



2018 Corporate Social Responsibility Report





Who We Are

Purolator is a leading integrated freight, parcel, and logistics solutions provider with almost 60 years of delivering the right services and solutions to our customers. Nationally, provincially, and regionally, our customers count on our best-in-class service and support wherever they are.

We are proud of our Canadian heritage. We appreciate the integral role we play in Canada's economic and social fabric by connecting communities, delivering promises, and facilitating success.

Purolator promotes a culture that encourages involvement, thrives on communication, and empowers us to find innovative solutions for our customers. In this spirit, we remain committed to reducing our environmental footprint, supporting health and safety, championing diversity, and engaging with the community.

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<p>60 years in business</p>	<p>12,000 employees</p>	<p>172 operating facilities</p>	<p>3 corporate social responsibility priorities</p>
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About This Report

This inaugural corporate social responsibility (CSR) report covers activities in 2018. Its scope encompasses our performance on our key CSR priorities:

1. Our Environment
2. Our People
3. Our Community

Feedback

We welcome all questions, comments, and feedback on our CSR initiatives and activities. To submit a feedback or a question, feel free to contact us at mary.deguzman@purolator.com.



A Message from President and CEO John Ferguson

Delivering sustainability is at the core of what we do, every day. It has to be. In 2018, Purolator processed more than one-quarter of a billion packages. That’s almost seven times Canada’s population. We employ 12,000 people, operate over 6,000 vehicles, and deliver to virtually every postal code across the country. Our scale is enormous – and so is our dedication to get it right for the future of our country, our customers, our employees and our society.

We are proudly Canadian. We have been here for almost 60 years. Throughout our deep heritage, we have focused on making meaningful progress to ingrain corporate responsibility in every corner of our business. This includes giving back to the thousands of communities we serve through Purolator Tackle Hunger, fostering an outstanding culture and a safe, diverse work environment, creating quality careers, and constantly reducing our environmental footprint by adopting leading technology and innovation.

2018 was a banner year for corporate social responsibility at Purolator. We worked hard to build a foundation with dedicated resources and priorities to make sure it is a catalyst for our future growth.

This Report is a culmination of our progress in and leading up to 2018. It showcases key metrics and our areas of focus, which we are making significant strides towards achieving in 2019. Launching first of their kind e-bikes with zero emissions, creating

more than 2,000 jobs across the country, raising more than 1.5 million pounds of food for local food agencies, re-energizing Diversity Councils at the leadership and regional levels, and making historic investments in employee safety, training and wellbeing are some of the many examples that are highlighted throughout this Report. It is an exceptional starting point and benchmark for us to measure ourselves against year over year.

I strongly believe it is important for all businesses to take responsibility for economic and social challenges that are beyond what they can control. Corporate Social Responsibility is a global phenomenon, and at Purolator we are committed to applying a corporate social responsibility lens in all of our decision making, whether its employee safety and diversity, the sustainability of our fleet or the economic benefit we bring to the communities we serve. It’s the right thing to do for the future of everyone who relies on our business. It will also help us operate sustainably and maintain our competitive advantage for the long-term.

None of the corporate social responsibility progress you will read about in this Report would be possible without the passion, pride and dedication of our people. Each day, our employees contribute to our society, economy and communities in astonishing ways. They do it because they care. I am so proud of their accomplishments and I want all of our employees to know that I am very grateful. Together, we will continue to operate sustainably and make Canada stronger for generations to come.

JOHN FERGUSON
PRESIDENT AND CEO





Highlights from 2018

Our Environment

6.25%

reduction in GHG emissions intensity from 2017 to 2018 and by



37.5%

relative to 2014 total annual revenue

4

straight trucks recycled

18

van trailers recycled

62

vans recycled

Equivalent to:

760,000^{lbs}

of end-of-life fleets being diverted from landfills

Our People

\$2.9M

invested in employee training, learning and development



161%

increase in representation of persons with disabilities



37%

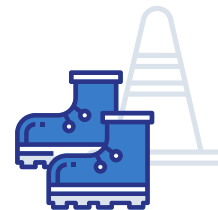
increase in representation of indigenous peoples from 2017



Snow-Rated Footwear Program launched for approximately

4,300

couriers across Canada to reduce slip and fall injuries on icy roads and pavements



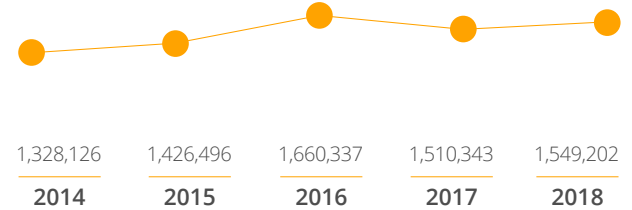
Our Community

Over

1.5M^{lbs}

of food raised for 55 food banks through the Purolator Tackle Hunger Challenge

Donations received in lbs.



