



DOING BETTER TOGETHER

Environmental, Social
and Governance Report

2021

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ONE TEAM,

WORKING TOWARDS

A BRIGHTER

FUTURE



A Message From Colin Osborne

President & CEO

At Samuel, Son & Co., Limited, (Samuel), we pride ourselves on constantly challenging the status quo, and our approach to Corporate Social Responsibility (CSR) is no different.

Our 2021 Environmental, Social and Governance (ESG) Report is an evolution of our previous reports and expands our level of reporting across all three areas. While not required for private companies like Samuel, we believe that this enhanced reporting signifies our commitment and accountability to environmental sustainability, our team members and the communities in which we operate.

2021 was a year of growth and leadership for our company. I'm proud of everything our teams accomplished throughout the year and their agility in adapting to the changing business climate – no easy task with more than 5,500 team members focused on 16 lines of business across 83 locations in Canada, the US and Mexico.

Though we continued to face headwinds due to the COVID-19 pandemic in 2021, our team chartered through these unprecedented challenges, driving success while continuing to work towards and evolve our ESG priorities. As such, we achieved several successes in our ESG journey including:

- **Established a sustainability-linked revolving credit facility agreement with our banking partners** – one of the first of its kind in our industry. This unique lending arrangement links our environmental sustainability initiatives and key performance indicators (KPIs) to our financing terms. While this agreement provides a financial incentive for Samuel to meet our environmental sustainability targets, it also demonstrates that we are pursuing out-of-the-box ways to embed ESG commitments into every facet of our business.
- **Continued to build momentum towards reducing energy consumption** by decreasing the energy intensity of our operations by 4% CO₂e/unit, and by 6.1% kWh/unit of production in 2021 as compared to 2020.
- **Achieved our safest year on record** – as demonstrated by our days away, restricted or transferred (DART) rate at 0.94 compared to 1.29 in 2020. This 27% reduction reflects the continued focus and diligence that our team members place on fostering a safety-oriented workplace.
- **Appointed our first dedicated Diversity, Equity and Inclusion (DEI) Manager**, who is responsible for developing a strategy and action plan for the Samuel organization.
- **Established a Health and Wellbeing team** tasked with developing programs and resources for our team members. They rolled out several initiatives including virtual mindfulness sessions, a COVID-19 vaccine education program and a mental health awareness program.
- **Continued to commit 1% of our yearly net income*** to not-for-profit organizations focusing on matters related to health and wellness, building strong community relationships and youth leadership. We also proudly launched the Samuel Communities program within our charitable giving umbrella, inviting all team members across our network to put forward a charity to be considered for a monetary contribution from the company.
- **Named one of Canada's Best Managed Companies** – an important milestone for our company – recognizing us for our leadership in the areas of strategy, capabilities and innovation, culture and commitment, and financials to achieve sustainable growth.

A growing drive to evolve our ESG commitments is embedded in our culture and business practices. It is manifested through the many programs and initiatives across the company. We recognize that our impact in all areas of ESG is a continual pursuit and with the support of our Owners and team members, we are committed to advancing our ESG efforts.

Sincerely,

Colin Osborne, President & CEO

*Based on a three-year rolling average of net income.



ABOUT SAMUEL

Founded in 1855, Samuel is a family-owned integrated network of metal manufacturing, processing and distribution divisions. Our team members provide metals, industrial products and related value-added services from locations across North America. 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.

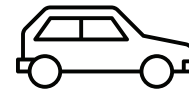
Samuel serves various industrial product markets through our dedicated business groups and manufacturing divisions. With access to a full range of metal products and processing capabilities, we strive to be a strategic supplier – delivering products, services and solutions optimized for the diverse markets we serve.





OPERATING IN ALL MAJOR INDUSTRIES

that utilize metal components



AUTOMOTIVE



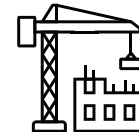
AEROSPACE



MINING



OIL & GAS



BUILDING & CONSTRUCTION



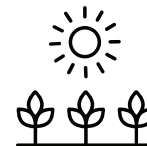
CHEMICAL PROCESSING



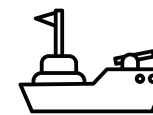
ENERGY & WATER



FOOD & BEVERAGE



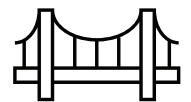
AGRICULTURE



DEFENSE



TRANSPORT & RV



INFRASTRUCTURE



**LARGEST FAMILY-OWNED
MANUFACTURER, PROCESSOR
AND DISTRIBUTOR OF METAL
PRODUCTS AND SOLUTIONS**

Established

1855

\$5B+

Revenue

80+

Locations

5,500+

Team Members



Achieving our business goals the right way – every day. It’s a commitment that Samuel team members make to one another and our valued stakeholders.



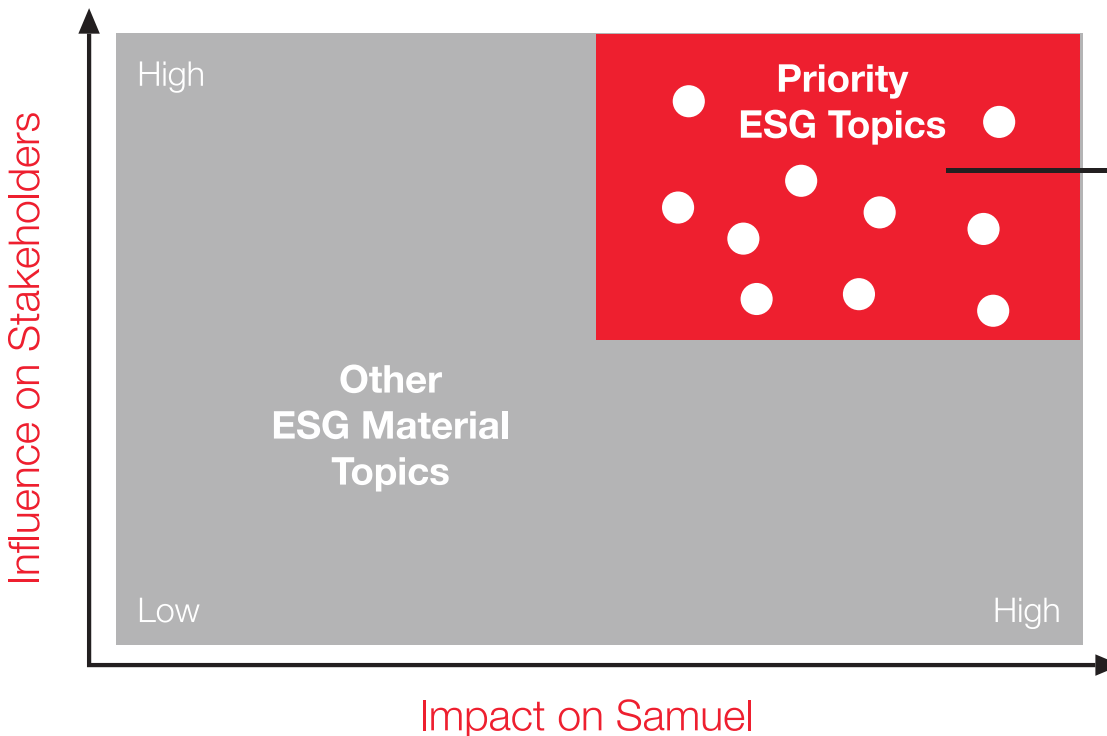
IDENTIFYING AND PRIORITIZING KEY ISSUES

Materiality Assessment

As part of our commitment to ESG, we completed our first-ever materiality matrix to determine Samuel's ESG priorities and understand and prioritize ESG topics that are critical to the long-term sustainability of our business. The outcome of this assessment informs our corporate responsibility priorities and guided the focus of disclosures in this report.

To inform the items reflected in the materiality matrix, we surveyed Samuel's key stakeholders to understand which topics they find most important and relevant to the business's growth and success.

The materiality matrix plots the ratings of each topic. The x-axis represents the impact that economic, environmental and societal issues have on our business, while the y-axis represents the influence on stakeholder decision-making. Topics found in the upper right-hand corner of the matrix are of higher influence and importance to both Samuel and our stakeholders and will therefore be prioritized in our ESG activities and long-term planning.



- Environment**
 - Reduction of carbon emissions
 - Reduction of energy consumption
- Economic/Innovation**
 - Company economic performance
 - Quality management, product safety
 - Company's intellectual property, innovation, research and development
- Society**
 - Employee wellness, health and safety
 - Employee attraction, retention, development, total rewards
 - Human capital and diversity, equity and inclusion
- Governance**
 - Transparency, ethics and integrity
 - Data protection, privacy and cybersecurity

ENVIRONMENT





THE TIME TO ACT IS NOW

As the race to preserve and protect the health of our planet grows more urgent, the industrial sector has an increasingly important role to play – and is more compelled than ever to reduce its environmental footprint.

Manufacturers face growing societal and economic pressures and incentives to ‘go green’ – with increasing expectations from government agencies, customers, investors, environmental groups, employees and consumers. Most manufacturers also realize that it is the right thing to do – for their businesses and for the planet.

As a result, industry players are actively exploring and implementing policies, processes and innovations to reduce resource and energy consumption, pollution and greenhouse gas emissions, while diverting waste from landfill.

