



LAPORTE

CORPORATE SOCIAL RESPONSIBILITY REPORT

2021





MISSION

Provide high-value engineering services to pharmaceutical, agrifood and bioindustrial facilities.

OBJECTIVES OF THE REPORT

- Provide Laporte stakeholders (employees, customers, suppliers, partners) with a **framework** to illustrate management's commitment to **social**, **environmental** and **governance** issues related to the company's activities.
- Affirm Laporte's responsibility as an engineering consulting service provider to offer **sustainable** and **responsible** solutions to its clients.
- Commit to **following the objectives** outlined in this report with a mandate to **continuously improve** the company's activities.

PILLARS OF OUR COMMITMENTS



**DIVERSITY &
INCLUSION**



**HEALTH &
SAFETY**



ENVIRONMENT



ETHICS

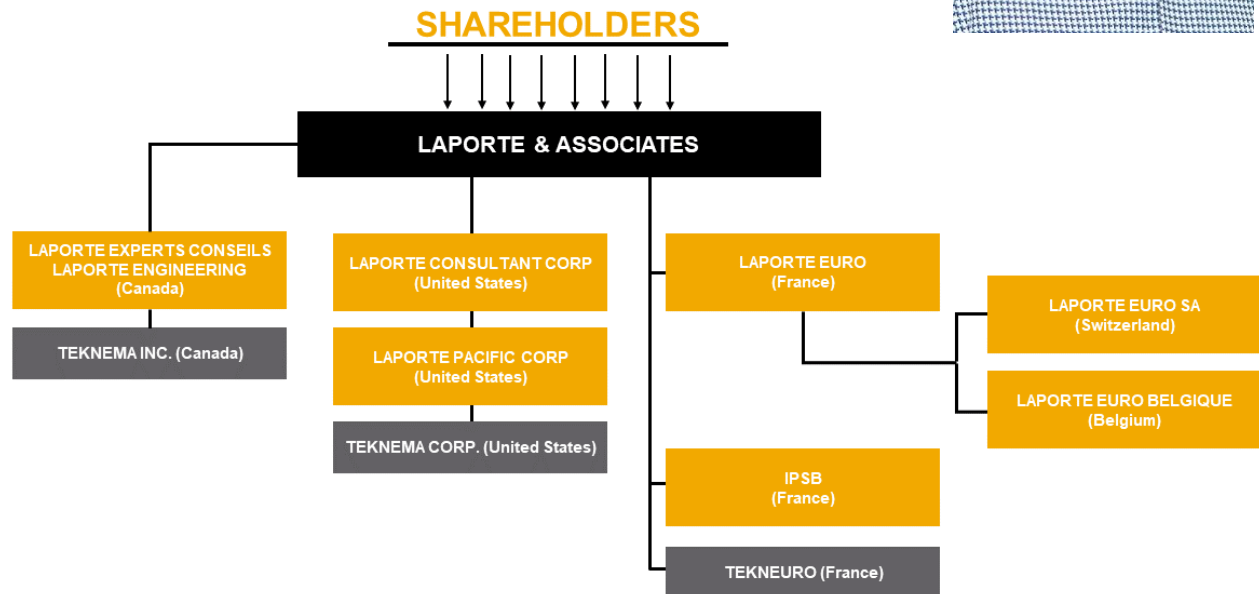


GOVERNANCE



GOVERNANCE

Laporte & Associates (L&A) is a holding company that owns 100% of its engineering (orange) and turnkey (grey) subsidiaries in Canada, the United States, and Europe, with a workforce of 440 valuable employees as of March 2022. This organizational structure promotes cooperation between the different entities rather than competition, avoids unnecessary internal politics, and decentralizes decision-making to foster entrepreneurship within the company.



L&A's governance aims to ensure sustainability and growth within the framework of its mission while respecting its values of integrity, respect, teamwork, and diversity.

L&A's shareholders, thirty to date, are actively involved in at least one subsidiary. As shareholders of L&A, they all have at heart the success of the entire group, creating a rather remarkable synergistic effect. Integrating young shareholders ensures the company's sustainability (the average age of the shareholders is 42).

L&A's Board of Directors comprises 10 members including the eight shareholders holding the most shares and two representatives for the other shareholders. The representatives are elected by all shareholders for two years on a rotating basis.



