



# Corporate Sustainability

2024



## A Message from our co-CEO's

From our very humble beginnings armed with the dream to become the dominant Canadian domestic air cargo operator in Canada, we have grown to become a significant global air cargo operator, operating a fleet of over forty B757F and B767F aircraft.

Our commitment, dedication, and on-time performance have led to us being leaders in the industry and I am extremely proud and grateful for our TEAM. We have won several industry awards, both nationally and internationally and are the only Canadian air cargo carrier that is IATA certified and has achieved an ISO: 9001:2015 quality standard accreditation.

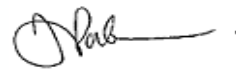
Today, the future success of Cargojet is guided by redefining industry standards, rethinking how to serve our customers better and remembering that it's the personal attention that makes us all successful. One of our core values has always been our obsession with our Customers and providing an unparalleled level of reliability, on-time performance and flexibility. Our 100% customer retention rate and recent major customer contract extensions are a true testament to the critical role that Cargojet provides in both the domestic and global supply chain. We have faced numerous challenges over the years, but we have always persevered and continued to grow our business.

At Cargojet, sustainability means understanding the environmental, economic and social impacts of our business, with a focus on engaging with relevant partners, regulators, industry agencies and other stakeholders to ensure that our business continues to evolve and reflect high standards of corporate social responsibility. Our commitment is further underpinned by our values: Safety, Reliability and Efficiency, which reinforce our commitment to our customers to deliver best-in-class service. We plan to move forward in our sustainability journey, committed to sharing our efforts around the environment, our workplace practices, our engagement with community partners and other important topics of greatest importance to our stakeholders. This important balance is one Cargojet feels strongly about being a part of and with that in mind, we are proud to publish our Corporate Sustainability Report.

Our very best,



**Pauline Dhillon**  
Co-CEO



**Jamie B. Porteous**  
Co-CEO



Jamie Porteous, co-CEO



Pauline Dhillon, co-CEO



# Corporate Sustainability Policy

Cargojet's Corporate Sustainability Policy reflects our core values and commitment to conducting our business strategically, ethically and responsibly in a manner that allows us to continue to build a long-term and sustainable business. This policy is rooted in a focus on understanding the environmental, economic and social impacts of our business and engaging with relevant partners, regulators, industry agencies and other stakeholders to ensure that our Corporate Sustainability framework continues to evolve and reflect high standards of corporate social responsibility.

## Scope

This policy applies to all activities undertaken by or on behalf of Cargojet. All Cargojet and contractors will adopt the Sustainability considerations described in this report in their day-to-day work activities. Cargojet leaders will incorporate these considerations into decision-making and ensure organizational structures are in place to effectively identify, manage, and monitor Corporate Sustainability issues.

## Ownership

Implementation of this Corporate Sustainability Policy is a responsibility shared by Cargojet's Executive team. This policy is regularly reviewed and approved by the Board of Directors.





# Sustainability Targets

Aligned with our commitment to enhance our sustainability reporting, Cargojet has set Corporate Sustainability targets outlined in this presentation.

# Our Commitments



**ACHIEVE**

- Achieve Net-Zero value chain GHG emissions by 2050 in line with the SBTi Net-Zero Standard, to include the usage of Sustainable Aviation Fuel (SAF) to at least 1% fuel consumption by 2025<sup>(1)</sup>, 10% by 2030 and 65% by 2050.
- Achieve a scale of value chain emissions reductions consistent with pathways that limit warming to 1.5°C

**NEUTRALIZE**

- Neutralize the impact of any residual emissions by permanently removing an equivalent volume of atmospheric CO<sub>2</sub>.

**IMPROVE**

- Improve Operational Safety and Workplace Health and Safety performance annually.
- Improve focus on diversity, and gender parity to continue building an inclusive work culture.

Note (1): Subject to the commercial availability in the markets that Cargojet operates.



# Environment



Climate change is a pressing global challenge, and Cargojet is committed to doing our part.

# Addressing Climate Change



Cargojet believes the scale of the climate challenge, and the science behind it, demands that we increase our GHG emission reduction efforts. In response, we tracking our Scope 1 and Scope 2 emissions and related intensity metrics. We are also engaging with our suppliers and customers to build a comprehensive Scope 3 inventory.

Cargojet is aligned with the IATA model for combining a reduction of CO2 emissions, offsetting and carbon-capture methods to achieve Net-Zero.

As one of Canada's largest airlines, we know we need to be a leader in helping to drive the operational, policy and technological changes needed to reduce CO2 emissions from air travel to the limit advised by the Intergovernmental Panel on Climate Change (IPCC).

