

One Team: Delivering the Future

An aerial photograph of a two-lane asphalt road winding through a rural landscape. The road is flanked by green fields and areas of dry, brownish vegetation. A white car is driving on the road, moving away from the viewer. The lighting suggests late afternoon or early morning, with long shadows and warm tones. Three horizontal white lines are overlaid on the left side of the image, partially overlapping the text.

2022 Sustainability
Report

 **Purolator**



About Purolator

Purolator is a trusted partner and familiar brand that's part of every community throughout Canada.



\$2.8B

revenue in 2022

60+

years in operation

169M

packages delivered

14,000+

employees

2,000+

Authorized Shipping Agents
(as of May 2023)

175

terminals across Canada

104

Purolator Shipping Centres

99.9%

Deliveries to 99.9%
of postal codes in Canada

About This Report

This is our fifth annual Corporate Sustainability Report, which covers the 2022 calendar year. Unless otherwise noted, the information presented is as of December 31, 2022, and all dollar amounts are in Canadian funds. Performance data is company-wide, unless otherwise stated.

Report content is informed by the findings of a materiality assessment. Please see the Governance section on [page 7](#) for our process and priority topics. We report in reference to the Global Reporting Initiative (GRI) Universal Standards 2021. Our [GRI content index](#) is available as a separate document.

Purolator has adopted international frameworks, such as the United Nations Sustainable Development Goals (SDGs), to help us align with global best practices in sustainability. We support the SDGs through our sustainability initiatives and have aligned eight goals and their associated targets to our business practices (see [page 56](#) for additional information on how we contribute to the SDGs).

We have set ambitious short- and long-term environmental sustainability goals. In 2022, we began reporting our progress against these goals. We apply the Sustainability Accounting Standards Board (SASB) Air Freight and Logistics (TR-AF) Industry Standard for our sustainability reporting. SASB provides us with reporting standards and key performance indicators (KPIs) in the disclosure of financially-material sustainability information relevant to our sector. Our [SASB index](#) is available as a separate document.

Purolator discloses to [EcoVadis](#), a sustainability ratings service that helps companies manage and communicate their sustainability performance in a clear and actionable way. EcoVadis covers a broad range of non-financial management systems including Environment, Labour and Human Rights, Ethics and Sustainable Procurement Impacts. Disclosing to EcoVadis helps us monitor our progress on our material topics and helps us identify areas for improvement.

The title of this year's report, *One Team: Delivering the Future*, reflects how we are united in our ambition to be the greenest courier company in Canada and an industry leader in DEI.

For questions and feedback, please contact us at: info.csr@purolator.com.

For over 60 years, Purolator has been committed to excellence as a leading integrated freight, package and logistics solutions provider. With one of the most extensive networks in Canada, we reach some of the most remote locations, helping businesses deliver their promises and drive results through customized shipping and innovative supply chain solutions. We move millions of packages every day to help keep families connected, businesses going and our economy thriving.

Our vision is to be an industry leader in sustainability and diversity, equity and inclusion (DEI). We will achieve our vision through our culture and by living our values, which are tied to our greater purpose of Making Canada Stronger. As a people-first organization, we focus on making Purolator a safe, sustainable, inclusive and inspiring place to work for our more than 14,000 employees. We are committed to leading the way forward with new technology, enhanced customer experiences, innovative products and services and a world-class culture.

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Message from the President & CEO and Board Chair

Delivering promises is our passion. It requires innovative, future-thinking solutions to support our people, our communities and our environment.

Over 14,000 people work at Purolator and millions more depend on our services every day. This fifth annual Sustainability Report is a testament to our commitment to our values in action: empowering our people, delivering for our planet, and helping our neighbours.

Everything we do, we do as *One Team*. In 2022, we achieved several key milestones that I am particularly proud of.

Innovation and bold investments are needed to reduce our impact on the environment. Our goal is to become Canada's greenest courier and achieve net-zero emissions by 2050 that will be fueled by the \$1 billion we will invest in our network. Among many initiatives, we continue to green our fleet with more all-electric trucks, e-bikes and low-speed vehicles. We are investing in innovative low-carbon technologies and optimizing our operations to reduce fuel use. And I'm also proud of our efforts to reduce landfill waste through improved recycling programs, which helped us increase our landfill diversion rate by 22 per cent in 2022 alone.

We also amplified our commitment to keep our people healthy and safe with the launch of Purolator Health. This new initiative improves access to health resources to support the mental, physical and social well-being of our employees and their families. Our investment in this program ensures we are focusing on the complete health and wellness of our people and providing a safe place to work.

Twenty years ago, we launched the Purolator Tackle Hunger® program, and since then we have helped deliver over 20 million pounds of food to food banks across Canada. Rising inflation and the increased cost of living have made our program more important than ever. In 2022, we raised more than 1.9 million pounds of food, representing an 11 per cent increase compared to 2021.

This Sustainability Report outlines the actions we took in 2022 to keep our people safe and fulfilled, to serve our communities and to reduce our impact on the planet. We are excited for what the future holds and the role we can play as a leader in sustainability.

John Ferguson
President & CEO



On behalf of Purolator's Board of Directors, I am excited to share this report with our many stakeholders.

As a leading integrated freight, package and logistics solutions provider, Purolator has experienced tremendous growth and success over the past five years. In the midst of a significant transformation, the company has also become a Canadian role model in a number of important areas. Our ongoing efforts in environmental sustainability, corporate governance, inclusive practices and community support set us apart from our industry peers.

We understand we have a responsibility to manage the impacts of our operations on the environment to address climate change. As such, Purolator strives for continuous improvement and has established measurable environmental sustainability goals it wants to achieve by 2030.

Throughout the company's 60-year history, caring for our people and communities has been a part of all we do. In 2022, Purolator continued tackling social issues that impact individuals, both across Canada and around the world.

Purolator also remains steadfast in its commitment to move its DEI strategy forward within the organization. We've expanded our regional DEI councils, enhanced development programs and made progress to build a more diverse workforce.

Our culture of transparency, trust, accountability and ethical business practices are at the core of Purolator's governance. The company strives to realize the long-term benefits of good governance and ensure it's positioned for sustainable success.

One of the preliminary actions taken to support this was the establishment of our new Environmental, Social and Governance Committee. This committee will be key in supporting our efforts as an industry leader in environmental sustainability. It will also help guide our DEI strategic roadmap and programs across the company.

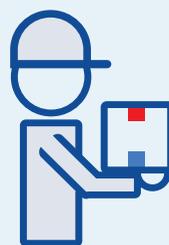
This 2022 Sustainability Report showcases Purolator's commitment and the meaningful investments we are making for the future of this company and the betterment of the world in which we live. On behalf of the Board of Directors, I would particularly like to thank everyone at Purolator for their dedicated efforts and commitment to making it a safe, inclusive and sustainable company.

Lloyd Bryant
Board Chair



2022 Highlights

Empowering Our People



Onboarded **2,900+** employees composed of **29%** women

Expanded our DEI Regional Council network by adding nearly **100** new members and increased participation in both Canada and the U.S. by **66%**



Helping Our Neighbours



Raised over **1.9 million** pounds of food through the Purolator Tackle Hunger program

Awarded over **\$100,000** in grant prizes to our four [2022 True North Small Business Grant Contest winners](#)

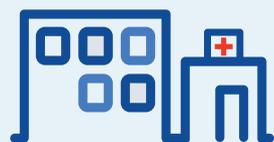


Delivering for Our Planet



Reduced our Scope 2 emissions by **43%** compared to our 2020 baseline

Increased our overall landfill diversion rate by **22%** year-over-year



Reduced lost-time injury frequency rate by **42%** compared to our 2019 baseline



Provided in-kind logistics support and donated over **\$52,000** to the Canadian Red Cross Humanitarian Crisis Response in Ukraine



Reduced our total emissions per package by **5%** compared to our 2020 baseline

Awards and Recognitions

In 2022, we were honoured to receive the following awards and recognitions:

Empowering Our People

- [Forbes'](#) list of Canada's Best Employers
- [Forbes'](#) list of Best Employers for Diversity
- Gold-Level Healthy Workforce Designation™ from Cigna
- Two Gold 2022 [Brandon Hall Group](#) Human Capital Management Excellence Awards for state-of-the art technology applied in our learning programs
- [SupplyChainBrain 2022 Great Supply Chain Partners](#) for excellent customer service
- [Exceptional Customer Experience Award from ContactNB Inc.](#)
- [OHS Canada's](#) Top 25 Under 40 Award for Health and Safety Specialist Bethany Cudmore's work in delivering health and safety best practices
- [2022 Bereskin & Parr Diversity Award from the Canadian General Counsel Awards](#) for innovative approaches to DEI by a legal department
- 2022 WoodGreen Community Services: Bridging the Employment Gap for Newcomers Award



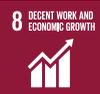
Delivering for Our Planet

- [Retail Council of Canada, Excellence in Retailing Award](#) in the category of Environmental Leadership for our two Urban Quick Stops deployed in 2022
- [University of Toronto](#) Sustainable Action Award for the success of our innovative Urban Quick Stop mini hub
- [Canada's 2022 Clean50 Top Project Award](#) for our participation as a founding member in the Urban Delivery Solutions Initiative, which promotes the switch to zero-emission vehicles



Governance

At Purolator, good governance is the foundation of our business. It instills trust in our stakeholders and holds us accountable for the commitments we make to them. We promote a culture of trust, accountability, transparency, sound decision-making and ethical behaviour among our employees. We also extend our responsible business practices to how we engage with our diverse network of customers, partners and suppliers.



GOVERNANCE

Sustainability Governance and Management

We strive to realize the long-term benefits of good governance, aligned with our core pillars of Empowering Our People, Delivering for Our Planet and Helping Our Neighbours. Our focus on strong governance allows us to effectively identify and mitigate risks, attract new customers and engage our stakeholders.

Purolator's Board of Directors, including through its Environmental, Social and Governance (ESG) Board Committee – which was newly created in 2022 – oversees Purolator's sustainability policies, strategy and progress towards our goals.

Our Senior Vice President, People and Culture is responsible for the implementation of Purolator's sustainability strategy and is the executive sponsor of Purolator's Greenhouse Gas (GHG) Emissions Reduction Steering Committee and Workplace Health and Safety Committee.

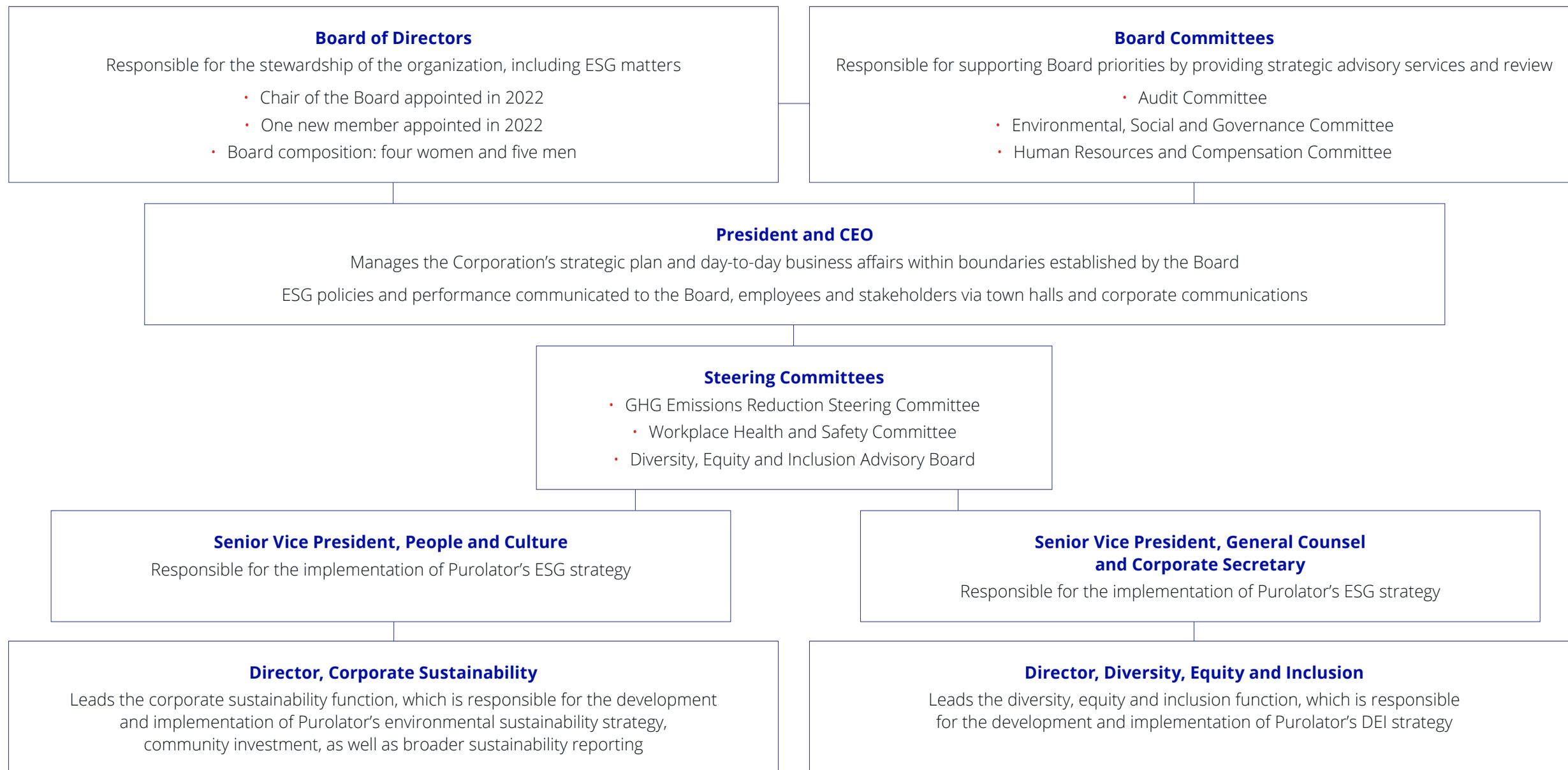
Our Senior Vice President, General Counsel and Corporate Secretary is responsible for the implementation of Purolator's DEI strategy and is the Chair of the DEI Advisory Board. The DEI Advisory Board and nine regional councils support Purolator's efforts to develop a strong culture of diversity, equity, inclusion and belonging for our employees. Additional areas of focus for the Senior Vice President include board governance and ethics.