30%

of U.S. greenhouse gas emissions come from the manufacturing industry*

89%

of manufacturers say sustainable manufacturing is gaining importance in 2021**

2 OUT OF 3

C- or VP-level manufacturing executives say the importance of sustainable manufacturing is higher than ever**

40%

of manufacturers are prioritizing investments in sustainable manufacturing processes to reduce their carbon footprint**

Sources:

* C2ES (<https://www.c2es.org/content/regulating-industrial-sector-carbon-emissions/>)

** Fictiv 2021 State of Manufacturing Report (<https://www.fictiv.com/ebooks/2021-state-of-manufacturing>)



A Commitment to Protecting Each Other and the Environment

At Samuel, team member safety and environmental protection go hand in hand.

We believe that every one of our team members has an important role to play in looking out for one another, protecting the world around us and conserving precious natural resources.

From an environmental perspective, we are working to understand and mitigate potential risks, drive robust education across our workforce and integrate environmental, health and safety into every aspect of our business.

To guide our efforts, we adhere to a strict Corporate Health, Safety and Environmental Policy that ensures we consistently and passionately protect the most valuable assets we have – our people and the world around us. Our focus is on prevention and accountability at every level, with a motto of, “It Starts with Me!” This policy and the related education, monitoring and management system are led by our Environmental Health, Safety and Sustainability (EHSS) team.

In addition to mitigating environmental and health risks, Samuel's Corporate Health, Safety and Environmental Policy goes a step further – mandating and motivating us to minimize our consumption of natural resources by reducing, reusing and recycling whenever possible and thus preventing and reducing our pollution and impact on the environment.

We regularly revisit this important Policy to ensure that – across all of our operations – we meet our obligation to protect the safety of our team members, business partners and the planet.

Our Corporate Health, Safety and Environmental Policy can be viewed on our website at: www.samuel.com/esg

**HEALTH &
SAFETY**

It starts with me



Our Commitment to

ENVIRONMENTAL SUSTAINABILITY

Across all of Samuel's diverse businesses – and despite the challenges of the COVID-19 pandemic – we continued to make great progress on our collective mission to reduce the company's overall environmental impact in the areas of technological progress, improved infrastructure, operational measures and waste management. This included numerous, ongoing efforts to reduce energy use and intensity, carbon emissions and divert waste from landfill.





In addition to numerous success stories from across our business, in 2021 we were also proud to have reached new milestones.

In 2021 our achievements included:

Building momentum for the Samuel Energy Program – aimed at reducing energy consumption and greenhouse gas (GHG) emissions.

Launched in the summer of 2020, the Samuel Energy Program is the guiding force behind our company's efforts in energy reduction. In 2021, this program drove reductions in our energy intensity and motivated a number of our sites to create a culture of energy conservation by seeking out opportunities, expanding on existing projects and finding ways to implement energy efficiency initiatives that are good for both the environment and Samuel's bottom line.

Tracking environmental key performance indicators (KPIs) that help us to measure our environmental footprint.

We have an important role to play in mitigating climate change, which requires a solid understanding of where we are today, and methods to track our continued progress. The KPIs we have begun to track align with reporting guidelines outlined by the CDP – an international non-profit organization that helps companies to disclose their environmental impact. Samuel has been completing the CDP's Climate Change questionnaire since 2017, delving into data on energy and water use.

Linking our Financial and Environmental Performance.

In 2021 Samuel established a new type of lending agreement with our banking partners – one that connects our environmental sustainability initiatives to our financing terms. We have two key sustainability goals tied to this agreement:

- **10% cumulative reduction in energy consumption intensity by 2025**
- **7.75% reduction in GHG emission intensity by 2025**

Through this arrangement, Samuel's successful efforts to reduce energy consumption intensity and greenhouse gas emissions will be rewarded with more favorable financing. We'll be tracking our progress toward these goals, with our performance audited regularly by a third party.



Banking On A Better Future



John Amodeo

Chief Financial Officer

In 2019, Sustainability-Linked Loans (SLL) became available in Canada, enabling organizations and their banking partners to pursue a sustainable future together. SLLs allow lenders to support their clients in achieving their sustainability goals by incentivizing their progress towards their ESG commitments. In 2021, Samuel was proud to enter into its first SLL.

In a recent discussion with our Chief Financial Officer, John Amodeo, we learned why this initiative is an exciting new milestone – both for John and for the company.

What inspired the decision to tie Samuel's financial borrowing agreements directly to the company's environmental sustainability goals?

Environment, health and safety concerns have always been part of our formal business reviews and a topic of discussion with our Owners, the Samuel family, on many occasions. Whenever we were considering acquiring new businesses, launching a greenfield expansion on a new site, or initiating a new customer or supplier arrangement, we were keenly aware of the other party's views towards the environment, their employees and the communities in which they operated.

About a year ago we began to read more about SLLs in the press and it really resonated with us. I recommended to our CEO, Colin Osborne, that the business pursue an SLL because it fits so well with Samuel's views around protecting the environment and the pursuit of our sustainability goals.

In what ways is the industrial sector uniquely responsible for being environmentally conscious?

As a metal manufacturer, processor and distributor, we are a significant power consumer – including natural gas, electricity and water. Given this, we have a responsibility to ensure our metals are sourced, recycled and reused responsibly, and to utilize power and utilities in a more efficient way. We are continually exploring new methods and technologies that will help us to do so. For example, we have deployed solar technology at some of our facilities in an effort to be more conscientious and efficient.

How will this new initiative help to ensure that Samuel continually meets its ESG commitments?

We wanted to be public with our commitment to environmental sustainability. Tying our cost of borrowing to our ESG targets adds an additional layer of accountability – to our operations, the environment, and the public, as well as our stakeholders and internal teams.

We worked to set goals that, while manageable, were also a bit of a stretch, to ensure our financial performance drives us to continuously improve our environmental performance. In fact, far more important than the monetary incentive is the drive to meet those public targets – demonstrating that Samuel is walking the talk.

How are you personally energized by this new incentive?

Throughout my time here, I've seen environmental sustainability as a genuine concern to the company and a core part of our values – particularly the values of integrity and ownership. We do the right thing, we do what we say and we take responsibility for our actions.

Over time, as we have become increasingly aware that the decisions we make today will have a long-lasting impact on the world, we have scaled up our efforts to make a difference. Our SLL is the first of its type in the industrial sector and one of the first in Canada and I'm personally excited to be a part of this new and significant commitment to the environment.



Partnership with Leading Environmental Consultancy Drives

MEASUREMENT, OPPORTUNITIES & ACTION

In 2002, Samuel began a partnership with 360 Energy, a leading North American business consulting organization that provides business-based support and guidance in the areas of energy and carbon measurement, market strategies and organizational practices.

360 Energy is currently helping Samuel to:

- Track our natural gas and electricity consumption and report on Scope 1 and Scope 2 emissions.
- Validate our sustainability-linked loan data as an independent third party.
- Find opportunities for us to become a more sustainable organization.

In 2020, we built on this successful collaboration by becoming one of the first companies to enroll in 360 Energy's Carbon Excellence program. This program is an actionable and measurable carbon strategy that enables tangible results by developing a clear roadmap to determine and accomplish our carbon reduction goals.



“Throughout our long-term partnership with Samuel, we have seen a continued drive to reduce energy costs and carbon footprint. By understanding how they use energy and committing to utilizing energy and carbon data to improve, the organization is acting at all levels to become a carbon management leader.”

David Arkell, President and CEO, 360 Energy



SWITCHING TO RENEWABLE ENERGY



Going Solar

Over the past few years, Samuel has taken a number of important steps in our mission to be as environmentally responsible as possible. Several of our most energy-intensive sites including CAID Industries, a provider of vertically integrated industrial solutions, recently completed a two-year “energy coach” program with the help of consulting group 360 Energy. This initiative was successful in significantly reducing energy consumption and costs.

Following completion of the coaching program, we went the extra mile to further reduce its carbon footprint by installing solar panels across the business unit’s five facilities in Arizona. The incorporation of solar energy into our operations will help to reduce the operations’ greenhouse gas emissions by approximately 90%.

The sites are already seeing incredible results – with a decrease in energy intensity by 5.7% kWh and 4.6% CO₂e emissions in 2021 compared to 2020.

Solar panels do not produce greenhouse gases or contribute to air pollution and they require significantly less water to generate power compared to other fossil fuel energy sources such as coal, natural gas and oil/petroleum. Most



importantly, solar energy does not contribute to the depletion of the earth’s natural resources.

The use of renewable energy sources in our operations is an important part of Samuel’s larger sustainability mission and an important step towards a more sustainable future.



Making Progress

WHERE IT COUNTS MOST

ENERGY CONSUMPTION

As an industrial leader, Samuel uses various sources of energy to run our business, from the electricity that powers our manufacturing equipment, operations and offices, to the natural gas and propane that heat our facilities. Our environmental sustainability approach is therefore highly focused on reducing our overall energy consumption, and in turn, our overall GHG emissions.

Our goal is to reduce annual energy consumption and GHG emissions by

3% to 5%

Samuel Energy Program Celebrates Two Years Of Success

Our efforts to reduce energy consumption in 2021 were driven through the Samuel Energy Program – an effort launched in July 2020, with a focus on reducing energy consumption and costs. Through this program, participating Samuel sites aim to reduce their total energy consumption and GHG emissions by 3-5% annually.

Over the past two years, the Samuel Energy Program has grown tremendously and has celebrated a number of successes including:

- Increasing the number of participating sites from 11 to 32.
- Supporting our sites to achieve their energy reduction goals, one of which includes the Associated Tube Group in Markham, Ontario, as the team was able to reduce their electricity KPI by 9% and CO₂e emission by 4% in 2021.



HOW DID WE DO?

