

A photograph of several white wind turbines on a rolling green field under a clear blue sky. The turbines are arranged across the landscape, with one large one in the foreground and several smaller ones in the distance. The field is lush green with some yellow flowers, and there are some hay bales visible in the lower right. The sky is a deep, clear blue.

2021 Sustainability Report

LowesMartin



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"Our overreaching environmental goal is to reduce the environmental footprint of our operations, drive change in our industry, and contribute to a reduction of the environmental footprint of our customers."

Ward Griffin, President and CEO





A Message from the CEO

I am pleased to see that our environmental efforts showed good results in 2021, not only within our company but also among our customers and in our industry. We continued to make our own operations more sustainable, in part by maintaining our relationship with Bullfrog Power and Carbonzero, and by making incremental improvements in the way we source and handle raw materials. In 2021, we increased our efforts to promote sustainability among our customers. As a result, we produced 48 times more Carbonzero projects for our customers compared to the previous year. We also reached out to our industry through the Sustainable Mail Group. Lowe-Martin is a founding member and I am the inaugural Chairperson of this organization, which is working to increase the sustainability of the entire mailing ecosystem.

The progress we made in the last year is, in large part, the result of decisions and actions taken over the past thirty-three years. Early on, we focused on using recycled papers, vegetable inks and less harmful chemicals. Next came the opportunity to improve R-values, clean and recycle air, and install more efficient lighting. More recently, adding power from renewable resources and providing carbon neutral printing has moved our environmental initiatives to a new level. And we have many plans for the future, such as a reduction in usage of plastics, developing environmentally branded solutions and also partnering more with our vendors on environmental solutions. Continuous improvement is a matter of committing to the principle of sustainability, developing the tactics that suit the organization's context, and measuring progress each step of the way. Although we have accomplished a lot, it is never easy. To continue to lessen our impact on the environment we need to increasingly collaborate with our many stakeholders and work together to show the benefit of environmental sustainability as we grow.

Small and medium-size businesses can make a difference greater than our size would suggest. We set an example by thriving while being environmentally responsible. Spreading the message to other businesses has a multiplier effect. In conference speeches and magazine articles, I have shared our vision for sustainable manufacturing practices. The response has convinced me that most businesses want to do the right thing and are willing to invest in our future. Our staff – approximately 270 people – have shown the same kind of enthusiasm. For example, our green teams have set up e-waste collection campaigns to allow employees to dispose of their own electronic items at a convenient location at work. Person by person and business by business, we can improve our performance and spread the word.

Sincerely,
Ward Griffin

"We learned that economic growth and environmental protection can and should go hand in hand."

Christopher Dodd



Environmental Policy

Lowe-Martin is committed to continuous innovation, customer satisfaction and sustainable environmental stewardship. To support this commitment, we will maintain a company-wide focus on environmental performance and sustainability.

At Lowe-Martin we constantly strive to improve our environmental performance by continuing to lead the industry and by going beyond compliance. We were an early advocate and adopter of environmental protection practices in our industry. We will continue to do so.

It is our philosophy that we can operate and grow a highly successful business while effectively managing our impact on the environment today, and into the future.

Since 1998, the company has pursued an environmental strategy that builds on five fundamental elements: leadership, resource stewardship, risk management, verification, and regulatory compliance, all on key environmental issues.

Leadership: Our focus is on environmental issues that are particularly significant for Lowe-Martin including climate change, forestry management, hazardous materials, energy management and renewable energy. Lowe-Martin is committed to leading positive change in our company, our industry, and our community.

Resource stewardship: Through more efficient use of natural resources, we will also lower the cost to develop, produce and deliver our products. Our promotion and use of FSC® certified paper and vegetable based inks, our in-house energy efficiency, and our recycling programs are some examples of our efforts on this strategy component.

Risk management: Lowe-Martin will continually evaluate environmental issues that we must effectively manage, such as hazardous materials and resources utilized and consumed during our operating processes. We will continue to identify and address these issues on an ongoing basis. We will also strive to conduct business with suppliers who share our same philosophy for the environment, through selective procurement practices.