Responsibility for implementing our Sustainability and DEI strategies sits with the Director, Corporate Sustainability and the Director, Diversity, Equity and Inclusion, respectively. The Director, Corporate Sustainability reports to the Senior Vice President, People and Culture, and the Director, DEI reports to the Senior Vice President, General Counsel and Corporate Secretary; both Senior Vice Presidents report directly to the President and CEO, who in turn is accountable to the Board of Directors.

GOVERNANCE

Organizational Governance Structure



GOVERNANCE

Corporate Values

In 2022, we refreshed our corporate values to reflect the perspectives of our workforce and the evolution and growth of our company. Our values unify us with pride, meaning and purpose to ensure we deliver on our commitment to business excellence, being a people-first organization and protecting the environment. We are working towards embedding these values into everything we do.

Trust – Trust is at the foundation of everything we do.

Collaboration – We win by working together as One Team.

Safety, Health and Wellness – We are committed to the safety, health and well-being of our people and communities.

Innovation – We continuously learn, evolve and innovate.

Customer – We deliver an exceptional customer experience.

Diversity, Equity and Inclusion – We are committed to inclusion, belonging and development for everyone.

Sustainability – We go the extra mile for our people, communities and planet.

Results – We drive results, create value and deliver excellence.



GOVERNANCE



Ethical Conduct

Our [Code of Business Conduct and Ethics](#) (the Code) outlines the standards of conduct we expect of Purolator employees in areas such as legal compliance, anti-corruption, conflicts of interest, DEI, political activities, competitive practices, privacy and more. These values are considered in the evaluation of Purolator's partnerships with suppliers and in providing services to our customers and stakeholders.

The Code serves as the foundation for other Purolator policies and procedures, and all employees are expected to understand it and comply with it. Purolator employees are required to complete an annual Code certification to support its ongoing relevance and reporting requirements. These requirements include reporting code violations to management, human resources or using Purolator's [Confidential Submissions Policy](#) process. The Code is updated and approved by the Board annually.

We continually develop, review and update policies and procedures to communicate our expectations related to a range of topics. While the Code speaks to important areas of concern, employees are also expected to understand and comply with other company policies and procedures that contribute to ensuring Purolator continues to be a safe, rewarding and sustainable place to work.

Corporate Governance Charters, Mandates and Role Descriptions

- [Board of Directors Mandate](#)
- [Board Chair](#)
- [President and CEO](#)
- [Directors](#)
- [Corporate Secretary](#)
- [Board of Directors and Committee Membership](#)
- [Audit Committee Charter](#)
- [Governance ESG Committee Charter](#)
- [Human Resources and Compensation Committee Charter](#)
- [Operating Procedures for Board Committees](#)

Corporate Policies

- [Code of Business Conduct and Ethics](#)
- [Confidential Submissions Policy](#)
- [Environmental Policy](#)
- [Health and Safety Policy](#)
- Psychological Health and Safety Policy
- [Workplace Harassment and Violence Prevention Policy](#)
- Employment Equity and Diversity Policy

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Responsible Sourcing

In 2022, we continued incorporating environmental sustainability and DEI considerations into our procurement process. This involved adding stronger and clearer language to our Supplier Code of Conduct and developing a Responsible Sourcing Standard. The purpose of the standard is to provide guidance on integrating ESG considerations into existing procurement processes and to purchase environmentally and socially preferable products and services.

The standard includes principles that define our vision of responsible sourcing including environmental sustainability, ethical governance and social impact, supplier diversity, management and transparency and ESG compliance. We also added diversity criteria to our supplier registration questionnaires to help us expand our diverse supplier partnerships. The new questions ask responding organizations to declare if they are minority owned, if a diversity policy has been implemented and if certifications such as Certified Aboriginal Business (CAB) or Progressive Aboriginal Relations (PAR) have been earned.



Data Protection and Cybersecurity

Employees, customers and suppliers trust us to handle their personal information responsibly. As a federally regulated entity, Purolator is subject to the [Personal Information Protection and Electronic Documents Act](#) (PIPEDA). Our Enterprise Data Protection Program comprises comprehensive privacy-risk mitigation practices, which involve regularly reviewing Purolator policies, procedures and employee training programs related to data management and privacy. The program incorporates an overall privacy-by-design element based on PIPEDA's 10 fair information principles to ensure that stakeholder privacy is accounted for in the development of our service offerings and technologies.

We make commercially reasonable efforts to safeguard the personal information we collect, and to protect it against loss, theft, or any unauthorized access, disclosure, copying, use or modification. Access to the personal information in our systems requires authentication and is restricted to select Purolator personnel. Purolator employees are also required to participate in mandatory policy and regulatory training that includes privacy and data management.

In 2022, we continued to strengthen our privacy management program with enhanced training, policy and procedure reviews as well as risk-mitigation processes, including the Privacy Impact Assessment. Stronger contractual protections have been a compliance focus that ensures consistency with vendor and customer expectations. This work will continue into 2023 to support the evolution and adoption of responsible data governance.

GOVERNANCE

Our Strategy

Purolator's work is guided by our *Delivering the Future* growth and innovation strategy. The strategy includes plans for transforming our network and fleet, accelerating our customers' digital experience through leadership in innovation, creating a safe, sustainable and inspiring workplace, and driving growth for businesses of all sizes throughout North America and globally.

“At Purolator, we perceive sustainability not as a separate initiative, but as an essential thread woven into the fabric of our strategy. As we modernize our network, pursue premium growth and digitize our business, we fuse these endeavours with a steadfast commitment to safety, inclusivity and environmental stewardship. Part of our vision is to inspire and empower our people and customers, demonstrating that the path to a prosperous future can be paved with sustainable and innovative solutions.”

Brett Huttman

Senior Director, Corporate Strategy & Product Management



GOVERNANCE

Our strategy revolves around four key themes, which help us focus our priorities:



Focus on Premium Growth

Offer premium capabilities to the marketplace, servicing our customers where they operate.

Continue to build relationships and solutions as we expand offerings for key verticals with unique transportation requirements.

Accelerate high-potential segments that take advantage of our high-value integrated solutions.

Leverage our international capabilities to build solutions for our customers moving goods to, from and within Canada.



Be Safe, Sustainable, Inclusive and Inspiring

Reinforce a purpose-driven, inclusive culture for a future-ready workforce.

Set the industry standard for leadership, performance and practices in safety, culture and ESG.



Modernize the Network

Continually enhance the widest-reaching parcel delivery network in Canada.

Modernize capabilities to deliver best-in-class customer performance and flexibility while executing with operational excellence.

Expand global supply chain capabilities for businesses shipping within, to and from Canada.

Invest in the innovation of our facilities and fleet operations to increase energy efficiency.



Digitize Our Business

Differentiate the shipper and receiver experience while driving efficiency in our end-to-end business through advanced digitization and analytics.

Transform our entire network into one large, interconnected system capable of moving packages more quickly and efficiently.

GOVERNANCE

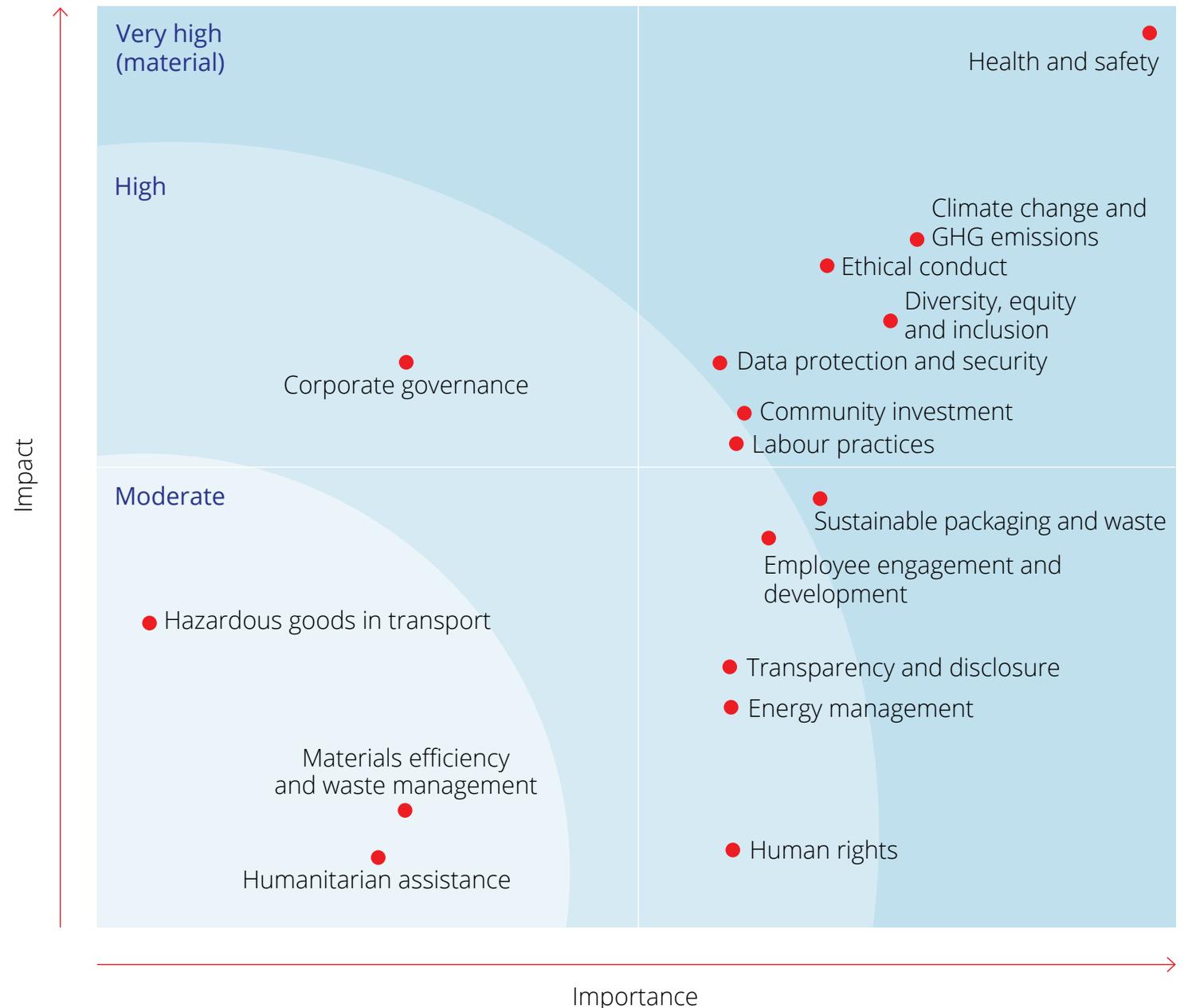
Materiality

We conduct materiality assessments to help us identify, assess and prioritize Purolator's sustainability issues and impacts.

We aim to conduct materiality assessments on a regular basis within a three-year timeframe. The outcomes allow us to focus on the most material topics faced by our business. The 16 most material topics identified were ranked based on their level of importance to and impact on our business and stakeholders.

In 2022, we engaged in a review of our governance practices with the help of a third party, and in 2023, we will complete an enterprise-wide materiality assessment. The results will be included in our 2023 Sustainability Report along with an updated materiality matrix. This approach will strengthen and assist Purolator in evaluating and mitigating business risks.

Through interviews and surveys of internal and external stakeholders, we identify, assess and prioritize the most significant sustainability topics facing our business. We disclose metrics by adhering to the GRI Universal Standard 2021 and the SASB Air Freight & Logistics Standard (TR-AF). The outcomes of our materiality assessment guide the evolution of our sustainability strategy over time and drive a positive impact on topics most important to our business and our stakeholders.



GOVERNANCE

Stakeholder Engagement

Purolator has a long history of building meaningful connections with our stakeholders. As a purpose-driven organization, we understand how important stakeholder engagement is to the success of our business. We regularly engage with our stakeholders to share information and gather feedback on our business practices.

“One of our core values is putting trust at the foundation of everything we do. Doing this requires effective engagement and collaboration with all stakeholders internally and externally. We achieve this by continuously looking for new ways to engage in two-way communication with individuals and teams across our entire business to create shared value and deliver excellence.”