In 2021, Samuel decreased the energy intensity of our operations by

4% CO₂e / unit*

6.1% kWh / unit of production*

compared to 2020.

In 2021, the total energy used by by our operations was 403,064,721 kWh – a 7% increase over 2020. This increase in total energy can be attributed to multiple factors, including fewer COVID-related work stoppages, capacity restrictions and a general increase in annual production to meet business demand.

2021 ENERGY REDUCTION TECHNIQUES AT SAMUEL

- 1. Upgraded to high-efficient air compressors and fixed compressed air leaks**
- 2. LED lighting retrofits**
- 3. Installed variable frequency drives (VFD)**
- 4. Improved building envelopes**
- 5. Behavior-based improvements**

*Data based on the 24 sites monitored for the SLL which represents 81% of both the company's total energy consumption (kWh) and GHG emissions (lbs. CO₂e).

SUSTAINABLE EXCELLENCE

at Samuel Pressure Vessel Group

Samuel recognizes our responsibility to continually minimize our environmental footprint. We view the implementation of consistently sustainable practices across our locations as a complex but exceedingly worthwhile endeavor.

That's why we are so proud of the incredible efforts of our teams – including the Samuel Pressure Vessel Group (SPVG) in Lebanon, Virginia – a global leader in the design, manufacture and distribution of pressure vessel solutions and one of the largest manufacturers of American Society of Mechanical Engineers (ASME) compliant air receivers in North America.

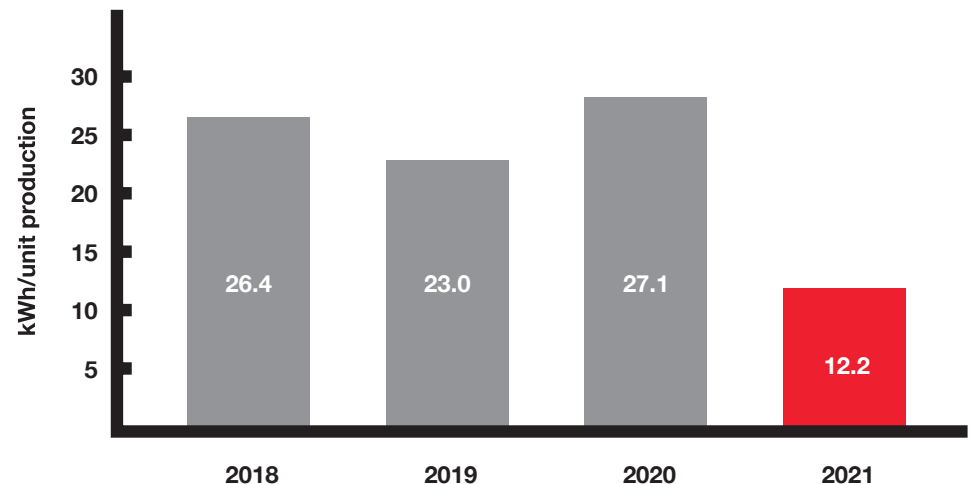
In 2021 SPVG was presented with the prestigious Environmental Excellence Award by the Southwest Virginia Alliance for Manufacturing in recognition of the site's dedicated efforts to reduce their environmental impact. The award is a direct result of SPVG's active participation in the Samuel Energy Program – a company-wide initiative to increase energy efficiency at Samuel.

Through the Samuel Energy Program, SPVG Lebanon underwent an environmental overhaul – examining every aspect of the plant's operations, with a goal to eliminate inefficiencies and significantly reduce energy consumption. The team's enhancements included:

- Replacing fluorescent light bulbs with LED lights – approximately 80% more efficient than fluorescent bulbs – the site decreased their kWh per unit of production by 53.9%.

- Ensuring old doors, air compressors and electrical panels were repaired or replaced with more energy efficient solutions.
- Installing four distillation units to reduce hazardous waste.
- Identifying energy-saving opportunities in the plant's shutdown process.

As a result of their impactful and consistent efforts, the SPVG Lebanon team drove a 54% reduction in energy (kWh/unit production) in just four years.



Our Commitment to

REDUCING WATER & WASTE

While reducing energy consumption has been our predominant area of focus over the past several years, over the next year Samuel will begin to track and analyze our overall potable water consumption, wastewater output and other forms of waste (ex. materials) across our operating network. Based on this information, we will:

- Establish formal plans to reduce both consumption and waste.
- Communicate our plans internally and externally.
- Engage our team to implement our plans and seek innovative new approaches.
- Make strategic, ongoing investments in these areas.
- Share our results.

The Metal Industry: Leading the Way for the Circular Economy

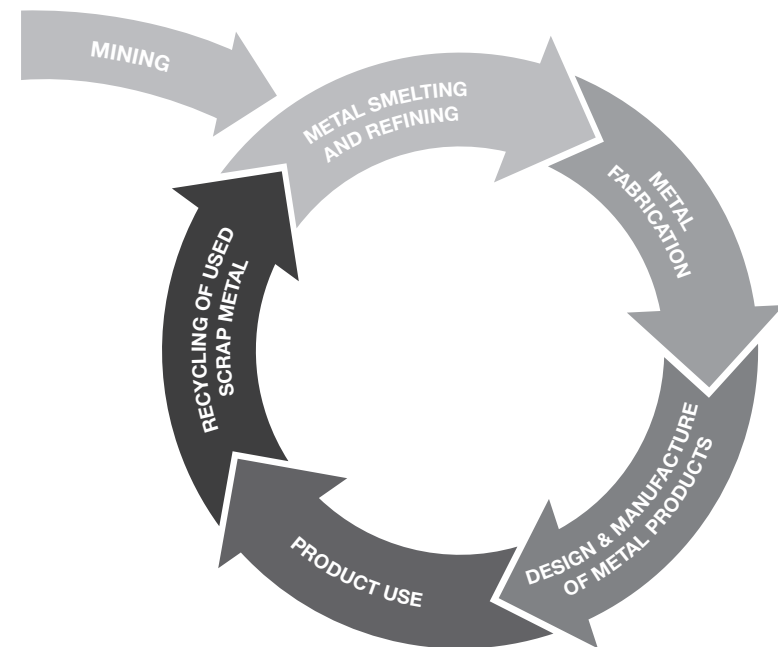
In recent years, one of the most talked about aspects of environmental sustainability has been the ongoing transition toward a more circular economy. The circular economy refers to coordinated efforts to extend the lifecycle of resources for as long as possible by reusing, recycling, refurbishing, repairing or repurposing materials instead of sending them to landfill.

The metals industry has operated in a cyclical way for many years – largely due to the highly reusable nature of metal. Why send valuable metals to landfill when it can be melted down and reused.

In 2021 alone, Samuel recycled over 75,000 tonnes of metal.

This process is managed by long-term partners located in close proximity to our operations.

Samuel is also staying abreast of research and development efforts in “green steel” – a more environmentally friendly approach to steel production using new technologies that do not rely on fossil fuels.



The Green Future of Additive Manufacturing

How Burloak Technologies is Enabling Manufacturers' Sustainability Goals

Additive Manufacturing (AM) – also known as ‘3D printing’ – is unique in the industrial space as it simultaneously drives both business and environmental benefits.

Estimated to grow to a \$70.08 billion industry by 2030,* environmental sustainability is one catalyst for growth for this rapidly growing market.

Burloak Technologies (Burloak) has been a proud part of Samuel since 2017. Offering end-to-end, in-house solutions in Oakville, Ontario, and production capability in Camarillo, California, the team is passionate about driving business and sustainability benefits for original equipment manufacturers (OEMs) in the aviation, space, automotive and industrial sectors and beyond. Through leading-edge AM solutions, we’re helping OEMs reduce the environmental impact of their products, processes and supply chains in a number of meaningful ways.

1. Fewer materials

AM builds 3D components with layers of metal powder – using only the necessary materials and eliminating waste.

2. On-demand manufacturing & reduced inventory

Parts are built on demand for OEM partners – making only the components they need, when and where they need them, eliminating obsolete, scrap or surplus materials and parts.

3. An optimized, low-emission supply chain

AM is only conducted when and where required and relies on fewer raw materials and supply partners, helping OEMs both streamline and reduce the environmental footprint of their supply chains.

4. Lighter, stronger parts

Our AM solutions significantly decrease component weight while increasing part strength and reliability. This is attractive to OEMs across many industries, including the aviation and automotive sectors where lighter planes and vehicles mean lower emissions and better fuel efficiency/battery life.

5. Complex designs, enhanced performance

AM enables the creation of once-impossible parts – durable, complex geometries and the consolidation of multiple parts into one streamlined component. The result is stronger, more durable, better-performing parts.

6. Reduced transportation and shipping

The on-demand model of AM combined with our North American footprint drastically reduces the need to ship and transport raw materials, components and finished products, cutting greenhouse gas emissions generated by transporting goods along the value chain.

7. Extended lifespan of end-use products

With AM, almost any part with a design file can be printed on demand. This keeps products and equipment going for much longer by making repair and refurbishment a valid option and diverting products from landfill.

8. Reduced factory emissions & noise pollution

AM equipment can print a wide range of parts, replacing the need for multiple pieces of traditional manufacturing machinery. Combined with significantly decreased warehousing requirements, fewer running machines make AM factories quieter and more energy efficient.

Clearly, AM has a significant role to play in reducing the environmental impact of products, manufacturing processes and global supply chains – today and in the future. As the industry matures, AM partners will begin to assess and balance the total cost of ownership and environmental footprint of AM across the entire value chain – with a goal of contributing to a circular economy that considers everything from materials sourcing and selection, to manufacturing processes and equipment, to logistics and component end-of-life and recycling.

