

CORPORATE SUSTAINABILITY **REPORT - 2020**

PATTISON SIGN GROUP





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SCOPE OF THE REPORT

Pattison Sign Group (PSG) is proud to present its fifth (5th) Corporate Sustainability Report (CSR).

Building on the experiences of our previous CSR's, this report was prepared in accordance with the best available reporting principles and practices. A list of the material disclosures, and their locations in the report, are provided at the end. The period covered by this report corresponds to the calendar years 2019 and 2020.

In-line with our four (4) previous CSR's, this report was prepared with the active involvement of internal PSG personnel, and with the support of an external advisor.



STATEMENT FROM THE ASSURANCE PROVIDER

Dr. Yves Gagnon, Professor of Engineering and former Research Chair in Sustainable Development at the Université de Moncton, is an external Sustainable Development Advisor to Pattison Sign Group. He acted as an external assurance provider in the preparation of this report.

Dr. Gagnon supported Pattison Sign Group with its review of the reporting principles and practices, the identification of the material aspects for the company, and the content and materiality of the report. This review included interviews with PSG management and staff at all significant locations of operations; discussion of management systems and internal processes used to generate and report on data; document review on a sample basis; and, assessment of the information provided for reliability, clarity, balance, comparability, accuracy and timeliness. Because of the restrictions imposed by the COVID-19 pandemic, only the Edmundston facility and offices were visited in the review of this report, using proper health and safety protocols. Nothing has come to the attention of Dr. Gagnon that causes him to believe that the report's content is not, in all material respects, presented fairly in accordance with the best available reporting principles and practices.

All dollar values in this report are Canadian dollars.

MESSAGE FROM THE CHAIRMAN



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THE RESILIENCE MANIFESTED BY OUR EMPLOYEES DURING THESE DIFFICULT TIMES IS AN INSPIRATION TO CONTINUE TO FOCUS ON THE LONG-TERM GROWTH OF OUR COMPANIES."

JIM PATTISON, VANCOUVER

I have seen a lot; and I thought I had seen it all.

2020 was a year like no other, not only for our companies and our 51,000+ employees, but for the whole world.

The COVID-19 pandemic forced immediate changes in how we do business, how we interact in society, and how we live.

During this challenging period, our divisions adapted and adjusted, with one fundamental objective: the safety of our employees, customers and communities.

Some of our divisions, such as our grocery and pharmacy divisions, as part of essential services, did their part to help communities get through these difficult times. Other divisions had to close down operations or significantly reduce them.

Truthful to its history, our Sign Group showed innovation and exhibited its social conscience by re-directing production resources to manufacture face shields for healthcare workers. Despite the difficult and disruptive times, we remain centered on our core values of quality, integrity and commitment to excellence, with a focus on total customer satisfaction.

More than ever, I am proud of our employees at Pattison Sign Group and all our divisions of The Jim Pattison Group. The resilience manifested by our employees during these difficult times is an inspiration to continue to focus on the long-term growth of our companies.

I want to give a heartfelt "Thank You" to our many, many employees who have been so diligent and helpful to our customers, suppliers and friends during this unparalleled worldwide challenge.

Jim Pattison

Chairman & Chief Executive Officer The Jim Pattison Group



MESSAGE FROM THE PRESIDENT



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WHILE WE WERE AFFECTED BY THE GLOBAL CORONAVIRUS PANDEMIC, THE RESILIENCE OF OUR PEOPLE ALLOWED US TO GET THROUGH THIS STORM WITHOUT ANY CRITICAL IMPACT."

DON BELANGER, EDMUNDSTON

When the going gets tough, the tough get going.

This truly exemplifies Pattison Sign Group during the 2019-20 reporting period for our fifth (5th) Corporate Sustainability Report (CSR).

2019 was, as we say, business as usual. Our employees were constantly bringing innovations in designing, engineering, testing, prototyping and manufacturing quality products which are seen on buildings, along roadways, in restaurants, everywhere across North America. Their work, in support of our corporate goal of Total Customer Satisfaction, allows us to be a leader in fulfilling our customers' brand promises throughout the continent.

Pattison Sign Group always puts its customers first; it is part of our DNA. Our people are empowered to understand the vision of the customers with whom we partner, and we use our passion and expertise to bring their brands to life through innovative solutions.

2020 was much different. There was nothing usual or normal about it. As all other businesses, we were affected by the novel coronavirus pandemic. Our manufacturing facilities and offices had to temporarily shut down; work from home became the norm for most of our office employees; work environments were modified to respect social distancing regulations and other best practices. A section of this CSR presents our response to the global pandemic. I am proud to say that, while we were affected by the global coronavirus pandemic, the resilience of our people allowed us to get through this storm without any critical impact. This reporting period has also seen our company grow with respect to equity, diversity and inclusion, because we realized we could do more. We are proud to have established an Equity, Diversity, and Inclusion (EDI) Leadership Council in our Toronto office; we are currently expanding the concept throughout the company. This report provides an overview of our EDI Leadership Council, which, we think, is amongst the most progressive in the signage and branding industry.

During the reporting period of this 5th CSR at Pattison Sign Group, despite the difficult times, we continued to invest in our manufacturing facilities and more importantly, in our employees. We are confident these investments will position us to be stronger as the economy of the free enterprise system ramps back up in the coming months and years.

More than ever, we realize and have seen how deep and broad the resilience of our employees truly is. On behalf of our owner, Mr. Jim Pattison and my colleagues on the Executive Team, I thank our employees for staying strong and for their continued commitment to the company and the costumers that we serve.

Behind our projects and successes, there are people, our employees. This CSR highlights a few of these employees who make differences in our company, and in their respective communities. They are a small representative sample of the quality people we are fortunate to have as colleagues.

Don Belanger President Pattison Sign Group

MESSAGE FROM THE VICE PRESIDENT, CORPORATE SERVICES



Pattison Sign Group successfully navigated through the challenges imposed by the global coronavirus pandemic in 2020.

During the reporting period of this 5th CSR, we had to significantly adjust our activities to conform to the regulations imposed by applicable local, provincial, state and federal health and other authorities. As always, the emphasis of our actions was on protecting the health and safety of our employees, and the communities where we operate.

Internally, the pandemic transformed our methods of operations. Literally overnight, all our office employees transferred to a work-from-home model. Our manufacturing facilities had to temporarily shut down, or have their production capacities significantly reduced to ensure social distancing regulations. The efforts of all our employees ensured we could continue to operate and fulfill the obligations to our customers, while providing a safe environment to our people.

This CSR was prepared in accordance with the best available reporting principles and practices, with the reporting period corresponding to the calendar years of 2019 and 2020. The results presented in this report show we continue to implement socially progressive measures in the management of our human resources, while being attentive to the environmental impacts of our operations.

Focusing on the long-term growth of the company, we created the new position of Director, Human Resources, with the mandate to provide a centralized approach to the management and the development of our employees. The strategic approach and leadership abilities brought by

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IT IS THROUGH OUR COLLECTIVE EFFORTS THAT WE WILL OVERCOME THE CHALLENGES IMPOSED BY THE COVID-19 PANDEMIC."

JACQUE DUGUAY, TORONTO

Saher Sayed, a seasoned executive with broad experiences in HR Management, is a real step forward for our company.

Through the introduction of our first EDI Leadership Council, we have intensified our efforts and actions relating to equity, diversity and inclusion, and their impacts within the company.

We are also proud our people answered the call from governments by designing, and manufacturing, face shields which were mainly distributed to health care workers by the Government of Canada.

Through our employees, such stories define who we are as a company. In this CSR, we highlight the resilience and the efforts deployed by our employees during the reporting period, especially in the very challenging times they went through at the start of the pandemic. We feel these stories are worthy of sharing to our stakeholders to show that beyond words, we do achieve results that impact our social and environmental performances.

As we publish this 5th CSR, the global coronavirus continues to have impacts on the economy and on our communities. We are committed to steadfastly follow all regulations imposed by the applicable authorities, and provide safe and secure work environments for all our employees.

It is through our collective efforts that we will overcome the challenges imposed by the COVID-19 pandemic.

Jacque Duguay

Vice President, Corporate Services Pattison Sign Group



Facility Branding

Customer Experience

Sign Maintenance Leasing Solutions

Visual Communications

National Programs Vision

Project Management

Excellence

Teamwork Partners Sign Installation

PATTISON SIGN GROUP

As one of the largest full-service signage and visual communication companies in the world, Pattison Sign Group (PSG) manages signage and branding solutions from beginning to end. With roots dating back to 1904, our vision and commitment is to be the leader in fulfilling

our customers' brand and to provide them with innovative branding products and services of the highest quality through the experience and creativity of our people and our pledge to sustainable development.

PSG's main activities are the Integrity Site Development Quality design, manufacture, and marketing of a complete Custom Signs Customer Satisfaction range of signage and branding products and Creativity Proud Sustainability Stable services. Our line of products includes illuminated and non-illuminated signs, LED illumination, LED electronic displays and communication systems, digital signage, awnings, canopies, menu boards, interior signage and décor, LED technology energy saving retrofits, and various

on-premises branding and identification signs. In addition, our services help our customers achieve their physical branding strategies by offering design translation into cost-effective products, site development, facility branding, leasing solutions and sign maintenance.

With over 650 dedicated employees, three state-of-the-art manufacturing facilities and multiple Sales and Operations Offices, PSG meets the diverse needs of its customers' exterior and interior branding programs. PSG's employees design, engineer, test, prototype, retest and manufacture products to exacting and rigorous standards that ensure top quality and consistent results.

Whether it's an international rebranding program or a one-of-a-kind retail project, PSG offers a complete range of innovative branding solutions. Specializing in design, branding solutions, project management, site development,

facility branding, manufacturing and installation, PSG also supports its customers with innovative leasing and maintenance programs; we currently have 29,000 signs under rental and maintenance agreements where we service, Leader Communities Innovation repair and fully insure the **Branding Solutions** products.

> Capitalizing on its robust infrastructure, which includes manufacturing three facilities and a network of strategic manufacturing and installation partners across North America, our flexible systems can shift manufacturing between plants based upon customer site location, product type, and specific customer requirements.

Our cutting-edge, web-based Project Management Portal, ePattison™, is an accessible and customizable online portal that allows customers and their project management teams to track jobs, manage inventories, and view photos 24/7, from anywhere in the world. This portal was upgraded to version 2.0 during the reporting period.