The L&A Board of Directors appoints the Board of Directors of each subsidiary, consolidates the financial statements prepared by an external accounting firm and presents them to the shareholders, authorizes the sale and repurchase of shares, and establishes the overall corporate strategy.

Each subsidiary has its own board of directors responsible for appointing the president, producing the financial results by an external accounting firm, and promoting a corporate culture consistent with L&A values. Each company has the autonomy to adapt its operations to the specific culture of the country, without interference from other shareholders or the L&A Board of Directors.

This governance structure allows us to manage the current significant growth resulting from the reinvestment policies of western states in food and pharmaceutical industries. Our company will become more important in this market while gradually developing its presence in other regions of the globe.

We are facing several challenges: continued growth while remaining small and continuing to accomplish small strategic mandates for our clients while carrying out a growing number of large-scale projects. Another challenge is to maintain a human, flexible, and individualized approach with our employees as they are the reason for the success of our company and the reason our clients entrust us with their projects.

Finally, we must be more committed to building factories that minimize environmental impacts. We recognize that we are not doing enough, therefore, a major green shift must be made within our society and with urgency.

We are proud to design factories whose mission is to feed and care for an ever-growing world population.

Daniel Laporte

President-Founder.



DIVERSITY & INCLUSION

Human resource management practices that promote inclusion and recognize the valuable contributions of women, ethnocultural minorities, persons with disabilities, diverse cultural communities, and people from the LGBTQ+ community. Our employees aged 20 to 74 come from all these social spheres.

GLOBALLY

Launch of a **Respect at Work** training program to equip managers and employees to recognize and prevent bullying, abuse, harassment, and discrimination and obtain a globally recognized certification in 2022.

NORTH AMERICA

Webinars on healthy living are offered, sports challenges are organized, training and personalized financial management assistance, as well as a comprehensive assistance program available to employees and their families.

In Canada, four university scholarships are offered:

- Toronto \$25,000 endowed award - \$5,000 per year until 2027 when the award is fully funded
- Calgary \$2,000 per year available from September 2022.
- British Columbia: \$5,000 per year available from September 2022.
- Québec: \$3,000 awarded to Joel Sioux of the Huron-Wendat Nation, studying construction engineering at ETS.

EUROPE

A Sexual Harassment advisor is appointed whose mission is to support employees, and to actively raise awareness, provide training and put in place internal procedures.

OUR COMMITMENTS

- Provide a harassment-free environment and promote a culture of caring for all.
- Roll out a comprehensive training program on diversity and inclusion management practice issues.
- Impose sanctions on all forms of discrimination.
- Have a structured approach to health and wellness that provides our employees and their families with physical, mental, and financial health resources to ensure their overall well-being.
- Create scholarships for engineering students from minority communities.



HEALTH & SAFETY

Health & Safety is one of our priorities. Management will provide leadership, direction, and resources to maintain a comprehensive program of prevention, accident analysis and ongoing dialogue with managers and employees on improving working conditions.

GLOBALLY

Over forty health and safety memos are distributed annually. Available Monday morning, managers and employees address the subject of the memo at various team meetings. These memos have three objectives: to inform, communicate about incidents and prevent them, and to congratulate good deeds or good initiatives.

NORTH AMERICA



Canada :

- Hiring two Health & Safety managers:
 - Douglas Janzen - Occupational Health and Safety Manager for English-speaking Canada and the United States with over 15 years of experience.
 - Antoine Marceau - Health & Safety project engineer to serve francophone regions of Canada.
- An electronic version of the Job Hazard Analysis form (JHA) has been created to identify and minimize the risks our employees face when visiting the workplace. The program includes a completed JHA form and a monthly compliance verification. Although the program is new, we have a participation rate of over 90%.
- Monthly safety champion meetings are held to discuss safety-related topics, such as areas for improvement, communication of initiatives, and discussion of pertinent safety issues to be addressed.

United States :

- A mandatory training program tailored to our industry is in place. Modules can be repeated to ensure comprehension and are frequently updated.