*GlobeNewswire (<https://www.globenewswire.com/en/news-release/2022/08/03/2491059/28124/en/Global-Additive-Manufacturing-Market-Report-2022-2030-Featuring-Key-Players-3D-Systems-General-Electric-CleanGreen-3D-Others.html>)

Samuel Welcomes New Environmental Health, Safety & Sustainability Leader



Patrick Boyle

Vice President of Environmental Health, Safety and Sustainability

When it comes to reducing our environmental footprint, Samuel aspires to be a role model and leader in the metals industry. To achieve this, we needed a strong and experienced leader to help us build on our progress to date and take our efforts to the next level.

That's why we are thrilled to welcome Patrick Boyle to our team in the newly created role of Vice President Environmental Health, Safety and Sustainability (VP EHSS).

Patrick joined the Samuel team in July 2022 with a mandate to lead and develop Samuel's EHSS program – building upon our successful efforts to date by introducing new policies, measurements and programs, and developing strategic approaches to stakeholder engagement.

We sat down with Patrick to learn more about his new role and Samuel's EHSS areas of focus for 2022.

Welcome! What have you been focused on since joining the Samuel team?

Thanks, I'm excited to be here as it's clear to me that health, safety and the environment are priorities for Samuel. The appetite to do better together creates an optimal environment for driving positive change.

Since joining in July, I've been actively working to assess Samuel's current EHSS programs, including areas of strength and opportunity. This has involved visiting several our locations, discussing EHSS with business leaders and meeting the team members responsible for implementing, managing and measuring EHSS programs across the organization.

There are already a number of great initiatives underway, many of which are highlighted in this report. The next step is determining how to expand on these efforts.

Take the Samuel Energy Program, for example. The program has enabled a number of early wins in reducing energy consumption and GHG emissions. Now we have to determine where we go from here, especially with customers, current and prospective team members and environmental legislation placing increasing focus on sustainability.

What are some of your initial goals?

While it can seem daunting for a company with many lines of business and locations, creating standardization in the implementation of Samuel's EHSS program is needed to enhance our success going forward. Setting consistent expectations and goals and deploying shared tactics, processes and measurements will ultimately enable a healthier, safer and more sustainable (and cost effective) organization.

One important step in achieving this standardization will be to conduct EHSS audits and training across the company – getting back to our pre-COVID-19 cadence, beginning this fall.

Beyond that, on the health and safety side, I'll be focused on setting targets and establishing plans around Samuel's DART rate. From an environmental perspective, one of my top priorities will be to establish a three-year sustainability strategy that enables us to manage, define and embed our sustainability goals and programs, and engage our stakeholders throughout the journey.

I'm looking forward to leading the EHSS team to build on all the great foundational work that has been accomplished – taking our programs, and results, to new heights.



30 TON

LOOKING AHEAD

Samuel is committed to continuously building on our environmental programs and practices – challenging our organization to further reduce our environmental footprint every year. To guide these efforts, we will identify gaps, set new goals and share our formal commitments with our stakeholders through our ESG report.

Looking ahead, Samuel is committed to achieving the following goals:

- Continuing to push forward with the Samuel Energy Program goals.
- Establishing comprehensive plans to enhance our water and waste tracking and reduction/diversion programs.
- Striving to meet all goals outlined in Samuel's sustainability-linked loan agreement.

SOCIAL



Our People, Our Responsibility

Our team members are the driving force behind more than a century and a half of success in the metals industry.

From our dedication to ensuring a safe workplace, to health and wellness initiatives, to talent attraction, engagement and career development, we're constantly looking for ways

to ensure that our team members have what they need to develop and grow.

In addition, we have an ongoing commitment to enhance diversity, equity and inclusion (DEI) in the workplace – leveraging our many different experiences, skills and ideas to help the Samuel team work better, together.

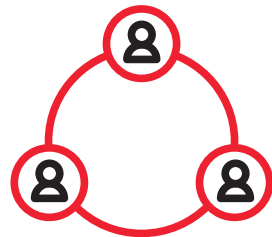
OUR VALUES

As we work to become a world-class industrial products company and an exceptional place to work, we have five core values that guide everything we do.



Integrity

Being honest and always doing the right thing.



Respect

Being open, inclusive and collaborative, with respect for diversity in all forms.



Agility

Empowering people, acknowledging and learning from mistakes, course correcting quickly.



Courage

Thinking boldly, constructively challenging the status quo, striving for more.



Ownership

Being accountable to ourselves and our teams, delivering on commitments.



FOSTERING A SAFE & HEALTHY WORKPLACE

At Samuel, the health and safety of our team members is paramount. To ensure the health and safety of all, we integrate safety awareness into all of our business processes, procedures and practices. We provide our team members with the training they need to maintain a safe and healthy workplace.

In 2021, we offered 782 courses relating to health and safety, and safe operating procedures to all team members resulting in:

over

39,000
Course Completions

nearly

28,000
Training Hours

S.E.E.? Safety Starts With Me!

Safety is something that we take very seriously and believe that it is every team member's responsibility – regardless of role. To ensure safety is always top of mind, we have also adopted the safety mottos: 'S.E.E - Stop. Evaluate and Eliminate!' and 'It Starts With Me!' as a way to remind team members to assess their area for any potential risks and of their commitment to safety.





CELEBRATING SAMUEL'S SAFEST YEAR YET



At Samuel, safety is part of our culture – ingrained in everything we do.

Over the past two years, the COVID-19 pandemic increased the risk of workplace hazards. That's why we are incredibly proud to report that our team members not only rose to this unprecedented challenge, they made 2021 Samuel's safest year yet.

DART rate – meaning days away, restricted, or transferred – is a metric we use to measure safety. It tracks the total amount of time that Samuel team members were unable to perform the full scope of their jobs due to work-related injury or sickness. A lower DART rate indicates a safer workplace.

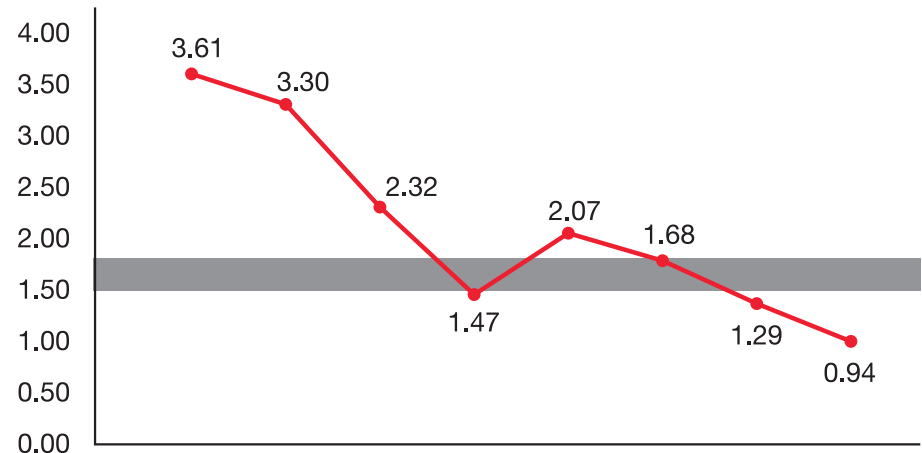
In 2021, our DART rate was 0.94 – representing the number of hours that duties could not be fulfilled for every 200,000 team member hours. This outstanding metric, compared to our 2020 DART rate of 1.29, places Samuel firmly in the top tier of industrial manufacturing companies in North America.

While we take pride in this incredible achievement, it only inspires us to do better. Our vision is to build Samuel into a world-class industrial products company – an impossible feat without robust safety standards that guide our conduct and keep our team members out of harm's way.

We continue to be motivated to uphold and improve our safety performance, and

are confident that every site and team member will rise to the challenge – in 2022 and beyond. To achieve this, we have set a target to achieve a 10% improvement in our DART rate annually.

Samuel is committed to improving our DART rate by 10% annually.



2014 2015 2016 2017 2018 2019 2020 2021

■ Samuel DART rate
 ■ Private industry DART average ranges from 1.50 to 1.70 according to the US Bureau of Labor Statistics.



Our Commitment to Providing a Diverse, Safe & Welcoming Workplace

Our Workforce in Numbers

5,500+
team members

13%
female hourly team members

30%
female salaried team members

30%
female Management Committee

33%
team members of ethnic/racial minority in the US*

Ensuring that our team members feel safe, welcome and valued at work is an important area of focus for Samuel. In 2020, we formalized our commitment with the launch of our Diversity, Equity and Inclusion (DEI) Program, focused on creating and improving) across our business. In support of this, we established a DEI Advisory team comprised of members from across the business to drive efforts in the following areas:

- Leadership and employee awareness
- Leadership and career development
- Employee engagement
- Talent acquisition

As a company that is so passionate about our people, we had many ideas for the vision of this program, but it was important to engage our team members to hear what they had to say. A company-wide survey was conducted last year to learn what they thought about our existing efforts in all three areas of DEI.

The results of the survey, combined with DEI best practices for large industrial organizations, were then leveraged to inform the three strategic pillars of our DEI strategy: awareness, career progression and community outreach. At the heart of our strategy, we want to provide our team members with a work environment that allows them to bring their complete selves to work and achieve their full potential.

Our Areas of Focus

Awareness

- Training for our leaders
- Enterprise-wide training

Career Progression

- Focus on improving hiring and career development processes
- Identify and mitigate systemic and unconscious bias

Outreach

- Expand and diversify talent pool
- Remove barriers for underrepresented groups
- Partner with external organizations to recruit talent

* Based primarily on self-identification at the time of joining Samuel.



