



We'll make you even better.

2021 Sustainability Report



Table of Contents

Introduction		Our People	8
About SCI	2	Empowering Our People	9
Message from the President and CEO	3	Continuous Improvement	11
Our Role	4	Equity, Diversity, Inclusion and Belonging	11
2021 Highlights	5	Health, Safety and Wellbeing	12
People, Planet and Communities: Our Approach	6	Occupational Health and Safety Targets for 2022	13
UN Sustainable Development Goals	7		
Our Planet	15	Our Communities	19
Climate Change and GHG Emissions	16	Investing in Our Communities	20
Waste Management	18		

About SCI

SCI Group Inc. makes North American businesses even better by offering our clients a suite of innovative supply chain solutions in the omni-channel retail, technology, and health and wellness sectors.

Across Canada’s most extensive national distribution and transport network, SCI manages complex logistics and handles millions of dollars in inventory daily.

Our team is dedicated to understanding the unique intricacies of our clients’ businesses, providing end-to-end management of the entire customer experience. We have the North American expertise and experience to deliver on this commitment and keep our clients steps ahead of their customers’ expectations.

We pride ourselves on adding value to clients’ businesses with our commitment to reducing costs, risks and complexity through continuous improvement, business intelligence, analytics and transparency. We give our clients the competitive advantage they need to grow their business.

SCI is part of the Canada Post Group of Companies, which has the vision to be a world leader in innovative physical and electronic delivery solutions that create value for customers, employees and all Canadians. Being part of this group affords SCI a unique opportunity to collaborate on our sustainability efforts, discuss best environmental, social and governance (ESG) practices, and share learnings on a larger scale for greater impact.

ABOUT THIS REPORT

SCI’s first annual sustainability report captures our progress on our ESG responsibilities as we put strategies in place, make investments, and build positive momentum towards our goals. Performance data is company-wide, and all financial values are in Canadian dollars unless otherwise stated. The report content is informed by high-level sustainability pillars to validate our sustainability priorities and establish a strategic roadmap. We have also identified areas where we believe SCI is contributing to the [UN Sustainable Development Goals](#).



Message from the President and CEO

Creating a greener, more sustainable SCI has begun, and I'm thrilled with how far we've come in such a short time. We launched official ESG initiatives in 2021, and we're making significant progress towards our goals around climate action, zero waste, community support and championing our people.



In 2021, we established baseline greenhouse gas (GHG) emissions, supported local communities through a new partnership with the Canadian Red Cross and incorporated employee insights to develop our equity, diversity, inclusion and belonging strategy. Each initiative is well on its way, supported by a communication campaign and company-wide education and training.

People and Culture

Although our ESG plan may be new, we've been putting people first for over 30 years. Our employees are the reason we are Canada's leading business-to-consumer supply chain partner. They show up every day and exemplify our values of **Build Trust**, **Embrace Change** and **Achieve Together**. As a team, we look out for one another and strive to be better every day in order to make a real impact on our clients' businesses and in our community. Our efforts were validated when SCI was recognized as one of Canada's Most Admired Corporate Cultures in 2021. I am immensely proud of this achievement and can say without reservation that winning this award would not have been possible without our employees' dedication, hard work and commitment to our culture.

We established an ESG Committee in 2021 to align our actions with our strategies. We encourage participation across all divisions in the company, and also have Red Cross, Healthy Workplace, Audit and Social Committees, to name just a few. Committees

enable access and offer the opportunity to share diverse insights and abilities that widen everyone's perspectives. Members expand their professional development while enjoying a greater sense of identity, representation and responsibility in their work.

Collaborative Spirit

We empower our people to shape our award-winning culture in various ways, from sending recognition cards to celebrating diversity through employee-driven engagement activities, submitting ideas for continuous improvement, and beyond. The spirit of collaboration is what helps us achieve amazing results for our clients, and opens up opportunities for our employees to learn and grow together. This shared focus and alignment make SCI's success and business agility possible. I sincerely thank everyone for showing up each and every day with the spirit of making SCI and our clients even better.

Health and Safety

I'm incredibly grateful to our frontline leaders and employees in Operations. They kept their sharp focus on safety as we quickly adopted an unprecedented number of new protocols as the pandemic carried on into 2021. We continued to successfully manage the influx of challenges, remained operational and innovated our services to help keep clients and partners, Canadian families, businesses and charitable organizations safely

moving forward. We are still following the guidance of the Public Health Agency of Canada and continue to work closely with local public health authorities to keep health and safety a top priority. As such, I'm proud to share that SCI is in the top 25th percentile for exemplary safety results within our industry group. We will continue to make health and safety a top priority at SCI.