To avoid the most damaging and irreversible impacts of climate change, we intend to disclose more details about our pathway to achieving our long-term aspirations as well as our GHG inventory in future reports.

**The IATA model includes measures in the following proportions:**



**Sustainable Aviation Fuel (SAF) – 65%**

**New Technology – 13%**

**Carbon Capture – 11%**

**Offsets – 8%**

**Operational efficiencies – 3%**

# Emissions



## Emissions Performance

The primary method for progress in this effort is through reductions in the emission of greenhouse gases and particulate solids. Achieving this through simply reducing flight hours creates a detrimental effect on consumer and business stakeholders who depend on air freight for essentials of life and the sale of other products. A better measure is an improvement in efficiency, or a reduction in Carbon Intensity, measured by the emissions versus payload carried.

In terms of Carbon Intensity, progress in efficiency is highly dependent on economic conditions, which determine the payload carried on any given route. While some fleet rationalization and route adjustments are possible, to provide service to smaller markets as required by our customers frequently the aircraft must be operated at less than maximum loads.

Despite these challenges, in 2023 we achieved a year-over-year reduction of 2.85% in emissions per flight hour and a reduction of 11.18% in emission per tonne of payload. This was in addition to an absolute reduction of 7.03% in Scope 1 emissions from aircraft operation.



# Sustainable Aviation Fuel



Cargojet is a founding member of the Canadian Council for Sustainable Aviation Fuels (C-SAF), whose mission is to accelerate the deployment of Sustainable Aviation Fuels (SAF) in Canada to ensure that the Canadian aviation sector remains competitive as it transitions to a Net-Zero future.

Sustainable aviation fuel (SAF) is jet fuel produced from renewable hydrocarbon resources, including both biological and non-biological resources. It can be produced from a range of feedstocks, including municipal solid waste, used cooking oil, plant oils, waste gases and agricultural residues. SAF is certified as Jet-A1 fuel, which means it meets the same performance standards as conventional jet fuel and can be used without technical modifications to aircraft. The current regulatory limitation is that it must be blended with conventional fuel to a maximum of 50%, but certification efforts are currently underway and safe in-flight operations at 100% have recently been demonstrated.

The current challenge with SAF is a lack of supply. Presently, less than 1% of worldwide jet fuel requirements are available, and there is no domestic production in Canada.



# Fleet Modernization



Over the past five years, Cargojet has undertaken a fleet renewal program to replace the original aircraft in the system. This was vital from a fuel efficiency perspective due to the ever-rising cost of fuel, but also due to a considerable increase in demand as e-commerce has become the fastest growing segment of Business-to-Business and Direct-to-Consumer value chains.

The fleet transition was a significant step in reducing GHG emissions; for example, the Boeing 767 carries twice the payload for the same amount of fuel burn as the legacy Boeing 727 aircraft, and the Boeing 757 carries one-third more payload for 60% of the fuel burn.

*Our fleet transition program improves our Carbon Intensity by reducing the fuel burn per block hour per pound of payload.*



# Carbon



## Carbon Capture

Small-scale Carbon Capture Utilization and Storage (CCUS) technology is in the formative stage. Any emissions program will have residual emissions that are not captured under other programs which can only be captured by CCUS. CCUS can also be used to achieve success under the Net-Zero initiative. Cargojet will deploy such CCUS devices as they become available to achieve our targets in the future.

## Carbon Offsets

While the core focus of Cargojet's climate strategy is increasing efficiency and reducing emissions, we recognize that carbon offsets also have a role to play. We have joined the industry effort to achieve carbon-neutral growth in emissions from international aviation after 2020, relative to a baseline set at 85% of 2019 emissions, through our participation in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

The global airline industry contributes about 2% of all human-induced carbon dioxide (CO<sub>2</sub>) emissions, and our industry's share of global emissions is projected to rise. Our industry is one of the few sectors that has established global CO<sub>2</sub> emissions goals, which include an average improvement in fuel efficiency of 1.5% per year from 2009 to 2020, carbon-neutral growth after 2020 and a 50% reduction in net aviation CO<sub>2</sub> emissions from 2005 levels by 2050.

Adopted by the United Nations' International Civil Aviation Organization (ICAO) in 2016 and currently being implemented by Canada in association with Transport Canada, Cargojet is one of 13 airlines in Canada to monitor its carbon footprint along with other airlines around the world. CORSIA is the first global carbon pricing mechanism covering an entire sector.