850,000⁺

Canadians rely on their local food bank



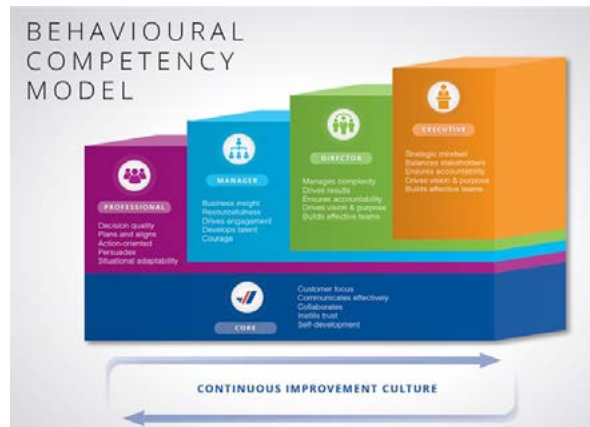
1 in 6 households



35.2% are children

Commitment to Continuous Improvement

As the industry changes and the competitive landscape continues to evolve, we are investing in talent management and a new behavioural competency model for employees to maintain the competitive advantage. The first step to acquiring, managing, and developing talent is the identification and adoption of core competencies that align with the organization's goals and objectives. Following this is instilling and reinforcing the right corporate culture to propel the organization forward.



Purolator's new Behavioural Competency Model

Over the last few months, the Organizational Development team conducted a series of focus groups to identify those competencies. More than 180 employees provided feedback, which helped develop a new behavioural competency model. These new competencies illustrate the "Purolator way" and are the basis for a strong corporate culture:

- Customer focus
- Communicates effectively
- Collaborates
- Instills trust
- Self-development

These new core competencies will apply to all non-unionized employees and there are additional competencies for each employee level – professional, manager, director, and executive.

Originally certified in November 2002, Purolator is audited every three years to maintain its ISO standing. In 2018, Purolator was upgraded from its previous ISO 9001:2008 to the ISO 9001:2015 certification. The ISO 9001:2015 Quality Management System enables Purolator to continuously improve overall performance and customer satisfaction. Purolator head office and eight terminals participated in the certification process. ISO-certified businesses demonstrate that they adhere to a universally accepted quality management system (QMS). Many Purolator customers require ISO compliance in order to facilitate a partnership agreement.



Life Cycle of a Package

From humble roots as a trucking company, we've evolved into a relationship-driven courier and freight company with strengths in international shipping solutions. Our Life Cycle of a Package illustrates how we deliver packages from first-mile to last-mile destination point.

250M +

Packages processed and delivered through intermodal transportation (road, rail, and air carriers).

“ We strive to continuously improve, innovate and develop new technological solutions at Purolator. We aim to develop best practices that enhance our Life Cycle of a Package process to deliver on our promises and provide visibility to all our stakeholders.”

— CAROLINA REY, SPECIALIST, PROCESS ENGINEERING





Our Approach to CSR

Driving purposeful change

Three corporate social responsibility focus areas are critical to our continued success and business sustainability – Our Environment, Our People, and Our Community.

“ At Purolator, we are committed to operating our business in a responsible manner, as reflected in our Corporate Stewardship value and supported by our management systems, business practices and decision-making. We work together to strengthen the communities we serve, and we manage our business ethically and sustainably.”

— MARY DEGUZMAN, SENIOR MANAGER, CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY





Governance

Purolator's board of directors is responsible for Purolator's stewardship. The board:

- determines our vision and long-term strategic framework;
- approves our strategic plan;
- determines our approach to corporate governance;
- appoints the President and CEO and other officers, and plans for their succession;
- monitors compliance controls and risk management practices;
- evaluates the integrity of our financial reporting; and
- approves significant borrowing and other transactions.

The President and CEO is required to (i) keep the Board fully informed of our progress towards the achievement of the objectives set out in the approved strategy, and (ii) report all significant facts and changes concerning Purolator's business and affairs.

In 2018, a corporate responsibility functional unit was introduced. It's responsible for:

- raising the visibility of our corporate responsibility and sustainability initiatives; and
- actively demonstrating to our employees, customers, and business partners our focus on safety, environmental performance, community engagement, and diversity and inclusion.

Stakeholder Engagement and Materiality Assessment Approach

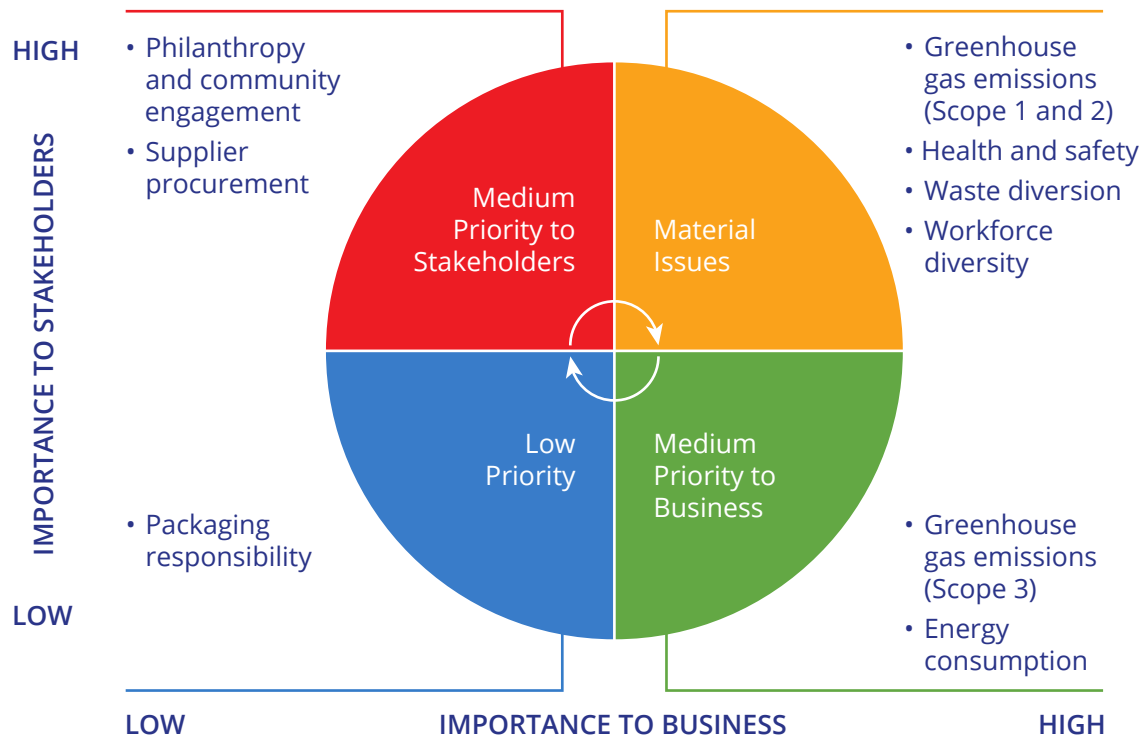
During fiscal 2018, we conducted a thorough CSR materiality assessment to identify the CSR material topics to measure and against which to report our impact. This exercise showed many of the highest priority issues for stakeholders, and areas where we have the greatest impact. This outcome supports our ongoing, philanthropy-centered CSR strategy, which was developed to reflect the nature of our business and our purpose to help deliver our customers' promises. The outcomes from the materiality assessment will guide the evolution of our CSR strategy in the coming years, along with a revision of our CSR goals and the development of disclosures and performance indicators. It will ultimately help drive us to focus on those issues and opportunities where we can make the greatest positive impact.