Continuous Improvement

We constantly strive for continuous improvement by encouraging and rewarding employees who think differently. Our continuous improvement program is 20 years old, and includes efforts to upgrade processes and systems, such as integrating automation, improving our transportation services and building new products. Every year, we recognize employees who shared innovative ideas that had a positive business impact. I am proud of our ongoing efforts to be better for ourselves, our clients and our communities.

This sustainability report is a testament to our dedication to our people, our communities and our planet. I hope you see the bright future we see ahead of us as we work towards making it even better, together.

Chris Galindo
President and CEO

Our Role

As Canada's leading supply chain partner, we support the economic, social and environmental issues important to our communities, our employees and the clients we serve.



Reach 94%
of the Canadian population within four hours

Reach 80%
of US customers in less than three days from Canadian hubs



30+
years in business



3,000+
employees



300+
customers



68
full-scale and regional distribution centres across Canada



7
specialized transportation hubs

\$50M
invested in new automation and technology since 2018

2021 Highlights



“Zero Lost Time Incidents” achieved at 78% of SCI facilities



SCI is in the **top 25th percentile** for exemplary safety results within our industry group; in comparison to the overall standards from the Association of Workers’ Compensation Boards of Canada (AWCBC)



Recognized as one of **Canada’s Most Admired Corporate Cultures** for 2021 by Waterstone Human Capital



Shipped 20M+ pieces of personal protective equipment (PPE) for charitable partners including:

- 5M face masks
- 12M pairs of gloves
- 255,000 bottles of hand sanitizer



86% of our employees reported feeling a sense of belonging in equity, diversity, inclusion and belonging (EDIB) survey and focus groups



Helped deliver 1M PPE masks to **100+ community organizations**



Electricity and natural gas emission intensities were **lower than the national average** for Canadian warehouses



Diverted 96% of our waste from landfill
68% of diverted waste was recyclable

People, Planet and Communities: Our Approach

We all have a vested interest in identifying areas where we can improve our working environments, community relationships and environmental stewardship. By focusing on the importance of **Our People**, **Our Planet** and **Our Communities**, we defined our approach to sustainability, which has, in turn, informed our ESG strategy. To help us deliver on this strategy, we formed an ESG Committee to oversee the measurable performance of our corporate responsibility efforts and ensure alignment across the business.



Our People are our most important asset

“We’ll make you even better” is our promise to support our employees’ development, total wellbeing and lived experiences. Our approach includes the development of a multi-year equity, diversity, inclusion and belonging strategy and conducting a baseline measurement through employee feedback received.

Our Planet is our responsibility

Understanding the impact our business has on the environment is fundamental to our ESG platform. Our strategies include implementing a multi-year Waste Management Plan to reduce waste generation and improving energy efficiency to carry our business responsibly into the next generation.

Our Communities are what connect us

Supporting local communities, businesses and organizations is what connects and humanizes us. We know that, together, we can make things better for everyone. Our initiatives include collaboration with the Canadian Red Cross to help make a meaningful difference in the places where we live and work.





UN Sustainable Development Goals

As part of our sustainability journey, everywhere we operate we are committed to contributing to the UN Sustainable Development Goals (SDGs), a roadmap of 17 goals that align the world on a sustainable path to 2030. To ensure the greatest direct influence and impact for a meaningful and transparent contribution, we have identified four SDGs to focus our efforts on:



UN SDG Good Health and Wellbeing

2030 UN SDG GOAL: 3.4

Reduce by one-third premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing.

SCI CONTRIBUTIONS

Since 2018, SCI has had a Healthy Workplace Committee that focuses on improving employee health by addressing factors related to:

- Physical work environment
- Individual employee health practices
- Organizational workplace culture and social responsibility



UN SDG Decent Work and Economic Growth

2030 UN SDG GOAL: 8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labour-intensive sectors.

SCI CONTRIBUTIONS

Over the past four years, SCI has spent more than \$50 million implementing automation solutions that make our operations more efficient and add value to our workforce. In addition, we have upgraded our Warehouse Management Systems to improve operational management and metrics with our clients.



UN SDG Reduced Inequalities

2030 UN SDG GOAL: 10.3

Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.

SCI CONTRIBUTIONS

In 2021, SCI executed a company-wide survey and held employee focus groups, to drive our multi-year equity, diversity, inclusion and belonging roadmap and to integrate EDIB into our culture. This is a continuation of SCI's award-winning cultural transformation, fostering a more inclusive environment while upholding our values of trust, integrity and collaboration.