PSG is a wholly owned division of Jim Pattison Industries Ltd, which is part of The Jim Pattison Group, a 100% privatelyowned Canadian-based holding company. Except where specifically noted, all financial information in this CSR only pertains to Pattison Sign Group.

PSG has limited activities outside of North America, which basically consists of providing the signage needs for some of our global customers who operate in Mexico and Puerto Rico. PSG rarely actively prospects for customers outside of North America.

PSG strives to manufacture all the products that we sell. However, some products are simply more efficiently produced offshore. Notably, PSG has subcontractors located in China and Poland, where certain specialized products, such as drive-through menu boards, are manufactured reliably, efficiently and more cost effectively, while being relatively easy to ship in bulk.

During the previous reporting period, we partnered with a manufacturer in France, who fabricates and supplies the signs to a global customer. For their North American market, we were at first only responsible for the project management leading to the installation of the products. Through an agreement signed during the current reporting period, the main elements of these signs are now fabricated in our Heath Springs facility, into which only specific components manufactured in France are integrated.

The second half of the reporting period corresponds with the emergence of the global coronavirus pandemic. As with most corporations, we were affected by this pandemic, and the disruptions that it caused to local and global economies. Essentially, we followed all regulations imposed by applicable local, provincial, state and federal authorities, with an emphasis on protecting the health and safety of our employees and the communities where we operate. Manufacturing facilities and offices had to be closed, at least temporarily. When we re-opened the manufacturing facilities, we operated with reduced personnel at first. Most of our office employees have worked from home since the beginning of the pandemic; employees who need to go to their office are allowed to do so under strict guidelines.

In the early phase of the coronavirus pandemic, governments made a call for the production of personal protective equipment (PPE). We answered that call by producing approximately 700,000 face shields, which were mainly distributed to firstresponder users by the Government of Canada.

A section of this report specifically discloses the impacts of the coronavirus pandemic on our operations, and how we adjusted to this unusual situation.

No other material changes concerning the size of the corporation, its structure and its ownership were experienced during the reporting period.

OUR SERVICES

EXTERIOR AND INTERIOR SIGNS

- NATIONAL PROGRAMS
- LARGE SCALE HIGH PROFILE PROJECTS
- ARCHITECTURAL DESIGN AND
 IMPLEMENTATION
- ELECTRONIC MESSAGE CENTERS
- DIGITAL SIGNAGE
 - MENU BOARDS & DRIVE-THRU SYSTEMS
 - INTERIOR AND EXTERIOR LED / LCD DISPLAYS
- LED TECHNOLOGY
 - EFFICIENCY DESIGN CAPACITY
 - ENERGY SAVING RETROFITS
- SIGN INSTALLATION AND MAINTENANCE
- SIGN LEASING
- PERSONAL PROTECTIVE
 FACE SHIELDS



PATTISON SIGN GROUP FACILITIES







KNOXVILLE, Tennessee, USA

MANUFACTURING FACILITIES EDMUNDSTON, New Brunswick, Canada HEATH SPRINGS, South Carolina, USA ORILLIA, Ontario, Canada

SALES AND OPERATIONS OFFICES

BOISE, Idaho, USA BRISTOL, Connecticut, USA CALGARY, Alberta, Canada EDMUNDSTON, New Brunswick, Canada INDIANAPOLIS, Indiana, USA KNOXVILLE, Tennessee, USA MONTREAL, Quebec, Canada OTTAWA, Ontario, Canada PENTICTON, British Columbia, Canada TORONTO, Ontario, Canada SURREY, British Columbia, Canada

Note: In this report, "significant locations of operations" refer to our manufacturing facilities, and our offices that are situated in formal business environments. Thus, these locations do not include our Boise, Bristol and Indianapolis offices, which are home-based offices for our Sales representative in these locations.

CORPORATE GOVERNANCE

The Executive Team of Pattison Sign Group is structured along the functional divisions of the company, rather than by regional segmentation. Members of the Executive Team exercise their mandates and functions at a company-wide level. During the reporting period, adjustments were made in the segmentation of our divisions; these adjustments were identified for efficiency purposes, and to better support the areas of focus needed to achieve to ensure sustained growth in our operations.

FUNCTIONAL DIVISIONS OF PSG

- 1. SALES & OPERATIONS
- 2. BUSINESS DEVELOPMENT & INNOVATION
- 3. CORPORATE SERVICES LEGAL & RISK MANAGEMENT
- 4. ADMINISTRATION FINANCIAL REPORTING, PLANNING & ANALYSIS, LEASING AND IT
- 5. HUMAN RESOURCES

The accountability of the company is performed through quarterly meetings with the participation of the Executive Team of PSG and the Corporate Management of Jim Pattison Industries Ltd. During these meetings, the Executive Team is required to report on economic, social and environmental indicators, along with specifically reporting on the Key Performance Indicators of the Sustainable Development Initiative of PSG.

The Senior Management Team is a group of Directors and General Managers, all reporting to a member of the Executive Team. They are each responsible for either a functional division, or they have a regional leadership role, or sometimes both. The Executive Team and the Senior Management Team at PSG remain stable, with positions usually filled by promotions from the pool of existing employees.



NUMBERS, STORIES, STRATEGIES

MARCO CALABRETTA-DUVAL CPA, CGA EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER TORONTO, ONTARIO

As a child, Marco Calabretta-Duval had a passion for arts and theatre.

At 14 years old, Marco was working in accounts receivable in the family business in the tourism sector.

As a young adult, Marco entered the job market with an innovative airline company based in Montreal, Canada, where he sharpened his skills in corporate finance. At the same time, he pursued his university studies and graduated with a degree in accounting.

In 2011, Marco joined Pattison Sign Group as Corporate Controller. After leading the consolidation of the finance department, Marco expanded his knowledge and understanding of the company by becoming involved in its operational aspects and in sales.

Marco Calabretta-Duval is not a typical accountant. As a difference maker, Marco can combine the creative mind of an artist, with the rigor of an accountant. Inspired by the words of Jim Pattison, Marco goes beyond the numbers themselves; he looks for the stories that the numbers are telling. And it is those stories that generate strategies.

With responsibilities at the corporate level, and constantly questioning the status quo, Marco's current focus is on the strategies of the corporation.



Beyond the usual economic performance, Marco Calabretta-Duval adheres to the sustainable development principle that successful corporations also need to assess their environmental and social performances.

Marco strongly believes that not only do employees need to be treated respectfully, they should also be happy in their work, notably in the current era where social issues are not put aside when employees enter the buildings of their employer.

In the community, Marco is a Board Director and Treasurer of The 519, a City of Toronto agency committed to the health, happiness and full participation of the LGBTQ2S communities, as well as Vice President of the Ontario Sign Association, a member-based organization that is committed to growth, longevity and sustainability of the sign, graphics and digital industry.

Often working out of New York City, with easy access to our operational locations and the North American marketplace, Marco and his partner are anxiously waiting for the reopening of the city, and in particular the Broadway musicals.



NUMBERS TELL STORIES. FROM THESE STORIES EMERGE STRATEGIES."

EXECUTIVE TEAM

With Head Offices in Toronto, Canada, and Knoxville, Tennessee (which is our US headquarters), the governance of PSG is overseen by an Executive Team, composed of members who are all employees of the corporation. The majority of the Executive Team (5 members) are long serving employees of Pattison Sign Group, while two new positions on the Executive Team were created during the reporting period, and both positions were filled by recruiting seasoned executives.

During the reporting period, Marco Calabretta-Duval expanded his portfolio of responsibilities as Executive Vice President and COO; Nadia Palmerini was promoted to the position of Vice President and Chief Financial Officer; and Robert Corsetti was promoted to the position of Senior Vice President and COO (Canada). Amongst the two new positions, Joel Daurity now serves as the President and COO (US), while Saher Sayed occupies the position of Director of Human Resources and reports directly to the President of the company.

DON BELANGER

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President Edmundston, New Brunswick

MARCO CALABRETTA-DUVAL Executive Vice President & Chief Operating Officer Toronto, Ontario

JOEL DAURITY

President & Chief Operating Officer (US) Knoxville, Tennessee

NADIA PALMERINI

Vice President & Chief Financial Officer Toronto, Ontario

ROBERT CORSETTI

Senior Vice President & Chief Operating Officer (Canada) Toronto, Ontario

JACQUE DUGUAY

Vice President, Corporate Services Toronto, Ontario

SAHER SAYED

Director Human Resources Toronto, Ontario (Joined PSG in 2020)

LEADERSHIP



JOEL DAURITY PRESIDENT AND COO (US) KNOXVILLE, TENNESSEE

Joel Daurity was a student at the University of Tennessee in Knoxville, where he graduated with a BA in Psychology and English, as well as an MBA with concentrations in Marketing and Finance. Joel has fond memories of being a part of the Volunteers baseball team, as catcher and later as coach, notably during their participation in the College World Series.

After graduate school, Joel began working in the sign industry, where he learned all facets of the business at a granular level. From working in the manufacturing of signs, to working on an installation truck in his early career, and rapidly moving into management, Joel has developed a solid expertise in the sector. Building on his academic background and his expertise, Joel Daurity has the capacity to develop innovative solutions incorporating digital experiences into physical brand environments.

As a homecoming of sorts, Joel returned to Knoxville and brought his signage knowledge and leadership abilities to Pattison Sign Group in July 2019, as Executive Vice President and COO of our US operations¹. Driven by his passion for excellence, innovation and teamwork, Joel brings the leadership necessary to transcend the common practices to implement solutions that surpass the expectations of our customers.

An avid runner and golfer, Joel has strong family values. Along with his wife Jennifer, Joel is blessed with two teenagers, Jacob and Julia, for whom he works to build a better future.



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Joel, with daughter Julia

BRANDED EXPERIENCES MUST HAVE AN EMOTIONAL COMPONENT TO ULTIMATELY CONNECT, TO GAIN TRUST AND TO BUILD EQUITY WITH CUSTOMERS."

In 2021, Joel Daurity was promoted to the positions of President and COO of our US operations.