# Fleet Efficiency and Optimization

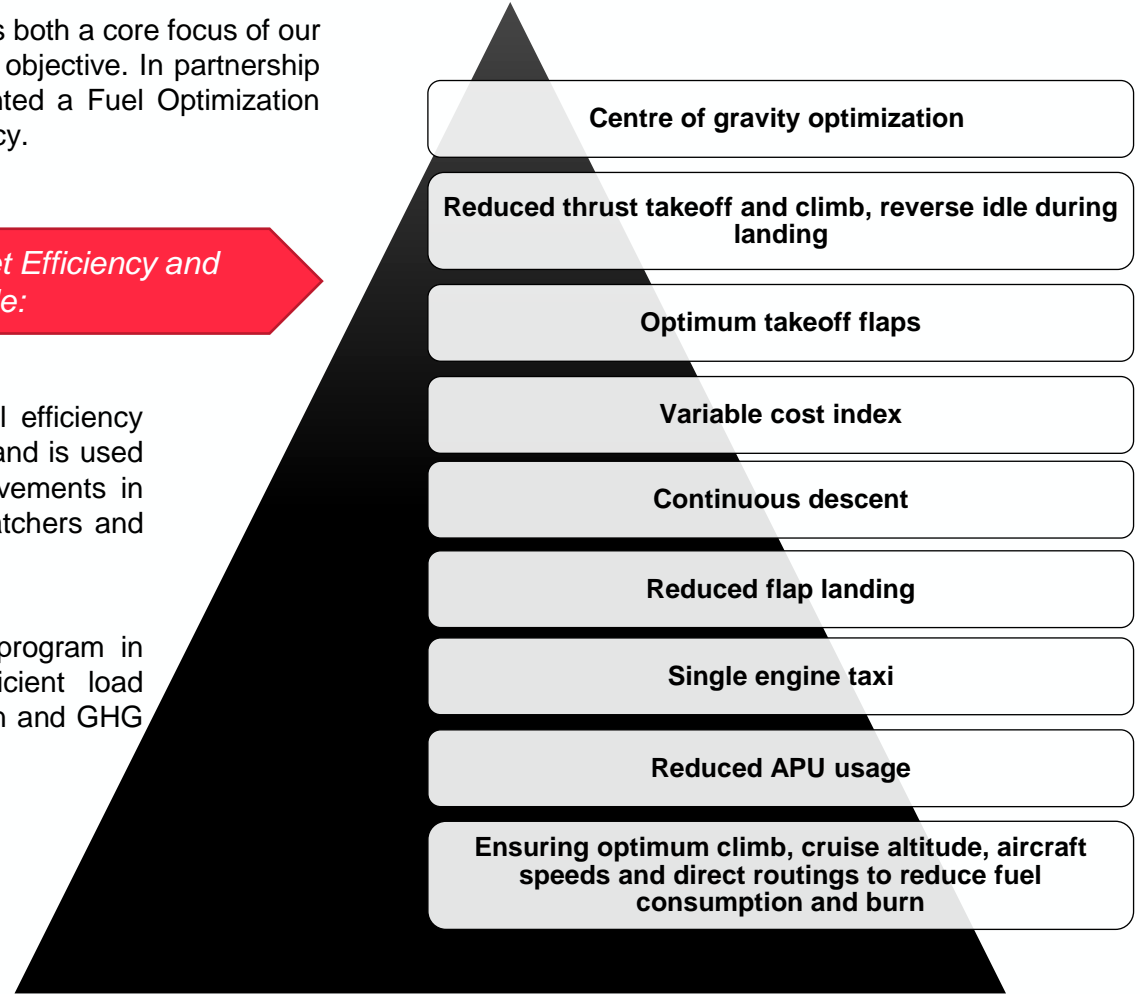


Maximizing the fuel efficiency of our aircraft is both a core focus of our climate change strategy and a key business objective. In partnership with our customers, Cargojet has implemented a Fuel Optimization Program established to increase fuel efficiency.

*Our initiatives implemented under the Fleet Efficiency and Optimization Program Include:*

The program tracks six key metrics for fuel efficiency through the Flight Data Monitoring program and is used to improve fuel consumption through improvements in flight planning and flight operations by dispatchers and flight crews.

Cargojet implemented a new load control program in 2018, which calculates the most fuel-efficient load distribution for each flight to reduce fuel burn and GHG emissions.



# Fleet Efficiency and Optimization (continued)



We continue to work to improve efficiency by optimizing loads and reconfiguring our network to reduce flying hours while maintaining service to our business and consumer customers.