Courtney Reistetter

Senior Manager, Corporate Communications



GOVERNANCE

Stakeholder Engagement Table

Stakeholder Group	How We Engage	Top 2022 Initiatives and Topics
Employees	<ul style="list-style-type: none"> Employee engagement activities Pulse surveys Focus groups Semi-annual town hall meetings Weekly messages from our CEO Weekly newsletter to corporate employees Bi-weekly newsletter to operations employees Internal social media platform and intranet site Digital signage screens Controlled access app on mobility scanners Pre-shift team huddles Learning and development centres of excellence E-learning kiosks Cross-functional committees Field/terminal visits by leadership team Video messages from executive leadership team 	<ul style="list-style-type: none"> DEI strategy and programs (pages 29-32) Launch of Purolator Health website Wellness Wednesday workshops Ask Your Chief Medical Director chats Earth Month events: <ul style="list-style-type: none"> Employee webinars Green Team launch Internal communications Social Justice Movie Club DEI Regional Councils (page 29) Employee onboarding executive videos – ESG strategy and values June Tackle Hunger Month Campaign (page 46): <ul style="list-style-type: none"> Employee on-site activation events Auctions, 50/50 raffle and step challenge Purolator Tackle Hunger newsletter Employee-led communications Circle of Excellence Awards
Contractors and Suppliers	<ul style="list-style-type: none"> Health and safety pre-qualification process Assessments and audits Planning and communications Procurement procedures Ongoing dialogue Third-party supplier management program 	<ul style="list-style-type: none"> Revisions to health and safety guidelines for contractors Ongoing work on ESG requirements in procurement process, supplier risk assessments and audits (page 12) New DEI questions in supplier questionnaires (page 12)
Customers	<ul style="list-style-type: none"> Feedback via phone, live chats and social media Service alerts and updates Sustainability presentations and workshops Highlight small business customer stories – Black History Month, International Women’s Day and Pride Month 	<ul style="list-style-type: none"> Purolator Packaging Guide to help customers pack efficiently and minimize damage Calculation resources on Fuel Surcharges Sustainability progress included in customer Quarterly Business Reviews Collaboration with customers on circular economy partnerships

Stakeholder Group	How We Engage	Top 2022 Initiatives and Topics
Communities	<ul style="list-style-type: none"> Community sponsorship and partnerships Virtual events Social media engagement Community food drives and fundraising 	<ul style="list-style-type: none"> Purolator Tackle Hunger Red Bag Campaigns (page 50) Purolator Tackle Hunger CFL partnership and Game Day Food Drive activations (page 49) Back-to-School Cereal Challenge in support of Breakfast Club of Canada (page 48) Fundraising for Ukraine Humanitarian Crisis (page 51) True North Small Business Grant Contest (page 51) Canadian Artists – Holiday Box Campaign (page 52)
Industry Associations	<ul style="list-style-type: none"> Industry association memberships, conferences, meetings and roundtable discussions 	<ul style="list-style-type: none"> Participation in Pembina Institute’s Urban Delivery Solutions Initiative (page 39) Participation in Run on Less Program (page 39) Purolator Health launch and initiatives in partnership with Cleveland Clinic (pages 25, 27-28) Health & Safety engagement of Employment and Social Development Canada and provincial worker compensation boards
Government	<ul style="list-style-type: none"> Meetings with elected officials, bureaucrats, public health officials and political staffers 	<ul style="list-style-type: none"> Outreach to government in support of various Purolator projects <ul style="list-style-type: none"> Canadian Infrastructure Bank Media events <ul style="list-style-type: none"> Thanksgiving Food Drive launch with Mayor John Tory National Hub grand opening with Premier Doug Ford and Mayor John Tory
Shareholders and Investors	<ul style="list-style-type: none"> Annual General Meeting Quarterly Board of Directors meetings Annual sustainability report 	<ul style="list-style-type: none"> Quarterly financial and ESG reporting (pages 53-55) New ESG Board Committee and revised governance structure (page 9) First-time message from Board Chair (page 4)
Bargaining Agents (Unions)	<ul style="list-style-type: none"> Regular relationship committee meetings with union representatives Joint National Committee meetings Divisional, monthly and quarterly meetings 	<ul style="list-style-type: none"> Mental health support and initiatives (pages 25-28) Collaboration on improving customer service, environmental responsibility and DEI Dispute resolution

Empowering Our People

As a people-first organization, we recognize that our employees are our most important resource and asset. In alignment with our values, we strive to create a safe, healthy, inclusive and inspiring workplace where our employees can thrive personally and professionally and achieve their full potential.



EMPOWERING OUR PEOPLE

Employee Experience

Purolator's success depends on the work of our more than 14,000 passionate and dedicated employees. We are committed to hiring talented people who are motivated by effective teamwork, advancing our business and going the extra mile to help our customers and our communities. We know that employees work best within an organization that values their ideas and contributions, and we recognize that we are stronger when we move forward together as One Team to achieve our collective goals.

Teamwork is at the heart of everything we do. We are One Team.

We challenge our people to reach their full potential by providing them with a work environment that promotes our eight core values and meaningful career development opportunities. We offer a comprehensive employment package that includes a competitive salary, healthcare and insurance benefits, an employee and family assistance program (EFAP), retirement savings plans and flexible work arrangements. We ensure that our strongest and most motivated employees are recognized through scholarships and rewards and recognition – not only within our corporate teams, but across the entire organization.

Employee Value Proposition

In 2022, we refreshed our Employee Value Proposition (EVP) pillars to better reflect Purolator's most current goals and values. The pillars were developed in collaboration with a cross-section of employees and stakeholders who contributed their input in a series of surveys and focus groups. The pillars – Purposeful and Rewarding Work, A Meaningful Experience, A Sustainable Future, and A World of Opportunity – capture the essence of our organization's values, mission and vision.

They represent the unique employment experience we offer at Purolator and form the foundation of our promise to our current and future workforce to create an inclusive and supportive work environment that allows everyone to thrive professionally and personally. We believe that the honest and open communication delivered through these pillars will help us achieve our goal of attracting and retaining top talent.



Jacqueline Jennings
Director, Retail



Rina Pidair
Retail Strategy & Transformation Manager



Purposeful and rewarding work – People depend on us. Our talented, diverse and dedicated workforce takes on the day fueled with a sense of purpose and meaning in their work.



A meaningful team experience – Trust, teamwork and fun are the secrets to our success of keeping things moving.



A sustainable future – At Purolator, we're creating a future enabled by innovation. And for us, innovation leads to a more sustainable world.



A world of opportunity – Purolator is a learning organization. Through a defined and intentional learning journey, we give employees the opportunity to develop their skills to deal with a rapidly changing world.

EMPOWERING OUR PEOPLE

Talent Management

Purolator considers talent and performance management to be key to our organization's and our employees' success. Across all company divisions, we ensure employees have regular check-ins, career discussions, feedback and managerial coaching opportunities with their leaders. In 2022, Purolator adopted a pay-per-performance model, just one more way for Purolator employees to be recognized for their individual contributions.

We also seek to ensure we are continuously meeting and exceeding the learning requirements of our people by making significant investments in the learning and development of our frontline and office-based employees. Our training process begins with a comprehensive onboarding program and continues up to executive development and leadership training and mentorship.

In 2022, the [Canada Mercer Turnover Survey](#)¹ identified key employee turnover data across various industries. One of the survey findings revealed that the logistics sector experienced the highest overall employee turnover rate at 24 per cent. Of the 60 per cent of Canadian companies that reported difficulty hiring or retaining

employees, the transportation sector faced the most significant challenges. While truck driver shortages reached an all-time high in 2021 with over 22,000 vacancies², the situation continued into 2022. Despite these challenges, Purolator worked hard to maintain our service levels and deliver on our commitments to our customers.

Purolator has been listed as the top transportation and logistics company on the Forbes list of Canada's Best Employers for the past five consecutive years.

¹ [How much turnover is too much?](#)

² [What is causing trucking shortage in Canada, the United States and Mexico?](#)



84%

of Purolator employees are represented by a union.

EMPOWERING OUR PEOPLE



Purolator
CIRCLE OF
EXCELLENCE



CASE STUDY

Excellence in the Workplace

Recognition throughout Purolator comes in different forms. Every year, our prestigious Circle of Excellence awards program recognizes employees who go the extra mile. These awards celebrate the contributions and positive impact Purolator employees have on our business, teams and communities we serve. In 2022, we transformed our award categories to align with our refreshed core values. Out of the 187 nominations received, 18 winners were identified.

One of those winners, **Jenny-Lynne Pelland**, was presented with a Circle of Excellence award after helping organize two highly successful Purolator Tackle Hunger campaigns in Sudbury, Ontario. Her efforts included recruiting volunteers, working with community leads and getting the support of our community investment team. Jenny-Lynne's dedication to tackling hunger resulted in the collection of an astounding 15,500 pounds of food that supported local food banks.

2022 Performance**Training**

As our business continued to grow through the rapidly changing economy that resulted from the COVID-19 pandemic, we needed to quickly onboard a large skills-based staff while maintaining our operations and prioritizing safety. In 2022, we successfully onboarded and trained over 2,900 new hires, while providing approximately 41,000 hours of online, instructor-led content. Our Learning and Development team partnered with [ICOM Productions](#) to deploy state-of-the art technology, including 3D modelling and augmented reality, to create leading-edge learning experiences for our employees and partners.

In 2022, we delivered nearly 180,000 hours of training to our frontline and professional staff through our e-learning kiosks across 187 locations. In addition, we launched our new National Hub and onboarded 1,335 frontline employees, managers and support staff for the new facility. As a result of our ongoing efforts to improve training for our employees, we were awarded the Gold 2022 [Brandon Hall Group](#) Human Capital Management Excellence Award for Learning and Development Technology. Also in 2022, despite still contending with the COVID-19 pandemic, 119 managers went on to complete Purolator's six-month award-winning Management Development Program called Evolve.



1,000+

self-led LinkedIn courses completed by Purolator professionals in 2022.

EMPOWERING OUR PEOPLE

Connecting with Our Employees

Clear, consistent and frequent communication is key to ensuring that our employees understand the expectations for achieving success in their roles and how to execute their work safely and proficiently.

We employ various methods to connect with our diverse employee base in the most appropriate way for them. These channels include messages to courier scanning devices, digital screens, frequent meetings such as pre-shift team huddles, regular all-employee town halls, one-on-one meetings with managers, newsletters, email, and intranet communications.

In 2022, we launched a Pulse survey aimed at ensuring we truly understand how to connect and communicate with our frontline staff. The results provided valuable insights to inform our future communications.

In addition, we ran a MyVoice engagement survey with a record-breaking internal engagement score of 78 per cent. This score reinforced how proud our people are to work for Purolator and provided us with constructive feedback on our hybrid work model, career development strategies, competitive benefits package and mental health training and support.

In 2022, Purolator's employee retention rate was 81%; this is lower than the retention rate for 2021, which was 86%. We attribute this drop to Canada's falling jobless rates in 2022 and the logistics sector experiencing the highest overall employee turnover rate of all sectors in Canada.¹



¹ [Canada Mercer Turnover Survey](#)

EMPOWERING OUR PEOPLE

Health and Safety

Together, we are all responsible for health and safety in the workplace. Safety begins with the Purolator Board and executives who set the strategic direction for our health and safety practices. Our [Health and Safety](#), Psychological Health and Safety, and [Workplace Harassment and Violence Prevention](#) policies provide the foundation of our health and safety governance structure and help us execute effectively on our Health and Safety requirements and commitments. Each Purolator facility has a Workplace Health and Safety Committee whose members conduct inspections and ensure frequent and consistent communications with all employees.

Throughout our more than 60 years of experience, we have learned the importance of having robust health and safety programs that build capacity, maintain compliance and focus our efforts on the highest impact opportunities. To support our work in this area, we have developed a comprehensive plan to keep us on track toward our goal of reducing our lost-time injury frequency rate by 40 per cent by 2024 from our 2019 baseline.

We are proud of the reduction in safety incident rates and lost-time injury rates we have realized over the past few years. In 2022, we achieved the following reductions:

Lost-time injury frequency	↓	42%
Total injury frequency	↓	26%
Lost-time severity	↓	11%
Aggregate severity	↓	18%
Motor vehicle collision frequency	↓	11%



EMPOWERING OUR PEOPLE

Health and Wellness

At Purolator, we take a holistic approach to well-being that encompasses and promotes physical, mental and social health. Not only do we help our employees, but we also make health and wellness resources available to their families.

Purolator Health

With the COVID-19 pandemic, as a heightened awareness of personal well-being emerged, Purolator's leadership team realized the need to take proactive measures to protect the health and well-being of our employees, customers and the communities we serve.

In 2022, we evolved our health and wellness strategy by launching our Purolator Health initiative based on direct feedback from a wellness survey that was shared with all employees and their dependents. The program was developed with a collaborative lens in mind to ensure inclusivity, and we leveraged experts across the organization to increase utilization and awareness of our existing health offerings. Purolator Health also aims to ensure that resources and supports are accessible and meet the needs of our geographically diverse teams.

Purolator Health has fostered increased synergies across previously independent health-focused resources, leveraging the dedication of champions who bring diverse perspectives.

This collaborative effort extends beyond individual departments, facilitating cross-functional cooperation between marketing, communication, HR and operations teams. We also work with Cleveland Clinic Canada's Medical Director Program to support Purolator Health on an ongoing basis. This includes the joint development of monthly refresher sessions to help employees retain learnings, build on best practices, share knowledge across the organization, and create a community of support.

Measuring Our Wellness Performance

We have developed performance indicators related to well-being to help us prioritize our efforts and better comprehend the needs of the organization. Using this information, we created a wellness calendar with monthly workshops on topics such as resiliency and financial literacy. The calendar also highlights important public health observances such as Mental Health Awareness Week and Healthy Workplace Month, which we acknowledge by organizing awareness-raising activities. Looking to the future, the program will be expanded to include our customers and communities.



Launch of Purolator Health program at Purolator's head office in Mississauga

At the heart of Purolator Health lies our ambition to create a psychologically safe work environment where employees feel free to raise ideas, where fear of disagreement with others is minimized, and where all team members can bring their whole, authentic self to work.



EMPOWERING OUR PEOPLE

Purolator's Chief Medical Director

Our Chief Medical Director (CMD) plays a crucial part in providing valuable insights and enhancing transparency regarding healthcare operations. The CMD's role encompasses the delivery of essential information to Purolator Health stakeholders with a broader focus on preventative health and promoting overall well-being. By providing medical expertise and strategic guidance, our CMD contributes to initiatives aimed at reducing the prevalence of chronic mental or physical health issues, promoting the health and safety of employees, and responding to public and organizational health emergencies.

Purolator Health Initiatives

Throughout October 2022, we celebrated our first Healthy Workplace Month with the highest level of participation in our wellness programming to date. We increased our Ask Your Chief Medical Director chats to monthly to further spotlight themes of well-being. In 2022, we also began featuring Purolator employees from across the company, allowing them to share their individual experiences and perspectives. In addition, we created a [website](#) to house Purolator Health resources, which all employees and their family members can easily access.

“Purolator is an industry leader in the design and implementation of a health program of this kind. We are always looking for innovative ways to help other organizations develop employee health solutions through collaborative partnerships.”

Shaan Chugh

Chief Medical Director



Purolator Health program meditation bus for employees

In 2022, we introduced a monthly Wellness Champion initiative, which celebrates and recognizes the diverse ways our team members are practising self-care. Through this personalization of our employees' wellness journeys, we are building trust and engagement across our workforce. Each monthly Wellness Champion is featured on our website and digital screens.

Positive comments shared by colleagues have proven to be a powerful means to share recognition and build awareness of health promoting practices. Purolator has also partnered with Hal Johnson and Joanne McLeod, BodyBreak fitness Canadian icons, to help reinforce holistic well-being themes via a series of [videos](#) shared across digital screens at our work locations and other platforms.