The survey highlighted areas of strength and opportunity for Samuel at an enterprise, divisional and site level. We recognized that one of our top priorities for DEI would be to place an increased focus on removing barriers for individuals identifying with underrepresented groups.

To help move this program from the discovery phase to action, we hired our first full-time DEI Manager in December 2021. Our DEI Manager is committed to ensuring that we have data-driven and focused efforts across all three areas of focus of DEI. They also chair our Diversity Steering Committee, comprised of senior leaders from the Human Resources and Management Committee teams to develop and execute programs, policies and initiatives.



TO ENSURE QUANTIFIABLE PROGRESS IN ALL THREE AREAS OF DEI, WE HAVE DEVELOPED THE FOLLOWING TARGETS:

100%

participation in
DEI training

160+

internal DEI focused
events across our
facilities

100%

of our facilities to have
community outreach plans
by end-of-year 2022

Affirming Our Commitment to DEI



Smita Mehta
Manager of Diversity, Equity and Inclusion

As Samuel continues to grow our business and adapt to an ever-changing market, the question of how to cultivate and monitor diversity, equity and inclusion is tremendously important. A key part of the answer is leadership.

In November 2021, Samuel appointed Smita Mehta as Manager of Diversity, Equity and Inclusion. Previously the Manager of Human Resources, Smita's new role is focused on building on Samuel's commitment to DEI and taking the program to exciting new places – working with all team members and our Diversity Steering Committee to create meaningful programs and help shape the business environment as it relates to DEI.

We spoke with Smita about the importance of diversity and the future of DEI at Samuel.

Why is diversity important in the workplace?

Diversity matters in the workplace as it brings a plurality of thought and perspective, drives innovation and enhances our connection to our customers and the communities we serve. We live, work and do business within diverse communities and our workplace should represent this.

For the past 167 years, Samuel's success is largely due to its ability to pivot and adapt to changing economic and market conditions. Today, markets are more unpredictable than ever. On top of the importance of representation, to stay competitive, it is crucial for Samuel to be able to draw from a truly diverse pool of ideas and to maintain an inclusive culture where different voices can be heard freely.

What inspired you to take on this role?

I was inspired to take on this role because I know the transformative impact DEI has on a business – specifically the work environment, team member morale and business performance – and Samuel does too. Creating a formal position to focus on DEI is a huge step for Samuel and demonstrates the business' commitment – turning

thoughts into actionable goals and delivering on our commitments. When we are able to bring our true and whole selves to work and realize our full potential together, businesses and communities are among the biggest beneficiaries.

What is Samuel already doing well in DEI?

Samuel is committed to laying a strong foundation so that DEI will become a lasting part of our DNA. At the enterprise level, the HR leadership team continually revisits our hiring, onboarding, training, performance management and succession planning processes to ensure we are always meeting the highest diversity standards. Samuel also invests in HR systems so that we have reliable data to work with.

We are currently working on collecting more data on the diversity of our workforce that will inform future DEI initiatives. The initial analysis has shown that 33% of Samuel's US workforce identifies with a minority group compared to 39% of the general population, according to the US census. We are currently working to understand the composition of our team in Canada.

In addition to HR practices, we are currently rolling out 64 DEI Playbooks with more than 210 awareness and outreach initiatives in the US and Canada. These initiatives include ethnic lunch days to learn about and celebrate different cultures; hiring events with local community organizations that improve employment outcomes for underrepresented groups; and hosting Indigenous speakers to learn about the history of the lands we live and work on.

What is your vision for the future of DEI at Samuel?

Internally, my vision is for Samuel's workforce, at every level, to be representative of all the communities that we operate in.

Eventually, I'd like to see our DEI efforts extend externally – including the diversification of our supply chain and ensuring our marketing and customer service efforts are reflective of the diverse and inclusive company that we are.

PLAN OF ACTION

We know that successful change requires more than targets – it requires solid action plans.

In fall 2021, leaders across the company were given the task of creating DEI Playbooks for their business division or site to address opportunity areas. DEI town halls were held for leaders to provide the training and information they needed to develop their location's community outreach plans for 2022.

We're Proud of Our Progress

Samuel is proud of our progress across all three DEI priority areas in 2021, including:

- Over 70% of our sites have created DEI Playbooks for implementation in 2022.
- Outreach efforts are underway with teams connecting with local high schools, colleges, community organizations and not-for-profit organizations to create employment pathways for under-represented groups such as youth, women, immigrants and Indigenous peoples.
- Identifying and addressing systemic barriers in recruitment for underrepresented groups by analyzing our historical talent metrics in the areas of hiring, attrition and promotions.
- Creating action plans to increase representation at all levels.
- Ensuring every effort is made to include diverse candidates for every open position across the organization.

While we are proud of what we have accomplished, there is still a lot more work to do. We will continue to drive meaningful change in 2022 and look forward to providing an update on our progress in future reports.





INVESTING IN OUR PEOPLE

At Samuel, we believe in giving our team members the opportunities they need to achieve their full potential. Investing in our people helps us to attract and retain the exceptional talent we need to achieve our objectives.

Helping Our Team Members Reach Their Full Potential

Across the company, we have a number of initiatives and programs to develop our team members at all levels, from on-the-job and online training to career planning and leadership development. In addition, we also provided more than 30 students with the opportunity to take their learning out of the classroom and into a business environment with internship and co-op opportunities.

Our HR team is committed to ensuring that our team members at all levels have the tools and resources they need to develop in their careers. We have extensive online and in-person training at all levels.

2021 was a significant year for learning and development at Samuel. Our progress included:

- **Expanding the capabilities of Connect**, our human capital management system, consolidating our online learning materials and providing us with more insight into our training efforts.
- **Creating Career Development Conversation Toolkits** for our team members and their managers, which were rolled out at the beginning of 2021. The toolkits were designed to provide a more formal framework they can use for discussions about future aspirations and the steps required to achieve career goals.
- **Launching a quarterly check-in process** designed to facilitate communication between Managers and direct reports to discuss business and professional goals and create action plans to achieve them. This quarterly conversation is an opportunity for team members to formally discuss their development and progress in their career objectives.

In 2021 alone, our team members completed over 13,000 learning and development courses provided by Samuel.





Social

DEVELOPING STRONG LEADERS AT EVERY LEVEL

Strong leaders build strong teams. We put trust in our leaders, empowering them to make decisions and define the path for their team's success. To help them along their leadership journey, we provide the tools and resources needed to develop and grow as leaders so that they can achieve their full potential and have a positive impact on the business and the people they lead.

We encourage an agile culture, allowing our team members at all levels to make decisions that will help us move forward. To support this, we have embraced the concept of 'Leader's Intent', which encourages leaders to set direction and expectations for their team and then empowers the team to make decisions. This concept is core to the philosophy behind encouraging an agile culture and reflects one of our Values. Over 100 of our leaders have participated in this training to introduce this philosophy at Thayer Leadership (at West Point Military Academy).

Our Leadership Development Program provides in-person and online training on leadership competencies that we value and provides opportunities for peer-to-peer learning. These learnings are then reinforced in an annual in-person training event, where our leaders engage in group work, discussion and team-building activities.

In early 2021, we launched our Mentorship Program targeted at high-potential team members across the company. The program is aimed at helping Samuel leaders to grow in their roles and develop in their careers. Team members participating in this program receive targeted training and are matched with a more senior leader within the company for valuable mentorship. This program also allows Samuel to identify individuals with the potential and performance required to fill succession gaps.

Attracting and Retaining the Best and Brightest in the Industry

Having the right people in the right roles is critical to our success. In addition to nurturing and growing internal talent, Samuel works hard to attract and retain the best talent – differentiating our company in today's challenging labor market. We offer competitive compensation and benefits packages, as well as development programs and career advancement opportunities. Examples of these incentives and activities include:

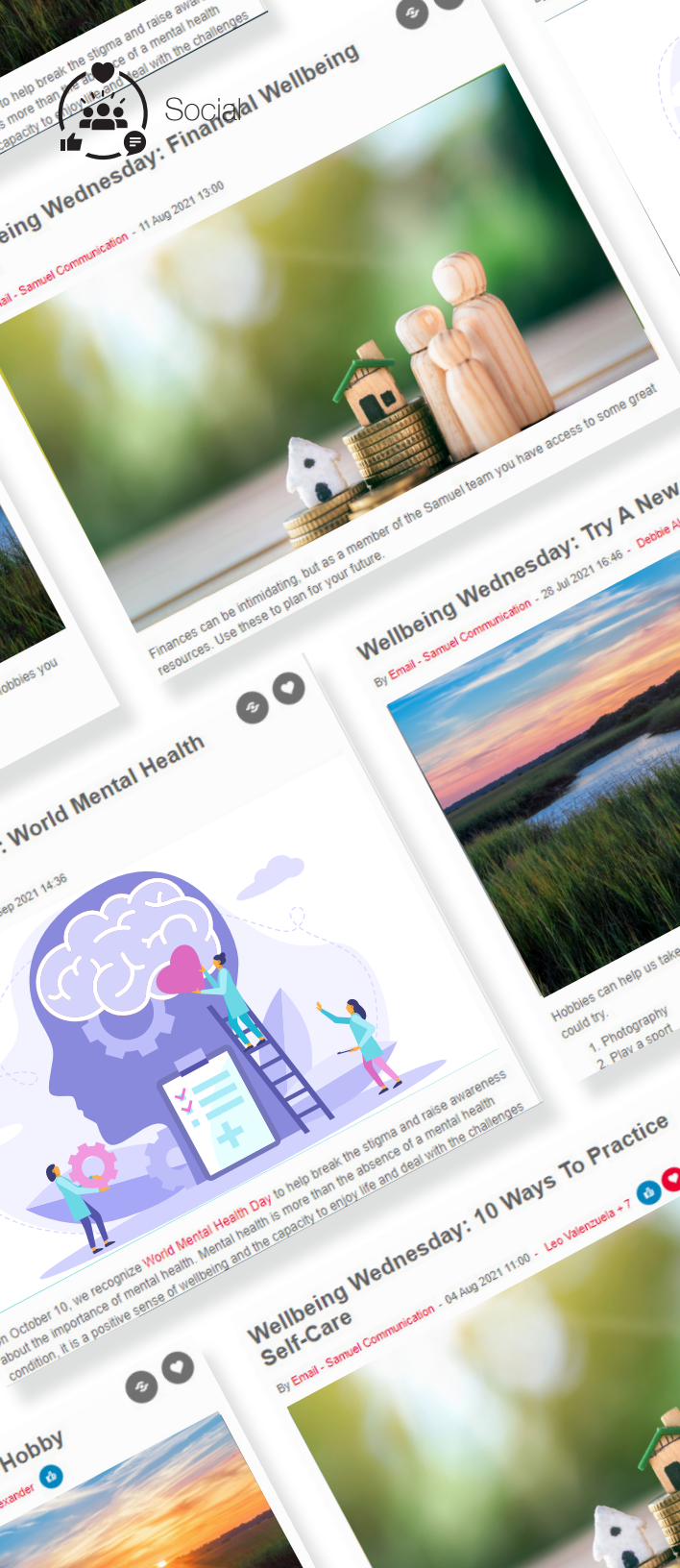
- Rewarding exceptional work through our performance-based incentive plans, recognizing team members at all levels.
- Demonstrating our belief that work-life balance is important for our team members to perform optimally by offering hybrid schedules (where possible) and on-site amenities at many locations.
- Giving our team members the opportunity to get involved in our charitable giving efforts by nominating meaningful charities in their communities to receive support through our Samuel Communities corporate giving program.
- Ensuring we have succession plans in place for critical roles to ensure business continuity and provide career development opportunities for talent across our organization.



We're serious about career development

506

**internal moves
in 2021**



Enabling Healthy MINDS & BODIES

We believe that team members can only achieve their full potential when they take care of themselves mentally and physically.

In 2021, despite the challenges brought on by the COVID-19 pandemic, we implemented a number of initiatives to promote mental and physical wellbeing including:

- Mental Health Awareness Day:** To promote awareness around mental health, we held a Mental Health Awareness Day to encourage team members to have open conversations about mental health, remove stigmas around the topic and encourage them to reach out for help. Resources and conversation guides were shared with team members.
- Re-introduction of Employee Resources:** The rebranding of our employee assistance program (EAP), a free, 24/7 service offering confidential support in the areas of life, family, health, work and money, provided an opportunity to remind team members of the many resources that are available to support their wellbeing.
- Mindfulness Webinars:** To provide team members with tools to manage their wellbeing throughout the year, we introduced a four-part mindfulness webinar series covering several topics and offering tips to improve mental wellbeing.
- COVID-19 Vaccination Promotion and Education Sessions:** We shared COVID-19 information through our internal communications platforms to encourage team members to get vaccinated and to dispel misinformation around the topic.
- Wellbeing Wednesdays:** To keep health and wellness top of mind for our team members, we introduced Wellbeing Wednesdays – an internal communications campaign with tips and tricks on how to stay healthy at work and at home.
- Team Member Feedback:** We elicited feedback from our team members through a survey and in-depth focus groups to understand the effectiveness of our wellbeing programs and to gauge team members' levels of wellbeing and shape future initiatives.



Driving Productivity Through Engagement and Open Communication

Open, two-way communication is the key to strong working relationships – and a thriving business.

We encourage team members at all levels to connect and engage with the senior management team and each other to share their feedback and exchange knowledge. Integrating our team members' feedback and ideas makes good business sense and is important to the evolution of our company.

Over the years, we have implemented several exciting initiatives to facilitate open dialogue and increase engagement across our locations. We've invested over \$400,000 in tools and systems to improve communication and visibility.

Our Intranet, The Torch, is the central hub of information and news that our team members can access from a computer or mobile app. Additionally, we installed networked digital signage across all sites to communicate with our production team members and others whose job function

may not require them to have access to a desktop or mobile device. All information is available in three languages – English, French and Spanish – and has created opportunities for team members to connect with senior leaders, better understand the company strategy and performance, and feel proud about working at Samuel.

Our leadership team is committed to engaging and building community with our team members by exploring and implementing ways to encourage two-way communications. Some examples of our two-way communication initiatives include:

- **Torch Talk Channels:** Social channels, housed on our Intranet, that provide a platform for team members to join discussions on topics from Engineering and Sales to sharing pictures of their pets and summer plans!



- **Samuel Solutions:** Launched in 2021, this initiative gives team members at any level the opportunity to submit business-related suggestions for improvement. Team members who participate in this program are recognized and rewarded for their ideas. In 2021, 23 ideas were implemented to improve operational efficiency and reduce costs.
- **Ask Me Anything:** Any team member can submit questions to our President and CEO on any subject, at any time.
- **Coffee with Colin:** Once a month, our President and CEO hosts a virtual event for six team members from different parts of the business to share their thoughts and experiences at Samuel and discuss business opportunities, generate ideas for improvement or provide feedback.
- **Virtual Updates:** We hold monthly Leadership Huddles and Quarterly Update meetings for team members to receive updates on business strategy and performance, key company updates and information, ask questions and share their ideas.



We're a Proud Winner of Ragan Communications and PR Daily's Employee Communications Award

In 2021, our internal communications efforts were recognized externally, making us one of the winners of Ragan Communications and PR Daily's Employee Communications Awards in the Virtual Executive Communications category. We were praised by the award judges for our efforts to ensure that every team member has "an opportunity to engage, ask questions and feel connected, even when they are apart."

Our Team Members Weigh In

Over the course of the year, we offer our team members opportunities to provide their feedback on different topics through surveys. We also hold a biannual Employee Engagement Survey to measure employee sentiment and provide our team members with an opportunity to confidentially share their thoughts, provide feedback about the company and our processes and rate their engagement in several different areas. The survey provides valuable insights into areas such as empowerment, development and rewards and recognition. Feedback from the survey is incorporated into the business in the form of action plans that address opportunities for improvement. Our next Employee Engagement Survey is planned for the fall of 2022.

SAMUEL IN THE COMMUNITY

At Samuel, we have a longstanding tradition of giving back to the communities in which we live and work. We recently refined our charitable giving approach to focus on three key areas: **health and wellness, building strong community relationships and youth leadership.** This allows us to have a more significant impact in each area.

As a continuation of our commitment from previous years, in 2021 we contributed 1% of our yearly net income (based on a rolling three-year average of net income) in support of not-for-profit organizations within our three key charitable giving focus areas, resulting in contributions to worthy non-

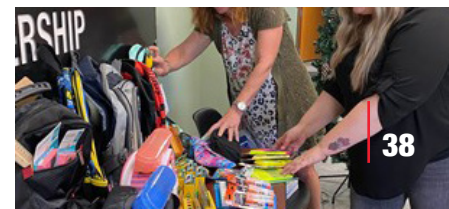
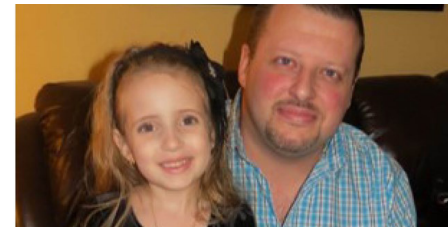
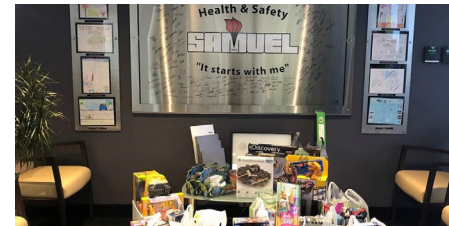
profits and community-based organizations across North America totaling more than \$450,000.

Our team members are an integral part of our giving efforts at a national, regional and local level and are passionate about supporting causes that are meaningful to them. In 2021, this inspired us to launch the Samuel Communities program as a key component of our charitable giving program – providing team members with an opportunity to recommend charities to be considered for a monetary donation from the company.



166 charities supported in Canada, Mexico and the United States*

*Combined total includes corporate and divisional giving and Samuel Communities program.





LOOKING AHEAD

Samuel is committed to continually improving and enhancing our social programs internally and externally. We will do this by frequently reviewing our existing initiatives and setting new targets that allow us to track our progress throughout the year.

Looking ahead, Samuel is committed to achieving the following goals:

- Ensuring a safe workplace by continuing to foster a safety-oriented culture and improving our DART rate by 10% annually.
- Continuing our DEI efforts to diversify our talent pool and support mobility of diverse talent at our sites.
- Developing action plans and DEI initiatives to ensure our workforce in each of our locations reflects the communities where we do business.
- Collecting Canadian workforce demographic data.
- Providing our team members with more development opportunities and resources to help them achieve their full potential.
- Ensuring we are able to meet the talent requirements of our growing business.