*Aircraft Maintenance and Load Control programs include:*

Aircraft engine wash programs

Replacement of heavier fiberglass ULD containers with Lexan containers

Reducing aircraft empty weight by removing Fly Away Kits from aircraft on network sectors

Restricting the use of taxiing aircraft and ground runs to a minimum for maintenance purposes except where specifically required for maintenance checks or verifications

Conducting routine checks of aircraft systems for leakages contributing to higher fuel burns

Painting and polishing aircraft to reduce drag and increase fuel efficiency

Rigging of aircraft flight controls and the replacement of flight control seals to reduce drag

Electric ground handling and aircraft servicing equipment

# Broader Industry Programs



As a responsible member of the international aviation industry, we at Cargojet recognize our obligations to participate in programs that consider and benefit all stakeholders. More importantly, this is seen by Cargojet as an ongoing effort, rather than a one-time task. Programs that are beneficial to our customers and the public at large are also in our corporate interests since it is only good governance to enhance the welfare of our customers through environmental sustainability by whatever means are available.

Cargojet Inc. is committed to the “Greening Aviation in Canada” initiative spearheaded by the Government of Canada. This is a collaborative effort with the federal government and industry. It is a fine example of how the interests and goals of corporate sustainability, and the company shareholders can be aligned.



*For more information on  
Greening Aviation in Canada  
program, please  
click link below:*



Government  
of Canada

Gouvernement  
du Canada



# Supplier Management



Corporate Sustainability is of critical importance to our customers and stakeholders. As a result, Cargojet is making an active effort to, where possible, work with our customers and suppliers to improve our Corporate Sustainability impacts. Corporate Sustainability is an increasingly importance factor for our consideration of suppliers. Where bids are put out to tender, requirements regarding Corporate Sustainability are included and the responses are considered as part of selecting the successful bids. Scope 3 Emissions among our suppliers are an essential part of our Carbon Inventory, and we encourage suppliers to participate in the CDP reporting system.

A banner for the CDP Discloser 2023 program. The left side features the CDP logo and the text "DISCLOSER 2023" in white on a red background. The right side has a blue background with the text "We are committed to a sustainable future through environmental transparency." in white. Below the text is a photograph of a landscape with clouds and mountains.

*For more information on the CDP program, please click link below:*

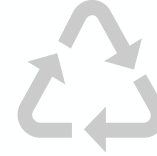


# Pollution Reduction



## NOISE

Noise abatement profiles use reduced power settings and increased climb profiles. The Cargojet Performance program calculates the optimum power setting for each takeoff and allows the flight crew to use lower power and flap settings to reduce noise levels, fuel burn, and engine wear. The latest onboard Flight Management System RNP navigation equipment allows continuous descent idle power approaches along the least noise-sensitive routings



## WASTE

Cargojet has a waste diversion initiative across its operations with a focus on reducing garbage and providing recycling options. We encourage all bases to reduce the amount of waste that is placed in the recycling bins, and actively reuse and recycle materials whenever possible.



# Emissions Statistics



Calendar Year	DOMESTIC	INTERNATIONAL	TOTAL		
	Emissions (CO <sub>2</sub> Tonnes)	Emissions (CO <sub>2</sub> Tonnes)	Emissions (CO <sub>2</sub> Tonnes)	Emissions(T)/Payload(T)	Emissions (T)/Hr
2016	247,286	85,105	332,390	1.3839	12.7231
2017	246,906	91,191	338,097	1.3060	10.8735
2018	277,767	117,988	395,754	1.3173	12.0402
2019	288,037	164,795	452,832	1.3609	12.4358
2020	343,470	316,164	659,634	1.5300	12.3854
2021	375,618	375,124	750,742	1.4734	12.3602
2022	427,042	499,952	926,994	1.7636	12.7055
2023	361,985	499,879	861,864	1.5665	12.3441

FULL YEAR 2023	Average Burn (T)/Hr/Tonne	Emissions (T)/CTK
Domestic	0.2812	0.00074123
International	0.3142	0.00073150
Combined	0.2975	0.00073901

# Emissions Statistics



FULL YEAR 2023	CO2 Emissions (T)
<b>Scope 1</b>	
Aircraft Operations	861,864
Ground Operations	4,315
Facilities	1,280
<b>Scope 2</b>	
Facilities	228
<b>Scope 3</b>	
Aircraft Operations (Category 3)	219,384
Contracted Transport (Category 4)	0
Sewage (Category 5)	4
Business Travel (Category 6)	2,505
Commuting (Category 7)	
Contracted Transport (Category 9)	0
<b>TOTAL CO2 Emissions (T) FY2023</b>	<b>1,089,580</b>

- Scope 1 emissions include direct aircraft operations, ground service equipment and vehicles, and natural gas consumption at all domestic stations and head offices.
- Scope 2 emissions include electricity consumption at all domestic stations and head office.
- Scope 3 Category 3 emissions are calculated by a fixed ratio of aircraft operations emissions to allow for the emissions resulting from the provision of jet fuel.