Materiality Assessment

In 2018, we conducted a materiality assessment focusing on environmental, social, and governance (ESG) impacts on the organization. After a stakeholder engagement process, we disclosed performance metrics to benchmark, track, and report in order to evaluate progress annually.

We will gather aggregate feedback from stakeholders and conduct a comprehensive ESG materiality assessment in 2019–2020 through internal and external outreach to understand interests and expectations.

Materiality Matrix



Other Key CSR Initiatives and Programs to Be Launched in 2019

New Head Office and Workspace

In early 2019, we moved to a new head office in Mississauga. It is a LEED®-certified gold building (Leadership in Energy and Environmental Design®). The standard recognizes that sustainability should be at the heart of all buildings – in design, construction and operation. LEED buildings create a healthier indoor environment for occupants through better indoor air quality, less harmful products, and more natural daylight. In addition, they reduce waste, conserve energy, decrease water consumption, and drive innovation, resulting in a productivity boost. The new head office is designed to be safe, accessible, and accommodating of diversity. It includes a multi-faith prayer room and ablution wash areas, gender neutral washrooms, flexible furniture solutions, quiet rooms and collaboration areas, multiple bike stalls, and electric car charging stations.



Our Environment

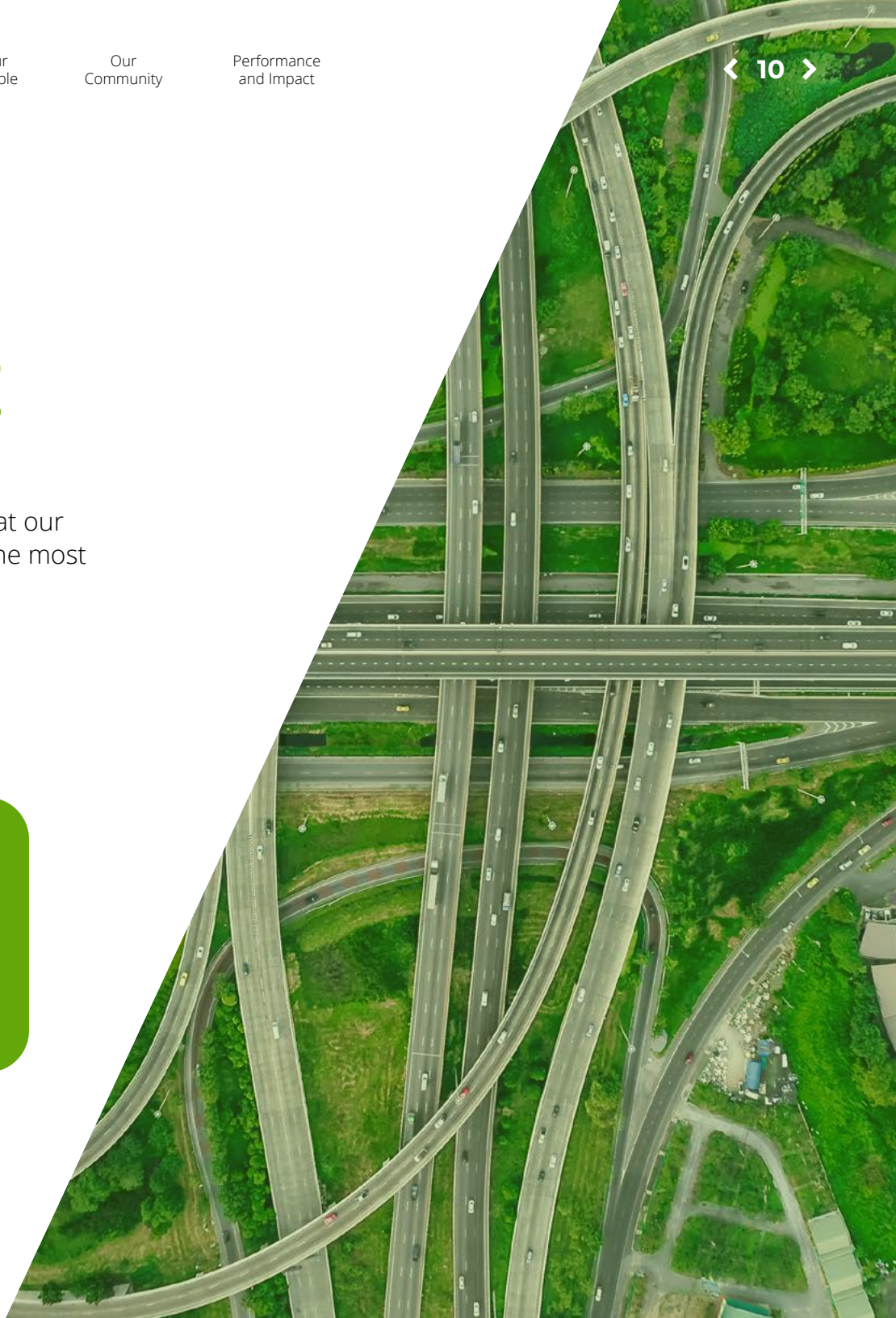
Supporting environmental sustainability

Climate change is the most serious environmental challenge that our world faces today and greenhouse gas (GHG) emissions pose the most significant risk.

The transportation sector is the second leading source of GHG emissions in Canada. We are committed to reducing our environmental impact by addressing climate change risks and actively reducing our environmental footprint.

“ We continue to modernize our fleets by taking advantage of the latest technologies that are both safe and fuel-efficient. Our goal is to steadily introduce sustainable vehicles that will eventually deliver zero-emissions on road.”

— SERGE VIOLA, DIRECTOR, NATIONAL FLEET MANAGEMENT



Management Approach and Data Collection Process

Purolator developed a comprehensive GHG inventory – evidence of our commitment to actively manage our GHG impact. The GHG inventory process deepens our understanding of the sources of emissions and ultimately works towards achieving or exceeding targets to reduce emissions throughout our operations.

ICF, a globally recognized firm known for excellence in climate change consulting, was retained to develop Purolator’s GHG Inventory. The GHG Inventory is based on recognized international standard, the ISO 14064-1, and the World Resources Institute Greenhouse Gas Protocol. Purolator’s GHG Inventory follows recognized best practices, with due consideration for striking a balance between the materiality of emissions sources and the comprehensiveness of the analysis.