EMPOWERING OUR PEOPLE

Purolator Health Initiatives (cont'd)

Throughout 2022, our U.S. operations coordinated employee wellness and diversity programming. The Connector newsletter provides weekly content on physical, mental and financial well-being. Through our Wellness Workplace page, we share information on overall wellness, such as our preventive care, dental care and online health assessment campaigns. In 2022, we also organized events focused on financial well-being, healthy eating and fitness.



Purolator Health Launch Initiatives

- Purolator Health Manager Toolkits
- Healthy Workplace Month kick-off events featuring a meditation Airstream bus and a smoothie bus
- Purolator [Scavify](#) national, online wellness challenge for employees and their families
- Initial Wellness Wednesday centred around the theme of “worry less, enjoy life more”
- Videos on themes of holistic well-being in partnership with “BodyBreak” icons Hal Johnson and Joanne McLeod
- Ask Your CMD chat on “What is Purolator Health?” with Dr. Marie Claire Bourque, MD and member of the Advisory Services team at Cleveland Clinic Canada

“Our aim is to bring needs-based programming and resources directly to our busy team to ensure relevance and convenience. The monthly calendar of workshops features knowledgeable experts who share tips and encourage overall health and well-being.”

Ashley Wood-Suszko

Manager, Mental Health and Wellness

EMPOWERING OUR PEOPLE

CASE STUDY

Spotlight on Mental Health

As part of our holistic approach to well-being, Purolator aims to ensure access to and inclusivity of mental health support and services for all our employees and their families. In 2022, we launched our mental health strategy with a multi-year approach to create a supportive environment that fosters allyship and reduces mental health stigma. The strategy also focuses on improving the knowledge base of our workforce and building confidence to communicate about mental health.

In 2022, we continued to offer our Mental Health First Aid training to targeted, high-needs groups and online mental health building blocks e-learning modules as mandatory learning for all employees. The online learning modules are designed to expand awareness of mental health, demystify mental disorders and offer tangible ways to reduce stigma and barriers in the workplace. We also launched The Working Mind Manager training for all people managers to provide them with knowledge and skills to support their teams in the workplace. In addition, we are participating in a research study in collaboration with the Mental Health Commission of Canada. This research will provide insights into the effectiveness of our training and will be complemented by a program called Refresh, co-developed with the Cleveland Clinic of Canada.

Also in 2022, we had 43 individuals graduate with a Workplace Mental Health Leadership certificate. This is the first university-certified program developed in collaboration with the Faculty of Health Sciences at Queen's University and TELUS Health (formerly LifeWorks). Graduates of the program can apply practical, empathetic and solution-focused leadership to their teams and gain confidence to manage performance and promote mental health. In 2023, completion of this training is being prioritized for all leaders at Purolator. Our work to create a psychologically safe work environment also includes implementing additional mental health building block modules for team members.

Providing evidence-based and needs-focused training and education to all employees in parallel will ensure our efforts are collaborative and that we evolve together. We are proud to share that we met the target completion for our Workplace Mental Health Leadership training and exceeded it for The Working Mind Manager program. Fostering a workplace that is compassionate and supportive of one another will help us win by working together as One Team.



18,000+

hours of mental health training completed since 2019.



Purolator's Chief Medical Officer,
Dr. Shaan Chugh

EMPOWERING OUR PEOPLE

Diversity, Equity and Inclusion

At Purolator, we recognize that DEI is critical to the success of our business, and it is important that our workforce reflects the diversity of our country and our customers. We believe that DEI is everyone's responsibility and we empower every Purolator employee to play an active role in cultivating an inclusive work environment where everyone feels seen, heard and valued.

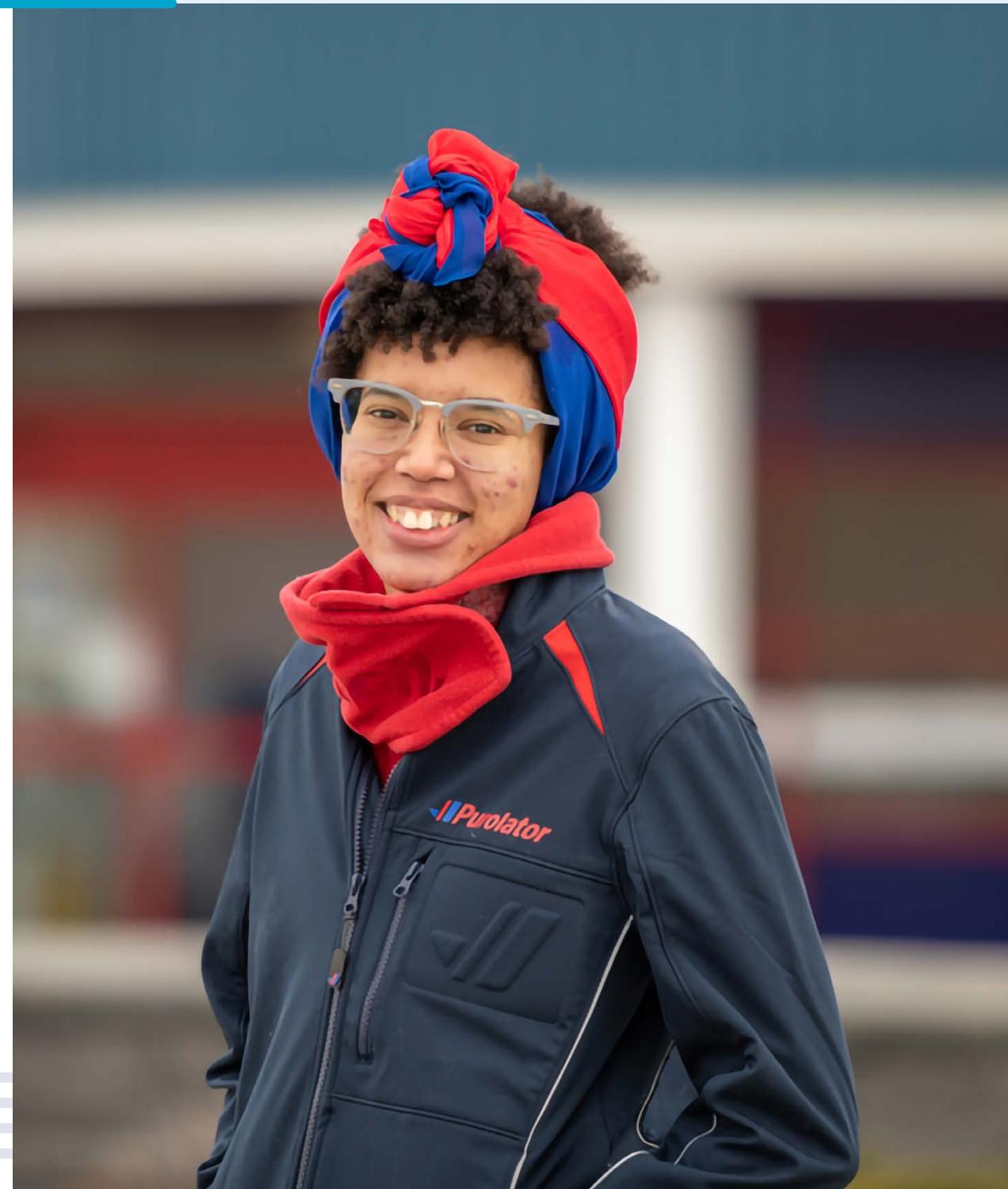
At Purolator, DEI is a top priority. To make our vision to be the Canadian industry leader in DEI a reality, we are taking meaningful action to integrate DEI practices into all areas of our business to drive lasting change. In 2022, we continued to lay the foundation of our DEI strategy by evolving our strategic approach to drive organizational alignment, transparency and shared responsibility for DEI results.

As part of our evolution, we conducted focus groups to explore ideas on how to move DEI forward within our organization. We held governance interviews with leaders to gain insights and hear diverse perspectives on how to formalize DEI ownership and accountability across Purolator. This resulted in our new governance framework, which sets the tone for DEI and allows leaders to role

model best practices from the top down to embed DEI across the entire organization. With the support of our DEI Advisory Board and Regional Councils, we refreshed our DEI strategy and aligned on priorities. In 2023, we will launch our three-year (2023–2025) strategic roadmap, which sets a clear path forward to achieving our DEI vision. We look forward to reporting on our progress and goals in future sustainability reports.

DEI Regional Councils

In 2022, we expanded our DEI Regional Council network. With the addition of nearly 100 new members, participation in the councils increased by 66 per cent across Canada and in the U.S. Our councils celebrated diversity throughout the year by organizing over 100 events to support our employees and communities.



EMPOWERING OUR PEOPLE



Diverse Talent Matters

In 2022, as part of Purolator's talent management strategy, we expanded our Diverse Talent Matters development program to provide talent support and access to networks to empower and engage our employees who identify in equity-seeking groups. The program helps employees from underrepresented groups by providing customized development journeys and removing barriers that can cause inequity. Our 2022 expansion was enhanced to better cater to Purolator employees who self-identify as BIPOC (Black, Indigenous and People of Colour) and employees who self-identify as women.



2,900+
new employees
hired in 2022.

Recruitment and Hiring

From the first stage of the recruitment process, and throughout each employee's tenure at Purolator, we use a DEI lens in our HR policies and processes.

In 2022, we hired more than 2,900 new employees. To help us achieve our goal of a more diverse workforce, we collaborated with over 50 universities and colleges to facilitate fair opportunities for students to apply for entry-level jobs at Purolator, thereby creating a more representative talent pool that is reflective of our country, customers and communities we serve.

We also forged partnerships with various recruitment organizations dedicated to promoting diversity. These include, among others, [Lifeline Afghanistan](#) to attract and hire Afghan refugees; [Ready, Willing & Able](#) to increase employment of people with an intellectual disability or Autism Spectrum Disorder; and [WoodGreen Community Services](#), which connects us with job-ready employment seekers. Working with these organizations allows us to tap into a broader range of candidates from traditionally marginalized communities. For 2023, our focus will be on enhancing the diversity of applicants for management roles, with particular attention paid to attracting women for leadership roles within Purolator.

DEI Training and Development

Purolator offers a comprehensive DEI training program at all levels of the organization, including for new hires, and training specific to leadership roles.

In 2022, we launched our new DEI Fundamentals training to promote greater awareness and understanding of the core concepts of DEI, why DEI is key to organizational success and how to be a DEI advocate in the workplace to drive positive change.

In 2021, all Purolator employees completed conscious inclusion training. This was continued in 2022 where all newly hired employees were required to complete the training. Purolator's senior leadership team completed inclusive leadership training as part of the Executive Leadership Program.

In 2022, we also further developed the DEI section in our Manager Development Program (Evolve) to make it more robust. The training explores practical leadership actions that can be implemented to break down barriers and foster an inclusive culture in which all employees can thrive and bring their best selves to work.

“Diverse Talent Matters helped me further embrace my authentic self, and provided me with the platform and support to focus on my development goals. From the mentorship sessions, to the guided support from the Organizational Development team, the courses and branding exercise, and especially our inspiring leaders sharing their paths, the experience was very enlightening and enriching. I highly recommend the program.”

Parveen Kandeerally

Senior Manager, Marketing Customer Solutions

EMPOWERING OUR PEOPLE

Communication and Outreach

We continued to promote inclusiveness and connection through our ongoing communication efforts and impactful DEI events and initiatives.

In 2022, we:

- Launched Purolator's new *Driving Diversity, Equity and Inclusion* newsletter.
- Created DEI conversation series, an online forum to promote open dialogue on DEI matters.
- Celebrated Black History Month with a focus on the challenges faced by Black people accessing healthcare. We also spotlighted Purolator's True North Small Business Grant 2021 winner, Opal Rowe, of Stush Patties, who talked about the connection between food and health and wellness.
- Recognized International Women's Day by hosting a live #BreakTheBias panel discussion, featuring a diverse group of women from across the organization and two male allies who shared their advice and insights on how we can all work together to help break biases to overcome challenges and achieve greater success. We also spotlighted True North Small Business Grant 2021 finalists, Sisterly Swimwear, manufacturers of size inclusive, ethically made and sustainable swimwear.
- Celebrated Pride Month with activities that included a live panel discussion with Michael Bach, founder of the Canadian Centre for Diversity and Inclusion (CCDI), a member of our senior leadership team and Purolator team members who self-identify as 2SLGBTQ+ on the topic of breaking myths and misconceptions to create an inclusive workplace for 2SLGBTQ+ employees. Our Chief Medical Director hosted a conversation on misconceptions about 2SLGBTQ+ health, challenges related to stigmatization and the impact on both physical and mental health.
- Introduced 12 new Delivering with Pride-wrapped trucks and launched Purolator's Delivering with Pride Contest to share the stories of 2SLGBTQ+ owned businesses and promote their products and services.
- Celebrated National Indigenous Peoples Day by sharing a video spotlighting Patrick Hunter, a two-spirit Ojibway artist from Red Lake, Ontario, who was featured in Purolator's 2020 holiday boxes campaign.
- Recognized International Day of Persons with Disabilities, during which two Purolator employees shared their personal life experiences as parents of children with disabilities. Members from the Corporate DEI Council also visited a local school for children with disabilities and led a special career day to teach the students about the lifecycle of a package.

International Day of the World's Indigenous Peoples

In 2022, we celebrated International Day of the World's Indigenous Peoples at our new National Hub in Toronto with a smudging ceremony performed by Kelly Hashemi (pictured below), Traditional Indigenous Knowledge Keeper.

Purolator hosted a series of events honouring Indigenous culture leading up to the commemoration of National Day for Truth and Reconciliation. Employees learned about the rich history, heritage and culture of Indigenous people by hearing from Phyllis Websteb, creator of Orange Shirt Day and Lauren Moberly, owner of Fallen Mountain Soap and Purolator's 2021 True North Small Business Grant finalist.

We also heard stories from co-workers who identify as Indigenous, and employees immersed themselves in Indigenous art and culture by participating in smudging ceremonies and smudging feather crafting workshops. Employees shared their thoughts on "reflection walls" about how they will honour Indigenous culture. Donations were made to Our Children's Medicine, Aseniwuche Winewak Nation and through our Purolator Tackle Hunger program to support Indigenous communities.