A young man with dark, curly hair is smiling broadly, looking towards the camera. He is wearing a light-colored, vertically striped button-down shirt. In the background, a woman with long dark hair is sitting at a desk, working on a laptop. The background is softly blurred, suggesting an office or meeting environment. The word "GOVERNANCE" is overlaid in large, white, bold, sans-serif capital letters across the middle of the image.

GOVERNANCE



SAMUEL'S GOVERNANCE APPROACH SPANS FOUR IMPORTANT PILLARS

Every day we strive to operate responsibly, ethically and transparently – earning the trust of our team members, communities and customers, mitigating risk and ensuring business resilience.

More than 165 years ago, we set a high bar for how Samuel would operate, and we proudly continue to build on that commitment as the world and business landscape continue to evolve.

Today, Samuel is recognized as a well-managed business built on the principles of trust, integrity, transparency, legal compliance and fairness in our relationships with our team members, suppliers and customers.

Modeled after public company best practices, our governance model was developed in consideration of the size and complexity of the portfolio of businesses that comprise the Samuel group of companies, the matters we deal with, and the materiality of our investment decisions.

1

Ethics & Compliance

Samuel team members and representatives must annually affirm their commitment to our Code of Conduct which sets clear expectations on business conduct and decision-making.

2

Policies

We have a number of important policies that guide our team members' actions in the areas of business ethics, compliance with the law, human rights and financial reporting.

3

Management

Our leadership team, Board of Directors and overarching management systems ensure sound oversight of Samuel's daily operations, future direction, enterprise risk management, financial management and long-term strategy.

4

Business Resilience

Samuel ensures business resilience and the achievement of our strategic objectives by continually assessing and mitigating potential risks, enabling agile decision-making and monitoring key performance indicators.



ETHICS & COMPLIANCE



Our business success is not just predicated on what we do – but how we do it. Strong business ethics are core to how we operate and behave. We set clear expectations for the way we work with one another and our external stakeholders.

Our Code of Conduct sets the foundation of our approach to business ethics. Shared with every member of our team and all Samuel representatives and relevant third parties, this document serves as an important guidepost for our actions in every type of business and workplace transaction.

The Code of Conduct reflects our Values and helps us maintain them in all we do – so we can continue building a business we are all proud of.

Ease of Access

The Code of Conduct is readily available to team members at any time as an important reference guide. It can be found on our Intranet and in our self-serve HR portal, Connect.



A Closer Look at the Samuel Code of Conduct

Affirming Our Commitment

- Every Samuel team member – across all subsidiaries and operations – must reaffirm their commitment to the Code of Conduct (The Code) on an annual basis.
- New team members are required to affirm their commitment as part of the pre-hire onboarding process.
- Affirmation/reaffirmation involves attending an in-person or virtual training session and signing to confirm adherence, understanding of The Code and intent to adhere.

Taking Action

Internal

- All team members must adhere to The Code in all business and workplace transactions.
- Every team member at every level has an obligation to bring forward questions, concerns or violations of The Code and has a number of channels to do so, including discussing issues with:
 - ▶ Their peer, manager or HR representative.
 - ▶ Their business unit President, General Manager, Vice President, Head of Finance or Controller.
 - ▶ The Samuel compliance team (General Counsel, Internal Audit, Legal and Compliance Department).
 - ▶ The Chairman of Samuel's Board of Directors.
- Alternatively, team members can anonymously contact the Samuel Ethics Alert Hotline – online or via the toll-free phone number.
- Samuel's Whistleblower Policy sets out the actions Samuel takes to ensure those who report violations or participate in investigations are treated fairly and with respect.
- Anyone who violates The Code is subject to disciplinary action, up to and including termination of employment.

External

- Team members working with third parties must:
 - ▶ Require these parties to agree to comply with the relevant aspects of The Code.
 - ▶ Provide training and information about The Code of Conduct and applicable policies.
 - ▶ Take action, up to and including terminating a contract, if a third party has failed to follow the principles set out in The Code and other applicable Samuel policies when acting on Samuel's behalf.



WHAT DOES IT COVER?

Our comprehensive Code of Conduct cites our expectations for ethical conduct, what to watch for and what to do – with a focus on three specific areas:

Our Commitment to Team Members

- Equal employment opportunities
- Treating one another with respect
- Harassment and violence
- Safety in the workplace
- Environmental safety

Protecting Samuel's assets

- Business and financial records
- Protection of confidential records
- Protection of confidential information
- Protection of intellectual property
- Samuel's information technology systems
- Conflicts of interest
- Gifts & entertainment
- Working with our stakeholders
- Complying with competition laws

Working with Governments

- Bribery and corruption
- Protection of classified, controlled and sensitive technical information
- Child and forced labor
- Lobbying and political activities
- Government requests for information
- Anti-money laundering
- International trade controls

WHO MUST COMPLY?

Samuel directors, officers and team members

All Samuel subsidiaries and operating divisions

Third parties representing Samuel



Samuel's Anti-Corruption Policy

Corruption not only undermines a company's reputation but can result in severe criminal and/or civil penalties. Samuel requires team members and any third parties acting on our behalf to comply with the anti-corruption and anti-bribery laws of the countries in which we operate. We also require strict adherence to our Anti-Corruption Policy which prohibits Samuel team members and any third parties acting on our behalf from making or offering bribes, payments or anything of value for the benefit of a foreign public official.

Upholding Human Rights: A Culture of Respect and Fairness

We pride ourselves on our strong values and doing what's right for our team members. We are proud of the culture of respect and fairness that we have fostered and have implemented policies to ensure we do not ever lose sight of this in our day-to-day operations. Our Code of Conduct outlines specific expectations with respect to:

- Fair and equal treatment of all team members.
- Safety in the workplace.
- Prevention of child and forced labor.
- Guidelines around hours and consecutive days worked.
- Fair wages and benefits for all team members.





COMPLIANCE AT SAMUEL

787

Compliance Training Courses

85,000

Training Courses Completed

33,378

Hours Dedicated to Compliance Training

*Approximate figures of compliance training spanning the areas of Code of Conduct, health and safety, safe operating procedures and cybersecurity.



Making the **RIGHT CALL**

The Samuel Ethics Alert Hotline

While Samuel understands that some team members may not feel comfortable disclosing a sensitive ethical concern to an internal party, we don't want that to prevent anyone from bringing forward an issue.

The Samuel Ethics Alert Hotline is a valuable resource enabling team members to voice any ethical concerns to a reputable third party (NAVEX Global). Available 24/7 from any location in the world, the service is available in English, French and Spanish via the toll-free phone number or an online reporting tool.

Callers can remain anonymous, except where anonymous reporting is prohibited by law. All reports are handled confidentially and investigated appropriately. Retaliation of any kind against a team member for making a report in good faith or for participating in a company investigation is prohibited as outlined in the Code of Conduct.



An Extension of **OUR BUSINESS & BRAND**

Samuel's Expectations of Suppliers

Samuel's global material sourcing and supply chain capabilities are world-class. We purchase more than four million tons of metal every year and have developed close relationships with suppliers in more than 70 countries.

Just as we require all team members to be aligned with our Values and the way we work, it is equally important for our suppliers to understand the ethical practices and behaviors that drive our business and the expectations we have of companies that work as an extension of the Samuel family of companies.

To achieve this, we:

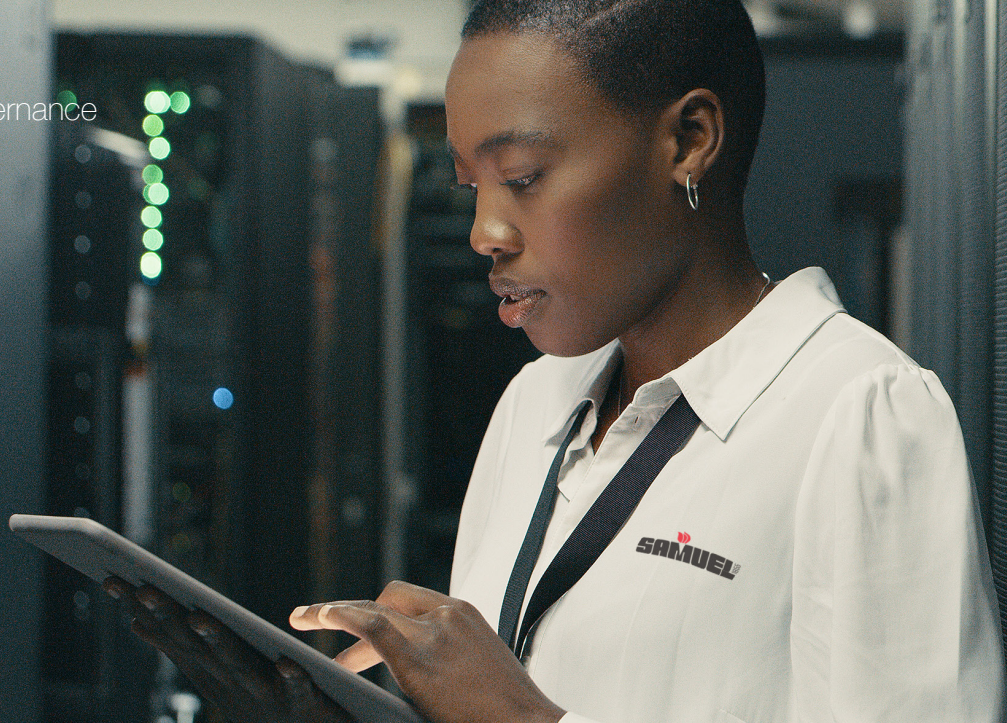
- Share an overview of Samuel's Vision and Strategic Plan with suppliers to ensure alignment and to explore potential synergies, whether developing new markets or aligning on an ESG opportunity.
- Provide suppliers with a copy of our Code of Conduct on an annual basis, along with our Procurement Terms and Conditions.
- Ensure fairness in all our relationships with suppliers.
- Avoid conflicts of interest.
- Require supplier and employee compliance with our Gifts & Entertainment Policy, to avoid unfair influence in business decisions.
- Provide and expect only honest and truthful information when dealing with suppliers.
- Comply with competition laws including not participating in supplier arrangements or marketing practices that are deceptive or misleading.
- Do not work with suppliers in sanctioned countries.