UN SDG Responsible Consumption and Production

2030 UN SDG GOAL: 12.5

Substantially reduce waste generation through prevention, reduction, recycling and reuse.

SCI CONTRIBUTIONS

SCI established baseline metrics, and we plan on setting science-based targets that will cover Scope 1 and 2 GHG emissions in 2021. We are also developing a multi-year Waste Management Plan that includes implementing GHG inventories (Scope 1, 2 and 3).

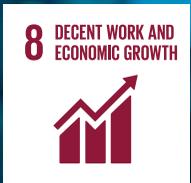


Our People

At SCI, every one of our employees contributes to our success. Their collective passion and commitment to our clients and communities make us one of Canada's leading business-to-consumer supply chain partners.



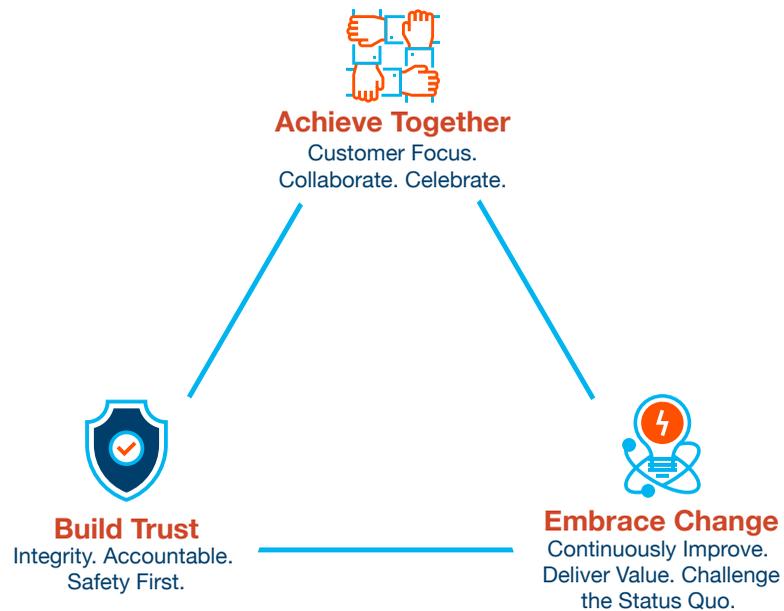
SDG Alignment



Empowering Our People

Defining our values helps us connect with our people and who we want to be as an organization. Keeping communication open between employees and leaders ensures that their thoughts and opinions at work align with our cultural values and behaviours. “We’ll make you even better” is our promise to support our employees’ development, total wellbeing and lived experiences. We want our people to feel engaged, empowered and invested in their work so that we can make a positive impact on our clients and our shared communities.

SCI Culture Pillars



Our Culture Pillars

We achieve results by creating a work environment that encourages our team members to be better every day. Culture is the catalyst for change, and by reinforcing a common language, we can connect back to our values of Build Trust, Embrace Change and Achieve Together.

EMBRACE CHANGE

We challenge the status quo to learn, grow and think differently and make our customers even better by delivering solutions that bring new possibilities and added value to their business. We strive to be better every day in how we think, act and interact through continuous improvements in all areas of our company.

BUILD TRUST

We make the personal safety and wellbeing of everyone our top priority. We do what we say we are going to do and commit to timelines. We are honest, ethical and trustworthy, and we build relationships on a foundation of respect.

ACHIEVE TOGETHER

We listen to our customers, learn about their business and bring value through thought leadership and operational excellence. Internally, collaboration is essential to delivering optimal results. We think and act as one team, share information and learn from one another, and take the time to recognize, appreciate and celebrate one another every day.



Our culture makes us unique. It is who we are and a significant part of why we will continue to succeed and grow.

Award-Winning, People-First Culture

We have done some incredible work over the past six years to define our cultural values and embed them throughout the organization, uniting us under a common purpose. We are proud to share that we were named one of **Canada's Most Admired Corporate Cultures** for 2021 by Waterstone Human Capital. Now in its 18th year, this national program awards best-in-class Canadian organizations for having cultures that help them enhance performance and sustain a competitive advantage. This award is truly a reflection of our people. We were recognized for successfully making significant

investments to help shift culture and support the change with proven results, including:

- Committing to a culture transformation to become a people-centric organization
- Building robust programs in people development and talent management
- Developing EDIB and ESG initiatives with substantial employee involvement

Our culture makes us unique. It is who we are and a significant part of why we will continue to succeed and grow. Being honoured with this prestigious award would not have been possible without

the driving force of our employees, who continue to bring our culture to life every day to Build Trust, Embrace Change and Achieve Together.