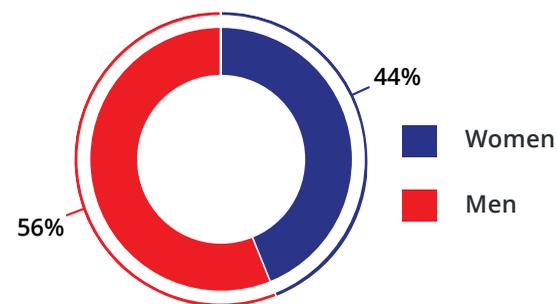
EMPOWERING OUR PEOPLE



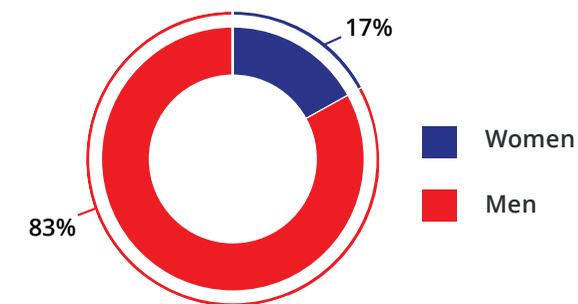
Pride Month celebration at Purolator's head office in Mississauga

Diversity of Overall Workforce	2020	2021	2022
Representation of people with disabilities	3.9%	3.7%	3.7%
Representation of visible minorities	27%	27%	28%
Representation of Indigenous people	3%	3%	3%

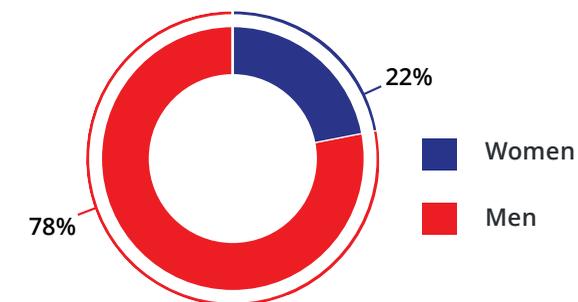
Diversity of Governance Bodies in 2022 - Gender (%)



Diversity of Senior Management in 2022 - Gender (%)



Diversity of Overall Workforce in 2022 - Gender (%)



44%

of non-unionized new hires in 2022 were women.

Delivering for Our Planet

Our ambition is to be the greenest courier company in Canada and to achieve net-zero emissions by 2050. We acknowledge our responsibility to manage the impacts of our operations on the environment and the imperative to address climate change. We strive for continuous improvement across our business and make strategic investments to increase our energy efficiency, decrease our GHG emissions and reduce waste.



DELIVERING FOR OUR PLANET

2030 Goals

Our Ambition Is to Be the Greenest Courier in Canada

To avoid the catastrophic impacts of climate change, we are doing our part by setting 2030 goals that put us on the path to net-zero by 2050. Our ambitious science-based target uses a 2020 emissions baseline and the methodology set out by the Science Based Targets initiative. Our goals focus on taking meaningful action in key areas of our business that support our ambition to be the greenest courier in Canada.

Reduce our absolute Scope 1 and Scope 2 emissions by

42%

(2020 baseline)

Electrify

60%

of our last-mile delivery vehicles

Invest in alternative-fuel vehicles including all-electric cargo vans, step-vans and straight trucks.

Reduce emissions from electricity by

100%

through the use of renewable sources

Procure renewable energy certificates (RECs) to offset electricity use from our facilities. Explore opportunities to install on-site renewables.

Divert

70%

of non-hazardous waste from landfill

Invest in low-carbon technologies and solutions such as e-bikes and Urban Quick Stop mini hubs.

Design and build our facilities to reduce energy consumption.

Switch to renewable fuels for our heavy-duty vehicles (e.g., renewable diesel).

Minimize landfill waste and maximize recycling in our operations.

DELIVERING FOR OUR PLANET

Climate Change and GHG Emissions

Purolator's [Environmental Policy](#) sets out our company's commitment to high professional standards for our environmental practices and describes our approach to environmental stewardship. We continuously evaluate our impact on the environment and invest in solutions that help us achieve our environmental sustainability goals.

We measure Scope 1, Scope 2 and Scope 3 GHG emissions associated with our business through a comprehensive annual GHG emissions inventory prepared according to the ISO 14064-1 standard and the World Resources Institute (WRI) Greenhouse Gas Protocol. Doing an annual inventory helps us better understand our emissions sources and identify critical areas of impact, set goals and monitor our performance over time. In 2022, we signed a commitment letter with the Science Based Targets initiative (SBTi) to establish 2030 science-based emissions reduction goals. In 2022, we announced our goal to reduce our absolute Scope 1 and Scope 2 emissions by 42 per cent by 2030.

We continuously seek ways to reduce our emissions by investing in alternative-fuel vehicles, procuring renewable electricity and improving the energy efficiency of our facilities. We also encourage GHG emissions reductions throughout our value chain and offer carbon reporting services to our customers.



>75%

of our emissions in 2022 came from transportation-related sources.

2022 Performance

In 2021, we established our 2020 baseline GHG emissions inventory and conducted a detailed inventory review. In 2022, we further expanded our inventory to include additional Scope 3 emission categories, including purchased goods and services and capital goods. We once again completed [third-party verification](#) of our GHG emissions inventory and restated and reverified our GHG emission inventories for both 2020 and 2021.

Scope 1

- Direct emissions from sources controlled by Purolator
- Emissions associated with on-site combustion of fuels at Purolator facilities – e.g., natural gas
- Emissions associated with fleet owned and/or operated by Purolator (includes rental vehicles)

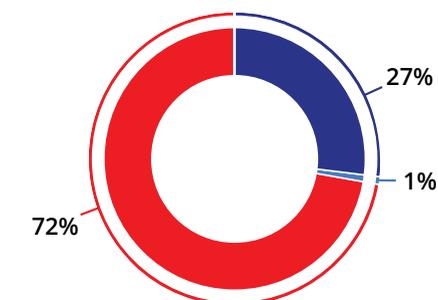
Scope 2

- Emissions associated with the generation of purchased electricity used at Purolator facilities

Scope 3

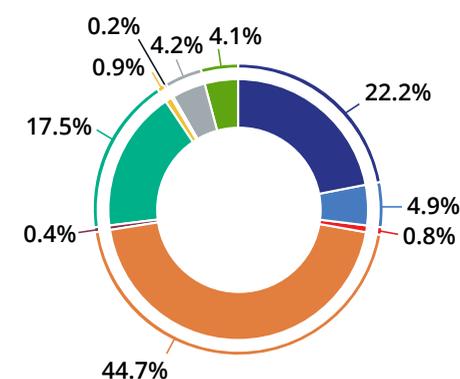
- Emissions associated with subcontracted/third-party ground fleet, air carriers and rail
- Emissions associated with waste generated at Purolator's facilities and disposed of off-site
- Business travel
- Upstream emissions from purchased fuels (i.e., extraction, production and transportation of consumed fuels)
- Purchased good and services
- Capital goods

2022 GHG Emissions by Scope (tCO₂e)



- Scope 1 – 133,139
- Scope 2 – 3,841
- Scope 3 – 354,442

2022 GHG Emissions by Source (tCO₂e)



- Purolator owned or operated fleet – 109,141
- On-site combustion of fuels – 23,998
- Purchased electricity (market-based) – 3,841
- Subcontracted/third-party ground, air and rail – 219,886
- Waste generated at Purolator facilities and disposed off-site – 2,085
- Fuel and energy-related emissions (not included in Scope 1 and 2) – 86,140
- Business travel – 4,451
- Employee commuting – 896
- Purchased goods and services – 20,798
- Capital goods – 20,186

DELIVERING FOR OUR PLANET



Our GHG Emissions Profile

We are making progress on the decarbonization of our business. In 2022, our absolute Scope 1 and Scope 2 emissions decreased by less than half a per cent compared to our 2020 baseline. As we began to implement our decarbonization strategy, 2022 was the first year where we saw a combined reduction, albeit small, in our absolute Scope 1 and Scope 2 emissions. However, our carbon intensity metrics improved more significantly with our total emissions per dollar revenue down by 22 per cent and our total emissions per package reduced by five per cent, both compared to 2020.

These reductions in our carbon intensity metrics are the result of our continued efforts to operate more efficiently and invest in our business. Currently, this includes investing in electric vehicles, procuring renewable electricity and improving the energy efficiency of our facilities.

As we scale up the electrification of our last-mile delivery fleet to approximately 3,500 vehicles by 2030 and continue to pilot and implement other low-carbon solutions and renewable fuels, we will begin to see a more significant reduction in our absolute emissions.

GHG Emissions (Tonnes CO ₂ e)	2020	2021	2022
Direct – Scope 1	130,760	147,130	133,139
Indirect – Scope 2	6,743	4,682	3,841
Other indirect – Scope 3	349,304	379,606	354,442

“We have set ambitious goals for ourselves, and we are working very hard every day to reduce our carbon footprint and protect our environment. We are committed to investing in alternative-fuel vehicles and innovative low-carbon solutions to help us achieve our interim goals and net-zero emissions by 2050.”

Cindy Bailey

Corporate Sustainability Officer

DELIVERING FOR OUR PLANET

Renewable Energy

We have set an ambitious goal to reduce our emissions from electricity use by 100 per cent by 2030. To achieve this goal, we have committed to increasing our use of renewable electricity year-over-year. In 2022, we took significant steps towards this goal. We purchased RECs from [Bullfrog Power](#) for our operations in Alberta, Nova Scotia and Saskatchewan.

Through our investment in renewable electricity, the emissions associated with our purchased electricity were offset by an equivalent quantity of electricity added to the grid that is derived from emissions-free renewable sources such as wind, solar and low-impact hydro. In 2022, our REC purchases supported the [Ellershouse Wind Farm](#) in Nova Scotia and the [Oldman River Wind Farm](#) in Alberta. In 2022, we reduced our Scope 2 emissions by 43 per cent compared to our 2020 baseline.

By partnering with Bullfrog Power, we support the development of sustainable, renewable energy infrastructure in communities across Canada. Bullfrog Power provides grants, project debt financing and/or equity capital in support of ethical and community-based renewable energy projects. Bullfrog's green electricity is a blend of wind, solar, and low-impact hydro power sourced from new Canadian renewable energy facilities.

Purolator's new shipping centre at Millennium Ridge Retail Centre in Sherwood Park, Alberta, is bullfrogpowered with 100% green electricity.



43%

reduction in Scope 2 emissions compared to our 2020 baseline.



DELIVERING FOR OUR PLANET

Greening Our Fleet

For us to achieve our goal of reducing our absolute Scope 1 and Scope 2 emissions by 42 per cent by 2030, we are focusing our efforts on greening our vehicle fleet. We are prioritizing research and investment in low-carbon technologies, optimizing our operations to reduce fuel use, integrating renewable fuels and deploying zero-emission vehicles.

We began our journey to reduce fleet emissions in 2005 when we introduced more than 500 hybrid-electric vehicles into our operations. In 2020, we began planning for and piloting all-electric vehicles. Since then, we have deployed 12 e-bikes and two low-speed vehicles in urban centres including Vancouver, Toronto and Montreal. With new regulations and increased congestion in many cities, our e-bikes offer an optimal solution for delivering parcels. They are ideal for pedestrian-only and zero-emission zones, are easier to park and can often deliver packages faster than delivery vans.

In 2021, we were recognized by ACT as the first Canadian courier company to deploy all-electric step-vans in Canada. In 2022, we continued to operate five all-electric step-vans out of our Richmond, BC terminal. We also procured an additional 95 electric vehicles, including the Ford E-Transit™, Motiv Power Systems EPIC4 and BrightDrop Zevo 600 models, and began planning for their deployment in 2023.

Additionally in 2022, we developed our 2030 fleet decarbonization roadmap and identified the initiatives and level of ambition required to achieve our emissions deduction goals and 60 per cent electrification of our last-mile delivery vehicles. The roadmap goes beyond electrifying our vehicles to also include the introduction of low-carbon fuels

and solutions for our heavy-duty vehicles. The roadmap is supported by a planned investment of around \$1 billion that will include the purchase of more than 3,500 electric vehicles, electrification of approximately 60 terminals and additional investments in low-carbon solutions such as mobile carbon capture. This commitment marks the largest network investment in Purolator's 63-year history, with more than \$100 million to be invested in 2023 alone.

To help us plan for our increased electricity needs and vehicle-charging infrastructure at our facilities, we began engaging with key stakeholders, including power utilities, governments and industry experts. Electric vehicle charging infrastructure is currently the greatest challenge we face as we work to deploy electric vehicles. As the demand for electricity and electric vehicles continues to grow, we will continue to collaborate with a broad group of stakeholders to find solutions and reduce the barriers to adoption.

In addition to zero-emission vehicles and renewable fuels, we continue to look for ways to optimize our operations and reduce fuel use. Our fleet currently uses Geotab, a fleet management software and GPS tracking device, to monitor and address unnecessary engine idling and poor driving habits such as harsh braking and rapid acceleration, which may negatively affect fuel economy and maintenance costs.

We also utilize route optimization software to maximize the efficiency of our routes, monitor our vehicles' performance and ensure that we are matching the right vehicle with the right route. Furthermore, our tractor trailers are equipped with aerodynamic skirts and tractor fairings, while our vehicles use low rolling resistance tires and speed limiters.



\$1B

expected investment in fleet electrification and decarbonization by 2030, the largest network investment in Purolator's history.

“Decarbonizing our fleet and electrifying our last-mile delivery vehicles will require the largest investment in Purolator's history. Our investment of an expected \$1 billion by 2030 will help us future-proof our business and build resiliency and meet the growing expectations of our customers and communities.”

Joe Lombardo

Vice President, Network Operations

DELIVERING FOR OUR PLANET

Partnerships and Industry Collaboration

At Purolator, we understand that to achieve our emission reduction goals, we cannot do it alone, and we recognize the value of industry collaboration. In 2021, Purolator became involved in the North American Council for Freight Efficiency (NACFE) and RMI's [Run on Less – Electric \(RoL-E\) campaign](#). RoL-E is a best-in-class technology demonstration that showcases advancements in freight efficiency spread across two countries, showing electric truck technology in everyday operation. Its purpose is to feature the latest advancements in clean transportation and provide education and best practices to move the transportation industry toward a clean, sustainable future.