In 2022, Samuel's Procurement team is working to enhance our Procurement Terms and Conditions and Supplier Code of Conduct, and will add specific expectations regarding labor agreements and environmental practices.



“At Samuel, we recognize that our integrity is closely tied to the suppliers we work with. Consequently, we partner with responsible suppliers who align with our values and commitments to ESG.”

Sid Sousa, Chief Procurement Officer



Data Protection, Privacy and Cybersecurity

While the world has changed drastically over Samuel's 167 years in business, one of the most pronounced changes is the shift to online data and information exchange – and all the complex challenges that come with it. With companies growing increasingly reliant on a multitude of technologies, exponential amounts of information being stored and exchanged online and hackers becoming ever-more relentless, companies must be hyper-vigilant in protecting data and privacy and drive a robust and proactive approach to cybersecurity.

Samuel has policies in place to enforce data protection, privacy and cybersecurity measures. Led by our IT team, we continually take strides to ensure our team members have the knowledge they need to abide by these policies and keep Samuel's assets safe. This includes running phishing scenarios and providing extensive training – with over 8,500 training sessions completed on a number of cybersecurity topics in 2021 alone.

“Investing in cybersecurity is critical. While it is important to have strong business processes and controls, our best line of defense is our people. Without the proper knowledge and training, team members are more susceptible to cybersecurity threats, leaving themselves and the organization vulnerable. Empowering team members with the knowledge and training required to identify and report threats is vital.”

Kathy McLeod, Chief Information Officer



The business environment is changing faster than ever before

The business environment is changing faster than ever before

MANAGING OUR BUSINESS, GUIDING OUR FUTURE

Management Committee

Samuel is guided by an experienced leadership team, known as the Samuel Management Committee. Together, they strive to ensure the success of our valued customers and the longevity of our business. They lead the Samuel team to execute on our strategic goals and objectives and capture market opportunities.

- COLIN OSBORNE**, President & Chief Executive Officer
- JOHN AMODEO**, Chief Financial Officer
- BRIAN BEDONT**, President, U.S. Service Centers
- ANTHONY CHIESA**, President, Canadian Service Centers
- CECILE CHUNG**, General Counsel and Corporate Secretary
- BRIAN COOKE**, President, Manufacturing
- KAREN FENTON**, Chief People Officer
- KATHY MCLEOD**, Chief Information Officer
- SID SOUSA**, Chief Procurement Officer
- BRIAN UCHIKATA**, VP, Corporate Strategy & Business Development

Board of Directors

Samuel's Board of Directors bring a wealth of experience to help us manage our business effectively, strategically and ethically – so we can deliver on our vision and build on our successes.

Our Board formally meets quarterly to review performance and strategy. We also have monthly touchpoints with the full Board, and separate quarterly meetings exclusively with our Owners to ensure there is clear alignment at all levels. With the exception of Samuel's CEO, our Board Members serve* on four strategic committees: Audit and Finance Committee, Corporate Governance Committee, Mergers and Acquisitions and Investment Committee, and Human Resources and Compensation Committee.

- JOHN CALDWELL**, Chairman/Director
- CHRIS AYERS**, Director
- RICK BALAZ**, Owner/Director
- BRIAN GIBSON**, Director
- PAUL JEWER**, Director
- JON LINDEKUGEL**, Director
- MARLENE McGRATH**, Director
- PATRICE MERRIN**, Director**
- COLIN OSBORNE**, Director/President & CEO
- MARK SAMUEL**, Owner/Director

*Patrice Merrin, Director, is not part the Audit and Finance Committee.

**Representative on behalf of Owner, Kim Samuel.



SUCCESS, SATISFACTION & INNOVATION

Samuel named one of Canada's Best Managed Companies

In May 2022, Samuel was named one of Canada's Best Managed Companies. Since 1993, this prestigious designation has recognized the best Canadian owned and managed companies with annual revenues of over \$50 million. Although hundreds of companies apply every year, it is only those who display excellence and innovation in areas of strategy, capability, culture and finance who receive the honor. As a company committed not only to providing world-class industrial products and services, but also to sustainability, community and team member satisfaction, Samuel is proud to receive this distinction.

This honor would not have been possible without the commitment of every member of the Samuel team. Our unwavering commitment to client satisfaction, company culture and sustainability were recognized by the independent panel of judges who examine the hundreds of Best Managed Companies applicants every year. Together, they sought out the companies that spent 2021 not only surviving the pandemic, but using it as a springboard for innovation in client-consumer relations and employee flexibility.

Samuel is proud that hard work and staying true to our core Values – integrity, respect, agility,

courage and ownership – has resulted in yet another year of exceptional business. The Best Managed Companies distinction recognizes our team's collective efforts and serves as an important milestone on our path to becoming a world-class industrial products company and an exceptional place to work.

As a fifth-generation family-owned business, Samuel has always understood that, like any family, a company can only benefit from the diversity, engagement and contribution of its individual parts. In less than 10 years, this mindset has enabled us to grow from a Canadian-based metals distributor into a multinational company that combines distribution, processing and manufacturing services, with over 80 locations across North America and plenty of momentum and opportunity ahead.

Today, Samuel is more committed than ever to ensuring that we operate smoothly, happily, efficiently and sustainably while maintaining the same high standard of service across the diverse markets that we serve. And in an environment where hard work, committed leadership and staying true to our Values are more important than ever, we continue to demonstrate that together, anything is possible.

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A LEGACY OF RESILIENCE

Since 1855, Samuel has overcome many challenges and navigated many changes. The valuable lessons we have learned from these experiences have contributed greatly to our ongoing success and resilience – right up to the present day as we managed through the unprecedented COVID-19 pandemic.

Today, Samuel has continuity and contingency plans in place across every aspect of our business – so we can face current and future challenges without sacrificing the world-class service we provide to our customers.



These plans span the following critical areas:

Operations

- Our continuity and contingency plans for overall operations are aligned to internationally recognized standards including the International Organization for Standardization (ISO) and/or the International Automotive Task Force (IATF).
- We have fully documented continuity plans at every site – covering everything from management succession to business interruption.
- Samuel's Business Continuity Policy outlines standardized documentation requirements which can be leveraged by any site not held to regulatory compliance standards.
- We have built-in redundancy and overlapping capabilities at most locations to ensure we can continue to operate effectively and meet the needs of our customers in the event of an interruption to production.
- During the COVID-19 pandemic, we adopted a Contingency and Prevention Plan to prevent service interruptions.

Supply Chain Management

- Our supply chain contingency plans are based on critical inputs from multiple vendors and consider our well-established metal supply chain across more than 70 countries – enabling us to rapidly reconfigure our global supply chain to reduce impacts on our business and customers.
- We have strategic inventory pockets and critical spare programs across the business.
- In the event a component cannot be sourced, we can leverage our additive manufacturing capability to print the part.

Management and Ownership

- Samuel has well-defined procedures in place regarding succession – minimizing the risk of ownership continuity issues.
- We continue to make significant investments to develop our people, with robust succession plans for critical positions, supported by talent management and leadership development programs to drive succession readiness.

Information Technology

- Our IT systems, policies and procedures are designed to ensure our operations continue running smoothly.
- We have a backup IT solution that allows us to manage our data assets centrally, across multiple platforms, allowing us to recover data quickly from any point in time.
- We continue to invest in IT security infrastructure, including the recent use of artificial intelligence and machine learning to detect unusual activity across our network, and the ongoing training of our team members.



LOOKING AHEAD

Samuel will continue to evolve and enforce our governance policies and practices to ensure we are always guided by a robust set of values-based principles, a management system and strong business ethics.

Looking ahead, Samuel is committed to achieving the following goals:

- Upholding and enforcing our Code of Conduct – every day in all we do – and requiring team member training and affirmation annually.
- Updating our Code of Conduct as the business and the world around us evolves.
- Sustaining our yearly communication with suppliers regarding the Code of Conduct.
- Updating our supplier terms and conditions in 2022 to reinforce our expectations around labor and environmental practices.
- Continually enhancing and strengthening our IT infrastructure and deploying training to combat cybersecurity risks.
- Strengthening the pipeline for future Management Committee and Board of Director positions by ensuring diverse and robust succession planning, talent management and team member development.
- Evolving our business continuity strategies.

We're Focused on

DOING BETTER, TOGETHER.

The Samuel team is proud of our growing efforts across all areas of ESG and are inspired by what we will accomplish in the years to come.

Today, we're more committed than ever to building on our rich history to create a future focused on driving positive change – for people, our industry and the planet. Our Owners' support gives us the stability and confidence we need to shape our future direction and positively impact the world around us.

Looking ahead, we'll continue to invest in people, programs and policies that enable us to make a meaningful difference across our business and in the communities in which we live and work. From our efforts to reduce energy consumption, to embracing the diversity of our workforce, to our steadfast commitment to operating ethically and beyond – our team is focused on putting our passion and integrity into action every day so we can do better, together.



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