The inventory pinpoints sources of GHG emissions across company operations, and identifies potential means of mitigating those emissions. In addition, the inventory helps refocus the pursuit of revenue opportunities and cost reductions.

Greenhouse Gas Reporting and Inventory Results

The results from the GHG emissions inventory exercise for 2018 Canadian operations. Scope 1 and 2 GHG emissions are based on consumption of electricity and other on-site fuels and HFC recharge (from building air conditioning units) as well as consumption of fuels from Purolator-owned fleet. Scope 3 GHG emission sources include subcontractor fleet fuels and waste.

Emissions by Scope (t CO₂e)

	2014	2015	2016	2017	2018
Scope 1	274,410	142,581	103,571	109,140	106,690
Scope 2	8,049	7,796	6,539	6,300	6,160
Scope 3	121,365	127,603	142,936	148,182	166,673
Total	403,824	277,980	253,045	263,622	279,524

Emissions by Source (t CO₂e)

	2014	2015	2016	2017	2018	% Change 2014–2018
Direct GHG Emissions (Scope 1)						
Owned Fleet	253,228	123,644	87,619	91,383	88,387	-65%
Buildings, heating & refrigerants	21,182	18,937	15,952	17,758	18,304	-14%
Indirect GHG Emissions – Purchased Electricity (Scope 2)						
Buildings, electricity	8,049	7,796	6,539	6,300	6,160	-23%
Indirect GHG Emissions – Other (Scope 3)						
Subcontracted Ground Fleet	73,805	73,359	81,317	86,770	86,455	17%
Subcontracted Air Carrier	44,827	51,778	58,865	58,524	77,188	72%
Rail	2,732	2,466	2,754	2,887	2,766	1%
Waste	NC	NC	NC	NC	264	
Employee Air Travel	NC	NC	NC	NC	NC	
Total	403,824	277,980	253,045	263,622	279,524	-31%

NC = Not Captured

31%
reduction in GHG emissions since 2014

23%
reduction in electricity consumption in 2014

Purolator operates a network of over 170 buildings including hubs, depots, retail locations and corporate offices. Emissions from energy consumed by our building portfolio accounts for just over 10% of the 2018 inventory.

Emissions by Source (t CO₂e)

	2014	2015	2016	2017	2018
Electricity	8,049	7,796	6,539	6,300	6,160
Fuels	21,182	18,947	15,962	17,769	18,534
Total	29,231	26,743	22,501	24,069	24,694

Emissions Performance Metrics

Year over Year Changes (t CO₂e)

	2014	2015	2016	2017	2018
Scope 1	-4%	-48%	-27%	5%	-2%
Scope 2	-16%	-3%	-16%	-4%	-2%
Scope 3	-13%	6%	12%	4%	12%
Total	-7%	-31%	-9%	4%	6%

GHG emissions in 2018 were 6% greater than emissions recorded in 2017. Both shipments and revenue increased, and additional emission sources were included in the inventory (refrigerants and waste), contributing to a higher total. The increase in Scope 3 emissions between 2015 and 2016 was due to the fact that our fuel emissions were previously categorized as Scope 1 emissions since we had a dedicated air fleet. However, with a full transition to Cargo Jet in 2016 while the Scope 3 based emissions were up, comparatively our overall emissions came down.