In 2023, we will continue our participation in this biennial program. The 2023 event, called Run on Less – Electric DEPOT ([RoL-E DEPOT](#)), will focus on scaling the deployment of electric trucks. Many fleets have deployed one or two electric trucks, but few have made the move to 15 or more. The 2023 event will feature fleet depots with 15+ Class 3 to 8 battery electric vehicles (BEVs) operating in the U.S., Canada or Mexico.

Purolator is also a founding member of the Urban Delivery Solutions Initiative (UDSI). The UDSI is a first-of-its-kind coalition of businesses, clean-energy providers, fleet operators and policy experts that together are tackling the growing problem of urban-freight emissions.

Aviation Partners

We work closely with our aviation partners to reduce the emissions intensity of flights carrying our packages. At present, we are focused on the implementation of fuel optimization programs, and we use data to optimize aspects such as optimum climb, cruise altitude, aircraft speed and direct routing. Older aircraft are being replaced with more energy-efficient models and traditional cargo containers are being replaced with lighter-weight alternatives. We have also initiated discussions regarding sustainable aviation fuel, and we are seeking out opportunities to incorporate this into our emissions reduction strategy.

Purolator partners with and supports environmental organizations such as Earth Day Canada, Nature Conservancy Canada, the Great Canadian Shoreline Cleanup and Waste Reduction Week.



DELIVERING FOR OUR PLANET

Greening Our Buildings

Purolator operates more than 175 buildings, including hubs, terminals, retail locations and corporate offices. As we continue to grow our business, we are focused on greening these facilities. Throughout 2022, we continued to improve the energy efficiency of our buildings through lighting and heating, ventilation and air conditioning (HVAC) replacements. In 2022, we installed over 200 new HVAC units across our network.

Also, by the end of 2022, we had expanded our LED retrofit program to more than 70 of our terminals across Canada. By upgrading our buildings to LED lighting fixtures and motion sensors, we reduce energy use and enhance working conditions for our employees. For 2023, we will continue to build on the success of our LED program with an additional eight sites planned for lighting retrofits. These retrofits will further reduce our energy use and GHG emissions and lower our utility costs.

Since the inception of our LED lighting retrofit program, Purolator has:

- Saved over 3.8 million kWh in total energy use
- Lowered energy costs by over \$600,000
- Reduced GHG emissions from electricity use by over 370 tonnes CO₂e

Also in 2023, we will work closely with our network planning team to develop green building guidelines for new and retrofitted facilities to prioritize energy and resource efficiency in our buildings. We will further ensure that all new locations are equipped to operate and maintain electric vehicles.

Purolator Head Office

Purolator's head office, located in Mississauga, Ontario, is a LEED Certified Gold Building. The facility's HVAC is regulated through an automated system, which allows for temperature control and enhanced indoor air quality. The building is designed to reduce waste, conserve energy and decrease water consumption.

U.S. Operations

We also maintain an environmental focus similar to our Canadian operations in our U.S. operations. In 2022, we retrofitted eight facilities with more efficient LED lighting and shifted all forklifts from propane to electric models. In 2023, we will continue with LED retrofits at all remaining sites to further reduce emissions stemming from operations.



70+
facilities across
Canada converted
to LED lighting.



CASE STUDY

Delivering Innovation for the Future at Purolator's National Hub

In August 2022, we officially opened Purolator's \$330 million, 430,000 sq. ft. state-of-the-art National Hub, which is the centrepiece of our "Delivering the Future" growth and innovation strategy. The facility, which was designed with sustainability in mind, includes a world-class automated sortation warehouse, Purolator Shipping Centre and administrative offices. It is designed to accommodate future growth and provide the flexibility needed to scale and match capacity with demand during peak periods. The hub includes electric vehicle charging stations, a non-potable grey water system for irrigation and toilets, lower emission battery-powered forklifts, a standardized waste recycling program and more than 1,500 trees and shrubs planted on the property. The facility was built to meet the [Toronto Green Standard](#).

DELIVERING FOR OUR PLANET



Retail Solutions

We pride ourselves on providing our customers with Canada's largest shipping network and offering many convenient ways to ship and receive packages. We continuously seek to develop new ways to reach our customers by investing in innovative technology and leveraging strategic relationships to position ourselves as the retail market leader in Canada. We also strive to fulfill our commitment to reduce carbon emissions in our retail operations.

The final leg of a package's journey from a warehouse to the recipient's address can be one of the most significant contributors to GHG emissions, which is why our team is working to develop and implement alternative ways to reach our customers. Any time we can provide a convenient pick-up location and avoid multiple delivery attempts by a courier, we are reducing our GHG emissions. Therefore, our goal is to minimize kilometres travelled and bring 75 per cent of all Canadians within a three-kilometre radius of a Purolator shipping access point.

In an effort to achieve this goal, we have implemented several new pick-up and drop-off solutions:

- **Agents and Partner Locations:** We have more than 2,000 partner access points nationwide through partnerships with organizations such as Staples, Michael's, Best Buy, Metrolinx and other Authorized Shipping Agents.
- **Mobile Quick Stop Shop:** Our four mobile quick stop shops have a significantly lower environmental footprint than a building and streamline last-mile delivery by providing a safe and accessible delivery location.
- **Drop Boxes:** Purolator's 240+ drop boxes located in building lobbies and outdoor commercial spaces across Canada allow for safe and efficient shipments of pre-paid and labelled packages.
- **Quick Stop Parcel Lockers:** Our parcel lockers are a convenient alternative for our customers to pick up and drop off packages safely and securely any time, day or night.
- **Quick Stop Kiosks:** The kiosks offer an enhanced customer experience at our Purolator Shipping Centres by helping to reduce line-ups and offering contactless transactions.

DELIVERING FOR OUR PLANET

CASE STUDY

Urban Quick Stop

In 2022, in partnership with the University of Toronto, we launched our first Urban Quick Stop, a mini hub pilot in Toronto's downtown core.

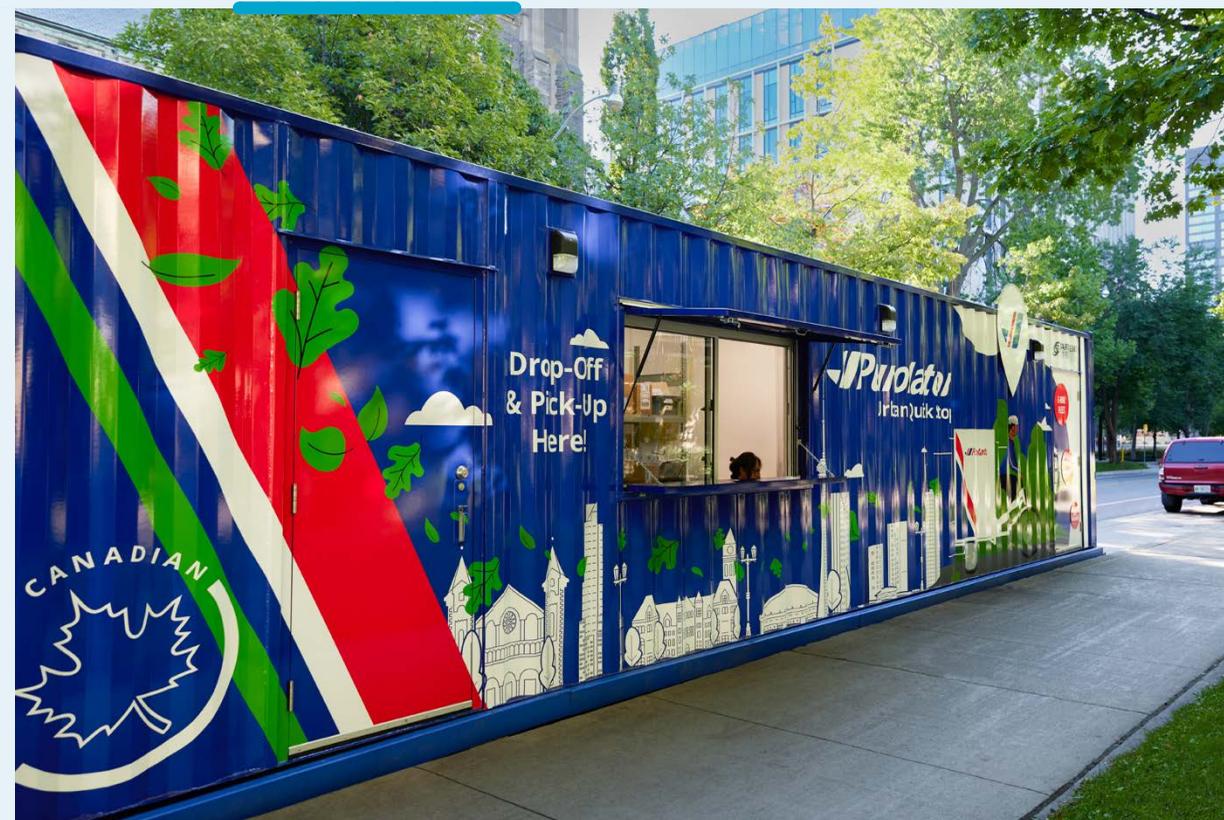
The Urban Quick Stop is focused on reducing commercial vehicle traffic and related emissions while offering enhanced customer convenience and increased brand affinity. Each hub consists of a renovated, 40-foot, recycled shipping container that acts as a central delivery hub and package pick-up and drop-off location. Our two Urban Quick Stop mini hubs operate five e-bikes that deliver packages to the surrounding areas, decreasing traffic congestion and eliminating more than 99 per cent of last-mile delivery emissions. The pilot was a success and a second mini hub was opened nearby a few months later. Both hubs now serve Toronto's high-density core in a very innovative and sustainable way.

Our Urban Quick Stop pilot has garnered much attention and praise, including two awards. We received the 2022 Retail Council of Canada – Excellence in Retailing Award, which recognizes retail organizations that have committed to superior customer service, progressive business solutions and operational leadership. In 2022, we also received the University of Toronto Sustainable Action Award for our innovative Urban Quick Stop solution.

“We know it’s important to not only provide customers with convenient ways to ship, but also offer options that support environmental sustainability for our communities across the country. I’m so proud that these innovative delivery solutions are a focus for Purolator.”

Jacqueline Jennings

Director, Retail



During peak season, our Mobile Quick Stop vehicles park outside our busiest locations as an extension to our retail centres. This allows us to meet the increased customer demand and provide faster service.

476,220+ kiosk transactions

28 Mobile Quick Stop vehicles (MQS)

2,500+ Purolator access points

4 Mobile Quick Stop vehicles operate year-round

2,000+ extension retail agent and partner locations

37 parcel lockers

240+ drop boxes

3 Urban Quick Stops located in downtown Toronto and the Cooksville GO Station

46 kiosks

DELIVERING FOR OUR PLANET

Circular Economy and Waste

As a shipping and logistics company that moves millions of packages a year, we produce a considerable amount of waste. Though we have made great strides in working with our customers and suppliers to reduce waste at the source, we understand that when resources and materials are used and immediately disposed of, unnecessary pressure is placed on the environment, our communities and public health. Therefore, we are continuously looking for ways to maximize the recycling and reuse of waste produced in our operations.

As part of our 2030 goals, Purolator has committed to diverting 70 per cent of our waste from landfills. Our waste reduction initiatives include recycling programs for materials such as cardboard, plastic film and wood pallets. In 2021, we studied our waste going to landfill, identified the top waste-generating facilities and developed an action plan to increase recycling capture rates and maximize landfill diversion.

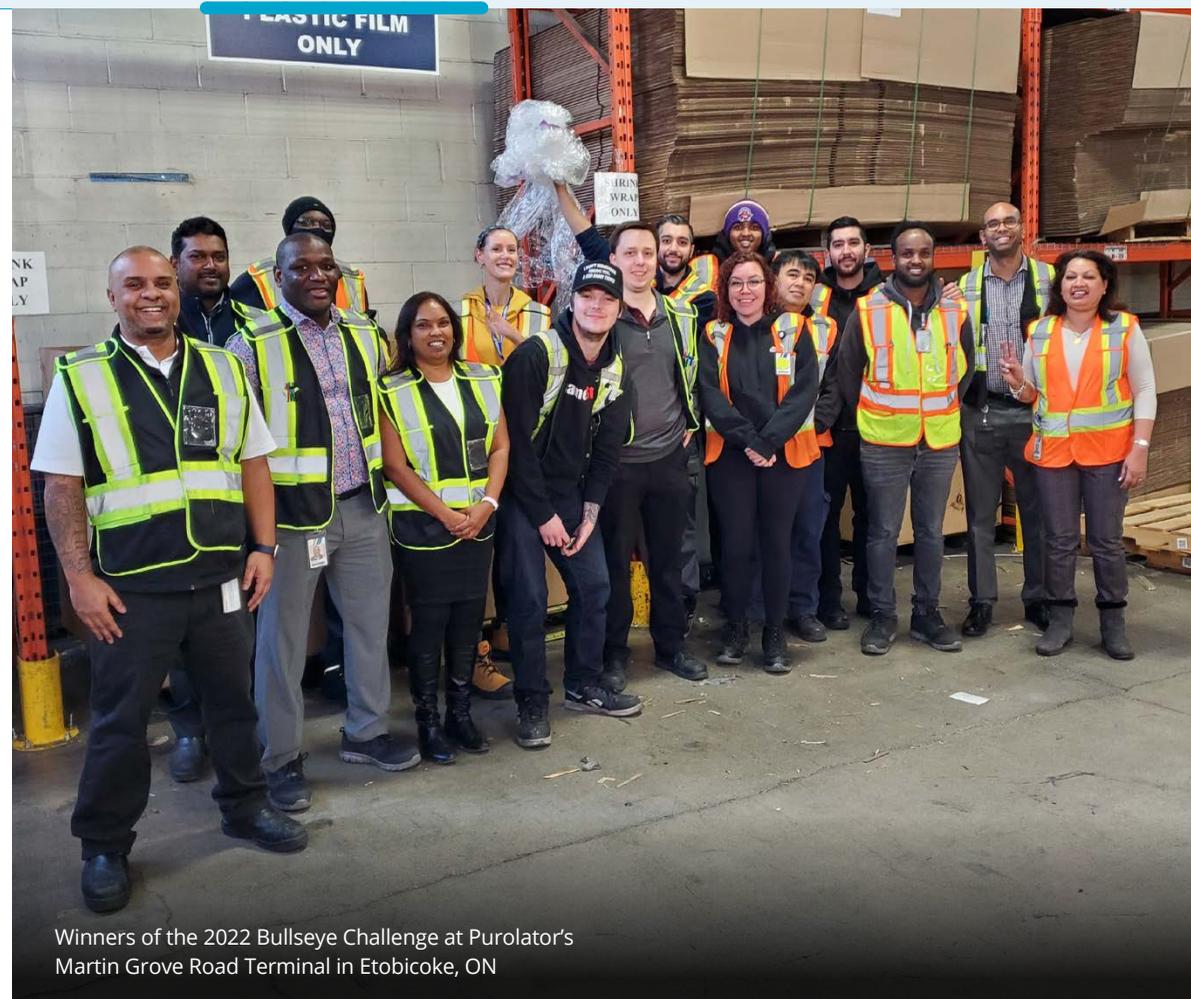
In 2022 we launched our new recycling program beginning with a focus on our top landfill waste generating facilities. The program includes new recycling services and equipment, improved bins and signage and training. We implemented the program at 14 sites across Canada, increasing our overall landfill diversion rate by 22 per cent.