# Social

Cargojet recognizes that we have an impact on society and our stakeholders, and likewise that stakeholders impact our business and operations. Cargojet's founding principles of diversity, quality, respect, fairness, teamwork and empathy reflect our dedication to strong social performance.

# Health & Safety



As an airline, the health and safety of our team members is critical to successful operations. All team members receive mandatory Safety Management System (SMS) Training as initial training upon hiring and recurrent every 3 years. Hazard Prevention Program training occurs every 3 years, which includes a review of the program and a review of the Hazard Register.

Cargojet has established an Occupational Health and Safety Program that is documented in the company's Health & Safety Program Manual (HSPM). The manual outlines the elements, organization, processes and procedures of Cargojet's Health & Safety Program, as well as the Occupational Health & Safety Policy and the Safety Policy. Our HSPM is based on standard health and safety practices, using Part II of the Canada Labour Code and the Canada Occupational Health and Safety Regulations as primary guidance.

Additional training includes mandatory WHMIS, Fire Safety training, and Safety Policy training for all team members through both virtual and on-the-job training. Training programs are either one-time or recurrent training sessions as determined to be necessary and Cargojet tracks completion of these training programs through the Jet Train application.

The Non-Punitive Safety Reporting system tracks incidents and injuries to monitor compliance with policies and procedures. Where deficiencies and trends are identified, corrective actions are implemented to modify training programs and procedures as appropriate. Team members also have access to Whistleblower call lines and Employee Assistance Programs to ensure their well-being and safety.

# Safety Risk, Emergency & Crisis Management



The company has a Risk Management Program that is documented in the Safety Management System (SMS) Program Manual, which allows for the identification, assessment and mitigation of safety risks that threaten the organization and its personnel before an incident, or to mitigate the effects and eliminate the recurrence of incidents that have already occurred. Cargojet's SMS Program is in accordance with requirements of Transport Canada Aviation Regulations, the International Civil Aviation Organization (ICAO), and the International Air Transport Association (IATA) and approved by Transport Canada.

The Safety Risk Profile is a list of prioritized risks that have been identified through the Hazard Identification process; it contains a list of the five to ten highest safety risks to allow for the effective allocation of resources where they are required the most. The Safety Risk Profile is updated annually, however, where a risk is identified as safety-critical, it is reviewed, and the Safety Risk Profile is adjusted as required. The Safety Risk Profile is reviewed at both semi-annual meetings of the Management Safety Review Committee chaired by the Accountable Executive.

Cargojet is dedicated to strong and effective crisis risk management and emergency preparedness to manage unforeseeable incidents. The company has an Emergency Response Plan in place that is documented in the Emergency Response Manual (ERM). Cargojet has developed an Emergency Response Plan (ERP) to respond to an emergency. If an accident or incident occurs, the mission of the ERP is to render aid to injured parties and to prevent or minimize further personal injury or property damage, while ensuring business continuity and the continuation of operations.

# Safety Committees & Surveys



Cargojet's Committee members and Health and Safety Representatives, as applicable, shall promote safe work practices and conditions, and assist in creating a safe work environment by recommending actions that will improve the effectiveness of Cargojet's Health and Safety Program.

Safety Surveys are conducted on an annual basis as a performance measurement tool to assist in continuing to improve the effectiveness of our SMS Program, to monitor the effectiveness of the SMS Training and communication channels, and to help identify areas of further development and improvement.

The Surveys are distributed company-wide and consist of questions to address areas such as SMS General, Safety Information and Communication, Hazards, Reporting, Feedback, Training, Safety Culture, Management, COVID-19, and a last open question where participants are requested to provide their feedback, comments or suggestions.

An analysis of the responses received is conducted following the completion of each survey cycle. The Survey is conducted annually.

# Programs



## Hazard Prevention Program

A key aspect of managing safety is the Hazard Prevention Program (HPP) which is in place for the identification and management of workplace hazards. A Hazard Register is maintained reflecting all hazards identified. This Register includes the hazard-related consequences, the existing risk controls, the risk assessment, and the proposed mitigations, if necessary, with details of the applicable action plan. All team members receive HPP training every three years, which includes a review of the program and a review of the Hazard Register.