Verification: Lowe-Martin will continually evaluate environmental performance to ensure we are effectively managing environmental initiatives. We will continue to identify and address through internal audit processes, and ongoing assessment through our modified lean/5-s processes. We will benchmark our performance against scientifically proven parameters and criteria. Lowe-Martin will utilize third party auditors to verify reporting information where appropriate.

Regulatory compliance: Lowe-Martin's environmental strategy begins with being in compliance with all environmental laws and regulations 100 percent of the time. Our regulators, our customers, and the communities in which we operate expect us to meet the requirements of the law, and we expect no less of ourselves.

While we are proud of what we have accomplished to date, we know that we can accomplish much more. By focusing and maintaining clear priorities, we will deliver on our promise of environmentally and economically sustainable growth.



LowesMartin

KEY SUSTAINABILITY MEASUREMENTS | 2021



90%
Waste Diversion Rate
companywide



Produced 48 times more
client Carbonzero certified
print projects compared
to previous year



16%
reduction in natural gas
use companywide
year over year



Purchased 10 times
more Carbonzero
certified offsets
than 2020



132%
increase in purchase of
Bullfrog Power Electricity
year over year



73%
of paper purchased
is FSC® Certified



Management Structure

Lowe-Martin is a privately owned and operated family run corporation which has been in continuous operation since 1908. Organizationally, we are considered a relatively “flat” organization. Corporate policy and direction is set by our President and CEO, under the stewardship of our Executive Management Team which includes Executives from each of our lines of business. The Executive Managers are supported by Directors and front-line managers. Lowe-Martin’s organizational structure allows key executives to have a hands-on understanding of customer requirements and, therefore, empowers them and their staff to efficiently deploy resources to maximize our service levels.

Environmental Strategy

Lowe-Martin is deeply committed to lessening the impact of our industry on the environment. Lowe-Martin’s Environmental Business Strategy is based on a balance between economy and ecology; between consumption and renewal. We are deeply committed to eliminating waste and reducing consumption by ensuring that environmental awareness is firmly established in our corporate culture; by assisting our clients in making sound environmental choices; and by auditing our processes to continually implement new efficiencies. We have prospered for over 114 years now and understand that in order to thrive for another century; we must protect our resources and our planet and, give back to the community that has assisted in our growth.

Reporting Approach

Lowe-Martin continually looks for new technologies and initiatives that will reduce our impact on the environment. In continuing with our efforts, we wanted to measure the actual carbon footprint of each of the Lowe-Martin facilities.

Lowe-Martin has been tracking and measuring our Greenhouse Gas (GHG) emissions in accordance with the GHG Protocol and best practices methodologies since 2007. We utilize the ECM software license from Radicle Climate Smart to capture, measure and report on our GHG emissions inventory. Quantifying GHG emissions helps Lowe-Martin identify reduction opportunities and track our progress from year to year.

Lowe-Martin collects data for each of our facilities including:

- Scope 1 – direct emissions
- Scope 2 – indirect emissions
- Scope 3 – other indirect emissions.

Lowe-Martin chose to include Scope 3 in our inventory as it represents a large portion of our emissions as well as opportunities to implement reduction strategies for our clients as well as ourselves.

The data collected for our inventory includes:

- Natural gas consumption
- Purchased electricity
- Corporate fleet (including corporate vehicles and delivery fleet)
- Business travel
- Employee commuting
- Landfill waste
- Paper consumption (both for internal use and client print projects)

Greenhouse Gas Emissions 2021

Lowe-Martin's Scope 1, 2 and 3 operational emissions for 2021 are shown below. Emissions from other Scope 3 sources including paper used in printing of customers' products and employee commuting (480.79 tonnes CO₂e) are considered outside the operational control of Lowe-Martin. The paper used in the printing of customers products resulted in an additional 28,141.73 tonnes of CO₂e emissions. These emissions fall within the boundaries of Lowe-Martin's customers and have not been included in this report. By tracking and monitoring the emissions from Scope 3 sources outside of our operational control, we are able to identify opportunities to promote change that makes an even greater impact than we can within our own operational footprint.