As part of the initial rollout, facilities introduced to this program participated in a “Bullseye Challenge,” a competition to increase landfill waste diversion by the highest percentage month-over-month. The first winner of the challenge increased facility diversion by an impressive 19 per cent. As a result of these initiatives, our total landfill waste diversion rate for 2022 was 60 per cent, putting us firmly on the path to achieving our 2030 goal.

In 2023, we will expand the program to include an additional 10 sites across Canada. We are also piloting innovative solutions to reduce waste in our terminals. For example, we are currently introducing a reusable pallet wrap made from a Polyvinyl Chloride (PVC) material to replace the need for disposable plastic shrink wrap. If successful, this solution will be a big win for Purolator, our customers and the environment, as plastic film represents one of the greatest sources of waste in our operations.

In 2022, we:

- Reduced waste by 670 tonnes
- Recycled 1,500 tonnes of cardboard
- Recycled over 2,200 tonnes of scrap wood
- Recycled over 123 tonnes of plastic film (pallet wrap)
- Recycled over 331 tonnes of mixed recycling



Winners of the 2022 Bullseye Challenge at Purolator's Martin Grove Road Terminal in Etobicoke, ON



22%

increase in overall landfill diversion rate in 2022 alone.

DELIVERING FOR OUR PLANET

Sustainable Packaging

Purolator works with our customers and suppliers to optimize our packaging to increase recycled content, use fibre from responsibly managed forests, reduce waste and maximize recycling. Our research on [sustainable shipping](#) revealed the importance that customers place on purchasing from a company that offers sustainable packaging solutions. Between 2021 and 2022, the number of customers that indicated that they are willing to pay more for sustainable products and practices has increased by eight per cent.¹ Learn more [here](#).

We provide our customers with [comprehensive packaging guidelines](#) to help them pack efficiently and avoid damages in transit that can lead to returns and replacements. We have also improved our packaging integrity to prevent the risk of damage.

In 2021, we initiated a package-free returns program for Amazon shipments. Customers can bring product returns without shipping packaging to our drop-off locations where we consolidate the items from multiple customers into one box and a single shipment back to Amazon.

In 2022, our Digital Labs team, which specializes in applied research and innovation, continued to work with select customers to design and create tailored packaging solutions that minimize waste. This includes reusable packaging solutions that can be continuously redeployed in the system thereby eliminating single-use packaging.

Return Box Project

With global e-waste projected to reach 74.7 megatonnes by 2030,² we have embarked on a return box project with a leading electronics manufacturer. The Package Free project's objective is to help us play our part in minimizing e-waste by providing customers with a hassle-free way to return their end-of-life laptop in a secure and environmentally sound manner for recycling.

Features of our new laptop/tablet packaging include:

- 1) FSC-certified box and inserts made of 72 per cent recycled content
- 2) Slotted carton design that minimizes scrap waste in the manufacturing process
- 3) 100 per cent recyclable box and insert
- 4) Printed QR code that provides box specifications and sourcing guides
- 5) Robust and right-sized box to minimize cubic waste and waste from damage
- 6) Minimalist design to reduce ink and contamination in the recycling process
- 7) Water-based inks

We anticipate that the return boxes will be available in our retail stores, and we look forward to showcasing the impacts of this project in next year's sustainability report.

² [GTF 2022 - E-Waste Monitor \(ewastemonitor.info\)](#)

Purolator's Express Pak contains 25% recycled content and our Express Box contains 90% recycled content and is Forest Stewardship Council (FSC)-certified. Our Purolator Express® Envelope is made from 100% recycled, biodegradable and fully recyclable content and is FSC-certified.



¹ <https://resources.purolator.com/freight-shipping-logistics-cost-optimization>

Purolator

Helping Our Neighbours

At Purolator, we are committed to supporting the growing needs of our neighbours and delivering a better tomorrow for the communities in which we live and work. Caring for our communities is a fundamental part of the way we do business.



HELPING OUR NEIGHBOURS

Purolator Tackle Hunger Program

In 2003, we launched our employee-led [Purolator Tackle Hunger program](#) to help alleviate hunger in Canada. The program relies on the annual fundraising and volunteering activities of thousands of passionate and dedicated Purolator employees. They raise awareness about the growing problem of hunger and collect food and funds in support of local food banks. The program is also strengthened by the generosity of Purolator partners and customers across the country.

As we commemorate the 20th anniversary of our signature fundraising program in 2023, we will celebrate the many accomplishments of our employees while also recognizing that there is still much work to be done as the need for food banks in Canada continues to grow.

While the pandemic placed extreme hardship on millions of Canadians, those hardships have been exacerbated by the effects of rising inflation and the soaring cost of living, which reached an all-time high in 2022. A report published by one of our charitable partners, [Food Banks Canada](#), revealed that one in five Canadian households is currently struggling with food insecurity. In 2022, more than 1.45 million people per month visited Canadian food banks, and one in three of these visits were by children. Recognizing this growing need, we focused on expanding our Purolator Tackle Hunger program in 2022. We introduced new partnerships with organizations such as the Breakfast Club of Canada, which reaches more than 580,000 children in over 3,500 school nutrition programs across the country.



20M lbs

of food delivered to food banks across Canada since the inception of the program nearly 20 years ago.



“Food Banks Canada is so appreciative of Purolator’s continued support. Through their Purolator Tackle Hunger program, the company demonstrates the power of coming together as a corporate team to relieve hunger today and prevent it tomorrow. With Purolator’s help, we’re able to further our mission of a Canada where no one goes hungry.”

Erin Filey-Wronecki

Chief Development & Partnerships Officer, Food Banks Canada

HELPING OUR NEIGHBOURS

2022 Performance

In 2022, we continued to demonstrate and grow our commitment to tackling the critical issue of food insecurity in Canada with more purpose, drive and determination than ever before. We raised over 1.9 million pounds of food, representing an 11 per cent increase over our 2021 fundraising achievements. According to Food Banks Canada, this equates to nearly two million meals for hungry Canadians. In 2023, our goal is to raise and donate two million pounds of food and build upon the program's incredible success in 2022.

By focusing on supporting our frontline employee efforts and engaging with participating Purolator customers, we celebrated many new fundraising achievements and milestones in 2022. Throughout the year, Purolator employees hosted 191 employee-led fundraising events in communities across Canada, representing an increase of 247 per cent over 2021. These events included Red Bag Food Drives (more on [page 50](#)), Stuff the Truck events at local grocery partner locations, raffles and draws, softball tournaments and much more.

In addition to collecting food for communities, Purolator provides in-kind logistical support and services to food banks and agencies to help them safely transport food donations. In 2022, we provided in-kind shipping support equivalent to over \$450,000 to our CFL and charitable foundation partners in support of Purolator Tackle Hunger related initiatives.

Total Food Donated and Transported (in pounds)

2019	1,651,460
2020	1,602,244
2021	1,734,000
2022	1,952,787



Purolator Tackle Hunger Month – One Team, One Month, One Mission

Every June, Purolator unites its employees, customers and communities around Purolator Tackle Hunger Month. Throughout the month, frontline and office employees host a variety of events and activities aimed at driving awareness of hunger in Canada and fundraising for this cause. In 2022, we challenged our network by offering a \$1 corporate match, up to \$50,000, for every pound of food raised – and the network delivered more than ever before.

Including our corporate match, Purolator raised more than 327,000 pounds of food, a 307 per cent increase over the same campaign period in 2021. Not only did we exceed our food collection goal, but Purolator employees held more than 100 events throughout the month, showing higher engagement in the campaign than ever before.

HELPING OUR NEIGHBOURS



On Martin Luther King Day, our employees in the U.S. distributed baskets to families with children with intellectual and developmental disabilities.

Collaborating to Tackle Hunger

We are grateful for the collaborative fundraising efforts of 21 of our most dedicated and engaged customers who participated by raising funds, collecting food and making corporate monetary donations to support the Purolator Tackle Hunger mission.

For the first time since 2019, we held our annual Purolator Tackle Hunger Month kick-off and wrap-up events in-person. Purolator employees were joined by inspiring speakers from The Mississauga Food Bank, Food Banks Canada, as well as our 2022–2023 ambassador and TSN host, Kate Beirness. Employees were also challenged with delivering the first ever Purolator Head Office Red Bag Food Drive, during which more than 2,700 pounds of food were successfully collected and delivered to The Mississauga Food Bank for distribution to families in need.

Back-to-School Cereal Challenge

As the need for food banks hit an all-time high in Canada in 2022, so did the demand for school nutrition programs, as many children and youth found themselves without access to a healthy, nutritious breakfast. In response, we revived a historical back-to-school challenge to deliver for kids who need us most, ensuring that no child goes to class on an empty stomach.

Through our partnership with Breakfast Club of Canada and engagement with more than 175 Purolator locations across the country, we challenged our employees to collect as many Breakfast Club of Canada approved cereal brands as possible for distribution to local schools and food banks. For every box of cereal collected, Purolator matched it with a \$1 donation to Breakfast Club of Canada. In total, we collected over 4,000 boxes of cereal in 2022, and we anticipate this program will continue to grow in the years to come.

Purolator Gives Back

Purolator Gives Back (PGB) is the charitable giving program our U.S. operations established in 2013 to show support to the communities we operate in. Focusing on three causes – children, veterans and hunger – PGB looks to create partnerships with key organizations where we can go beyond financial support and take a hands-on approach to our involvement.

In 2022, our employees held multiple events with one organization to support families with mentally and physically disabled children and young adults with disabilities who face financial hardship. Events included a movie night for staff and families that collected over 1,500 pounds of food, a holiday basket effort that collected and distributed food baskets for over 60 families, as well as a holiday extravaganza that fulfilled the wishes of 50 children and their families.

Our employees also raised \$2,500 for Toys for Tots, an organization in the U.S. created and managed by Marines who collect and distribute toys to children in need. PGB also coordinated the preparation and serving of several meals for the families staying at Ronald McDonald House, where families stay while their children receive serious medical care. With 30 locations in the U.S., PGB works to bring these efforts to each region where we are located.

In addition to PGB, we also sponsor several internal activities to support and promote the overall well-being of our employees. These activities include a step challenge, the Marcum Workplace Challenge, North American Occupational Safety and Health Week, a Wellness Fair, cultural diversity luncheons and company-sponsored family outings.

HELPING OUR NEIGHBOURS

CFL Partnership

Our partnership with the Canadian Football League (CFL) is a cornerstone of the Purolator Tackle Hunger program. In 2022, we saw the full national return of the program, whereby each of the nine CFL teams hosted their own Purolator Tackle Hunger Game Day Food Drives between July and October. As in previous years, fans attending the game were encouraged to bring non-perishable food items or make monetary contributions. In 2022, more than 400,000 pounds of food were collected across the nine partnering CFL teams, in addition to the annual [Grey Cup Event](#).

While, ultimately, local food banks and the thousands of Canadian families they serve are the winners of these Game Day Food Drives, one football team was the clear champion when it came to going the extra mile for their local community. The Hamilton Tiger Cats raised an incredible 160,000+ pounds of food through their Game Day Food Drive fundraising efforts as well as several other preliminary events held across the region leading up to the annual Labour Day Classic game.

In November 2022, Purolator Tackle Hunger teamed up with fans in Regina at the 109th Grey Cup to raise over 6,400 pounds of food donations for the Regina Food Bank. Purolator Tackle Hunger volunteers were positioned within the festival grounds to collect monetary and food donations from generous game day fans.



TSN CFL host and Purolator Tackle Hunger ambassador Kate Beirness

HELPING OUR NEIGHBOURS

Red Bag Campaigns

Since 2019, we have been bringing our food drive directly to communities across Canada through our Red Bag Campaigns. To date, we have distributed thousands of reusable red canvas bags to the front doorsteps of Canadian homes with a request for residents to fill the bags with non-perishable food items. Our volunteers then pick up the bags a week later and transport them to the local food banks. Purolator's Red Bag Campaigns are open to any community, company, school or organization. Those interested can get involved by completing the online [application form](#) or by [donating here](#).

In 2022, we continued our partnership with the Daily Bread Food Bank for its annual Thanksgiving Food Drive, which takes place every October. Purolator volunteers and community leaders delivered a record 25,000 red bags to homes across multiple neighbourhoods in the Toronto area. The initiative was formally [announced with a media event](#) held at Toronto Fire Station 426. Torontonians from these communities once again rose to the challenge and donated almost 35,000 pounds of much needed food. While this was a decrease over the previous year, we believe it reflects the current economic challenges many Canadians are facing and further underscores the importance of the Purolator Tackle Hunger program.



Media launch of the Toronto Daily Bread Food Bank's Thanksgiving Food Drive



In 2022, we held eight community Red Bag Campaigns from coast to coast, collecting over 85,000 pounds of food for deserving Canadian families at risk of going hungry.