## Dangerous Goods Program

Cargojet is fully committed to the establishment of a culture that has dangerous goods as a fundamental operational priority. A key aspect of managing dangerous goods is through our Dangerous Goods Program. The objective of this program is to provide direction and assistance to all company and non-company personnel involved in the handling, offering for transport and transporting of dangerous goods on behalf of Cargojet. Through the use of our DG Operations Manual, all personnel involved with Dangerous Goods will have guidelines as to how to conduct their activities.



# Workplace Violence & Harassment Policy



Cargojet is committed to building and preserving a safe working environment for its team members and has a Workplace Violence and Harassment Prevention Policy in place which outlines our commitment to providing a safe working environment. In pursuit of this goal, Cargojet does not condone and will not tolerate acts of violence or harassment against or by any company team members, job candidates, managers, or clients. This commitment is applied to the processes involving training, performance reviews and assessments, promotions, transfers, layoffs, remuneration, and all other employment practices and working conditions.

**Every Cargojet team member is entitled to employment free from discrimination and harassment.**

If any team member feels discriminated against or harassed in any way, they can and should, in confidence and without fear of reprisal, report the occurrence immediately to the Human Resources department. Also available to our team members is Cargojet's Open Door Policy and Confidence Line Ethics and Workplace Hotline, which reflects our commitment to transparent and flexible communications between managers and team members. This in turn helps build a culture of trust amongst all. We encourage team members to ask for counsel or feedback, express a complaint or concern, make suggestions for change, or discuss other personal topics. The Open-Door Policy is also intended to provide all team members with a means of sharing concerns up to the CEO level.

Cargojet is committed to integrity and ethical behaviour in the workplace and fosters a fair and safe work environment for all team members. It is of paramount importance that our team members are provided with an avenue to anonymously report workplace issues with a means of communicating concerns to an independent third party to maintain confidentiality. All reports will be kept confidential and will only be shared with necessary individuals when required.





# Diversity & Inclusion



At Cargojet, **Fairness, Diversity, Respect, Equality, Teamwork**, and **Empathy** are the very cornerstones of our business philosophy and recipe for our success.

Cargojet is dedicated to providing an atmosphere free from barriers to promote equity, gender parity, and diversity. We celebrate and welcome the diversity of all team members, stakeholders and external personnel. It is Cargojet's policy to foster an environment that respects people's dignity, ideas and beliefs thereby ensuring equity and diversity in employment. We demonstrate our commitment to this by providing a supportive work environment and a corporate culture that welcomes and encourages **equal opportunities** for all of our team.

Diversity is a key pillar of the corporate strategy. Today, females represent nearly 16% of Cargojet team members in the workforce, almost 27% of our team in our workforce identify as a visible minority and 2.1% are persons with disabilities.

Cargojet has specific policies in place to prevent any discrimination in any employment, stakeholder or external personnel matter and is dedicated to promoting diversity within the workplace. All personnel actions regarding hiring, compensation, promotion, benefits, job assignments, transfers, company-sponsored programs or events, etc., will be taken without regard to race, colour, creed, religion, sex, gender identity, gender expression, family status, age, language or national origin. Cargojet ensures that accommodations are made for individuals who require them. Individuals are encouraged to let Cargojet's management know of any accommodations that can be made to make our workplace better.



# Diversity & Inclusion



To reinforce our founding principle of Diversity, and to foster our growth as an organization, Cargojet has a robust Diversity & Inclusion Policy. All team members complete mandatory diversity training modules that set a consistent and high standard of expectation for all Cargojet team members. Our diversity training includes a video shown to new team members during onboarding followed by two other training modules. The first module focuses on the multiple aspects of diversity, including factors such as ethnicity, culture, religion, age, gender parity, sexual orientation, and sexual identity. This course educates participants about acceptable and unacceptable workplace attitudes and behaviours, including discrimination, harassment, and bullying. The course helps team members identify appropriate ways to respond and provides practical strategies to support an inclusive workplace environment where everyone feels safe and respected. The second module emphasizes how unconscious bias affects everyone. The course examines how biases in the workplace can affect individuals and organizations and identifies ways to improve internal processes to create an inclusive and equal-opportunity environment. It emphasizes working towards creating barrier-free employment by reviewing all the internal processes including but not limited to hiring, promotions, talent management and transfers, to remove any barriers.