Ethics and Integrity

SCI's Audit Committee and senior management are committed to creating a corporate environment that fosters and demonstrates loyalty to employees and ethical behaviour at all levels of the organization. We have implemented codes and policies, including:

- Accessibility Policy
- Code of Conduct Policy
- Conflict of Interest Policy
- Drug, Cannabis & Alcohol Policy
- Ethics Reporting Program
- Hygiene and Communicable Disease Policy
- Respect in the Workplace Policy
- General Technology Policy & Procedures
- Media Policy & Guidelines
- Workplace Harassment, Bullying & Violence Policy

Continuous Improvement

Continuous improvement (CI) is critical to our culture and internal operations. We always strive to make company-wide improvements, and our tagline – “We’ll make you even better” – embodies this goal. We run an Operational Excellence program to improve employee engagement, drive standardization and create the infrastructure we need to be more efficient. The objective is to provide a structured approach to CI while benchmarking industry standards and best practices that help:

- Improve employee safety
- Foster a better work environment
- Enhance our customer experience
- Reduce operational costs
- Increase revenue

We encourage and reward our people for ongoing efforts to find efficiencies and proactively improve our operational processes. From warehouse certification to individual company awards we are always striving to reward our people for driving operational excellence.



Equity, Diversity, Inclusion and Belonging

Championing equity, diversity, inclusion and belonging (EDIB) is critical to strengthening our purpose, vision and cultural values. By building awareness and incorporating individual differences into our programs, processes and leadership behaviours, we strengthen our purpose of making our people, our clients and our community even better.

We conducted a company-wide survey to establish a baseline measurement of diversity, ethnicity and personal identity at SCI, gathering insights into our employees’ lived experiences and input on the types of EDIB initiatives that are important to them. We were proud to discover that SCI achieved the highest inclusion rate among 87 organizations in Canada. From this information, SCI developed a data-driven, listening-first multi-year EDIB strategy. By valuing the feedback and investing in our people through training and development, we can continue to grow a workplace community that thrives in an inclusive and collaborative culture.

Opportunities to Make EDIB Even Better

Employees want opportunities to connect, discuss and participate in SCI’s EDIB initiatives:



81%
requested EDIB communication forums

Employees want cultural events to be acknowledged and celebrated:



74%
requested acknowledgement of holidays, special events, commemorative days and heritage months

SCI has some of the highest ethnicity representation rates in Canada.

26%
South Asian

14%
Black

2%
Indigenous



EDIB PRIORITIES FOR 2022

- Develop an employee communication campaign that reinforces the importance of EDIB and establishes a common language that connects back to our culture, talent and engagement strategies.
- Establish EDIB employee representatives across all facilities.

Health, Safety and Wellbeing

At SCI, the health, safety and wellbeing of everyone is our top priority. We are continually looking at new ways to support our employees, such as optimizing existing activities, increasing awareness around workplace safety, providing regular and comprehensive training, and enforcing stringent protocols. To support this, we undertook our first Sedex Members Ethical Trade Audit (SMETA) at three locations, which helped to ensure our labour, health and safety, environment and business ethics aligned with international labour standards. **We received zero non-conformances and zero opportunities for improvement.**

To further that, during the pandemic's peak, SCI's stringent health and safety protocols led to 78% of SCI's facilities achieving "No Lost Time Incidents" in 2021, and 96% of employees felt confident that SCI's COVID-19 practices were protecting them from the virus, reinforcing the importance of this commitment.

SCI is in the top 25th percentile for exemplary safety results within our industry group, the Association of Workers' Compensation Boards of Canada (AWCBC), and our lost time injury (LTI) frequency consistently outperforms our industry group.