NEW APPROACH TO HR MANAGEMENT

SAHER SAYED DIRECTOR HUMAN RESOURCES TORONTO, ONTARIO

Reporting to the President, Saher Sayed is Director of Human Resources for our Canadian and US operations; a position she is occupying since the later part of the reporting period. Established as part of our evolution and growth as an organization, Saher is now developing this new position within Pattison Sign Group.

With an academic background in computer science and an MBA in HR Management, both obtained in her home country of India, Saher brings a combination of structured thought process and an empathic, creative mind to develop and implement innovative and progressive HR programs that foster a positive workplace and enhance employee engagement, thus supporting the company to achieve its goals.

Prior to moving to Canada in 2018, Saher worked in the Middle East for over 15 years, notably leading the HR department for the complete Middle East and Africa region within two leading multinational companies.

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Saher Sayed goes beyond the classical, administrative/ operational approach to HR management. Through the years, she has developed and implemented innovative approaches in HR management that complement the company's strategic goals while investing in employee development. Working with PSG's HR professionals in the significant locations of our operations, Saher acts as a channel for the objectives of the company to reach all the employees.

Within her few months at PSG, Saher has initiated some key changes to the company's approach to HR management, anchored in a long-term vision, of providing equitable and fair treatment to our employees as well as building an employer value proposition that attracts new high potential talent to the team.

Saher, with her husband and three children, established in Toronto in 2018, where she is involved in a Welcome Center for immigrants in the Greater Toronto Area, participates on the local diversity and inclusion council, and mentors students at a local school.

HR IS MORE THAN AN ADMINISTRATIVE FUNCTION; HR IS ONBOARDING THE RIGHT TEAM, BUILDING THE RIGHT ENVIRONMENT AND NURTURING, DEVELOPING AND MOTIVATING THEM TO DELIVER THE STRATEGY."

SENIOR MANAGEMENT TEAM

The Senior Management Team consists of various Directors and General Managers responsible for leading key sectors and/or business units of PSG, most reporting to a member of the Executive Team. They are each responsible for either a functional division, or they have a regional leadership role, or sometimes both. This includes delivering the required balance of operational excellence, product quality, responsiveness, customer service, and new product commercialization in a safe and collaborative working community.

Members of the Senior Management Team are mostly long-term serving employees of the company, who have progressed in their leadership abilities in different positions within the company. Occasionally, when specific expertise is required, Senior Management Team members can be hired from outside the company. The Senior Managers listed below are those at the end of the reporting period.

It is important to note that every General Manager brings a number of other Managers into a Management Team to offer leadership with local aspects of the operations and the business.

SALES AND OPERATIONS

The Sales Directors are responsible for leading Sales Teams in various parts of the North American marketplace. The objectives of the Sales Team are to develop a worldclass sales organization by fostering existing customer relationships, creating new opportunities through our value-proposition, and implementing our go-to-market strategy to ensure continued growth for PSG. The Sales Team in Canada reports to the Senior Vice President & Chief Operating Officer (Canada), while in the US, the Sales Team reports to the President & Chief Operating Officer (US). The Operations function encompasses several disciplines, including estimating, technical design, project management, procurement, manufacturing, managing our network of installation partners and service maintenance. These groups, distributed across our Sales and Operations locations, are responsible for making sure that the promises made to our customers are met consistently. They are responsible for ensuring operational excellence at all levels. All operational Directors in Canada report to the Senior Vice President & Chief Operating Officer (Canada), and those in the US report to the President & Chief Operating Officer (US), who both ensure best practices are shared and used to make our processes more efficient and thereby improve our time to market.

P NIKKI BOECHLER

Assistant Director of Operations, Western Canada Penticton, British Columbia

TONY BRYANT

Director, Procurement and Strategic Sourcing General Manager, Knoxville Office Knoxville, Tennessee

STEFANO DI GIROLAMO

Director of Sales and General Manager, Montreal and Ottawa Montreal, Quebec

CHRISTIAN DUGUAY

Director of Operations and General Manager (Eastern Canada) Edmundston, New Brunswick

KEITH OTTAVIANO

Director, Facility Branding Knoxville, Tennessee

BRIAN ROSIER

Director of Operations and General Manager Heath Springs, South Carolina

ADRIAN SCHINCARIOL

Director of Operations and General Manager (Central and Western Canada) Toronto, Ontario

BUSINESS DEVELOPMENT AND INNOVATION

The Business Development and Innovation (BDI) Team helps bridge the customer relationship between the Sales Team and the Operations group. The BDI Team is mostly made up of R&D and Technical Sales Support personnel, along with the Creative Director.

Indeed, artists are key to creating the visual renderings, which allow our Sales Team to showcase how the signage and branding elements will look on our customer's property before manufacturing even begins. This ensures our customers know exactly what to expect when they decide to trust PSG with their signage and branding needs.

RICK FERRARA

Creative Director Toronto, Ontario

REGINA HARMON Director, Maintenance & Sales Development Knoxville, Tennessee

DANIEL LAPLANTE

Director of Business Development and Innovation Edmundston, New Brunswick

PIERRE PELLETIER

Technical Strategies and National Account Manager Edmundston, New Brunswick

CORPORATE SERVICES – LEGAL & RISK MANAGEMENT

The Corporate Services Team makes sure PSG complies with all legal and regulatory obligations; ensures that we provide safe work environments and that we avoid all unnecessary risks in our operations; and provides the leadership for our sustainable development initiatives. During the reporting period, the team included resources supporting marketing, communication and legal, who reported to the Vice President, Corporate Services. In addition, during the reporting period, the HR management services were transferred to the new position of Director, Human Resources.

JACQUE DUGUAY

Vice President, Corporate Services Toronto, Ontario

ADMINISTRATION – FINANCIAL REPORTING, PLANNING & ANALYSIS, LEASING AND IT

The Administration – Financial Reporting, Planning & Analysis, Leasing and IT Team has the mandate of protecting the financial, physical and information assets of the company and measuring the financial performance, while actively supporting the other functions within the organization. It also provides the Sales Team with the necessary information and pricing to be able to offer leasing and maintenance agreements, along with financial instruments offered uniquely by PSG to the marketplace.

MICHEL SERRY Director of IT Edmundston, New Brunswick GRACE MIGLIORE Director of Financial Reporting Toronto, Ontario JACQUES MORIN Director of Financial Planning & Analysis Toronto, Ontario VINCE SANTAGUIDA

Director, Leasing Support Toronto, Ontario

HUMAN RESOURCES

Our Human Resources division supports management in taking care of our most important assets, our employees, ensuring they have the necessary knowledge and abilities to support our vision. The Team includes one Director, who has a corporate mandate and who reports directly to the President, supported by HR specialists in each of our significant locations of operations.

SAHER SAYED Director, Human Resources Toronto, Ontario

STRONG EXECUTIVE AND SENIOR MANAGEMENT TEAMS WHO CAN ADAPT AND INNOVATE

TOWN HALL MEETINGS

Employees are also part of the governance of a corporation. While they are impacted by the decisions and policies of the company, employees should be involved in providing feedback, ideas, and issues to the various management levels. Town Hall meetings facilitate this objective, while providing a direct forum to inform employees about the activities of the company.

Town Hall meetings with employees are regularly held in all PSG main locations and all manufacturing facilities. These meetings, held in informal formats in meeting room, the manufacturing plant or inside the cafeteria, are structured around health and safety, quality assurance, statistics on sales and production, recognition of employees, social committee activities, and production planning. We also include Project and Department Spotlights where employees present to their peers a noteworthy project they worked on or the inner workings of their own department.

The Town Halls provide opportunities to inform employees on various subjects affecting the company. This tends to enhance the engagement and motivation of the employees in the company.



During the coronavirus pandemic, in-person Town Hall meetings were not possible. We therefore adapted to Zoom Town Halls with our office employees and doing Town Halls with small groups of employees within the manufacturing facilities.

Further, the pandemic allowed us the opportunity to engage differently with our employees. Notably, All Hands meetings, using Zoom technology, were held when we had special messages to convey to our office employees throughout the company. We also arranged for the manufacturing employees to participate in specific All Hands meetings.



AN OVERVIEW OF PATTISON SIGN GROUP



- PSG HAS ROOTS DATING BACK TO 1904.
- PSG EMPLOYS OVER 650 EMPLOYEES.

NORTH AMERICA.

29.000 SIGNS.

NEARLY 43 YEARS.

- PSG HAS HEAD OFFICES IN TORONTO, CANADA, AND IN **KNOXVILLE. TENNESSEE** FOR ITS US OPERATIONS.
- PSG HAS 3 MANUFACTURING FACILITIES. STRATEGICALLY LOCATED IN CANADA AND THE US TO SERVICE NORTH AMERICA.
- PSG HAS OVER 340.000 SOUARE FEET OF MANUFACTURING FACILITIES.



PSG HAS 11 SALES AND OPERATIONS OFFICES THROUGHOUT

THROUGH ITS LEASING PROGRAM, PSG LEASES AND MAINTAINS

TWO IMPORTANT WORDS AT PSG: QUALITY AND SAFETY.



ENGLISH, FRENCH AND SPANISH. OUR LONGEST SERVING EMPLOYEE HAS BEEN WITH US FOR

PSG IS ABLE TO OFFER SERVICES IN THREE LANGUAGES:

THE FIVE KEY VALUES AT PSG ARE: CUSTOMER SATISFACTION. INTEGRITY, QUALITY, TEAMWORK, AND INNOVATION.

OUR PARENT COMPANY

THE JIM PATTISON GROUP

(2021 NEWS GROUP DATA)

- SALES: \$12.7 BILLION
- WORLDWIDE LOCATIONS: 565
- EMPLOYEES: 51,000

HEADQUARTERED IN VANCOUVER, BRITISH COLUMBIA, THE JIM PATTISON GROUP, WHICH FIRST STARTED IN MAY 1961, IS MADE UP OF STRONG AND DIVERSE OPERATING DIVISIONS, WHICH SPAN THE AUTOMOTIVE, ADVERTISING, MEDIA, AGRICULTURE EQUIPMENT, FOOD AND BEVERAGE, ENTERTAINMENT, EXPORTING, FINANCIAL, REAL ESTATE AND PERIODICAL DISTRIBUTION INDUSTRIES. THE JIM PATTISON GROUP IS THE SECOND LARGEST PRIVATE COMPANY IN CANADA.