“Purolator Tackle Hunger is the central building block of Purolator’s incredible award-winning culture! Unfortunately, food insecurity and the demand on food banks across North America is greater than ever before. So in 2022, we doubled down on our efforts and raised more than 1.9 million pounds of food for programs across Canada and the U.S.”

Ken Johnston

Senior Vice President, People and Culture

HELPING OUR NEIGHBOURS

Response to the War in Ukraine

When Russian forces invaded Ukraine in February 2022, millions of Ukrainians found themselves in urgent need of safety, food and shelter. Canada is home to the second largest Ukrainian population outside of Ukraine, and with many of our employees and communities watching from the sidelines as loved ones struggled internationally, Purolator once again responded to help meet the need. We provided in-kind logistics donations to several Canadian humanitarian organizations to help support the transport of supplies from local aid organizations to major transport hubs such as airports across the country. This includes organization such as Stand Up for Ukraine that were ensuring the quick and effective movement of life-saving supplies.

Additionally, Purolator partnered with the Canadian Red Cross in support of its [Ukraine Humanitarian Crisis Appeal](#). We called on our employees, customers and communities to support this important effort, offering a corporate match up to a maximum of \$50,000. During the month of March, over \$23,000 was raised, and with Purolator's matching factored in, over \$52,000 was raised for urgent, life-saving support for Ukrainian refugees in need.



Helping Small Businesses Go the Extra Mile

Through the [2022 True North Small Business Grant Contest](#), Purolator awarded more than \$100,000 in grant prizes, including cash awards, marketing support and free shipping, to four deserving small businesses nationwide. Additionally, Pay It Forward funding was granted for the first time in 2022. Each of the four winners received a grant prize of \$5,000 to share with a cause or organization of their choice that is positively impacting the lives of Canadians.

Read more about the winners and finalists [here](#).

SPOTLIGHT

Winner – EarthPup
Toronto, Ontario



EarthPup makes plant-based dog treats from vegetable waste such as juice pulp and imperfect or surplus produce that would otherwise end up in landfill. The company encourages sustainability efforts from other small businesses, provides savings on waste haulage and creates new revenue for these companies. From donations, to generating new jobs and uncovering new revenue streams, EarthPup's sustainable pet treats are also Canada's first certified plastic negative pet food. EarthPup donates meals to Canadian animal shelters and promotes rescue organizations on its online platforms. As part of its Plastic Negative commitment, the company employs members of the community, and removes two pouches worth of plastic from the environment for every pouch of EarthPup that is purchased.

SPOTLIGHT

Finalist – Red Shed Malting
Red Deer, Alberta



Red Shed Malting is a family-owned business dedicated to producing premium quality specialty malt crafted from grains grown on their family farm for craft brewers and distillers. By taking locally sourced grains, Red Shed Malting promotes sustainability, and with fewer miles travelled between farm and brewery, its crops also help build soil and reduce disease pressure. These fourth-generation grain farmers are maintaining their family-owned businesses, the first craft malthouse in Alberta, and first malt roaster in Canada. By providing specialty malts that add flavour, colour and aroma to beer, they connect consumers to the farm. Red Shed Malting gives back to the workforce, works closely with barley growers and supports underrepresented industry groups. It is also the first North American beer to use Blockchain to trace ingredients throughout the whole barley value chain.

HELPING OUR NEIGHBOURS

Volunteer @ Purolator

In 2022, we demonstrated our commitment to our employees and communities through additional efforts such as the launch of "Volunteer @ Purolator." This internal volunteering engagement portal allows employees to post upcoming volunteering opportunities in their community so colleagues can sign up to volunteer their time with the causes and organizations they care most about.

We also introduced a new platform to formally receive donation and sponsorship requests from charitable organizations who wish to apply for Purolator Community Investment funding for programs or initiatives in their community. The application form and eligibility criteria are available [here](#).



In 2022, we created the Purolator Green Team. This group is comprised of passionate eco-champions from across the company who are determined to engage, educate and activate the Purolator network around environmental sustainability and our vision to be the greenest courier company in Canada.



Holiday Box Campaign

In 2022, we worked with talented emerging artists from across the country for our [limited-edition holiday box designs](#), which highlight the uniqueness of each artist's local community. In 2022, the theme for the box designs was focused on bringing family and friends together. We also introduced a QR code on the box that could be scanned to make a donation to 13 provincial and territory food banks across Canada.

The 2022 artists were: Kat Simmers (Alta.); Carolyn Wong (B.C.); Scott Ford (Man.); Kirsten Stackhouse (N.B.); Noah Bender (N.L.); Margeaux Guile (N.W.T); Kadeem Hinch (N.S.); Aedan Corey (Nunavut); Bridget George (Ont.); Niyi Adeogun (P.E.I.); Élodie Duhamel (Que.); Gabrielle Giroux (Sask.); and Lara Bode (Yukon).



PERFORMANCE DATA

ESG Performance

Empowering Our People

GRI Indicator	Topic-Specific Disclosure	Units	2020	2021	2022
102-8	Total workforce	FTE	13,515	14,504	14,200
405	Diversity, Equity and Inclusion				
405-1	Diversity of governance bodies				
	Gender – Women	%	30%	44%	44%
	Gender – Men	%	70%	56%	56%
	Other indicators of diversity				
	Representation of people with disabilities	%	0%	0%	0%
	Representation of visible minorities	%	10%	11%	11%
	Representation of Indigenous people	%	0%	0%	0%
	Diversity of employees – senior management				
	Gender – Women	%	21%	21%	17%
	Gender – Men	%	79%	79%	83%
	Other indicators of diversity				
	Representation of people with disabilities	%	6%	5%	4%
	Representation of visible minorities	%	14%	14%	11%
	Representation of Indigenous people	%	0%	0%	0%
	Diversity of overall workforce				
	Gender – Women	%	20%	20%	22%
	Gender – Men	%	80%	80%	78%
	Other indicators of diversity				
	Representation of people with disabilities	%	3.9%	3.7%	3.7%
	Representation of visible minorities	%	27%	27%	28%
	Representation of Indigenous people	%	3.2%	3%	3%
403	Occupational Health and Safety				
403-8	Employees and contractors covered under the OH&S management system	%	100%	100%	100%
	Is the OH&S management system internally audited?	Yes/No	Y	Y	Y
	Is the OH&S management system audited or certified by an external party?	Yes/No	Y	Y	Y

PERFORMANCE DATA

GRI Indicator	Topic-Specific Disclosure	Units	2020	2021	2022
403-9	Employee lost-time injury frequency rate (per 200,000 hours worked)	Number of injuries per 100 full-time employees	2.96	2.43	2.19
	Motor vehicle collision frequency	Number of collisions per 100,000 km driven	1.51	1.59	1.52
413-1	Community engagement program – Food donated and transported through Purolator Tackle Hunger	lbs	1,602,244	1,734,000	1,952,787

Delivering for Our Planet

GRI Indicator	Topic-Specific Disclosure	Units	2020	2021	2022
305	Greenhouse Gas Emissions				
305-1	Direct (Scope 1) GHG emissions	Tonnes CO₂e	130,760	147,130	133,139
	Owned and rental fleet	Tonnes CO ₂ e	111,261	127,798	109,141
	On-site combustion of fuels	Tonnes CO ₂ e	19,499	19,332	23,998
305-2	Indirect (Scope 2) GHG emissions	Tonnes CO₂e	6,743	4,682	3,841
	Purchased electricity (location-based)	Tonnes CO ₂ e	6,743	6,079	6,164
	Purchased electricity (market-based)	Tonnes CO ₂ e	6,743	4,682	3,841
305-3	Other indirect (Scope 3) GHG emissions	Tonnes CO₂e	349,304	379,606	354,442
	Subcontracted ground fleet (category 4)	Tonnes CO ₂ e	81,680	103,714	99,583
	Subcontracted air carrier (category 4)	Tonnes CO ₂ e	83,597	82,949	75,594
	Rail (category 4)	Tonnes CO ₂ e	1,345	645	1,910
	Waste (category 5)	Tonnes CO ₂ e	2,105	2,132	2,085
	Fuel and energy-related activities (category 3)	Tonnes CO ₂ e	75,791	87,276	86,140
	Business travel (category 6)	Tonnes CO ₂ e	1,657	1,293	4,451
	Purchased goods and services (category 1)	Tonnes CO ₂ e	20,076	21,583	20,798
	Capital goods (category 2)	Tonnes CO ₂ e	42,877	32,967	20,186
	P&D owner-operator (category 4)	Tonnes CO ₂ e	17,210	18,976	18,897
	Third-party ground – U.S. operations (category 4)	Tonnes CO ₂ e	21,844	27,179	23,901
	Employee commuting (category 7)	Tonnes CO ₂ e	1,122	891	896
	Total GHG emissions (Scope 1, 2 and 3)	Tonnes CO₂e	486,807	531,418	491,422

PERFORMANCE DATA

GRI Indicator	Topic-Specific Disclosure	Units	2020	2021	2022
305-4	GHG emissions intensity ratio				
	Revenue	\$MM	\$2,205	\$2,606	\$2,834
	Packages delivered	Total # of packages	161,394,036	174,043,434	169,261,220
	GHG emissions intensity	Tonnes CO ₂ e/\$MM revenue	221	204	173
	GHG emissions intensity	Tonnes CO ₂ e/1,000 packages	3.02	3.05	2.90
302	Energy				
302-1	Energy consumption from buildings				
	Natural gas, propane and oil	GJ	377,264	408,141	459,684
	Electricity	GJ	169,288	176,383	180,319
	Total energy consumption from buildings	GJ	546,552	584,524	640,003
302-3	Energy intensity	GJ/m ²	1.33	1.30	1.41
	Total floor area	m ²	411,759	449,417	454,625
	GHG emissions intensity	Tonnes CO ₂ e/m ²	1.18	1.18	1.08
306	Waste				
306-3	Total waste generated	Tonnes	5,911	7,024	7,407
306-4	Waste diverted from landfill	Tonnes	3,038	3,607	4,660
306-5	Waste directed to landfill	Tonnes	2,872	3,417	2,747

Economic Performance

GRI Indicator	Topic-Specific Disclosure	Units	2020	2021	2022
201-1	Direct economic value generated and distributed				
	Revenue from operations	\$MM	\$2,206	\$2,608	\$2,834
	Cost of operations	\$MM	\$2,006	\$2,315	\$2,496
	Profit from operations	\$MM	\$200	\$293	\$338
	Investing and financing income (expense), net	\$MM	-\$24	-\$24	-\$21
	Profit before tax	\$MM	\$176	\$269	\$317

PERFORMANCE DATA

UN Sustainable Development Goals

Sustainable Development Goals	Targets	Our Contributions	Learn More
Empowering Our People			
	<p>3.4 – By 2030, reduce premature mortality from non-communicable diseases by one-third through prevention and treatment, and promote mental health and well-being</p> <p>3.6 – By 2020, halve the number of global deaths and injuries from road traffic accidents</p> <p>3.8 – Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	<ul style="list-style-type: none"> Reduced lost-time injury frequency rate by 42 per cent compared to our 2019 baseline Delivered nearly 180,000 hours of training to our frontline and professional staff through our e-learning kiosks across 187 locations in Canada 	<p>Health and Safety, pages 23–24</p> <p>Health and Wellness, pages 25–28</p>
	<p>5.1 – End all forms of discrimination against all women and girls everywhere</p>	<ul style="list-style-type: none"> Increased our representation of women in governance bodies by 14 per cent between 2020 and 2022 44 per cent of non-unionized new hires in 2022 were women 	<p>Diversity, Equity and Inclusion, pages 29–32</p>
	<p>8.5 – By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>8.8 – Protect labour rights and promote safe and secure working environments for all workers, including migrant workers – in particular, women migrants, and those in precarious employment</p>	<ul style="list-style-type: none"> Achieved a retention rate of 81 per cent 180,000 hours of training delivered through e-learning kiosks across 187 locations 	<p>Employee Experience, page 19</p> <p>Talent Management, pages 20–22</p>
	<p>10.2 – By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p> <p>10.4 – Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality</p>	<ul style="list-style-type: none"> Grew our DEI Regional Council network by adding nearly 100 new members and increased participation by 66 per cent 	<p>Diversity, Equity and Inclusion, pages 29–32</p>
Delivering for Our Planet			
	<p>9.4 – By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<ul style="list-style-type: none"> Expanded our LED retrofit program to more than 70 of our terminals across Canada and installed more than 200 new HVAC units across our network Piloted two Urban Quick Stop mini hubs operating five e-bikes to deliver packages to surrounding areas, decreasing traffic congestion and eliminating more than 99 per cent of last-mile delivery emissions 	<p>Climate Change and GHG Emissions, pages 35–42</p>
	<p>12.5 – By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p>12.6 – Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>	<ul style="list-style-type: none"> Eliminated 670 tonnes of waste through packaging reduction and recycling initiatives and increased our overall landfill diversion rate by 22 per cent Launched our new recycling program at 14 sites across Canada with enhanced recycling services and equipment, improved bins and signage, and training 	<p>Circular Economy and Waste, pages 43–44</p>
	<p>13.1 – Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2 – Integrate climate change measures into national policies, strategies and planning</p>	<ul style="list-style-type: none"> Reduced total emissions per dollar revenue by 22 per cent and our total emissions per package by five per cent Developed our 2030 fleet decarbonization roadmap to help us achieve our emissions reduction goals and 60 per cent electrification of our last-mile delivery vehicles 	<p>Climate Change and GHG Emissions, pages 35–42</p>
Helping Our Neighbours			
	<p>2.1 – By 2030, end hunger and ensure access by all people – in particular, the poor and people in vulnerable situations, including infants – to safe, nutritious and sufficient food all year round</p>	<ul style="list-style-type: none"> Hosted 191 employee-led Purolator Tackle Hunger fundraising events in communities across Canada Collected 1.9 million pounds of food, equating to nearly two million meals for Canadians struggling with food insecurity 	<p>Helping Our Neighbours, pages 46–52</p>



Corporate Profile

Purolator is a leading integrated freight, package and logistics solutions provider.

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