78%
of SCI's facilities achieved "Zero Lost Time Incidents" in 2021



96%
of employees felt confident that SCI's COVID-19 practices were protecting them from the virus

Embracing Change during COVID-19

As a trusted supply chain partner, we are committed to helping clients and communities to stay safe and keep their businesses running. During the pandemic, we transformed the way we work by introducing new processes and practices, and deployed a national strategy to continue providing exceptional service, which included:

- Implementation of advanced disinfection and sanitization tools and protocols at our distribution centres and increased use frequency
- Equipping our drivers with extra PPE to manage stringent COVID-19 practices
- Following all advice from the Public Health Agency of Canada, the Centers for Disease Control and Prevention, and medical experts
- Deployment of air purifiers to SCI locations based on size of facilities and number of employees
- Providing Employee and Family Assistance Program flyers, cards and brochures to all employees to support mental health and wellbeing
- Promoting the Canadian government's "Wellness Together" portal



Occupational Health and Safety (OHS) Targets for 2022

To align our health, safety and operational practices across all of our divisions, we set warehousing and field service targets based on our complex structure. Our facilities are encouraged to develop site-specific goals to build upon these targets, to drive completion. Health and safety targets for 2022 include:

- 0.92**
Lost time injury frequency¹
- 18.2**
Days lost injury severity¹
- 3.7**
Total injury frequency¹

We will also track and measure the following leading health and safety (H&S) indicators by facility:



Worker Participation

100% completion – by all employees by the end of the year – of “tool-box talks,” which are five-minute safety-focused talks



Employee Training

100% completion – by all employees by the end of the year – of OHS training via OSG portal and onsite H&S training matrix



Workplace Inspections

100% completion – by all employees by the end of the year – of monthly Joint Health and Safety Committee inspections and bi-weekly manager/supervisor inspections

¹ Targets are based on annualized 200,000 employee hours worked.



Health and Safety Recognition Program

Individual health and safety recognition is our way of expressing to our employees that their wellbeing at work is of the utmost importance to us, and it helps build a sense of security in their value to the company. Facility awards are a testament to the collaboration required to achieve outstanding health and safety performance in the workplace at a group level. All winners must achieve 100% compliance with our Environmental Occupational Health and Safety (EOHS) Audit Report.

FACILITY AND INDIVIDUAL AWARDS

- | | | |
|--|--|---|
| <p>Milestone Award
One million hours worked with zero lost time</p> | <p>365 Award
365 days worked with zero lost time</p> | <p>Small Facility Award
<100,000 hours worked with zero lost time</p> |
| <p>Medium Facility Award
>100,000 hours worked with zero lost time</p> | <p>Large Facility Award
>250,000 hours worked with zero lost time</p> | <p>Quarterly Awards
A quarter worked with zero lost time incidents</p> |
| <p>Facility Health and Safety Award
Zero lost time incidents in each facility</p> | <p>Safety Star Individual Award
Exceptional contributions to health and safety in the workplace above and beyond requirements of their role</p> | <p>Individual Health and Safety Award
Successful completion of all training courses, leading by example, and taking on improvement initiatives to improve EOHS</p> |

Occupational Health and Safety Targets for 2022 (continued)

Performance Recognition

The ways we recognize outstanding service from our employees reflect our values of Build Trust, Embrace Change and Achieve Together. Formal recognition programs like monthly, quarterly or annual awards make our employees feel valued and appreciated, instill a sense of belonging, and open up opportunities to advance at work and succeed personally. Informal recognition programs, like sending a recognition card, allow employees to easily acknowledge and share their peers' achievements at any time, and help to celebrate the "small wins" on a day-to-day basis.

Learning and Development

SCI is committed to unlocking its employees' potential and offers various opportunities to support individual development needs, such as job shadowing and mentorship programs, education reimbursement plans and formal leadership training. To support our people's learning agility and capability-building at every stage of their careers, we are currently developing a multi-year learning and development strategy. The planning includes mapping out development paths for hourly employees to be elevated into team leaders or operations support roles to encourage growth from within.

Employee Wellbeing and Benefits

The individual health practices of our employees impact our organization just as our organization impacts their health. Fitness facility partnerships and monthly initiatives from our Healthy Workplace Committee help create a positive work environment that enables all employees to develop to their fullest potential. This fosters a culture that improves morale, increases productivity and enhances work-life-family balance for all.

In addition, we support employee mental health through the engagement of Wellness Together Canada, the Bell Let's Talk Program, and our Employee and Family Assistance Program, which provides 24/7 confidential access to professional support for help managing stress, anxiety, grief and financial concerns. Comprehensive employee benefits also include healthcare and insurance, retirement and savings plans, an employee discount program, flexible work arrangements, scholarship programs, service awards, opportunities for community involvement, and more.

SCI is committed to unlocking its employees' potential and offers various opportunities to support individual development needs.





Our Planet

We're making important sustainability investments in our company by focusing on energy efficiency and process improvements to help reduce emissions and mitigate climate change. Committed to minimizing our carbon footprint by better understanding, measuring and reducing our impact on the environment, we will continue serving customers and communities responsibly while helping Canada meet its goal of achieving net-zero emissions by 2050.