Antoine Marceau
Health & Safety
Project Engineer



Douglas Janzen
Health & Safety
Manager
Manager



EUROPE

- Two Health & Safety managers were hired with the mandate of co-managing Health & Safety:
 - Laura Martin was hired at IPSB
 - Guillaume Creusat at Laporte Euro

IPSB :

- Has committed to MASE (Manual for Improving Company Safety) certification, which means that IPSB is committed to implementing a health and safety management system in line with the MASE framework, recognized in France and other countries in Europe and Africa.
- Developed a Health and Safety Indicator Tracking Chart that tracked the company's progress through 2021. Results are regularly shared internally.
- Has developed an internal tool to allow our employees to enter any feedback on the topic of Health and Safety. This allows us to take corrective action to continuously challenge and improve.

Laporte Euro :

- Implemented a training program for all new employees based on two 90-minute presentations covering more than two dozen health and safety topics. These new training modules have also been shared with current employees.
- Meets monthly to define and monitor various health and safety topics, including updating JHA documents, sharing of experience, brainstorming on safety memos, creating prevention plans and answering questions from colleagues.



Laura Martin
Health & Safety
Manager, IPSB



Guillaume Creusat
Health & Safety
Manager, Laporte Euro

OUR COMMITMENTS

- Instill a Health & Safety culture across the entire company.
- Maintain a safe work environment and ensure the physical and mental integrity of all stakeholders in our operations.
- Support our employees by regularly training them on the risks and dangers related to their work.



ENVIRONMENT

Protecting the environment. As an engineering firm, we believe strongly in science. Thus, the immense scientific data has convinced us that our planet is threatened by the environmental actions of humans. Immediate action must be taken to mitigate the negative effects of climate change that has begun to manifest itself.

Globally

In 2021, we calculated our carbon footprint using the Green House Gas Protocol methodology. We have used 2019 as the base year from which we will reference all future progress towards reducing carbon emissions. After calculating our carbon footprint, Laporte presented the results to employees to make them aware of the environmental impact of our business activities. Laporte has put in place an option to allow employees to work from home at least a few days a week, which reduces emissions associated with daily commuting. In addition, we have started to purchase carbon offsets for the flights we take.

NORTH AMERICA

- Our Quebec City and Burnaby offices have installed free electric charging stations to make the use of electric and hybrid vehicles more attractive for our employees.
- Our Quebec City office has established a community garden to initiate and encourage interest in growing locally.
- In the United States an incentive program that reimburses the cost of public transit has been created to encourage the use of greener public transit.

EUROPE

- **Laporte Euro :**
 - Created an incentive program to reward the use of all green transportation (such as cycling) to get to work.
 - Changed energy suppliers so that all purchased electricity comes from renewable sources.
 - Introduced the requirement to use electric or hybrid vehicles for business travel.

OUR COMMITMENTS

Reduce our emissions by 50% by 2026. (tCO₂e = equivalent tonnes of CO₂) Tracking our progress based on emissions per employee.

- 2019 emissions per employee: 6.5 tCO₂e
- 2026 target emissions per employee: **maximum 3.25 tCO₂e**



ETHICS

Fulfill our mission by having a deep reflection on the activities we conduct. Shareholders and employees have an obligation to loyally promote our values, to act in the best interests of the company, and to ensure that their personal conduct does not tarnish our image. The codes of ethics of our businesses are the reference body to which each shareholder, managers and employees refer, and we are committed to go beyond these standards.

GLOBALLY

- Policy with a very rigorous follow-up of the declaration of benefits received:
 - All gifts over \$10 must be declared to HR.
 - Prohibition on accepting gift cards.
 - Prohibition on accepting any gifts during a tender period.
- Choosing the shortest supply routes for our internal purchases: office supplies, employee gifts and any promotional items.

NORTH AMERICA

- Participation in multiple local fundraising activities:
 - Montréal: annual participation with Centre-Aide, raising more than \$10,000 in donations annually.

OUR COMMITMENTS

- Act with purpose and integrity.
- Promote good and sound business practices by fighting against all abusive practices and all forms of corruption or unfair competition.
- Build standardized partnerships with our suppliers where client interest prevails and where potential or actual conflicts of interest are identified and eliminated.
- Foster local and inclusive development.
- Contract with third parties who undertake not to finance or support illegal economic activities (terrorism, money laundering, tax evasion, fraud).