Amongst its many philanthropic initiatives, the Jim Pattison Children's Hospital Foundation donated two high-rise signs, fabricated in our Orillia facility, in support of the new Jim Pattison Children's Hospital in Saskatoon, Saskatchewan, which is the closest city to where Mr. Pattison was born and raised until his elementary school years.

A RICH HISTORY

WHEN THEY STARTED...



...WHEN THEY JOINED US

ACOUISITION OF NEON PRODUCTS OF CANADA LTD. This Jim Pattison Group's acquisition launched a new leader in sign and visual communications

ACOUISITION OF CLAUDE NEON (which had acquired E.L. Ruddy in 1929) Our segment of the industry grew with the acquisition of this pioneering signage company

ACOUISITION OF CUMMINGS SIGNS OF CANADA LTD. Growth continued with the

acquisition of one of Canada's signage leaders

ACOUISITION OF MARTEL-STEWART LTD.

The sign group within the Jim Pattison Industries Ltd. continued its growth through strategic acquisitions

CONSOLIDATION OF CUMMINGS SIGNS OF CANADA LTD., MARTEL-STEWART LTD. AND CLAUDE NEON

Formation of Neon Products, a division of Jim Pattison Industries Ltd.

1998 ACOUISITION OF ENSEIGNES **IMPERIAL SIGNS**

Acquiring this New-Brunswick-based company increased our Canadian footprint from coast to coast

A HISTORY OF EXCELLENCE. A FUTURE OF INNOVATION.

2002 CONSOLIDATION OF NEON PRODUCTS. CLAUDE NEON. **ENSEIGNES IMPERIAL SIGNS** LTD. AND BIG ALUMINUM LETTER SIGNS

The Pattison Sign Group is born

ESTABLISHMENT OF A **US BUSINESS UNIT IN** KNOXVILLE, TENNESSEE

2009

Strengthening our position throughout North America solidified Pattison Sign Group as a leader in complete signage and branding solutions

2011 PUBLICATION OF OUR FIRST CORPORATE SUSTAINABILITY REPORT

Despite being a privately held corporation, Pattison Sign Group becomes a leader in sustainability practices by publishing its first CSR

2012 ACOUISITION OF DAVIS NEON. BASED IN HEATH SPRINGS. SOUTH CAROLINA

Increased our manufacturing footprint with a state-of-the-art 150,000 square foot facility

2020 **GLOBAL CORONAVIRUS** PANDEMIC

Pattison Sign Group embraces the efforts to fight the global coronavirus pandemic by manufacturing personal protective equipment (PPE)

2020 PSG PUBLISHES ITS FIFTH CORPORATE SUSTAINABILITY REPORT





MISSION STATEMENTS AND CORE VALUES

OUR VISION

TO BE THE LEADER IN FULFILLING OUR CUSTOMERS' BRAND.

OUR COMMITMENT

TO PROVIDE OUR CUSTOMERS WITH INNOVATIVE BRANDING PRODUCTS AND SERVICES OF THE HIGHEST QUALITY THROUGH THE EXPERIENCE AND CREATIVITY OF OUR PEOPLE AND OUR PLEDGE TO SUSTAINABLE DEVELOPMENT.

CORE VALUES

9 CUSTOMER SATISFACTION

We are totally committed to exceed our customers' expectations.

INTEGRITY

Truth and honesty are fundamental to who we are and how we conduct our business relationships.

QUALITY

We are a recognized leader for quality and high environmental standards.

TEAMWORK

We strive to create collaborative workspaces where employees are encouraged to share new ideas, overcome roadblocks and discuss best practices with the end goal of bringing maximum value to our customers.

INNOVATION

Cultivating an innovative mindset is critical to bolstering creativity and anticipating changes both internally and in the marketplace.









OUR CUSTOMERS

PSG works with a diverse customer base of internationally recognized brands in many sectors of the economy. We help the world's largest, well-known companies in North America in implementing their brand promise on time, on budget, and in total compliance with strict standards. Through our international partnerships, we also have the ability to service global clients in Mexico and Puerto Rico. Some of the industries, and customers, that we work with include:

ACURA AUDI CADILLAC CARLOTZ FORD **GENERAL MOTORS** HONDA HYUNDAI JAGUAR LAND ROVER KIA LEXUS MAZDA PORSCHE SUBARU TOYOTA VOLKSWAGEN VOLVO

AUTOMOTIVE AFTERMARKET

BUMPER TO BUMPER CALIBER COLLISION MISTER CAR WASH RUSH TRUCK CENTERS

♦ CAR RENTAL

ENTERPRISE/ NATIONAL/ ALAMO CAR RENTAL HERTZ

• FINANCIAL/ INSURANCE

BMO CANADA LIFE CHASE BANK DESJARDINS INSURANCE FIRST CONNECT CREDIT IG WEALTH MANAGEMENT MARSH MCLENNAN NATIONAL BANK RBC SCOTIABANK

+ HEALTH CARE

BAPTIST HEALTH HARTFORD HEALTHCARE

♦ HOSPITALITY

BEST WESTERN EXTENDED STAY AMERICA MARRIOTT

PETROLEUM

CIRCLE K DELEK HUSKY NORTH ATLANTIC PETRO-CANADA RACETRAC ULTRAMAR VALERO VP RACING FUELS

RECREATIONAL PRODUCTS BRP DOLADIC

POLARIS YAMAHA

P RESTAURANTS

A&W CHICK-FIL-A KFC MCDONALD'S RESTAURANTS OF CANADA SONIC STARBUCKS COFFEE TIM HORTON'S WENDY'S

RETAIL

BUY-LOW FOODS CATO EXTRA SPACE STORAGE GENESCO GRAINGER H&M THE HOME DEPOT NORDSTROM REXALL SAVE ON FOODS SMART & FINAL WAL-MART CANADA WINN-DIXIE

• TELECOM

BELL LUMEN ROGERS

SOME OTHER INDUSTRIES

CANADIAN BLOOD SERVICES FIRST ONSITE PROPERTY RESTORATION GOVERNMENT OF CANADA MAPLE LEAF FOODS REGAL CINEMAS RIPLEY'S BELIEVE IT OR NOT! ZIMMER BIOMET

A LEADER IN THE SIGN INDUSTRY

With a history of nearly 120 years in business, Pattison Sign Group has seen and pioneered most major sign innovations over the last century. With a customer-centric and innovative approach, and a comprehensive Research and Development Department to keep us on the leading edge of the industry, we are continuously developing new concepts, notably in lighting, energy consumption and material durability to produce signs that consume less energy and have minimum impacts on the environment.

PSG believes that success and sustainability are only possible through continuous innovation, both in the design and the fabrication of signs. It is this belief that has driven us to the forefront of visual communication technology and made us a leader in the industry.

NOVEL CORONAVIRUS GLOBAL PANDEMIC

2020 will forever be known as the year of the global pandemic caused by the novel coronavirus (2019-nCoV), otherwise known as COVID-19. Despite all the technological advancements of humanity, including in medicine and public health, a microscopic virus and its variants have brought a major disruption on how we live and how we do business throughout the world. At Pattison Sign Group, we recognized very early on that this pandemic would have a significant impact on our operations and activities.

As with all North American corporations, we were greatly impacted by the COVID-19 pandemic, both in our manufacturing facilities and in our offices. With great care, we have followed all government regulations, as well as hygiene and sanitation best practices to minimize the probability of transmission of the virus in our facilities and offices.

Below, and on the following page, are some of the initiatives we have taken to achieve this objective. Most employees who tested positive with the virus were traced back to family contacts or community transmission, with only a few exceptions. At no time did we have transmission clusters within our facilities and offices.

The disruptive change in the operations was mainly felt by our office employees, who practically switched overnight to working from home. Similarly, our sales personnel significantly reduced their travels to meet customers. Because of continuous and significant investments in our IT infrastructure, coupled with the support of our IT experts, we were able to seamlessly transform our administrative operations to a broad-based work-from-home approach.

While practically all office employees were working from home, we adjusted our operational meeting procedures, and we remained vigilant in ensuring all employees could adjust to this new environment. Further, we engaged in other forms of social meetings, to mimic the hallway and water cooler discussions in the office.

Beyond the human resource aspect of these new work conditions, the positive aspect of these measures is a significant reduction in greenhouse gas emissions due to limited travel to the office, the reduced consumption of electricity and the reduced air travel by our employees.

On a go-forward basis, we intend to assess the efficiency of our work, and the acceptance by our employees, of workfrom-home practices, while assessing the impact that a workfrom-home would also have on our need for office space.

Our COVID-19 response was coordinated by the Executive Team, in consultation with the Senior Management Team. With regular, structured meetings, our actions were focused on our obligations to meet, or surpass, the government regulations in the various jurisdictions we operate, while being responsive to the needs of our employees.

More specifically, during the first several months of the pandemic, the Executive Team met daily, and invited the Senior Management Team to two (2) of the five (5) weekly meetings. These respective meetings are now held twice a week and on a weekly basis. The latest health authority news and guidelines are continuously reviewed, and strategies are formulated to ensure safe work conditions and continued support to our customers.

Attendance data is tracked so that we know where people are working (home or a facility/office), if they showed symptoms, or if they had contracted the virus. We continue to review any COVID-19 cases or any people showing symptoms.