SCOPE 1



Generated Heat
422.67 tCO₂e



Company Fleet
10.93 tCO₂e

SCOPE 2



Purchased Electricity
130.27 tCO₂e

SCOPE 3



Business Travel
34.39 tCO₂e



Lowe-Martin Paper Consumption
18.65 tCO₂e



Waste to Landfill
85.32 tCO₂e

Corporate Sustainability

Guiding Principles

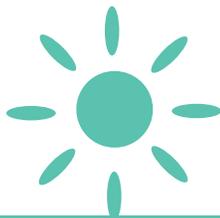
Lowe-Martin is committed to sustainable environmental stewardship to protect our environment and our economy. Our overarching environmental goal is to reduce the environmental footprint of our operations, drive change in our industry, and contribute to a reduction of the environmental footprint of our customers. We believe that this commitment has and will continue to enhance the economic success of our operations and will allow us to continue to deliver benefits for all stakeholders.

This report provides an overview of Lowe-Martin's environmental priorities and our approach to environmental sustainability. Key to our approach is the consideration and engagement of our ownership, customers, employees, suppliers and the communities in which we conduct business and raise our families.

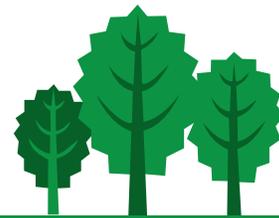
Priorities

The five fundamental elements of our environmental strategy are Leadership, Resource Stewardship, Risk Management, Verification, and Regulatory Compliance on key environmental issues. We believe that the priority areas of focus in which we can have the greatest impact include: **CLIMATE CHANGE**, **SUSTAINABLE FORESTRY**, **RESOURCE MANAGEMENT** and **WASTE MANAGEMENT**.

Our progress in each of these priority areas in 2021 is highlighted in the following pages.



Climate Change



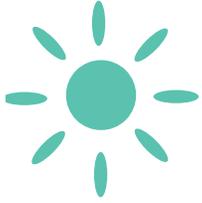
Sustainable Forestry

"We must shift our thinking away from short-term gain toward long-term investment and sustainability, and always have the next generations in mind with every decision we make."

Deb Haaland



Climate Change



Lowe-Martin is officially recognized as a Carbonzero certified operation and is committed to our ongoing support of Canadian Offset projects through Carbonzero. Many of Lowe-Martin's customers have made Carbon Neutral or Carbon Reduction commitments. In addition to providing our customers the first "carbon neutral" print facility in Ontario, Lowe-Martin also offers "Carbonzero Certified" print projects. Lowe-Martin tracks and calculates the emissions associated with our customers print projects and then has these calculations verified by Carbonzero and purchases offsets on our customer's behalf.



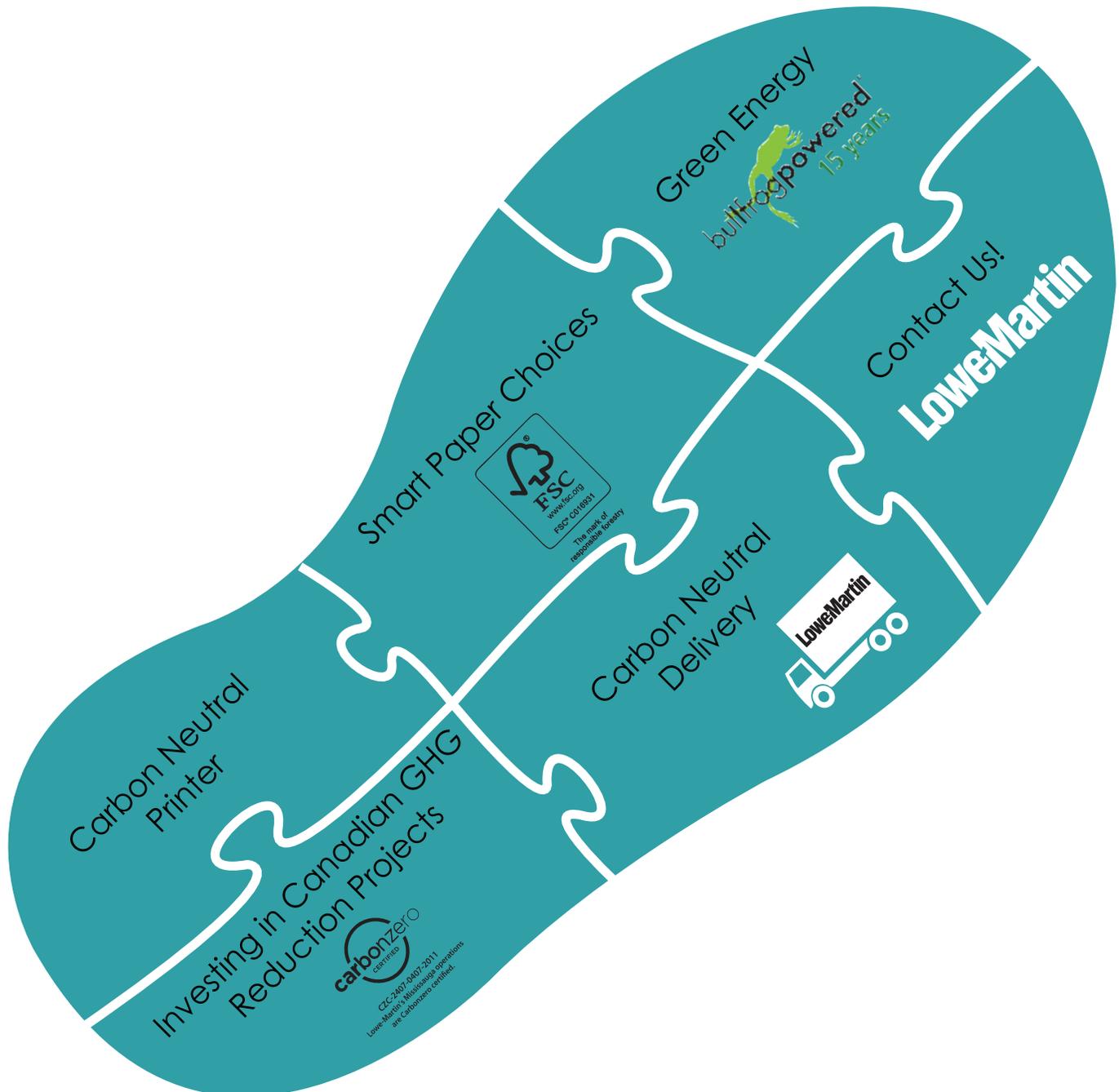
In 2021, 1,452 tonnes CO₂e Carbonzero certified offsets were purchased for client orders, an increase of 10 times more than 2020. The purchased offsets support the following Canadian project:

Newfoundland Climate and Ecosystems Conservancy Project

This is a greenhouse gas mitigation project initiative through engineered wetland systems for the treatment of wastewater. The project objective is to treat the wastewater and sludge coming from municipalities in an effective manner in order to eliminate the environmental impacts of discharging raw wastewater into waterways and the ocean. These carbon offsets are the first ever to be generated in the Province of Newfoundland and Labrador.

The Carbon Neutral Puzzle

By putting the pieces together, we can help our customer's reduce their carbon footprint.



Sustainable Forestry



As a leading print, communication and publications company, Lowe-Martin uses a significant amount of paper. We are a Forest Stewardship Council® (FSC®) certified by Preferred by Nature, formerly NEPCo and are committed to guiding our customers in the use of the most environmentally responsible paper choices. These choices include using the highest percentage of PCW fibre suitable for each project and the promotion of FSC certified and Ancient Forest Friendly certified products.

Lowe-Martin regards FSC as the gold standard in responsible forestry. FSC is the only certification system that prohibits the use of genetically modified trees, prevents the conversion of natural forest to plantations and requires a precautionary approach to the management of areas with high conservation value.

Many of our customers have made formal commitments and developed purchasing policies regarding FSC certified paper. Our customers value the detailed reporting, guidance and education that we provide through various seminars, lunch and learns and events. Simply being FSC certified does not differentiate Lowe-Martin. It's what we do with the knowledge we have and our ability to influence responsible paper choices.

Lowe-Martin purchased 3,395.36 tonnes of paper in 2021. Our commitment to promoting responsible forestry and FSC certified products resulted in over 2,472.43 tonnes, 73% of our paper purchased, being sourced from FSC certified forests, paper mills and merchants. This percentage is lower than previous years due to the paper shortage affecting the print and paper industries this past year. Our goal is to increase this percentage as FSC materials become available.

Lowe-Martin promotes the use of paper made with varying levels of post-consumer waste where appropriate. In 2021, Lowe-Martin was able to increase the use of PCW fibre in the paper used by our clients resulting in 448.55 tonnes of post-consumer waste fibre and had the following impact:



11,331 trees preserved*

38,599 lbs of solid waste not generated *

Equivalent to 8,870 people generating solid waste/day

1,249,780 gallons of water saved *

Equivalent to 903 clothes washers operated/year

4,859 million BTUs of energy conserved *

Equivalent to 5,668 residential refrigerators operated/year

5,243,980 lbs CO₂e Greenhouse Gas prevented *

Equivalent to 476 cars eliminated per year.

*Environmental impact estimates were calculated using the Environmental Paper Network Paper Calculator Version V4.0
For more information visit www.papercalculator.org

**FSC is not responsible for any calculations on saving resources by choosing this paper

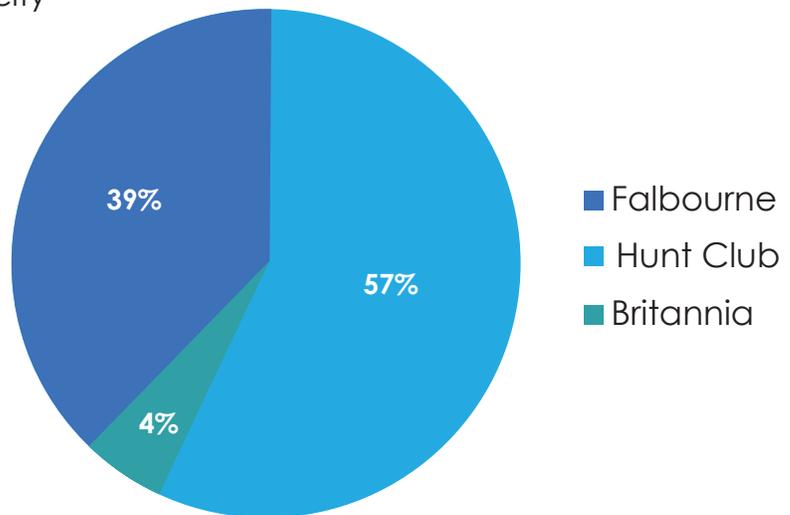
Resource Management



On November 1, 2007, Lowe-Martin's Mississauga operations became Bullfrog Powered. Lowe-Martin joined the growing list of Canadian businesses that are showing their support for the supply and development of green power. In 2021, Lowe-Martin purchased 676.2 mwh of clean renewable electricity, an increase of 132% from 2020.

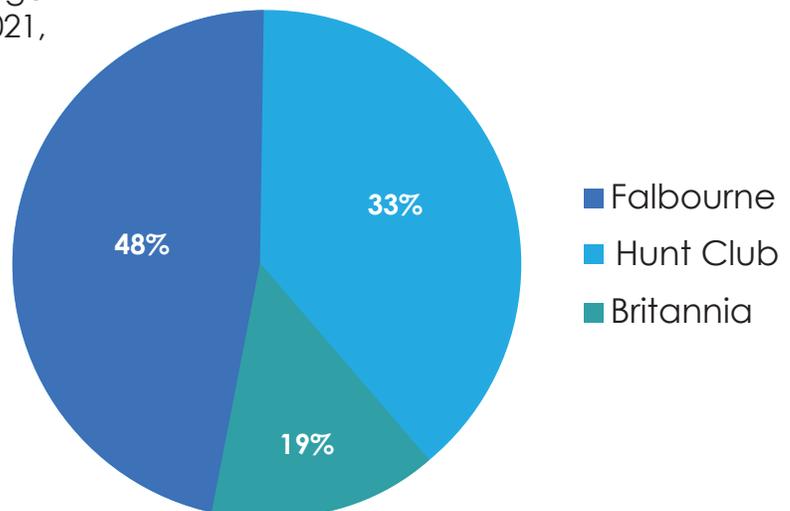
2021 Electricity Consumption

Lowe-Martin consumed 4,885,052 kwh of electricity in 2021. Our Hunt Club and Falbourne print operation facilities utilized 96% of all corporate electricity consumption.



2021 Natural Gas Consumption

Lowe-Martin's overall natural gas usage was 216,734 m3 for all three facilities in 2021, a reduction of 16% from 2020.



**"What you do today
can improve all your
tomorrows."**

Ralph Marston

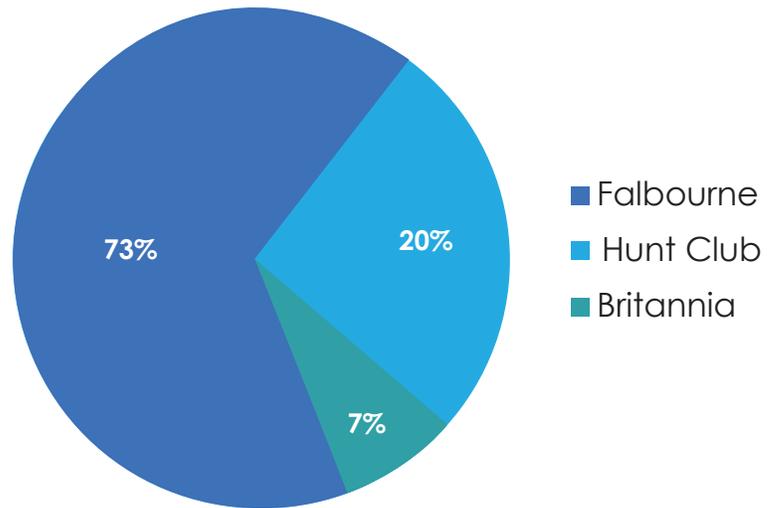


Waste Management



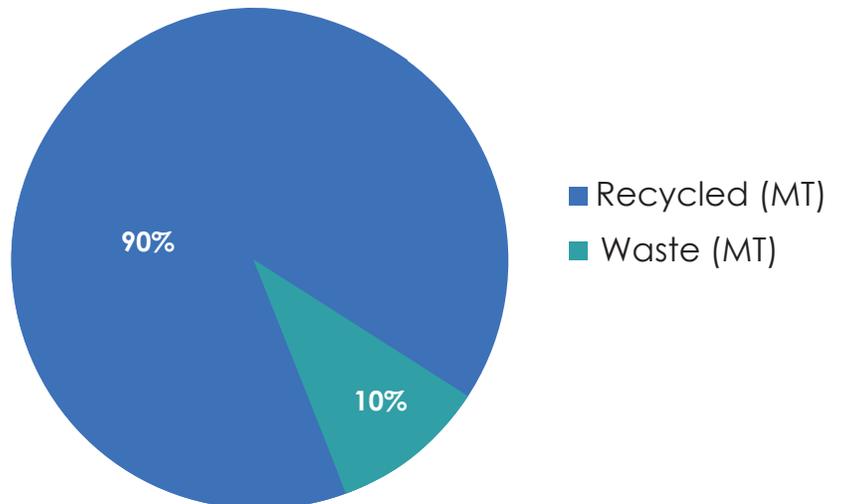
Lowe-Martin has measured waste to landfill and waste to recycling facilities to ensure that continuous improvement opportunities are identified. We have commissioned waste audits to examine all garbage and recyclables at Lowe-Martin in order to determine whether more materials can be reused or recycled.

Landfill Waste by Facility



Diversion Rate

In 2021 our average diversion rate across all facilities was 90%.



A large pile of colorful plastic waste, including bottles and bags, with a quote overlaid at the bottom.

**"Start where you are. Use what
you have. Do what you can."**

Arthur Ashe

Certifications

Lowe-Martin's technological leadership, commitment to continuous improvement and spirit of innovation are applied not only to the work we do for our clients but to the community in which we live and operate, and to the planet we are leaving to our children. It is our philosophy that we can operate and grow a highly successful business while effectively managing our impact on the environment today, and into the future.

Lowe-Martin has won awards for our holistic approach to lessening the environmental impact of our products and processes, and maintains the following environmental certifications.



Carbon Neutral

On May 18, 2011, Lowe-Martin announced our Mississauga production facility became carbon neutral. As part of the process in becoming carbon neutral, we collect and track our Greenhouse Gas (GHG) inventory on an annual basis. We then implemented reduction strategies in order to reduce and conserve where we can as well as implement more environmentally friendly alternatives such as 100% renewable electricity. Our next step was to neutralize the remaining emissions. Lowe-Martin has partnered with Carbonzero in order to produce measurable, verified emissions reductions that will support certified Canadian projects to offset our Mississauga facility's operational emissions. In addition, we track and calculate the emissions associated with individual print projects and purchase offsets on behalf of our clients who wish to produce and label their materials as "Carbonzero Certified".



Forest Stewardship Council (FSC)

In an effort to continuously improve our environmental practices, Lowe-Martin received its Forest Stewardship Council (FSC) Chain of Custody certification in March 2003. Lowe-Martin strongly believes in the importance of preserving the environment and has therefore committed itself to developing practices that conform to the Chain of Custody certification.

Awards and Associations



Most Environmentally Progressive Printer in Canada

Lowe-Martin has been recognized as one of Canada's Most Environmentally Progressive Printers for the past fourteen (14) years. Lowe-Martin was recognized with the Gold award in this category for the fifth year in a row at the Canadian Printing Awards in September 2021. This prestigious award has been presented by PrintAction magazine in recognition of Lowe-Martin's holistic strategy to lessen the environmental impact of our products and processes.



Ecovadis Sustainability Rating

Lowe-Martin has received the Silver Sustainability Rating with Ecovadis for the last 2 years. Ecovadis is the world's largest and most trusted business sustainability ratings provider. This rating covers a range of non-financial management areas including Environmental, Labour and Human Rights, Ethics and Sustainable Procurement. Lowe-Martin has scored in the top 25% of over 90,000 Ecovadis clients.



Sedex Members Ethical Trade Audit

Lowe-Martin has been audited against the 4-Pillar SMETA criteria and successfully met the world-wide standards required in areas including Labour, Health and Safety, Environment and Business Ethics. Sedex works to improve working conditions in various global supply chains providing tools to help companies improve their responsible and sustainable business practices.



Sustainable Mail Group

Lowe-Martin is pleased to be a founding member of the Sustainable Mail Group (SMG), a new industry association that brings together marketers, manufacturers, and mail service providers to help build a sustainable mail value chain. SMG's mission is "To be stewards of the environment, working within the direct mail industry to offer continuous thought leadership and sustainable solutions that meet consumer demand for responsible mail." Our President and CEO, Ward Griffin, is the first chair of SMG.

Community Participation

Lowe-Martin, as part of our sustainability efforts, believes it is important to support the local communities where we live and work. We participate in various ways through fundraising, donations, events and providing resources.

Lowe-Martin participated in the following programs:

- **CURE Foundation for Breast Cancer Research**
- **Peel Regional Police Toys for Tots**
- **Tourette Canada Trek for Tourette**

Local charities supported by Lowe-Martin and our employees include:

- **Tourette Canada**
- **Canadian Cancer Society**
- **Knights Table**
- **Greater Toronto and Ottawa Area Food Banks**

Acknowledgements

Thank you to the following for their direction and recommendations through the process of gathering data for our inventory and our ongoing reduction strategies:

**Environmental Steering
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Karen Poisson
Bev O'Hara
Collin Cannon
Morgan Kent**

Mississauga Green Team:

**Betty Errington
Kerri Corail
Kinga Krawczykewicz
Suzanne Olley**



LowesMartin



CZC-2407-0407-2011
LowesMartin's Mississauga operations
are Carbonzero certified.



FSC® C018931
The mark of
responsible forestry



LowesMartin
400 Hunt Club Road
Ottawa, ON, K1V 1C1
613.741.0962

LowesMartin
5990 Falbourne Street
Mississauga, ON, L5R 3S7
905.507.8782