*“Cargojet is proud to have one of the most diverse workforces in the country but what has become even more important is to raise the collective bar. There is more we can do to support racial equality in professions where ethnic minorities form a much smaller portion of the workforce. Therefore, supporting those who may not have the opportunity to pursue certain careers at an early education stage is vitally important.”*

*– Dr. Ajay Virmani, Executive Chairman & Founder of Cargojet*



# Team Member Benefits & Satisfaction



Cargojet provides its team members with competitive wages and benefits, as well as non-salary mechanisms to recognize our team members. The pay and benefits at Cargojet are comparable to the industry and are periodically reviewed for internal and external parity. All hourly team members have an annual salary increase process which is based on a consistent “Salary Grid” that considers various factors such as the role and its complexity, industry standards, tenure, experience level, and cost of inflation. The performance management system and the progressive discipline system ensure procedural fairness and reinforce consistent performance and behavioural standards for all team members.

Our Managing Your Work Hours Policy reflects our commitment to offer flexible work schedules whenever deemed reasonable to members of the designated groups. We have three (3) types of employment status: Regular Full-Time, Regular Part-Time and Temporary Part-Time. These groups allow us to accommodate all team members depending on their situation. For example, a team member in the Temporary Part-Time group may be a student who is going to school full-time however, if they want to contribute to the workforce as well, they can work reduced hours.

Cargojet conducts team engagement surveys annually. The surveys cover various aspects including work environment, relationship management, career development and work engagement. The surveys are conducted anonymously to obtain genuine feedback from team members. The surveys are analyzed, and the results are shared at team member-wide town hall meetings alongside priority actions the company intends to undertake based on the feedback received. This practice reaffirms the trust in the surveys as a valuable tool for team members to freely express themselves. The company also conducts discretionary surveys for collating feedback from team members on specific issues such as schedules and salary.



# Talent Acquisition & Retention



Cargojet continues to follow industry best practices to retain its position as an “Employer of choice”.

The company’s talent acquisition strategy underpins the company’s core values and founding principles.

Equality

Diversity

Respect

Teamwork

Fairness

Empathy

Our recruitment practices continue to place an extensive focus on hiring within the organization first, to allow for internal advancement of Team Members. All jobs are first posted internally company-wide followed by external postings on popular job boards, social media platforms, and the careers page of the company website. The hiring team closely works with local community agencies and academic circles to attract the right talent from a diverse pool of prospective candidates. All recruitment tools are appropriately applied to ensure fairness and consistency.

All new hires are introduced to the Cargojet’s history, culture and core values during their orientation and onboarding. Team Members are required to read and acknowledge all corporate policies including Cargojet’s Code of Ethics.





# Governance

Cargojet recognizes the importance of sound corporate governance practices to ensure the proper and effective management of our company and successful operation of our business. Cargojet is committed to actions and policies that align with the needs and values of our key stakeholders and reflect a culture of compliance, ethical conduct, and good governance.



# IFRS



In 2024, Cargojet will be instituting processes to comply with the new IFRS reporting standards for Sustainability (Standard S1) and Climate (Standard S2). They will require disclosure of all related risks and opportunities that affect the company's cash flows, access to finance or cost of capital over the short, medium, and long term.

The standards are based on the following four pillars which align with TCFD:

**Governance** - Controls in place to manage sustainability-and climate-related risks and opportunities to include oversight responsibility and management role(s);

**Strategy** - Approach used to manage sustainability and climate-related risks and opportunities, current and anticipated effects, financial position, climate resilience, etc.;

**Risk Management** - Process to identify, assess and monitor sustainability and climate-related risks and opportunities, and processes and policies to monitor risk, climate scenario integration, overall risk management, etc.;

**Metrics & Targets** - Performance concerning sustainability and climate-related risks and opportunities, to include a description of metrics, both qualitative and quantitative. The climate disclosure is according to SASB sector-specific standards.



# Regulatory Compliance



We are committed to maintaining, promoting, and enforcing a high standard of compliance within applicable regulatory requirements. We are committed to the adoption of certain best practices that go beyond the requirements mandated by law. This includes governance best practices recommended under National Policy 58-201 – Corporate Governance Guidelines.

The Regulatory Review Sub-Committee (RRSC) is a standing adjunct to the Safety Action Committee (SAC), with a mandate to meet on a quarterly basis. Each member of this Committee monitors regulations and standards in their respective functions and monitors industry best practices and 3rd party agencies. The RRSC is comprised of designated representatives from Flight Operations, Maintenance & Engineering, Cargo Operations, the Manager Regulatory Security, the Manager SMS, and the Vice President SMS and Security. The RRSC monitors and acts upon changes in regulations, standards, exemptions, industry best practices and 3rd party agencies, including procedures and legislation with respect to Emergency Response, to maintain regulatory compliance.