SDG Alignment



Climate Change and GHG Emissions

The [Intergovernmental Panel on Climate Change](#) warns that global warming must not exceed 1.5°C in order to avoid the catastrophic impacts of climate change, and related economic and social consequences. To achieve net-zero emissions by 2050, businesses need to start reducing their carbon footprint now. We developed an initial GHG inventory as evidence of our commitment to actively manage our GHG impact. This process helped deepen our understanding of the sources of our emissions and moves us towards achieving or exceeding the targets we've set to reduce emissions throughout our operations.

OUR AREAS OF FOCUS INCLUDE:



We retained a globally recognized firm known for excellence in climate change consulting to develop our GHG baseline inventory, based on the international standard ISO 14064-1, and the [World Resources Institute's](#) and [WBCSD's Greenhouse Gas Protocol](#). We followed best practices, taking into consideration a balance between the materiality of emissions sources and the comprehensiveness of the analysis, sources of GHG emissions across company operations, and potential means of mitigating those emissions.

Calculating Our Carbon Footprint

We assessed direct and indirect GHG emissions resulting from our company's 2020 operations based on the GHG Protocol Corporate Accounting and Reporting Standard, with an emphasis on actual activity (e.g., utility bills) for the calendar year. We applied facility-specific emission factors whenever possible.

In accordance with the GHG Protocol's standards, SCI plans on setting science-based targets that will cover Scope 1 and 2. If Scope 3 emissions cover more than 40% of overall emissions, targets will also cover Scope 3.

Upon completing our GHG baseline assessment for Scope 1 and 2 emissions, SCI's electricity-related emissions were 0.303 kg CO₂e per square foot, and natural gas-related emissions were 2.09 kg CO₂e per square foot. With a combined result of 2.393 CO₂e per square foot, SCI ranked better than the national average among Canadian warehouses for natural gas and electricity intensity emissions (2.44 kg CO₂e per square foot).

SCI will develop reduction targets for Scope 1 and 2 emissions. In 2022, we will undertake a baseline inventory of Scope 3 GHG emission sources, which include subcontractor fleet fuels and waste, etc., which will further expand our inventory to support the Science Based Targets initiative.

Climate Change and GHG Emissions (continued)

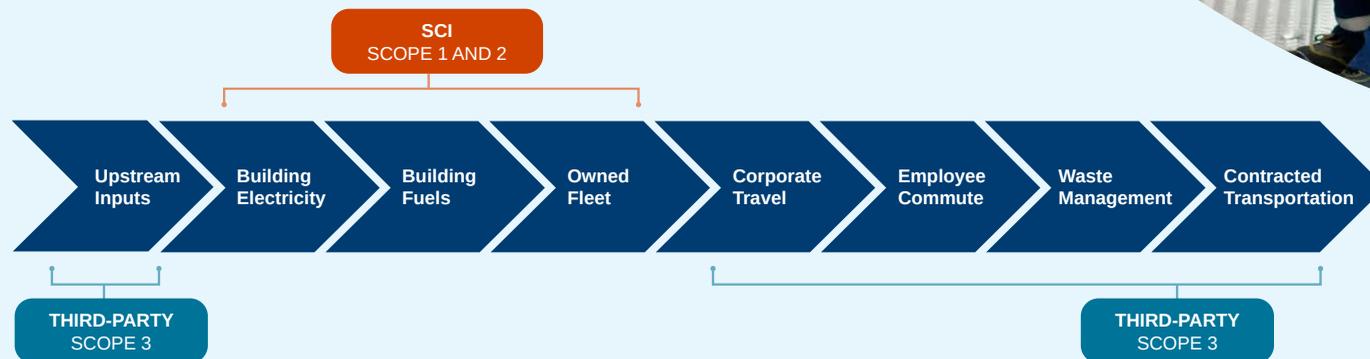
Defining Scope 1, 2 and 3

There are three scopes for GHG accounting and reporting that help identify direct and indirect emission sources, improve transparency, and provide utility for different types of organizations and different types of climate policies and business goals.

Scope 1: Direct GHG emissions are from sources owned or controlled by the company (e.g., chemical production from owned processes or emissions from furnaces, vehicles, etc.).

Scope 2: Electricity indirect GHG emissions are from the generation of purchased electricity consumed by the company.