SOME OF THE ACTIONS TAKEN TO MITIGATE THE RISKS OF COVID-19 TRANSMISSION IN OUR FACILITIES AND OFFICES INCLUDE:

- Offices and manufacturing facilities were temporarily shut down when required by the local authorities
- Work-from-home protocols were developed and implemented
- Strict social distancing rules, including the wearing of masks, were implemented in accordance with the health regulations in the various regions and jurisdictions
- Cleaning protocols were adopted for all manufacturing facilities and offices
- When positive cases were identified, rigorous testing protocols were implemented, requiring all employees having come into close proximity to get tested, along with the location being deep cleaned and disinfected according to the health regulations
- Plexiglass dividers were installed between employees where the regulated distancing could not be ensured
- Body temperature checks were done, on some locations more than once per day, for employees working inside some offices and manufacturing plants
- Eating was allowed inside the manufacturing plants (instead of going to the cafeteria), with microwave ovens installed in many sectors of the facilities
- Reduction of manufacturing capacities of our plants in order to minimize social contacts; manufacturing personnel voluntarily accepted to come to work, while those who did not want to come to the plant were not the object of penalties from the company (these workers benefited from government programs and continued health and dental benefits covered by the company)
- The financial impact of the pandemic to our organization led us to offer early retirement packages to employees whose combined age and years of service with PSG totaled 70+; this option was offered to more than 80 employees, with 20 people choosing to accept
- Another 17 employees were let go, from all sectors and levels of the company; notably sales, management and operations, from all locations
- Training sessions on well-being and resilience were offered, with the content accessible on our intranet
- In some instances, our COVID-19 response plans were approved or audited by the appropriate regulatory agencies
- · Virtual social gatherings were held







COVID-19 OPERATIONAL RESPONSE TEAM

HR professionals and Health & Safety coordinators led the operational response to the global pandemic in our significant locations of operations. Acting as front-line workers to implement the strategies devised, the COVID-19 Operational Response Team was essential when locally coordinating and implementing these strategic decisions. This team was also instrumental in ensuring consistent messaging to our employees, and to provide feedback to the Executive Team.

JAMES TASSO HR GENERALIST HEATH SPRINGS, SOUTH CAROLINA



Based in Heath Springs, South Carolina, James Tasso looks after the human resource management for all our US-based employees, which besides Heath Springs, includes our Knoxville office and our USbased sales offices.

Growing up in Long Island, New York, James Tasso had several jobs, notably in the movie theater industry, where he became captivated by the duties of HR management. These experiences pushed him to pursue graduate studies by completing a Master's in Management, with a concentration in HR Management.

Initially hired for the HR management of our Heath Springs facility, his responsibilities expanded to include all US-based employees when we restructured the company through functional divisions. James brings the quiet confidence that characterize good HR managers. Always available to listen, and highly knowledgeable, he ensures that all employees are treated equitably and fairly.

James Tasso has the capacity to operate in two completely different realities, i.e. an office environment in the downtown area of a large city, and a manufacturing environment situated in a rural area. This ability was particularly beneficial as we implemented our response to the COVID-19 pandemic.

Having strong family values, James and his wife, Lisa, a teacher by training, are the proud parents of two young children aged 1 and 3 years old.

JOEY PLYLER HEALTH AND SAFETY COORDINATOR HEATH SPRINGS, SOUTH CAROLINA



Joey Plyler coordinated our response for the Heath Springs manufacturing facility. The contributions of Joey to minimize the impacts of the pandemic made a big difference in ensuring that our manufacturing and office employees remained safe during this reporting period where work environments have been completely transformed.

Building on his experience, strong community values and teamwork, Joey implemented and communicated safety measures that were well accepted, and well followed, by our employees in Heath Springs.

Notably, he was actively involved in temperature measurements of employees, and he coordinated crews to regularly sanitize the manufacturing facility and offices.

Through his actions and commitment, Joey made a positive impact in our Heath Springs facility, as we were adapting to the coronavirus pandemic.

Active in his community, Joey Plyler is an at-large Town Councilman in Heath Springs, South Carolina. A longtime volunteer firefighter, Joey is currently Assistant Chief of the Heath Springs Fire Department.

On weekends, Joey is a grid/corner Marshal & Fire Rescue at the Carolina Motorsports Park.

ANNICK LAJOIE HR COORDINATOR EDMUNDSTON, NEW BRUNSWICK



Building on her university degree in psychology, and a master's degree in public administration, with concentration in human resource management, Annick Lajoie goes beyond the administrative aspects of HR management. Indeed, in her role, Annick aspires to improve the well-being of our employees while at work.

During the COVID-19 pandemic, Annick coordinated our response for the Edmundston manufacturing facility and offices, and our Montreal and Ottawa offices. Her approach was to ensure continuous, and up-to-date, communications with our employees, and ensuring we satisfied, or surpassed, government regulations in two distinct jurisdictions (New Brunswick and Quebec).

A recipient of The Jim Pattison Group Personal Achievement Award, Annick is also involved in her community where she contributes, through knowledge transfer and training, in enhancing the HR management capacity in small local enterprises in the North West region of New Brunswick. Annick is also a member of the *Réseau d'échange des femmes en affaires* (Network of Business Women), which notably organizes networking events focused on exchanging best business practices for women.

DENISE ST-PIERRE HEALTH & SAFETY AND ISO COORDINATOR ORILLIA, ONTARIO



In her role of Health and Safety Coordinator, Denise St-Pierre coordinated our response for the Orillia manufacturing facility. Denise went beyond the usual call-of-duty in ensuring we had an efficient response to the coronavirus pandemic in our Orillia facility. Working with a local team, Denise played a major role in ensuring that we satisfied and surpassed all government regulations, while creating a positive and safe work environment for our employees.

As a single mother who has raised three children, while still having a successful professional career in management and accounting, Denise has developed an expertise in planning. This experience was crucial in Denise's approach in the management of the pandemic response in our Orillia facility.

Beyond her contributions to ensure that we satisfied, or surpassed, all government regulations, Denise kept a virtual open-door policy where employees could have an ear, and receive advice and support, when they had professional or personal challenges during the pandemic.



Our Toronto response was influenced by three employees, who have all made contributions to ensure the work environment remained safe for our people.

The COVID operational protocols for our Toronto offices were developed by **Adrian Schincariol**, our Director of Operations and General Manager for Central and Western Canada. With a long career in manufacturing management, Adrian arrived at PSG in the beginning of the reporting period. Adrian's extensive knowledge and experiences in management was put to good use as we were all facing the challenges incurred by the global pandemic.



Our Manager, Technical Design, **Ran Perhar**, ensured that our facility met all sanitary requirements. Building on his long-term experience in Health and Safety, Ran developed the training plans and protocols on H&S. At the end of the reporting period, Ran took a well-deserved retirement.

Kim Cervantes is a long-standing member of our team in Toronto. Over the last 30 years, Kim has been managing our cafeteria, always making sure that employees were satisfied with the food offering and quality. Kim brought this deliberate approach to customer satisfaction to our COVID response in Toronto. Specifically, Kim was a key member in our cleaning and fumigation efforts when these were required.

PERSONAL PROTECTIVE EQUIPMENT – PPE

Along with being recognized as the year of the global coronavirus pandemic, 2020 saw a new acronym enter the popular jargon: PPE. Personal Protective Equipment.

In the early phases of the novel coronavirus pandemic, governments made a general call to produce PPE. We diligently answered that call.

Despite having our manufacturing facilities and offices closed because of local safety regulations, we were authorized to gather a small team of employees who worked to produce nearly 700,000 face shields, mainly destined for front-line health care professionals, but also for some of our customers whose employees needed to wear PPE in order to work the frontlines.

Through an accelerated design process, and calling upon our senior manufacturing employees, we developed a face shield that satisfied the sanitary regulations, and that could be produced with our equipment. Inside the plant, all distancing requirements were always satisfied during the production of the PPE.

The initiative was led by members of our Edmundston management team, with the assistance of approximately 15 manufacturing employees who heartfully enlisted in this project. The face shields produced were mainly distributed by the Government of Canada.





TEAMWORK

The production of face shields was a team effort in our Edmundston facility, mainly led by our director of operations, Christian Duguay, and our plant manager, Daniel Lagacé, and accompanied by some of the employees who participated in the design and manufacturing of the face shields, including Mario Roussel who is shown in this photo along with Christian.





RESEARCH AND DEVELOPMENT (R&D)

Our R&D Department keeps us on the leading edge of technical innovation, integrating significant benefits to our manufacturing processes and environmental performances. As a result of our constant technology watch and our continuous innovations, we integrate a wide range of manufacturing techniques to produce a variety of finished products.

Our R&D Department has developed specialized materials, tooling, dies, assembly techniques, manufacturing systems and energy saving alternatives in an effort to deliver a finished product that exceeds expectations in regard to quality and sustainability. Thanks to PSG encouraging constant customer feedback, we were able to develop several new product lines, which have helped highlight our customers' brands in the marketplace. From LED cost-saving energy initiatives, to providing our customers with the most environmentally friendly products, our R&D Team is an important contributor in reaching our sustainability objectives.

During the reporting period, our R&D Department worked on the standardization of our manufacturing processes in our three manufacturing facilities. This standardization allows for better cost estimates, while reducing the differences in the finished products coming out of different facilities. Signs are now designed in consideration of the total system cost, and the technical possibilities offered by the new LED lighting systems. Amongst its various projects, our R&D Team engages in continuous research and innovation work to optimize lighting configurations to achieve the levels of efficacy and the visual effects desired by our customers. We also continuously build our knowledge on techniques and best practices in the retrofitting of signs, where LED lighting are usually integrated to replace neon and fluorescent lightings.

Increasingly active in assessing 3D printing technologies, our R&D Team is also working on the integration of solar panels in the signs and canopies.

Such innovations reduce the ecological footprint of our products by reducing the amount of material needed and reducing the energy consumption.







INNOVATING THE DAILY OF TOMORROW

JENNIFER CASSIDY R&D SUPERVISOR EDMUNDSTON, NEW BRUNSWICK

With an engineer degree, Jennifer Cassidy is guided by the following motto, in her words, "innovating the daily of tomorrow is the challenge of our work and the passion that drives our team".

As a long serving employee in our R&D Department, and based in our Edmundston facility, Jennifer's role and responsibilities transcend the physical and jurisdictional boundaries where we operate. In support of our Sales Team and Directors of Operations, Jennifer and her team are solid foundations for our activities throughout the North American market.

Working on the principle of total system cost, Jennifer provides rigorous, accurate and well documented advice that allows our customers to make well informed decisions.

Originally from Edmundston, Jennifer Cassidy is recognized by her peers and colleagues as a person who is well organized, reliable, calm, analytical but none-the-less creative. PROCESS OPTIMIZATION

PATRICK CORMIER MANAGER, PROCESS OPTIMIZATION AND STANDARDIZATION EDMUNDSTON, NEW BRUNSWICK

With a mandate to serve both our Canadian and US operations, Patrick Cormier is manager of Process Optimization and Standardization. Based in our Edmundston facility, Patrick is focused on ensuring that our products offer the same level of quality, wherever they are fabricated in our facilities.