The Safety Policy Committee receives quarterly reports from the Human Resources Department, which is responsible for compliance with Occupational Health and Safety (OSH) and other government Health & Safety programs, to ensure all regulatory compliance for health and safety is achieved and actioned promptly. Thus, the HR Department monitors changes in regulations pertaining to the Canada Labour Code, and the Personal Information Protection and Electronic Documents Act. Cargojet has not received any fines over the last year for non-compliance with relevant regulatory requirements.

# Code of Ethics



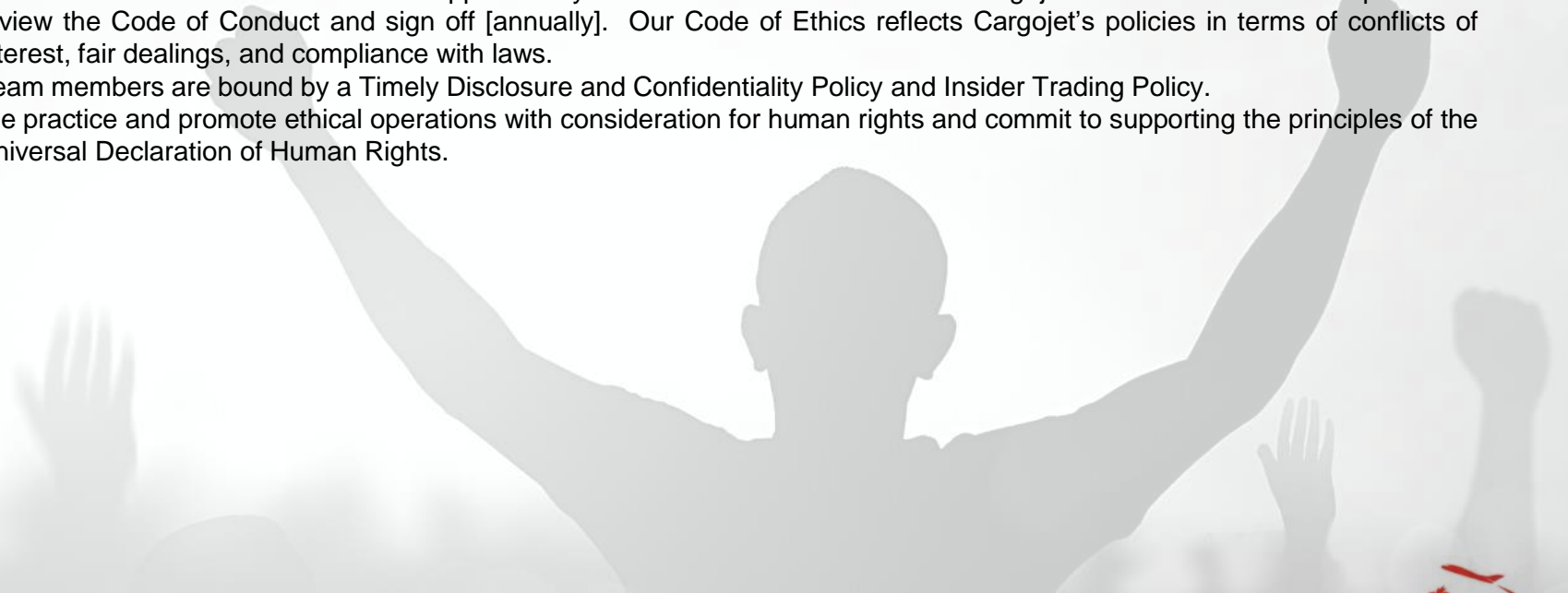
At Cargojet, sound legal and ethical business practices are fundamental to how we operate. We are committed to promoting a culture of integrity and respect.

Our Leadership Team is accountable for ensuring performance expectations and behaviours consistent with the principles of the Code of Ethics and the company's values. These expectations are communicated across the company's workforce and to any parties who conduct business with us.

Our Code of Ethics is reviewed and approved by the Board at each AGM. All Cargojet Team Members are expected to review the Code of Conduct and sign off [annually]. Our Code of Ethics reflects Cargojet's policies in terms of conflicts of interest, fair dealings, and compliance with laws.

Team members are bound by a Timely Disclosure and Confidentiality Policy and Insider Trading Policy.

We practice and promote ethical operations with consideration for human rights and commit to supporting the principles of the Universal Declaration of Human Rights.





# Policies & Publications



Cargojet Policies and Publications are available on the following link and our website.

For Cargojet Policies, please click on the link below:



For Publications, please visit our website by clicking on the link below:

