

2019 CORPORATE SOCIAL RESPONSIBILITY REPORT

**COMMITTED TO A  
BETTER TOMORROW**

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# THE SAMUEL WAY

## Since 1855

At Samuel, Son & Co., your success is our business. As a leading metals and industrial products manufacturer, processor and distributor, we leverage our industry expertise, breadth of experience and the passion of our people to help drive success for North American business—one customer at a time.

We go beyond quality, price competitiveness, reliability and service. As a strategic supplier, we work collaboratively with our customers to understand their challenges and opportunities, and to develop innovative solutions that create value and meet real business needs.

Our people are the source of our strength, vitality and reputation. We are a team—always moving, improving and getting things done. We focus on doing the right thing for our customers and employees—and we never compromise our integrity. We safeguard our employees' health and well-being, give back to our communities and demonstrate respect for the environment.

It's not just business. *It's family.*

### SAMUEL IN 2019

**6,000+**  
employees

**13**  
business groups

**~\$4.7B**  
annual revenue

**5**  
countries  
(Canada, US,  
Mexico, China,  
Australia)

**100+**  
locations

**165**  
years in business

**8.1+m**  
tons of metal  
processed  
in 2019  
(by Samuel's Service  
Centers and  
Automotive Group)

**40,000+**  
customers

# Message from the CEO

Corporate Social Responsibility (CSR) is an important part of any good business. It symbolizes our commitment to, and recognition of, our responsibilities to our employees, the environment and the communities we are a part of. CSR also helps us identify unique ways to give back as a company.

Every company approaches Corporate Social Responsibility differently, but at Samuel we have a guiding principle that's at the centre of everything we do—stewardship. Stewardship refers to responsibly planning and managing resources entrusted to you, and at Samuel, we know we are all stewards of the Samuel legacy and the communities we're a part of.

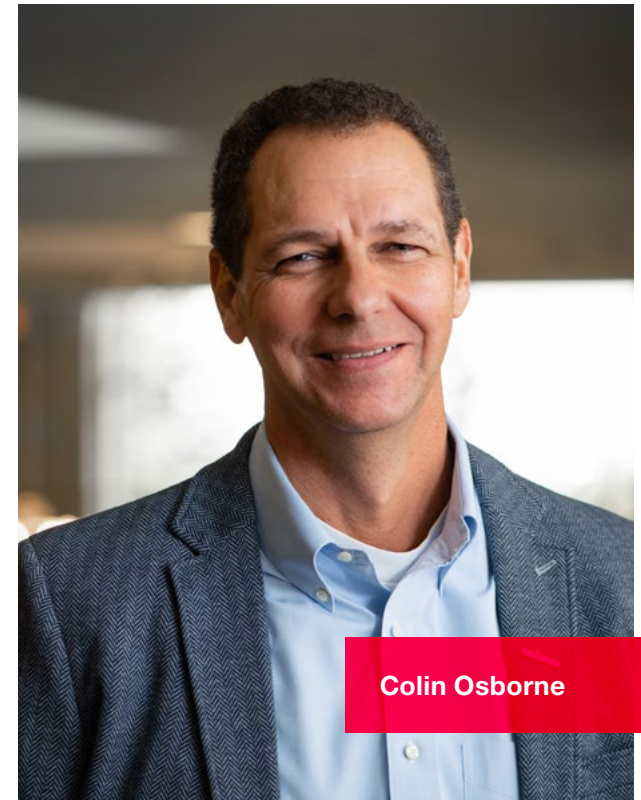
More specifically, our CSR strategy focuses on three key areas—Environment, Community and Business.

There are a lot of opportunities to do great things in each of these three areas, however, one of the things I'm most proud of is our decision to **allocate 1% of Samuel's net income to support CSR initiatives**. This decision was made with the support of the Board and the Samuel and Balaz families, and to me, it's the perfect demonstration of Samuel's commitment to giving back. There are only a handful of other companies who have made this type of commitment—some of the most notable are Coca Cola and Salesforce—and I'm incredibly proud that Samuel is among these CSR leaders.

Throughout this report you will see some examples of how we've been supporting our CSR commitments. A few examples include the launch of our #MugShot campaign, which encouraged employees to bring in their favourite mug and snap a photo of themselves using it at work, and our company-wide gift of reusable water bottles for all employees during our annual Health & Safety Month in June.

At Samuel, we're committed to working together to support our communities and create a cleaner environment. This is true at any time, but particularly during the COVID-19 pandemic we are currently facing. This report summarizes our CSR activities in 2019, but we have been working hard to do even more in 2020. For example, our Burloak Technologies facility is making thousands of face masks every week for healthcare workers and Samuel has been donating to food banks and other charities across Canada, the US and Mexico. We will continue to look for other opportunities to give back as we all work together to support our communities and combat COVID-19.

**Colin Osborne,**  
President and Chief Executive Officer




Colin Osborne

# CSR AT SAMUEL

At Samuel we are stewards—stewards of Samuel’s legacy and future as a business, stewards of our employees’ happiness, stewards of the communities in which we operate and stewards of the resources we use to run our business.

Being a fifth-generation, family-owned business and we recognize that we have a responsibility to support our communities, protect the environment and make the world a better place for the next generation. That is why Samuel has committed to donating 1% of its yearly net income to initiatives related to helping the environment, our communities, our people and our employees. At Samuel, we know that we’re responsible for carrying the torch—for this generation and beyond.

A black and white photograph showing a group of people, likely Samuel employees, celebrating on an airfield. They are wearing dark t-shirts and shorts, and some have their arms raised. In the background, a large commercial airplane is visible on the tarmac.

**Stewardship**—an ethic that embodies the responsible planning and management of resources entrusted to one’s care.

# 2019 Highlights

Implemented the  
**5 ENVIRONMENTAL  
INITIATIVES**  
company-wide

Donated approximately  
**\$400,000**  
to 200+ local charities in  
Samuel communities

Employees planned  
and participated in  
100+ fundraisers and  
events supporting their  
local communities



Expanded the Energy  
Coach program to include  
34 Samuel plants across  
North America

Launched company-  
wide Diversity,  
Inclusion and  
Belonging Program

**1,468**  
employees participated  
in professional and career  
development training

Introduced Health &  
Safety concept S.E.E.  
(See, Evaluate, Eliminate)

# Environment & Sustainability

At Samuel, we know that we can play a key role in protecting our environment and we take this responsibility seriously. Samuel is committed to demonstrating sustainability leadership, in both our business and our communities, by minimizing waste and consumption and continuously improving environmental conditions.

## Building a Sustainable Future

In 2019, Samuel broke ground on its new headquarters, which will be located in Oakville, Ontario, Canada. The new LEED (Leadership in Energy and Environmental Design) certified building will be outfitted with systems to ensure water and energy efficiency. It will promote collaboration, productivity and healthy living for our employees, and will also help to ensure a successful and sustainable future for Samuel for years to come. The new headquarters will be completed in 2020.



## Environmental Initiatives

In 2019, Samuel worked to implement 5 key environmental initiatives to help reduce our environmental impact. These initiatives focused on reducing, reusing and recycling.

- Reduce utility usage
- Reduce/eliminate single-use plastics
- Eliminate use of paper, plastic and styrofoam cups
- Mandatory recycling at all Samuel office and plant facilities
- Reduce printing/wasted paper, and educate on best practices for paper shredding

## Mug Shot Campaign

In support of our initiative to reduce and eliminate single-use plastics and paper and styrofoam cups, Samuel launched its Mug Shot campaign enterprise-wide. Employees were asked to bring in their own reusable mugs from home and submit a photo of them with their mug.



# Environment & Sustainability

## Investing in the Future with Additive Manufacturing

Samuel recognizes that there is great potential for additive manufacturing to shape the future of the metal industry, and that it represents a massive change in the environmental impact of manufacturing in terms of energy use, yield loss and carbon footprint. That's why, in 2017, Samuel began investing in, and has now fully acquired, Burloak Technologies. Burloak Technologies is a Canadian leader in the engineering and design of additive manufacturing solutions, including full 3D production metal printing capabilities.

With innovative additive manufacturing systems, Burloak Technologies can deliver the largest, near net-shape metal 3D-printed parts with less material waste and less machining time than traditional subtractive processes, such as forging and machining. These traditional processes can take up to a year to create a single part, use substantial amounts of energy and generate a significant amount of waste.

Technologies and innovations like additive manufacturing will have a massive influence on improving the environmental impact and sustainability of the industrial world in the years to come, and Samuel and Burloak Technologies are proud to be leaders in the industry.

## Focus on Energy Management

Samuel is a proud participant in the 360 Energy Coach program with the goal of making energy and environmental conservation sustainable and a key part of Samuel's culture.

Samuel has been working with 360 Energy since 2017 to implement their Energy Coach program, beginning with a pilot at eleven of Samuel's North American plants. The Energy Coach Program educates employees about energy, how it's being used by their plants and equipment and the impact that conservation has on the environment. With this knowledge, employees can gain a better understanding of how they can make small changes and have a big impact on the environment and energy usage.

The program, which started as a one-year pilot, has been extended for another two years and now includes a total of 34 plants across North America. Greenhouse gas emissions in 2018 were more than 7% lower than in 2017, and energy cost savings for the 11 pilot sites exceeded \$600,000 in the first year. Energy efficiency, and associated greenhouse gas reductions, are both key parts of Samuel's 2020 Corporate Social Responsibility Program.

In 2019, Samuel  
**REDUCED NATURAL GAS CONSUMPTION BY 4.1% AND ELECTRICITY CONSUMPTION BY 4.6%.**

In 2020 Samuel plans to  
**REDUCE ITS GREENHOUSE GAS EMISSIONS BY AT LEAST 3%.**



# Health & Safety

At Samuel, Health & Safety is part of our culture and everything we do. Every new employee is educated on safe work practices, we observe Health & Safety month in June, we open all meetings with a focus on Health & Safety and we continually instruct and share best practices, so we can identify and recognize and correct hazards to reduce exposures and help prevent injuries. We have a dedicated group of employees and supervisors that help us achieve this through our joint Health & Safety committees, which focus on training, awareness and ensuring safe practices. But we can't stop there—at Samuel we are constantly improving and ensuring we are always putting safety first.



## MESSAGE FROM THE CHRO

At Samuel, Corporate Social Responsibility (CSR) is a top priority and we know that it's much more than just our economic and environmental footprints. We recognize how important it is to ensure our employees have a safe work environment, and can go home safely to their families every day. It's paramount to a positive culture. Integrating our safety values into everything we do helps our employees feel positive about safety and consciously choose to be safe. We also encourage Samuel employees to share this approach outside of work, so that we can all help our communities, business partners and stakeholders be safer.

*"It starts with me!"*

**Gary Strickland,**  
EVP & CHRO

## H&S DART RATE

Over the last 5 years  
**OUR DART RATE  
HAS DECREASED  
BY 50%, DROPPING  
FROM 3.3% TO 1.65%**



# Health & Safety

## 2019 H&S Month

This year, Samuel expanded its annual Health & Safety week into an entire month of safety awareness, education, and celebration. Each Samuel branch participated in a number of activities and events, all revolving around safety, health and wellness and the environment. Activities included: fire and evacuation drills, customer and family safety tours, PPE fittings and inspections, lunch and learns, first aid and AED training, hazard assessments and yard and neighbourhood clean-ups.

## Choose to S.E.E.

This year Samuel introduced the concept of S.E.E.—See, Evaluate, Eliminate. Keeping this concept top of mind helps employees make hazard recognition a priority, by identifying unsafe acts and controlling and eliminating hazards. When a potential hazard is observed, employees **STOP** to report it, **EVALUATE** the scenario and **ELIMINATE** it.



In 2019 Samuel employees collectively spent over **50,000+ HOURS** Health & Safety training

## What Safety means to Samuel employees:

“Making it easy to get home to my wife and kids and **BEING MINDFUL OF OTHERS** so they can too.”

“**MY LIFE AND THE LIVES OF THE PEOPLE I WORK WITH.**”

“**ALWAYS BEING OBSERVANT** of what you and your co-workers are doing.”

“Performing your job with **SAFETY BEING THE TOP PRIORITY.**”

# Community

At Samuel, we believe in giving back to the communities we're a part of at the national, regional and local levels. Whether that's making blankets for the Buffalo Women & Children's Hospital, participating in a charity motorcycle ride to raise funds for cancer research or making Christmas dinners for families in need, our company and our employees are dedicated to making a difference.

## Helping Kids: Being, Becoming, Belonging. Samuel's Approach to Charitable Giving

Samuel believes in giving back to our communities at the national, regional and local levels. In particular, Samuel is committed to supporting programs that address the needs of the "whole" child—mind, body and spirit, as well as programs that focus on health and wellness, building strong communities and youth leadership. By supporting our youth, we help them thrive and flourish, and in turn help strengthen the communities in which we work and live.

Every year, Samuel allocates approximately \$400,000 for corporate donations and charitable giving, and in 2019 Samuel supported over 200 charities, programs, and events focused on children's healthcare, family services, community building and youth development in Samuel communities.

## Corporate Giving, Volunteering, and Acts of Kindness

### *CAID and Samuel Toledo Take on the Fight Against Breast Cancer*

During the month of October, Samuel's CAID Industries group in Tucson, AZ and Samuel Toledo worked hard to raise money for breast cancer research and awareness. CAID held their Real Hombres Wear Pink event where all funds raised were donated to breast cancer research. During the month CAID also participated in the Making Strides Against Breast Cancer walk. Overall the CAID team raised over \$2,000 and placed second in the Real Men Wear Pink of Tucson campaign.

Samuel Toledo also had their own Breast Cancer Awareness campaign, starting with a guest speaker from a local non-profit charity called Victory Center. The Victory Center offers cancer patients therapy and counselling to help them cope with this difficult disease. The plant also heard from a cancer survivor who turned to the Victory Center for support. All of the funds raised during the month of October to support National Breast Cancer Awareness month was donated to the Victory Center.



