective actions.

Some corporate initiatives are currently in the development stage to help guide terminals on areas that are more general in nature:

- Guide for storing petroleum products
- Guide for managing halocarbons

- Setup of an Environment and Innovation Committee to improve water management and dust emissions
- Harmonization of various emergency measures plans.



SOCIAL LEADERSHIP



DIVERSITY POWERS INNOVATION

Harnessing the power of all the characteristics that make us who we are is the key to our success.

At LOGISTEC, we create new opportunities by inviting, embracing, and celebrating differences with an unwavering passion. This is at the heart of our efforts to champion diversity, inclusion and belonging throughout our family. We recognize that the unique experiences, skills, and perspectives of our people will help us tackle tomorrow’s challenges. We know that our passionate talent is the reason our customers want to partner with us, and our communities trust us. As we welcome the next generation of the LOGISTEC family, we will continue to build an inclusive workplace that attracts, nurtures, and empowers the absolute best talent, and together we will build a more innovative and sustainable future.

LOGISTEC continues to work towards creating a diverse and phenomenal team, which we believe represents a greater mix of skills and more inclusive workplace culture. Our new Diversity, Inclusion and Belonging policy says clearly what a diverse workforce is and how we can continue to cultivate, encourage, maintain, and preserve an inclusive environment. A Diversity, Inclusion and Belonging Steering Committee will be leading initiatives for the LOGISTEC family in the coming months and will be chaired by our Vice-President, Human Resources.

We are also developing a strong Employee Value Proposition that will be implemented over the next three years to differentiate LOGISTEC as an employer. In 2021, our Human Resources teams showed outstanding leadership and launched strong programs to attract and develop employees:



“To be a leader in our industry and really bolster innovation, we truly believe that diverse teams at all levels of our organization are a key success factor.”

MADELEINE PAQUIN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
LOGISTEC CORPORATION



- Building the next generation of innovative leaders, by identifying emerging talent and creating development plans for key positions
- Developed curriculum and launched the new LOGISTEC Talent Academy
- Elaborating a comprehensive employee value proposition (EVP)
- Improved our brand image on all social media platforms
- Restructured the employee mentoring initiative
- Launched an innovative Referral Program
- Implemented a new Talent Acquisition portal “HIRE SMART”
- Developed a tailored training program for our hiring managers
- Started a recruitment workforce planning exercise across the LOGISTEC family



HEALTH, SAFETY AND WELLNESS

HEALTH AND WELLNESS

A healthy, happy, and fulfilled team is one of our goals. We want our team members to understand our corporate strategy, share ideas and contribute to the future. In 2020, we launched our WELLNESS Program, a platform for our people to support each other, stay healthy, productive, and connected during the pandemic through virtual touchpoints including workshops, webinars, eLearning courses and modules, and walks.

OUR JOURNEY TO ZERO INCIDENT

LOGISTEC's ambition is clear: all our people and partners must return home safely to their family and loved ones at the end of each day. In 2021, our leaders in the field launched OUR JOURNEY TO ZERO INCIDENT Program. This new program asks all people in the field and partners to honour our beliefs and commitments:

- all incidents can be prevented
- to work here, you must be committed to working safely
- leadership is accountable for environment, health, and safety performance
- we deliver on our commitments
- our Operational Excellence Management System enables environmental, health and safety excellence

Important safety milestones were reached by our teams in the field

- Three out of our six environmental business units achieved important safety milestones over the last year: both teams in the field experienced two years without a recordable incident and our manufacturing plant in Coaticook, QC reached one year without a recordable incident in early May 2022. These milestones are the result of



“Every day is an opportunity to identify concrete actions and processes to improve the safety of our operations. We are on a journey toward our goal of zero injuries and incidents, and it is up to all of us as a team to build upon our culture of safety at LOGISTEC and to continue looking out for each other.”

RODNEY CORRIGAN
PRESIDENT
LOGISTEC STEVEDORING INC.

daily efforts by our teams to continuously focus on safety and take action to prevent injuries.

- On the cargo handling side, our teams also reached impressive safety numbers. In 2021, we had 32 terminals out of 50 active terminals with zero recordable injuries. This represents 64% of our operations facilities. We can see with this that zero incident is not only possible, but already happening across our network.