Scope 3: Other indirect GHG emissions are an optional reporting category for treating all other indirect emissions that are a consequence of the company's activities, but occur at sources not owned or controlled by the company.



Our GHG Emission Intensity Performance

3,000+

Total employees at SCI

3.63¹

Emissions per employee
(Mt CO₂e per employee)

31

Number of sites operated by SCI

3,389,607

SCI's total office square footage

SCI'S WAREHOUSE PERFORMANCE

2.393

Electricity emission intensity and natural gas emission intensity
(kg CO₂e per square foot)

AVERAGE CANADIAN WAREHOUSE PERFORMANCE

2.44²

Electricity emission intensity
(kg CO₂e per square foot)

2.44²

Natural gas emission intensity
(kg CO₂e per square foot)

¹ Based on Scope 1 and 2 emissions only.

² Survey of Commercial and Institutional Energy Use (SCIEU) – Buildings 2014 – Data Tables. Available [online](#).



Waste Management

We upgraded our waste management systems to improve operational management processes and performance metrics while reducing waste generation and improving energy efficiency. We are developing and plan to roll out a multi-year Waste Management Plan.

Performance Highlights

SCI's electricity-related GHG emissions were **87.5%** lower than the Canadian national average for warehouse electricity emissions per square foot.

SCI's natural gas-related GHG emissions were **14.4%** lower than the Canadian natural gas emissions per square foot.

67% of our emissions are from the stationary combustion of natural gas.

9.7% of our emissions are from electricity consumption.

26 out of 31 SCI facilities had natural gas-related intensities below the national average for Canadian warehouses.

28 out of 31 SCI facilities had electricity-related emission intensities below the national average for Canadian warehouses.



CLIMATE CHANGE AND GHG PRIORITIES FOR 2022

- Develop baseline and ongoing measurement methodologies for SCI's Scope 3 (indirect) GHG emissions.
- Define our multi-phase and multi-year ESG approach including the development of science-based targets.

WASTE GENERATION RESULTS



Diversion Rate

96% based on reported data

60% of waste is recyclable



Waste Generation

2,523 short tons reported

3,124 short tons (scaled-up estimate)



Waste per Employee

1.16 short tons

of waste per employee in scaled-up estimate

Equal to **0.215 Mt CO₂e** per employee



WASTE MANAGEMENT PRIORITIES FOR 2022

- Implement a revised Waste Management Plan based on GHG inventories (Scope 1, 2 and 3).



Our Communities

We believe that partnering with local organizations to help build stronger, healthier and more resilient communities can positively impact the people who live in those areas, while driving employee engagement nationally.