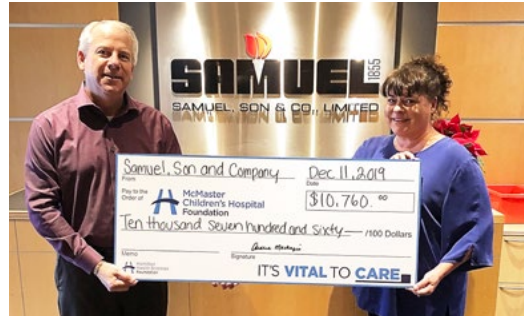
Overall the CAID team **RAISED OVER \$2,000** during the Real Men Wear Pink of Tucson campaign.

# Community



## ***Volunteering at Feed My Starving Children***

This year 45 employees from the Samuel Packaging Systems Group in Woodbridge, IL volunteered their time at Feed My Starving Children. As a group they were able to pack 100 boxes of 36 potato-based meals formulated for infants 7-12 months of age. The group also made a financial contribution to Feed My Starving Children, which was enough to feed 36 children for an entire year! The meals packed were shipped to charities in El Salvador, Haiti, Jamaica, Afghanistan and the Dominican Republic. Members of Samuel's HR and Payroll teams also supported Feed My Starving Children this year, packing 114 boxes of meals for children in Haiti and the Ukraine. The team also made a financial contribution, which will feed 29 children for a year!



## ***Samuel Supports McMaster Children's Hospital***

This summer, Kim-Tam Logistics took part in the Miracle Plane Pull in support of the McMaster Children's Hospital Foundation. Kim-Tam Logistics raised an impressive \$10,784.55.

This year, eight Samuel locations in the Greater Toronto and Hamilton areas came together to raise over \$10,000 and donate toys for the McMaster Children's Hospital in Hamilton, ON.

## ***Sponsor at the First Robotics Innovation Emerging Innovators Pitch Competition at the CNE***

Samuel was extremely excited to go to the Ex this year! Not only were we a sponsor for the CNE Innovation Emerging Innovators Pitch Competition, but we also helped high school students from across Ontario put their robots to the test in a space-themed competition. We were a proud sponsor of the event and donated metal to two of the teams to help them with their robotic creations.



## ***An Act of Kindness Goes a Long Way***

This year, a citizen reported having witnessed Kim-Tam driver, Blerim Morina, stop his truck, get out and help an elderly man across the street. Blerim, humbled by the situation said, "I noticed the elderly man trying to cross the intersection with no cars on either side slowing down or stopping for the gentleman. I put on my four-ways, gestured for the oncoming traffic to stop, and assisted the man in crossing the road." Blerim's act was a true representation of kindness.

**"I PUT ON MY FOUR-WAYS, GESTURED FOR THE ONCOMING TRAFFIC TO STOP, AND ASSISTED THE MAN IN CROSSING THE ROAD."**

# Our People & Culture

At Samuel, we see our people as our most important asset. We always want to ensure that we're offering them the very best work environment and the most rewarding career possible.

## In 2019, we:

- Launched our Diversity, Inclusion and Belonging program company-wide
- Focused on providing opportunities for our employees to develop their careers, with on-site training programs
- Implemented policies that support personal growth and flexibility
- Increased two-way communication with leadership to help employees share what they love about working at Samuel and where our opportunities for improvement are

## Diversity, Inclusion and Belonging Program launch

Diversity is a broad term with many meanings, but at Samuel we're specifically focusing on making the most of the varied viewpoints, backgrounds and experiences our people have to offer. This means being open to other opinions, seeking different ways to do things and building inclusive teams that embrace both similarities and differences including, but not limited to, age, gender, education and cultural background.

Our people are the source of our strength, vitality and reputation. We focus on doing the right thing for our customers and employees—and we never compromise our integrity.

### DIB is important to Samuel

When diversity and inclusion are considered, and a sense of belonging happens people are more likely to leverage differences, share responsibility, be accommodating, create and provide access to a wider variety of opportunity, leverage recognition and rewards and be open to continuous learning. This is important to be able to offer our employees more rewarding and fulfilling careers, provide better service to our customers, and generate better business results.

### Company-wide Unconscious Bias Training

In 2019 we rolled out our unconscious bias training workshop as part of our Diversity, Inclusion and Belonging program. The unconscious bias workshop serves to help employees understand how their own perceptions/biases (positive or negative) can impact the teams they work on and our workplace.

## IN 2019

**1,468**  
employees  
participated in  
training sessions

**70**  
training sessions  
and workshops  
offered

**750**  
employees received  
extended leadership  
training

**>\$2M**  
annual investment  
in employee learning  
in 2019

## Career Development Training

Samuel offers a wide range of training, including a variety of courses on leadership development and engagement, customer experience and continuous improvement. Offering these training programs to our employees helps us our people grow, both personally and professionally, and also allows us to better support the diverse needs of our customers.



**YOUR  
SUCCESS  
IS OUR  
BUSINESS**

**LEARN MORE AT:**

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