GHG emission reductions since 2014 are equivalent to:



4,600,000

tree seedlings grown for 10 years



56

Wind turbines running for 1 year

GHG emissions have also been tracked against several key metrics for years 2014 through 2018. On an intensity basis, GHG emissions have consistently dropped year over year. Scope 1 and 2 GHG emissions have dropped by 12% from 2017 to 2018 and by 62% relative to a 2014 baseline when considering emissions per shipment.

Emissions Intensity

	2014	2015	2016	2017	2018
Scope 1-2 GHG tCO₂e/\$ Revenue	0.17	0.10	0.07	0.07	0.06
Scope 1-2 GHG tCO₂e/Shipments	3.09	1.81	1.30	1.35	1.19
Scope 1-2 GHG tCO₂e/Pieces	2.14	1.26	0.91	0.95	0.85

Carbon Reports for Purolator Shipments

A carbon footprint report is available to customers that quantifies emissions related to their specific shipments and packages. The Purolator Emissions Estimation Array Tool estimates GHG emissions for an array of shipments based on the pick-up and drop-off location, mode of transport, and weight of each shipment. This tool helps customers better understand their carbon footprint and identify ways to minimize emissions.

Fleet Efficiency Initiatives

Fleet modernization

We continue to replace and retire older fleets with fuel-efficient vehicles. We operate over 323 hybrid-electric vehicles in Canada and continuously strive to use more alternative-fuel, hybrid electric, and electric vehicles.

Innovation and partnership – electrification of fleet in urban areas

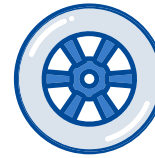
Purolator partnered with Cummins Inc. to develop a powertrain that could replace combustion engines and reduce GHG emissions. It was an opportunity for both organizations to accelerate into a low-carbon economy and experiment with cleaner forms of alternative energy.

The test truck known as “VÉHICULE ÉLECTRIQUE” has logged about 5,304 km in field testing and another 6,000 km during development testing. The electric truck is now on a 70–100 km route so we can learn more about its limits and challenges.

Waste minimization and circular economy

In the spirit of continuous improvement, we partnered with a metal recycling and truck parts facility in Ontario to recycle end of life fleets. The partnership facilitates a closed-loop system for recycling products and packages into new ones. Purolator recycled 62 vans, 18 van trailers, and four straight trucks. Over 760,000 lbs of end-of-life fleets were recycled and diverted from landfills.

Other fleet-related products that were diverted from the landfill



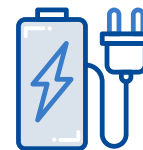
54,800^{lbs}

548 MT tires recycled for reuse, recapping or through the Ontario Tire Stewardship Program



4,468^{litres}

Fluids collected and disposed through the Hazardous Waste Information Network



3,150^{lbs}

Recovered batteries and lead diverted from landfill stream

Lead acid batteries are sold to a processor in Canada, is extracted and then made into new batteries. Tires are sold for reuse or sent to tire recyclers to be made into crumb rubber products.

Mobile Quick Stop

As part of our commitment to innovate last-mile delivery, we introduced a new pilot Mobile Quick Stop (MQS) service to provide consumers, online retailers, and businesses the flexibility to deliver and pick up packages last holiday season. Laurie Weston, Purolator's Director of Retail, recognized how dynamic needs of e-commerce required an equally dynamic and unique solution. Working with operations management, Laurie's team identified pilot communities with a large number of residential deliveries and a gap for convenient package pick-up. Ten MQS trucks were placed in four of Canada's busiest metropolitan cities to serve as convenient package pick-up spots for shipments. The MQS trucks were located close to residents' homes and places of work and were also open evenings when customers were more likely to have time to pick up their packages.

Customers who walked to pick up their packages were also given the option to use ride-hailing service Lyft if they discovered that their packages were too heavy or large to carry home. In 2018, Lyft also announced that all their rides are **carbon-neutral** by offsetting emissions from all globe-wide rides.

Images

Top right: Our courier providing customer packages at an MQS service.

Bottom right: Our MQS truck placed at the downtown Ottawa area to serve as a convenient pickup location.



10
Mobile Quick Stop Trucks

4
of Canada's busiest metropolitan cities

A web-based app allows customers to enter their Purolator package ID number to check the status of their package, the location of the MQS truck and its hours of availability.





Our People

Investing in health, safety, diversity, and inclusion

Purolator has made a commitment to ensure that each colleague feels supported and safe at work. In the past year, we launched several initiatives to make sure Purolator remains a great place to work.

“ With over 12,000 employees across Canada and the United States, we are committed to engaging and developing our team so that they are successful in a safe and healthy workplace. We have a commitment to putting people first through continuously improving our safety practices, supporting our Workplace Health and Safety Committees at all locations, and providing leadership development training to deliver the future.”

— KEN JOHNSTON, SENIOR VICE PRESIDENT AND
CHIEF HUMAN RESOURCES OFFICER

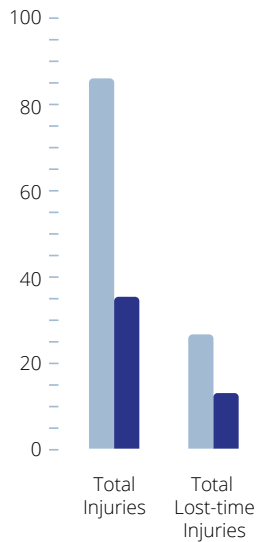


Snow-Rated Footwear Program

In November 2018, we launched the voluntary Snow-Rated Footwear Program for approximately 4,300 couriers. Each courier is provided with a voucher to purchase footwear specifically engineered and designed to perform on wet, icy surfaces.