SDG Alignment

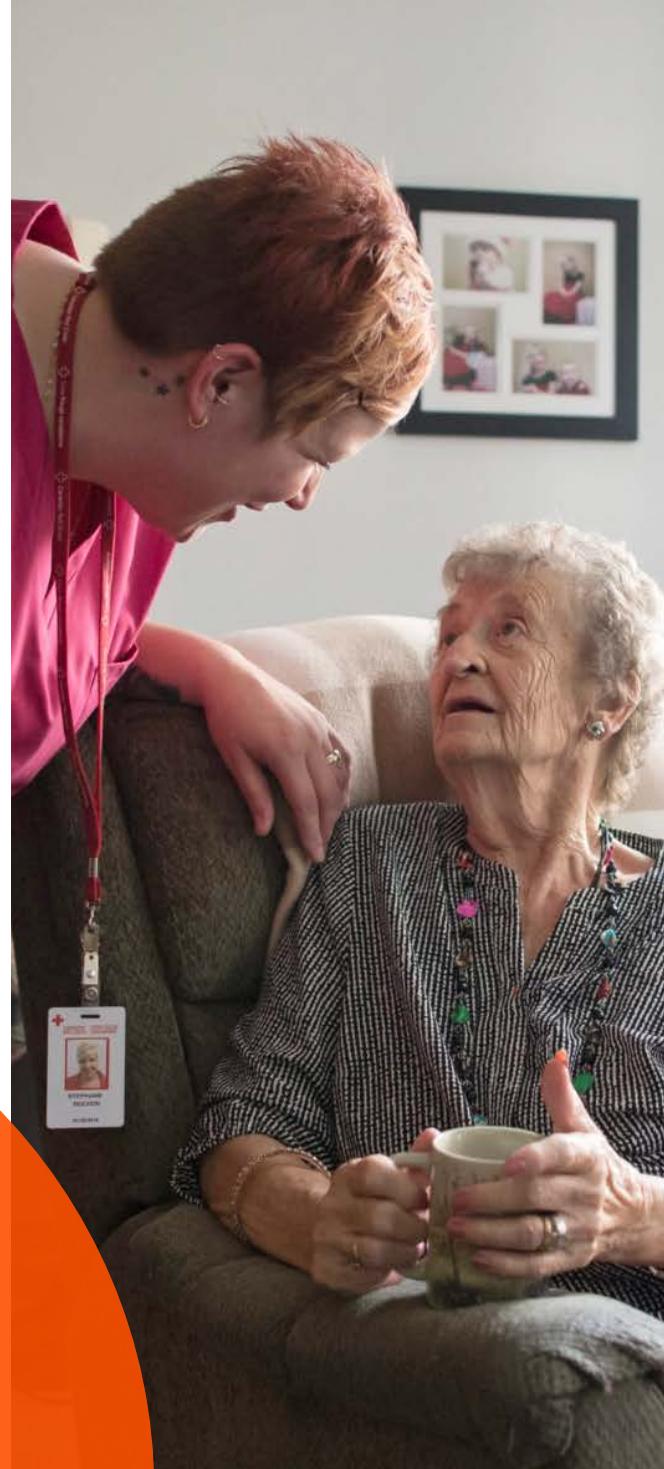


Investing in Our Communities



It's more important than ever to give back to the people in the communities where we live and work to promote local engagement and development. Through a company-wide survey, our employees chose the Canadian Red Cross as our preferred community partner and helped raise over \$30,000 in 2021. We established the National Canadian Red Cross Committee as a cross-functional team, and a representative from each SCI location across the country meet monthly to share what is happening on a local level as well as planned national activities.

We helped raise over \$30,000 for the Canadian Red Cross in the first month of our partnership and are developing a more detailed engagement plan for 2022.



Community Partner: The Canadian Red Cross

The significant humanitarian work the Red Cross carries out across Canada has a significant impact in various areas. SCI supports the Canadian Red Cross in three areas that align strongly with its values: community health and wellness, disaster preparedness and response, and Indigenous communities.

COMMUNITY HEALTH AND WELLNESS

The Canadian Red Cross community health services focus on promoting wellness and social inclusion and support Canadians who choose to remain living in their homes safely and with dignity. They offer a wide range of services to older adults, people living in vulnerable situations, and their caregivers. They support people as they strive to maintain their quality of life and independence, and, when possible, their active participation in society.

DISASTER PREPAREDNESS AND RESPONSE

Before a disaster, the Canadian Red Cross is hard at work planning for the unexpected. Thousands of volunteers across Canada undergo rigorous training to be able to assist

during times of disaster. Red Cross personnel provide care and comfort, and ensure people impacted by an emergency have a warm and safe place to stay.

INDIGENOUS COMMUNITIES

In partnership with Indigenous peoples across Canada, the Red Cross supports culturally appropriate programming in disaster prevention, response and recovery, as well as education and training to promote safety, health and wellbeing. The Kashechewan First Nation, located on the Albany River in Northern Ontario, with about 1,900 residents, requires frequent evacuation support during natural and man-made disasters. SCI supports this programming to help create a safer place, rooted in Indigenous culture and practices.

Investing in Our Communities (continued)

Support during COVID-19

In 2021, we also supported other charitable initiatives and organizations to help protect those most vulnerable.

In response to mandatory mask-wearing on transit systems and in indoor public spaces, SCI worked with the United Way British Columbia to support the logistics required to get masks into the hands of those who needed them most, including remote communities. In partnership with several other local businesses, the SCI team set up warehousing and fulfillment services and successfully procured and delivered one million masks to more than 100 community organizations in just six weeks.

The Ministry of Children, Community and Social Services required PPE for 50 children's aid societies and Indigenous child wellbeing societies. SCI organized the procurement, logistics and supply chain system management of PPE and shipped more than 20 million pieces, including five million face masks, 12 million pairs of gloves and 255,000 bottles of hand sanitizer to keep frontline workers safe.



COMMUNITY PRIORITIES FOR 2022

- Deliver an employee engagement program that will drive participation in support of the Canadian Red Cross to ensure employees have opportunities to support our local communities throughout the year.
- Activities will include fundraising, volunteering and team-building events like food drives and a matching donation campaign.



SCI shipped 20M+ pieces of PPE in 2021.





SCI CORPORATE HEAD OFFICE

180 Attwell Drive, Suite 600
Toronto, Ontario, Canada
M9W 6A9

WWW.SCI.CA