In 2021, LOGISTEC Stevedoring Inc. was named Operator of the Year at the international Heavy Lift Awards and our subsidiary GSM won the Safety Award for its exemplary commitment towards a culture of health and safety. The Operator of the Year award is a testament to the efforts and work of our teams who focus every day on offering reliable, innovative, and safe solutions for our customers. The Safety Award given to GSM also shows our strong commitment to safety, quality, and efficiency in handling oversized cargo.

Our team also received Signal Mutual’s Francis R. Sharp Executive Leadership Award for Safety. Rodney Corrigan, President of LOGISTEC Stevedoring Inc. accepted the award at the Signal Mutual Annual General Meeting. This award recognizes an Executive who has spearheaded the promotion of health and safety within his organization and demonstrated a commitment to preventing workplace incidents through integrated safety initiatives.



OUR COMMUNITY ENGAGEMENT

INVESTING IN OUR COMMUNITIES

Across our network, we have a daily impact on hundreds of communities in Canada and the United States. We are passionate about creating strong, vibrant communities for future generations. That is why we favour in-community hiring and work with local partners as often as we can. We also actively encourage our people to become socially engaged in causes, initiatives, and organizations they care about. This engagement affirms our leadership in our communities and rallies our people around promising projects that will also be theirs. We strive to promote and recognize the involvement of our people who are giving back to their respective communities.

Annually, LOGISTEC donates up to one percent of its last three years’ average profit to charitable

and non-profit organizations. Our community engagement efforts are focused on four funding priorities: talent development, humanitarian endeavours, health and safety, and the environment and drinking water. In 2021, we strengthened our framework for our community investment program, named LOGISTEC’S Kindness program.

GUIDELINES

Our efforts will be directed in the form of investments, partnerships, and pro-bono expertise, all guided by our values and clear sustainable development goals. The percentage of the LOGISTEC family’s budget earmarked for donations stays the same, but these guidelines orient our philanthropic choices. We are interested in forming partnerships and contributing to organizations that allow us to fully assume our role as a socially responsible organization.

EXCLUSIONS

At LOGISTEC, we recognize that all undertakings, organizations, and causes have a purpose and may warrant special attention. We have nevertheless established that we will not lend our support to the following:

- Causes that run counter to LOGISTEC’s values
- Religious groups
- Social and service clubs
- School projects by children of our team members (*funding for school camps, sports teams, student exchange programs, etc.*)
- Professional-calibre sports teams

“From day one, the LOGISTEC family has encouraged all of our teams to make a meaningful contribution to the social and economic progress of our communities by getting involved at the local level, by suggesting how to make things better and by inspiring innovation... now more than ever.”

MADELEINE PAQUIN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
LOGISTEC CORPORATION



LOGISTEC KINDNESS PROGRAM

We actively encourage our people to become socially engaged in causes, endeavours and organizations they care about. This engagement will help affirm our own leadership in our communities and rally our people around promising projects that will also be theirs. We strive to promote and recognize the involvement of our people who are giving back to their respective communities.

The LOGISTEC family is committed to establishing a strong presence in the environmental sector. This initiative will be directed toward organizations and projects that are aligned with LOGISTEC’s sustainable development vision.



INDIGENOUS CONNECTIONS

We are incredibly proud to work closely with Indigenous communities. We accomplish this by supporting and respecting the diversity and distinctiveness of the Indigenous cultures of the people we work with.

Nunavut Eastern Arctic Shipping Inc. (NEAS) directly supports the sustainable social and economic development of the Canadian communities where it operates, specifically the remote areas of the Eastern and Western Arctic, by delivering reliable services and respecting local environments. Over the years, NEAS has developed strategic partnerships with key Inuit companies to help create economic opportunities. NEAS also delivers hands-on training, employment, and job promotion opportunities in addition to encouraging Inuit ownership and investment in vessels.

We are also proud to partner with two Inuit companies (Qikiqtaaluk Environmental Inc. in Nunavut and Avataani Environmental Services Inc. in Nunavik). Both Indigenous partners actively participate in strategic decisions, business development, and day-to-day operations. For projects up North, these two companies make it a point to do business with local Inuit subcontractors and suppliers which support economic growth in Indigenous communities.