Patrick began his career in the forest sector in New Brunswick, where he worked in forestry operation planning and in the transformation of wood in valueadded products. Patrick brought his experience to Pattison Sign Group in 2006, and has since worked in different capacities in our engineering and R&D divisions.

Patrick and family enjoy the quality of life that northern New Brunswick offers, notably in wintertime. Besides enjoying skiing and traveling with his two teenage sons and spouse Lyne, Patrick is a devoted volunteer in the local minor hockey association and his alma mater, the Université de Moncton, campus d'Edmundston.

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JENNIFER CASSIDY AND PATRICK CORMIER ARE THE CHAMPIONS OF R&D AT PATTISON SIGN GROUP. THEIR EXPERTISE, KNOWLEDGE, AND LEADING-EDGE APPROACH TO SIGN DESIGN AND MANUFACTURE ALLOW OUR SALES TEAM TO OFFER INNOVATIVE CONCEPTS, BOTH IN TERMS OF VISUAL ASPECTS AND ENERGY EFFICIENCY."



NIKKI BOECHLER

ASSISTANT DIRECTOR OF OPERATIONS, WESTERN CANADA PENTICTON, BRITISH COLUMBIA

ARCHITECTURAL DESIGN AND IMPLEMENTATION

Obtaining on-site geometrical data has always been a challenge in the sign industry. Architects, general contractors, engineers and subcontractors rely on accurate, detailed information to be able to deliver the best architectural design and implementation solutions. We use the latest 3D laser scanning technology for field measurements and to document existing on-site conditions. Laser scanning offers a safe, accurate, and quick method to measure fine details of complex geometries, with a higher definition than traditional survey methods.

PARTNERS

With our North American network of sign professionals continuously evolving, PSG establishes quality partnerships throughout North America. We have some of the strictest installer qualifications, vetting criteria and policies in the industry, with stringent processes to make sure our partners meet rigorous guidelines. Individual install companies are screened on an on-going basis to ensure they possess the right equipment and knowledge to install or service any of our products. Emphasis is placed on our subcontractors having a health and safety program that satisfies or surpasses our requirements. They are also required to submit an inspection report on each completed and installed project.

Further, to ensure excellence in customer service, we have developed an Installer Network Management system where installers are rated according to several indicators: deadline fidelity, installation quality, accessibility, invoicing and pricing extras. In 2018, we launched our Installation Network Recognition Awards, an initiative to recognize our partners that have provided consistent commitment, superior quality, and service support.

Signs integrate different materials and various components. While most materials and components are readily available from global suppliers, some components are specialized to the signs that we manufacture. We have agreements with subcontractors to supply us with specific, specialized components that are integrated in the signs that we manufacture, and we maintain regular contacts, notably through site visits, with these partners. The countries where we subcontract the supply of specialized components are China and France.

During the reporting period, we formed a partnership with a large European manufacturing company, for the North American market, to manufacture and install signs for a major car company (Jaguar Land Rover).

We are committed to continue to work with our partners regarding best practices for the supply of specialized components, the installation of signs, and best practices to achieve sustainability objectives.

PSG SUBCONTRACTOR RECOGNITION

A Pattison Sign Group Recognition Event was held during the ISA International Sign Expo 2019 for our US partners, and at the SAC Sign Expo 2019 for our Canadian partners. The event provided the opportunity to recognize some of our subcontractor partners for their excellence and levels of activities during the reporting period. The event also provided an opportunity to share our vision of quality and excellence, discuss future trends, and strengthen our relationships with key partners. The partners recognized during the event include the following:

PLAQUES OF RECOGNITION

Selected using a systematic analysis and a list of pre-defined criteria, the Plaques of Recognition are awarded to partners who have demonstrated a high level of excellence and quality in their installations over a given year.

National Sign Corp.
North Carolina Reimaging Co.
Powerhouse Retail Services
PS Services
Connelly Signs & Services
On-Site Sign Group

Berlin, Connecticut Apex, North Carolina Crowley, Texas Anaheim, California Winnipeg, Manitoba Lloydminster, Alberta

CERTIFICATES OF RECOGNITION

As the selection of top performers is often difficult, we also award Certificates of Recognition to the runners-up of the Plaques of Recognition.

Barnett Signs Megahertz Electric Inc. Metroplex Sign & Neon Texas Custom Signs DNS Signs Installation MDI New Born Arts Noble JT Signs Northstar Signs Sitka Developments Tops Lighting Triad Signs Mesquite, Texas Monterey Park, California Ovilla, Texas Cedar Park, Texas Claremont, Ontario Mascouche, Quebec Ottawa, Ontario Ottawa, Ontario Pitt Meadows, British Columbia Canmore, Alberta Vancouver, British Columbia Victoria, British Columbia

We thank all our partners for the excellence that they bring to the work they do for us and our customers. This teamwork makes us deliver the best experience to our customers.



A FLAGSHIP PROJECT SCOTIABANK ARENA, TORONTO, CANADA

Challenging.

That's how Robert Corsetti and Pierre Pelletier describe the Scotiabank Arena project.

Situated in downtown Toronto, Scotiabank recently obtained the naming rights of one of the busiest arenas in North America. Home of the NHL's Toronto Maple Leafs and the NBA's Raptors teams, the facility also hosts events ranging from family centric community gatherings to concerts performed by internationally recognized names across a broad spectrum of performing arts.

The branding project consisted of 11 large format digital signs enclosures, complete with internal structures and catwalks. The Scotiabank script and logo were created by masking over 750 m² (8000 ft²) of 6 mm pitch LED boards with metal structures.

Beyond the technical challenges in the design of the signs, the manufacturing phase also incurred its own challenges. Notably, making such large displays in sections to create shaped scripts and logo had never been done before.

Manufactured in our Edmundston facility, the employees where particularly proud to work on these signs, whether they were cheering for the Leafs, or for the other "local" favorite teams, the Montreal Canadians and the Boston Bruins.

Once the signs were designed and manufactured, the challenges were not over.

Situated in the heart of downtown Toronto, in the same block as the main transportation hub, Union Station, and next to a major condo development, the project was executed in a high-profile, traffic filled environment, with challenges to transport large components. Further, the installation schedule had to be adjusted to accommodate the events taking place inside the arena.

Technically, the installation phase also brought many challenges. Considering the weight and the size of the signs, modifications had to be designed and implemented in the building. Again, our engineering personnel, working with the owners of the building and the various trades involved, surmounted these challenges to bring everything together successfully.

The Scotiabank Arena project challenged our engineering team to innovate and look beyond common practices, while our manufacturing team deployed a lot of creativity to realize this technical piece of art.

In the end, the new signage enhances the image and branding of Scotiabank, provides a contemporary image for this iconic sports facility and brings a new level of attraction and excitement to the city of Toronto.


SUCH PROJECTS DON'T COME OFTEN IN THE SIGN INDUSTRY, AND NOT MANY COMPANIES HAVE THE TEAM AND RESOURCES TO BRING IT ALL TOGETHER."

ROBERT CORSETTI SENIOR VP AND COO – CANADA TORONTO, ONTARIO

For 32 years, **Robert Corsetti** has been working in the branding sector, initially with a retail store company, and for almost 20 years, with us at Pattison Sign Group. Robert is currently Senior Vice President and Chief Operating Officer of our Canadian operations. Initially hired as a Service Manager, Robert assumed increasing responsibilities in the operations, in business development, and in innovation activities at PSG. Along with his corporate responsibilities, Robert continues to manage large accounts that cover the North American territory.

Robert operates on the principle of never shying away of doing the right thing every time. A passionate person, Robert engages his colleagues, whom he considers as peers, to translate branding concepts into efficient signage solutions. Robert is particularly proud of the innovative sign designs, installed across North America, in which he contributed and made a difference. "



THE SCOTIABANK ARENA PROJECT CHALLENGED OUR ENGINEERING TEAM TO INNOVATE AND LOOK BEYOND COMMON PRACTICES, WHILE OUR MANUFACTURING TEAM DEPLOYED A LOT OF CREATIVITY TO REALIZE THIS TECHNICAL PIECE OF ART."

PIERRE PELLETIER MANAGER, TECHNICAL STRATEGIES EDMUNDSTON, NEW BRUNSWICK

Originally from Edmundston, New Brunswick, **Pierre Pelletier** literally grew up in the backyard of Enseignes Imperial Signs, which we acquired in 1998. After his university studies in computer science, Pierre worked in project management in the construction of health care facilities in Eastern Canada, before his hiring at Enseignes Imperial Signs in 1994.

Pierre was initially hired to occupy the function of director of installation and transport. Through the years, besides assuming leadership roles in our project management division, Pierre now occupies the key position of Manager of Technical Strategies, where his acute sense for details, innovation and teamwork allow for more efficient and technically challenging sign designs and manufacturing.

THE SCOTIABANK ARENA DISPLAY IN NUMBERS:

- OVER ONE THOUSAND HOURS OF ENGINEERING AND CREATIVE DESIGN
- 4 200 LED TILES
- 750 m² (8 000 ft²) OF LED DISPLAY BOARDS
- 12 km (7.5 MILES) OF DATA CABLING

- 80 METRIC TONS (NEARLY 200 000 POUNDS) OF STEEL
- THOUSANDS OF HOURS OF CRAFTMANSHIP
- **26** FULL TRUCK LOADS
- ONE PIECE OF ART

LED DIGITAL SIGNAGE DISPLAYS

Digital menu boards, drive-thru digital systems and electronic message centers are major trends in the sign industry. Building on our history of innovation, and the talent of our employees, we have been continuously migrating to these technologies as their individual components were being developed. We have developed a solid experience on the design and manufacturing of LED digital signage displays for various applications, for both indoor and outdoor environments.

During the reporting period, under our Business Development and Innovation Team, we finalized the transition where we now manufacture our own LED digital boards. By purchasing specialized components and completing the manufacturing process ourselves, we have gained tremendous efficiencies and opportunities for revenue growth.

On the inside, our LED digital signage displays are engineered to operate flawlessly, using a unique internal signal path that pushes content to the display via loop communication backup and a dedicated CPU driving each tile. This coupled with innovative diagnostics, advanced cooling fan design, and state-of-the-art power management technology ensures worry-free operation and year-round performance in all environments.