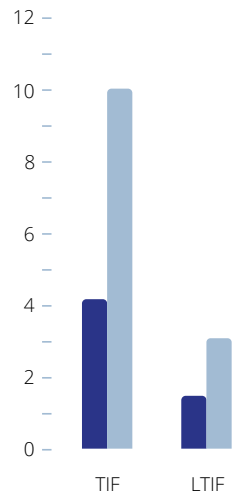
Approximately 50% of couriers purchased the boot for the 2018 winter season. The total injury frequency of couriers who sustained a slip and fall injury on icy conditions was significantly lower compared to the group of couriers who were not wearing the snow-rated boots. The frequency rate of lost time injuries due to slip and falls on icy conditions also decreased.

Total Frequency Rate of Slip and Fall Injuries and Lost-time Injuries

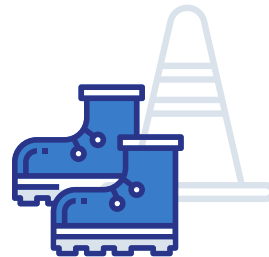


● Not Wearing Boots
 ● Wearing Boots

Snow Boot Usage by Couriers

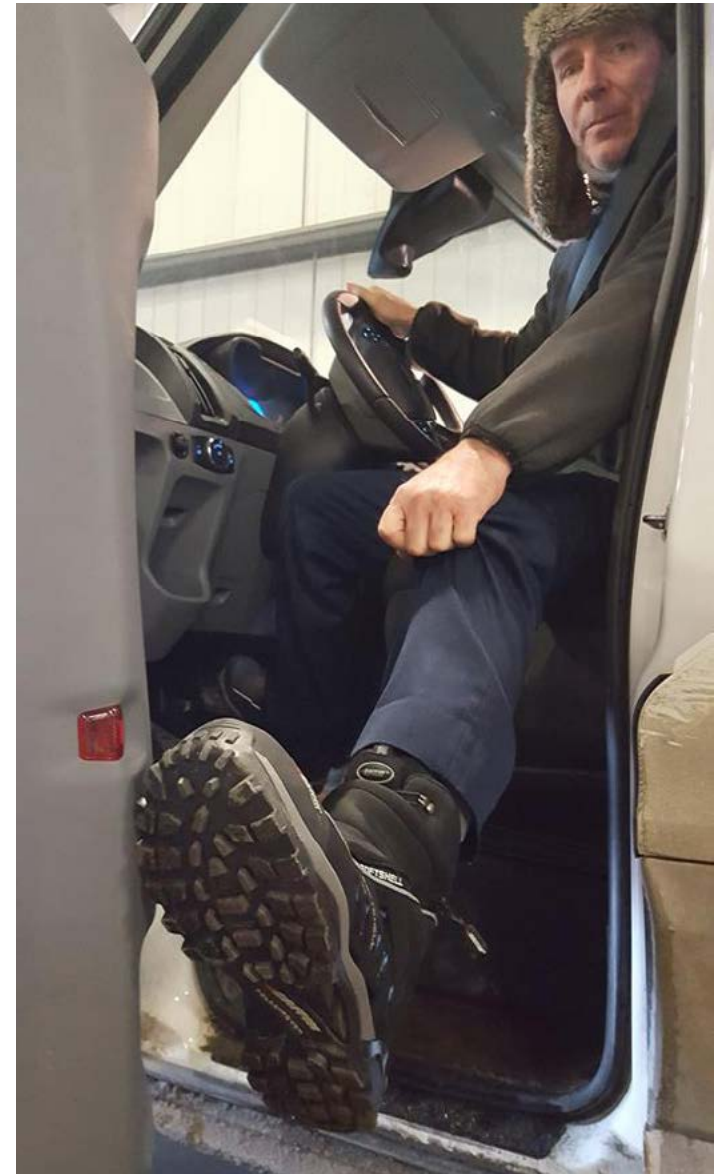


● Not Wearing Boots
 ● Wearing Boots



50%

of couriers purchased the snow-rated boot for the 2018 winter season



Our courier wearing the new Snow-Rated Footwear which was launched in 2018.

Diversity, Equity, and Inclusion

Purolator celebrates, supports, and values all our employees. Our successes and recent record growth is attributed to the incredible diversity of thought and our unique perspectives, experiences, and backgrounds.

We are committed to providing an inclusive environment in which all employees are provided equal opportunity. Everyone should feel empowered to share in these opportunities and have the benefit of shaping our company.

Recognizing that our diversity and inclusion strategy is a multi-phase, multi-year endeavour, significant foundational improvements ensure success in all our current and future diversity and inclusion initiatives.

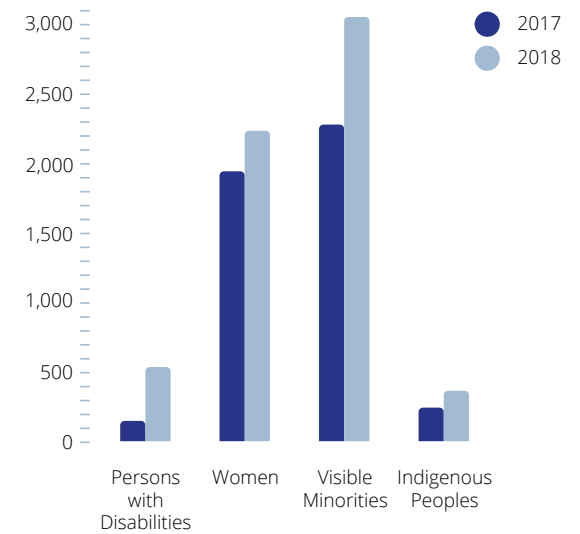


Our President and CEO with our couriers in downtown Toronto.