The lack of clean, safe drinking water is an issue that is of significant importance to the Inuit today. In the last year, our environmental team has been hard at work on the ground with the Iqaluit community in Nunavut to help gain access to safe, affordable, and reliable drinking water, making the best use of local supplies through a more cohesive way of managing water resources, reducing waste, and increasing supply resiliency.

We continued our focus on the Indigenous communities and contributed to the Haisla Nation Council in Kitimat, BC. One of their key priorities is saving the Kitlope Valley, the world’s largest intact old



“We are proud to be a part of this effort to provide safe, reliable drinking water to the Inuit communities. Our innovative methods are playing an increased role in helping solve these complex problems in a sustainable manner,”

BENOIT DION,
DIRECTOR, BUSINESS DEVELOPMENT
SANEXEN



growth coastal temperate rain forest watershed, from further logging. We also supported the excellent work of the Uqutaq Society who opened the first non-profit housing program in Nunavut. This program expands housing options across the Inuit community.

GOVERNANCE



OUR GOVERNANCE

LEAD WITH STRONG GOVERNANCE

To lead with the highest standards of integrity, honesty, and professionalism, we continue to strengthen our corporate governance practices.

Our Board of Directors is responsible for overseeing the company's operations so that we can fulfill our corporate mission and ensure LOGISTEC is managed efficiently and in the best interests of all stakeholders, namely our team members, customers, shareholders, and our communities. Our Executives are tasked with the direction of the company's operations, which entails establishing the strategic plan, business plans and budgets. They represent LOGISTEC in dealings with customers, investors, financial markets, government and community representatives, and other outside parties. The Executives must take economic, social, and environmental factors into consideration in their decisions.

ROBUST ENTERPRISE RISK MANAGEMENT (ERM)

In 2021, we have begun to integrate climate-related risks into our overall ERM Program, to minimize the impact of these risks on our business and people. We have also completed a comprehensive review of all our corporate policies for ESG consideration. The ERM team will work closely with members of the ESG Oversight Committee to begin evaluating these risks on a regular basis.

Our ESG Oversight Committee is accountable for monitoring our sustainability performance, setting our ESG priorities, and communicating our ESG initiatives with key stakeholders.

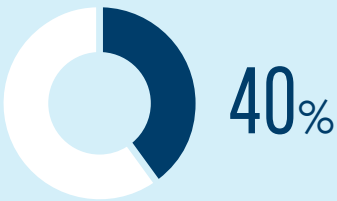
The ESG Oversight Committee members include:

- CEO
- President LOGISTEC Stevedoring Inc.
- President, LOGISTEC Environmental Services Inc.

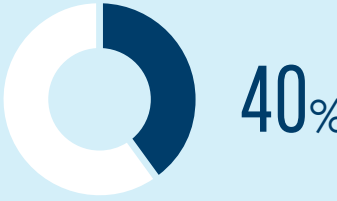
- Chief Financial Officer
- Chief Information Officer
- Director, Internal Audit
- Vice President, Corporate and Legal Services - Corporate Secretary
- Vice-President, Human Resources
- Vice-President, Strategy & Communications

LOGISTEC focuses on diversity in our top leadership. We believe that representation matters, and when top leadership is diverse, it cultivates an innovative culture, diverse clients and communities. In 2021, 40% of LOGISTEC's Board members were women and 40% of our executive officers were women.

Guided by our vision and strong values, LOGISTEC's is focused on taking a proactive approach and committed to a diversified and inclusive governance.



4 OUT OF 10 MEMBERS (40%) OF THE LOGISTEC BOARD OF DIRECTORS ARE WOMEN



4 OUT OF 10 MEMBERS (40%) OF OUR EXECUTIVE OFFICERS ARE WOMEN



THE ROAD AHEAD

As set out in our ESG goals, LOGISTEC is always ready to do more and do better to build a sustainable and resilient future for the next generations. As we move forward, we will continue to focus on our ambitious goals and work even harder to accelerate our progress.

THANK YOU

The LOGISTEC family thanks all stakeholders who have contributed to this report and are DRIVING INNOVATION FOR A SUSTAINABLE FUTURE.

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