Our LED digital signage displays present a visually impressive LED display that delivers a remarkably bright, HDR-quality image with high colour contrast and vibrant graphics using an exceptional 1.15 quintillion colour palate. A blazing fast 1920 Hz refresh rate provides an ultra-smooth 60 FPS playback and 20-bit colour processing. These features all work together to deliver stunning visuals and content.







FACILITY BRANDING

Traditionally, the signs project the corporate image of the company, while conveying its branding to potential customers and the public. With facility branding, the image of the company is also conveyed by the envelope of the building. Increasingly, the concept of facility branding is expanding in the North American marketplace, and we are proud to be a leader in bringing this new concept to our customers.

Facility branding is the most cost-efficient, environmentally friendly methodology we have developed for complete re-branding of facilities. Using the existing building structure and envelope, facility branding incorporates prefabricated architectural elements and entry towers to ensure superior fits and finishes.

Basically, we use recyclable materials (mainly aluminum composite panels) to re-purpose an existing building by transforming its facades and envelope in order to convey the image of the company. One can easily imagine that if the signs of a McDonald's, a Tim Horton's or a KIA or Honda

car dealership are removed, the observer still recognizes the brand through the facility branding of the building.

Components of facility branding are designed and manufactured in our facilities and using sub-contracting partners, with the installation done on site, usually within a few days, thus reducing the disruption caused by a major retrofit of the envelope of a building.

Additionally, to help brand indoor environments, we use digital signs, large format printing, creative décor and POP displays.



These photos show before-and-after views of a Nordstrom Rack facility branding project.

PORSCHE DEALERSHIP PALM SPRINGS, CALIFORNIA

Working with Porsche, we implemented a facility branding solution that conveys the image of the back of a Porsche 911 for the envelope of the dealership building in Palm Springs, California.



SIGN LEASING, FINANCING, INSURANCE AND MAINTENANCE PROGRAMS

A leader in the industry with our all-inclusive leasing program, PSG has an important portfolio of signs on rental or leased in North America; to our knowledge, it is the only program of its kind in the North American sign industry not to use third party financing. Leasing offers many financial advantages to our customers, including saving on capital expenditures, improved cash flow, reduced operations and maintenance costs, and built-in brand management. Our sign lease plans include capital financing, maintenance, insurance, and administration. We currently lease 29,000 signs, distributed throughout the North American marketplace.

We also offer LED sign financing, as an alternative to bank loans, with no collateral requirements or impact on bank covenants. This service also includes US personal property tax fillings and US sales-and-use tax remittance.

Like most outdoor assets, signs can have technical problems, or be the object of vandalism. In addition to our flexible commercial sign maintenance program, we offer comprehensive insurance coverage for the digital signage we sell. This includes property and personal injuries insurance, which provides coverage in case of sign vandalism.

- ¹ tnAchieves works to increase higher education opportunities for Tennessee high school students by providing last-dollar scholarships with mentor guidance
- ² Junior Achievement of East Tennessee connects education to real-world concepts

AFFECTIONATELY CALLED WONDER WOMAN



REGINA HARMON DIRECTOR OF MAINTENANCE SALES DEVELOPMENT KNOXVILLE, TENNESSEE

A devoted fan of Wonder Woman, Regina Harmon personifies this fictional character in our Knoxville office. Always available to help, reliable, hard worker, positive, Regina Harmon gets things done.

Regina Harmon was part of the initial team of employees who established our Knoxville office in 2009. As Senior Manager of Operations, Regina was involved in the planning and roll-out of numerous national accounts. She was also a Team Lead for the recent implementation of a new ERP system for the company's operations and project management.

Following a short period as Director of Client Development, Regina is now serving as Director of Maintenance Sales Development. In this role, Regina transformed this segment to achieve new levels of activities, all while maintaining a key role as technical sales specialist.

An empathetic person, Regina is involved in numerous community organizations in the Knoxville area. Notably, through her involvement in tnAchieves¹ and Junior Achievement of East Tennessee², Regina gives back to her community by fostering an education system that supports young students to achieve their dreams.

IT AND COMMUNICATION INFRASTRUCTURE

Through the years, we have made significant investments in IT and communication technologies. As a North American company operating from several locations and working with many global companies, we extensively use video conferencing in our business operations. Relying on efficient video conferencing equipment rather than having on-site meetings reduces costs for the company, and materially reduces the carbon footprint of the business operations.

When the global coronavirus pandemic was declared in 2020, the impacts of the travel restrictions were not a major issue for our operations, notably due to our early adoption of IT and communication technologies. During the pandemic, however, many administration employees who would normally work in an office within our facilities were working from their home, by connecting into our IT networks. As an employer, we allowed employees to bring all the necessary computer and related equipment to their home so they could set up proper working stations during the pandemic. Our IT experts went above-and-beyond to assist our people during the early days to make sure we would not miss a beat.

As any other organization, PSG is at risk of cybersecurity threats; and we do not take the threat of cybersecurity lightly. We are continuously auditing and improving our networks and systems regarding the loss of data, along with securing customer and employee privacy. We are committed to taking all necessary actions to minimize our exposure to cybersecurity risks.

BLACK LIVES MATTER

Pattison Sign Group is a proudly diverse company and we remain firm in our commitment to foster a supportive, safe and inclusive organization. We, at Pattison Sign Group, are proud to stand up in support of initiatives supporting equity-seeking groups, including "Black Lives Matter", to end systemic racism, discrimination, violence and all other forms of inequality in our society. As business leaders, it is important we continue to listen to diverse voices, engage in meaningful dialogue and educate ourselves in order to become champions for racial equity.





AWARDS

AWARDS - EXTERNAL

HONDA PREMIER PARTNER AWARD

2019 Selected from more than 1,000 eligible companies, as nominated by American Honda associates, the Honda Premier Partner Program honors excellence in quality, value and customer service and it recognizes suppliers that play an important role in supporting Honda business and operations

SPIRIT OF HEATH SPRINGS AWARD

Presented to recognize continued community support to the Town of Heath Springs, South Carolina

PERSONAL ACHIEVEMENT AWARDS – JIM PATTISON GROUP

Each year, the Jim Pattison Group recognizes the top performers from each of its divisions who deserve special attention for their exceptional performance and achievements.

2019	SCOTT HELMS	HEATH SPRINGS	SC	JPG PERSONAL ACHIEVEMENT AWARD
	BRIAN NAKASUJI	TORONTO	ON	JPG PERSONAL ACHIEVEMENT AWARD
2020	ANNICK LAJOIE	EDMUNDSTON	NB	JPG PERSONAL ACHIEVEMENT AWARD
2020	DERRICK PESTERFIELD	KNOXVILLE	ΤN	JPG PERSONAL ACHIEVEMENT AWARD

For the first time in 2020, the other nominees to the Personal Achievement Award of the Jim Pattison Group were disclosed:

THE NOMINEES					
RICHARD DUMAS	MONTREAL	QC	BRIAN ROSIER	HEATH SPRINGS	SC
CINDY GONDER	ORILLIA	ON	RYAN SCHMIDT	SURREY	BC
HELENE HAMMOND	OTTAWA	ON	DEEPAK TANEJA	TORONTO	ON
DANY LAGACÉ	EDMUNDSTON	NB	ROB TREMBLAY	ORILLIA	ON

EMPLOYEES OF THE YEAR / MONTH

PSG sites have programs to recognize "Employee of the Month" and "Employee of the Year". These programs are appreciated by the employees, and they constitute a source of motivation and engagement for the employees. While being a friendly competition, recognized employees receive token benefits such as a photo in a prominent location; a dedicated parking space for the month; gift cards; extra time off; etc. Whether you are a dedicated project manager, or the person shoveling the snow in the entrance of a manufacturing plant before the plant starts production, employees from various sectors of the company have been recognized for their dedication, hard work, and contributions to the quality of the work environment in our various facilities.

EDMUNDSTON

EMPLOYEE OF THE YEAR 2019		EMPLOYEE OF THE YEAR 2020		
SAMUEL THÉRIAULT	OFFICES	ANNICK LAJOIE	OFFICES	
MARCEL RIOUX	MANUFACTURING	DANY LAGACÉ	MANUFACTURING	

EMPLOYEES OF THE MONTH 2019		EMPLOYEES OF THE MONTH 2020*		
		OFFICES	MANUFACTURING	
JANUARY	STEVE LAGACÉ	DIANE CYR	GUY TARDIF	
FEBRUARY	GRÉGORY GILLET			
MARCH	LOUISE LANDRY			
APRIL	MICHEL FRASER			
MAY	NED MARTIN			
JUNE	LISE BOSSÉ			
JULY	SERGE OUELLET			
AUGUST	SAMUEL THÉRIAULT			
SEPTEMBER	ANDRÉ L. PAILLARD	VICKY BOUCHER	CHANTAL FOURNIER	
OCTOBER	YASSINE BOUHAJ	FRANCE NADEAU	GILLES PELLETIER	
NOVEMBER	MARCNADEAU	ABDELKHALEK BELHACINI	ALAIN GIRARD	
DECEMBER	BRIAN DESJARDINS	VANESSA CHIASSON	ÉRIC GIRARD	

* February to August were not awarded due to COVID-19 restrictions

TORONTO

EMPLOYEES OF THE MONTH 2019			
JANUARY	BRIAN INFANTE		
FEBRUARY	ADRIAN PETCU		
MARCH	VANESSA GREENFIELD		
APRIL	DIEGO LE		
MAY	CHRISTINE KOSTECKI		
JUNE	GEORGE NOACK		
JULY	JEFFERY ROBARTS		
AUGUST	BRIAN NAKASUJI		
SEPTEMBER	SANDY ROBATHAN		
OCTOBER	OMAR SHERIF		
NOVEMBER	MOISES LOPES		
DECEMBER	BOBBI EARL		

EMPLOYEES OF THE MONTH 2020				
JANUARY	SARAH CHARLES			
FEBRUARY	JOSE RESTREPO			
MARCH	DANIEL MURDOCH			
APRIL	SUSAN MILLER			
MAY	MELANIE FERRARA			
JUNE	DEEPAK TANEJA			
JULY	LAURA MILLIGAN			
AUGUST	LAILA KABANI			
SEPTEMBER	SHANNON CHARLES			
OCTOBER	JASON ZHOU			
NOVEMBER	LAURA BYNOE			
DECEMBER	JENNIFER TAIT			

WESTERN

EMPLOYEES OF THE QUARTER 2020				
Q3	RYAN SCHMIDT			
Q4	SHANNON MACLEOD			



LONGEST SERVING EMPLOYEES

Employees are the core asset of all companies. With their workmanship, expertise and knowledge, they define who we are through the products and services we offer. At Pattison Sign Group, we are thankful for having dedicated employees who understand that the success of the company is also their success. As all North American corporations, we are subject to some turn-over within our employee base. Some employees leave for other opportunities; some new employees enter our operations; some employees devote their careers to a single employer. In this period of global pandemic, we present the profiles of our longest serving employees, in Canada and in the US, as models of resilience and loyalty, for which we are grateful.