Key Initiatives

- A workforce census to determine our current workforce composition and track representation in the four designated groups (women, persons with disabilities, Indigenous peoples, and visible minorities);
- The continuation of organization-wide training for our frontline employees, targeted training for People Managers and mandatory mental health awareness training for all our employees;
- Enhanced employee feedback channels to increase employee engagement; and
- The creation of the corporate responsibility function reporting to the Senior Vice President and Chief Human Resources Officer.

As at December 31, 2018, Purolator had 11,212 employees. The following is a breakdown of designated group members who opted to self-identify in our workforce census:



37%
increase in representation of Indigenous Peoples in 2018, as compared to 2017

14%
increase in representation of visible minorities in 2018, as compared to 2017

1,500
employees hired to meet our customer obligations (approximate)

161%
increase in representation of persons with disabilities in 2018, as compared to 2017



Mental Health

Mental health plays an essential role in our diversity and inclusion strategy. Being inclusive extends to supporting not just our employees' physical health and safety, but also their mental health and well-being.

Mental Health Microsite

During North American Occupational Safety and Health (NAOSH) week and Mental Health Week, we introduced Purolator's new microsite, *Mental health across generations* from our Employee and Family Assistance Program (EFAP) provider, Morneau Shepell. The site highlights some of the challenges facing different demographics and the impact on mental health.

Mental Health Training

Education and awareness are the first steps in understanding mental health and eliminating stigma. In partnership with Morneau Shepell, our Employee and Family Assistance Program (EFAP) provider, we deployed our *Building blocks for positive mental health training program* aimed at equipping all employees with information and tools for supporting those living with mental illnesses.

New Manager Development Program

In 2018, 60 managers across the country completed the EVOLVE® New Manager Development program. Designed to provide managers with the key competencies to be effective leaders, the comprehensive six-month program includes components of mental health and awareness, EQ development, and inclusive leadership practices.

The EVOLVE Manager Development program includes mental health training for people managers specifically on how to identify signs and symptoms of a mental illness as well as additional tools and resources.

Other training initiatives include:

- 9,500 frontline employees across 76 terminals can access online digital learning through Chromebooks.
- 500 employees have access to personality and emotional intelligence assessments.

Communication and Employee Engagement

Building on 2017's efforts, 2018 remained focused on promoting dialogue and raising awareness on a variety of diversity and inclusion issues while building a stronger environment in which diversity and inclusion can truly flourish. To support this, we launched our internal social media platform *Workplace*®.

Our courier delivering a package at a retail store.





Our Community

Facilitating volunteerism, outreach, and engagement

Since 2003, we've focused our efforts on what we believe to be one of the most pressing issues affecting Canadian communities nationwide: hunger. We are committed to tackling hunger in Canada and making a difference in the communities we serve.

“ I believe that Purolator should be an integral part of the community – and initiatives like our terminal's Tackle Hunger Challenge play a vital role to ensure that we can all contribute to make a meaningful change in Canada and support our communities. Purolator is not just a parcel and logistics company; it's a company that truly cares about the community where we live, work and play.”

– PAT POLLOCK, COURIER



Purolator Tackle Hunger®

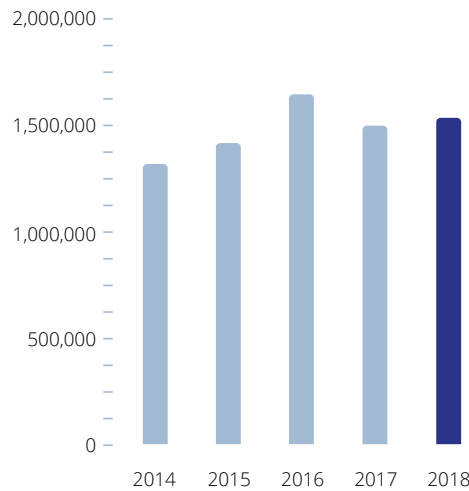
More than 850,000 Canadians use food banks each month; a third of them are children. For the 16th consecutive year – through the employee-initiated Purolator Tackle Hunger® (PTH) program – our employees, partners, agents, and customers donated their time, food, and money to help food banks support our communities. Thanks to their efforts, they helped raise more than **1.55 million pounds of food in 2018.**

Purolator and its partners – including the Canadian Football League (CFL), BC Lions, and Toronto Argonauts, and their fans – raised awareness of hunger in Canada and collected donations through various activities, including Game Day Food Drives. With the help of the CFL, its member teams and fellow Canadians, we've been able to raise over **610,000 pounds** of food through our Purolator Tackle Hunger Game Day Food Drive Collection in 2018.

We also participated in a back-to-school cereal challenge, an online holiday auction, an employee softball tournament, Red Bag Community Food Drive, and fundraising barbecues.

In 2018, we also provided about \$100,000 to food banks and charitable organizations across Canada. Our donations take the form of in-kind voluntary actions, logistical support, donations, event sponsorships, and fundraising events for charities.

Food Donated through the Purolator Tackle Hunger Challenge (lbs)



Our President and CEO with PTH volunteers at a Game Day Food Drive event.

Some of the food banks and charities we supported in 2018:





CSR Performance and Impact

	2017	2018
Our Community		
Pounds of Food Donated (lbs)	1,510,343	1,549,202
Our Environment		
Estimated Total Greenhouse Gas Emissions (Scope 1, 2 & 3) (tonnes CO₂e)	263,622	279,524
Total Emissions Intensity (Scope 1, 2 & 3) (metric tons CO₂e/\$1,000 revenue)	0.16	0.15
Total Emissions Intensity (Scope 1, 2 & 3) (metric tons CO₂e/1,000 shipments)	3.10	2.94
Total Emissions Intensity (Scope 1, 2 & 3) (metric tons CO₂e/1,000 pieces)	2.16	2.09
Our People		
Workforce Diversity		
Workforce (number)	9,717	11,212
People with Disabilities in Workforce (number)	173	525
People with Disabilities in Workforce (%)	1.8%	4.7%
Representation of Women in Workforce (number)	1,961	2,237
Representation of Women in Workforce (%)	20%	20.2%
Representation of Visible Minorities in Workforce (number)	2,268	3,008
Representation of Visible Minorities in Workforce (%)	23.4%	26.8%
Representation of Indigenous People in Workforce (number)	234	373
Representation of Indigenous People in Workforce (%)	2.4%	3.3%

Performance Metrics – Notes on Data Collection Methodology and Assumption

A comprehensive approach was taken in the development of the 2018 GHG Inventory and all major emission sources were included. Purolator expanded the scope of the inventory to include refrigerants and included some waste streams, thus developing a comprehensive GHG emissions inventory.

In the future, the scope of the corporate emissions may be expanded to include several upstream and downstream emission sources. Although it is expected that additional emission sources are expected to be proportionally low relative to the emission sources currently tracked, the following sources could be considered in an expanded inventory scope:

- Additional waste streams including municipal solid waste and recycling
- Emissions associated with upstream and downstream impacts of packaging materials
- Upstream, or indirect emissions from fleet fuels
- Corporate air travel and corporate commute

It is common practice to estimate typical energy usage based on floor area for office buildings lacking energy consumption data. It was possible to estimate consumption of electricity, natural gas for heating, for Purolator's North American corporate offices based on the building floor area or based on data provided in previous years for facilities where data was not available.

Fuel volumes were readily available for Purolator operated fleet. Subcontracted fleet fuel consumption (contractor carriers and owner operators) was estimated based on total km travelled from 2007 to 2017, in 2018 these estimates were based on average fuel costs in 2018.

Estimated Emissions for Scope 1, 2 and 3

	2014	2015	2016	2017	2018
Actual Data	80%	71%	66%	65%	67%
Fleet fuel estimated from distance x fuel efficiency	18%	26%	32%	33%	0%
Freight mass estimated from container capacity	1%	1%	1%	1%	1%
Fleet fuel estimate from cost	0%	0%	0%	0%	31%
Other Estimates	1%	1%	1%	1%	1%

Future Commitments

We are excited to demonstrate our commitment towards making a significant impact in the community. As Purolator marks 60 years, we are establishing targets, measuring our performance, and setting best-in-class practices.

In the future, our corporate policies, practices, and standards will align with the definitions, principles, and practices outlined in the ISO 26000 standard for organizational social responsibility. The standard provides a holistic approach across seven core areas: organizational governance; human rights; labour practices; the environment; fair operating practices; consumer issues; and community involvement and development.

Based on the performance data provided in this report, the CSR functional unit plans will roll out a number of strategic and operational initiatives for the next five years. In each priority – environment, people, and community – we are steadfast in moving the bar forward and making a positive difference.

Timelines (2020–2025)

Our Environment

- Establish GHG emission reduction targets by setting a baseline and engaging with stakeholders to implement initiatives to reduce emissions. We will continue to retire older fleets and bring more fuel efficient and sustainable fleets.
- Conduct energy audits and retrofits in our facilities to drive energy efficiency, reduce energy consumption, and improve building performance.
- Join industry-led initiatives to modernize urban freight operations and address last-mile urban freight challenges.
- Develop a waste diversion and recycling strategy to reduce waste consumption in our facilities, and identify programs to support sustainable packaging.

Our People

- Roll out 16 Learning and Development Centres of Excellence for timely and consistent training for our front-line operations employees. These Centres of Excellence will serve as central spaces to complement our training curriculum for all employees.
- Deploy our mentorship program. With enhanced reporting capabilities, this program will provide additional opportunities for our diverse mentees to and grow their leadership, interpersonal, and technical skills.

- Launch our standardized onboarding program aimed at improving onboarding for all new hires. This will include streamlining the online learning experience, in-person orientation experience, and safety awareness training. This initiative aims to foster a safe working environment from day one and reduced turnover.
- Following the workforce survey, we are in the process of creating our five-year employment equity plan outlining ways to reach targets for employment, equity, and diversity, and address the nine statutory requirements laid out by the Canadian Human Rights Commission (CHRC) regarding the four designated groups¹.

Our Community

- Launch a portal for our employees to track and report volunteer hours for all events that contribute to a collective impact.
- Develop a process to track food and monetary donations for the Purolator Tackle Hunger Challenge.
- Create a partnership strategy to engage with vendors and relevant partners for food drive campaigns implemented across the organization.
- Identify United Nations sustainable development goals that are most relevant to our business and stakeholders, and prioritize them based on which will have the greatest impact on our three CSR pillars.

¹ The four designated groups are women, persons with disabilities, Indigenous people and visible minorities.



Corporate Profile

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

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