43 YEARS (CA OPERATIONS)



SANDY ROBATHAN PROJECT COORDINATOR TORONTO, ONTARIO

With nearly 43 years of experience at PSG, Sandy Robathan is the pure example of loyalty.

Initially hired in 1978 at Neon Products, which we had acquired in 1968, Sandy was part of the team responsible for setting the first computer systems which brought the digital technology to our operations. Sandy has fond memories of that period when a lot of manual work had to be done to digitize the information for computers to understand.

Besides the evolution of computer systems, from ledger cards, to Internet, to the Cloud, Sandy has seen many other changes in her career. Notably, the laid-back attitude in business operations in the late 70's has since evolved to the fast-paced rhythm of the current business world

Sandy currently occupies the position of Project Coordinator, where she services large accounts in the automobile sector. Her experience and knowledge allow her to efficiently coordinate the production of the signs sold, from the production of the technical drawings, obtaining all appropriate permits, ensuring a timely manufacturing schedule, and guaranteeing safe, clean, and visually appealing installations. Beyond the many projects in which she worked, Sandy recognizes that she is fortunate to work alongside great people with whom, over the years, she has made lifelong friendships. 28 YEARS (US OPERATIONS)



WESTLY MARZE ASSEMBLY LEAD HAND HEATH SPRINGS, SOUTH CAROLINA

Westly Marze devoted his career in the Assembly department of our Heath Springs operations.

Initially hired by Davis Neon, which we acquired in 2012, "Slim", as he is called by his friends, is grateful to the previous owners, Jamie and Scott Davis, who provided him the opportunity to learn new skills and develop his abilities in the sign industry.

Back when he was hired, Westly loved working with neon, and the artistic expressions he could convey with them. Westly has great souvenirs of some neon signs that became famous symbols where they were installed.

Westly Marze is currently serving as Assembly Lead Hand, where he guides the assembly operations to ensure safe work environments, and products that surpass the level of quality expected. He's also happy there is no more broken neon glass tubing, as all lighting products are now LED-based.

Westly's wife, Stacy, is also an example of loyalty, as she is serving her 32nd year of employment with an employer in the Heath Springs region.

Slim enjoys hunting and fishing; but nothing is better than an evening ride with Stacy on their iconic American-made motorcycle.

PSG ACADEMY

As a progressive company, we promote a culture of learning and training for our employees. The PSG Academy is our very own program to develop our current and future leaders.

Created during the previous reporting period, the PSG Academy is aimed at growing our leaders within the company. Consisting of leadership training spread over an eighteen month to two-year period, the PSG Academy integrates classes of up to 10 PSG employees, from all our sites, who are occupying leadership positions today, or who are seeking to develop the abilities needed to be in a leadership position in the future. The PSG Academy has become a motivation for our employees as they progress within the company.

At the end of the current reporting period, 45 employees had graduated from the program. Some of these employees were promoted in available positions or had their responsibilities expanded since their graduation in the program. Others are integrating their newly acquired abilities in their current positions.

At the corporate level, we are continuously assessing all the ideas and innovations that were generated by the participants of the PSG Academy.

The global coronavirus pandemic affected the activities of the PSG Academy temporarily, but activities picked up in late 2020. The three active cohorts will graduate in 2021.

AIMING FOR THE BEST



HOLLIE HARRISON PROJECT MANAGER TEAM LEAD KNOXVILLE, TENNESSEE

Initially hired as a temporary employee in the receptionist position, Hollie Harrison is now a full-time employee in our Project Management Team. Building on her academic credentials in communications, media studies and strategic leadership, Hollie is now a Team Lead in our Knoxville office. Working with our health care customers, Hollie focuses her approach on providing unsurpassed customer experiences.

Hollie is currently enrolled in the Elite Program for young professionals, offered by the Mid-South Sign Association (MSSA). This MSSA Elite Program is a leadership development program devoted to helping young leaders in the sign and graphics industry maximize their potential by learning advanced leadership and communications skills, as well as serving as a primer for future leadership opportunities to serve on MSSA Committees and Board of Directors.

Amongst her community involvement, Hollie is actively involved in the Samaritan's Purse, an international disaster relief organization providing spiritual and physical aid to hurting people in the USA and around the world.

Hollie Harrison embodies the message we work to convey by always being the best as she can be.

PSG FIT (EDMUNDSTON, AND OTHER OFFICES)

In the previous reporting period, the Edmundston facility introduced an innovative program to help enhance the well-being of our employees, while creating opportunities for colleagues to meet, exchange and discuss outside of the office environment.

Office employees have access to numerous opportunities to do some exercises during the workday at the office. Activities range from social walking and running, yoga classes, to ice hockey games and snowshoeing. Employees have extended lunch breaks to do physical activities, while incentives in the form of water bottles and gift cards to purchase sporting equipment are offered to employees who attain certain levels of participation. During the reporting period, the program has been further extended to include manufacturing employees in Edmundston, who have opportunities to do exercises during the workday.

Ultimately, PSG Fit provides opportunities for employees to do physical activities during their time at the office, enhancing their well-being, both physical and mental, and leaving them more time with their families when they get back home after work.

Pre-pandemic, the PSG FIT was very much active, notably in our Edmundston facility, while being adopted by other facilities and offices. In Edmundston, employees who volunteered were given an intelligent watch for their personal usage to track their biometric information. Friendly competitions are held, notably on the number of steps taken over certain periods.

With the restrictions imposed by the coronavirus pandemic, and a large proportion of employees working from home (some offices at 100%), the PSG Fit program was less active in the second half of the reporting period. Nonetheless, friendly, virtual competitions are held to track the steps while exercising at home.

Post-pandemic, we intend to continue to expand the PSG Fit program in all our offices, each one exploiting their natural environments for well-being activities.







Note : The photos on this page were taken prior to the beginning of the COVID-19 pandemic.

TAKING CARE OF OUR EMPLOYEES

At PSG, we strive to offer the best, and safest work conditions for our employees. This has positive impacts, not only on the health of our employees, but also on the quality of our products.

MANUFACTURING FACILITIES

While the processes within our three manufacturing facilities are continuously assessed, adapted and improved to achieve the above goal, each of our facilities have implemented actions that provide good working conditions for our employees.

During the coronavirus pandemic, we continued to look forward by investing in our manufacturing facilities. The lists below are some of the improvements that were made during the reporting period.



EDMUNDSTON

- A "Pro Action" process has been implemented, where supervisors make rounds to all employees during the work period, notably to enquire about safety issues and methods to increase efficiencies
- New mobile tables have been installed in our vinyl department, allowing to adjust the height of the working area to minimise muscular pain
- A new electronic press is now replacing a hydraulic press to bend materials, which includes a software capacity to store various bending sequences
- Containers have been installed in our yard to store some materials, allowing for better protection from the weather, and making it easier to assess inventories
- Sanding processes have been revised to increase efficiencies, while increasing the safety of our employees

ORILLIA

- The installation of new vinyl plotter, with updated operating system that offers wider compatibility with upstream programs
- We executed a business project to improve plant capacity and improve plant management systems
- New welders have been purchased, with models that consume less electricity
- Innovative approaches are used for the training on health and safety for our manufacturing employees
- Paint booths have been reconfigured and retooled to minimize the touch points of components

HEATH SPRINGS

- In the later part of the reporting period, implemented 4 days x 10 hours work schedule; approximately 50% of the employees are currently benefiting of these work conditions
- Installed two new crane systems to reduce manual lifting within the plant
- Developed jigs and tooling to increase productivity and increase the safety of the personnel
- Organized workshops on personal well-being were offered to all employees
- Biometric screening of employees (on a voluntary basis), and individual coaching

EFFICIENCIES



BRIAN ROSIER DIRECTOR OF OPERATIONS US HEATH SPRINGS, SOUTH CAROLINA

For almost 40 years, Brian Rosier developed his knowledge and expertise in manufacturing facilities, notably related to the optimization of production systems. A long serving employee, Brian finally accepted a senior management position within the company.

As Director of Operations US, Brian is focused on increasing the efficiencies at our Heath Springs manufacturing facility. Whether it is the integration of state-of-the-art technologies, the revision of the floorplan of the manufacturing processes, the design of jigs to increase productivity and the safety for operators, Brian and his team are making a difference, not only in Heath Springs, but also in our other manufacturing facilities.

Further, recognizing that employees increasingly want more free time with families and friends, or to simply engage in personal activities, Brian has implemented the concept of a four-day work week, where currently 50% of the Heath Springs employees participate. This initiative is also reducing the costs of utility services in the manufacturing plant.

R&D, innovation, safety, efficiencies. These are words that drive Brian Rosier in ensuring that our manufacturing facilities achieve the level of excellence expected from a leading company.

"

R&D AND SECURITY ARE EVERYDAY PROCESSES AT PATTISON SIGN GROUP."

SUPPORT FOR EMPLOYEE WELL-BEING

All PSG facilities and offices offer Employee Assistance Programs (EAP's) through third party organizations. Whether it be dependence issues, mental health challenges, or any other symptoms that affects their well-being, employees have access to services to help go through these difficulties. Information on accessing these services is available throughout the facilities and offices, where information can be noted in full discretion by concerned employees.

Following a successful implementation in our US operations, virtual health care support is now also offered to our Canadian-based employees as part of our existing health care packages. Through this service, employees can consult, in a virtual format, with health care professionals. This service was particularly valued and useful during the coronavirus pandemic.



TORONTO EDI LEADERSHIP COUNCIL

EQUITY, DIVERSITY AND INCLUSION

NADIA PALMERINI CPA, CA VICE PRESIDENT AND CHIEF FINANCIAL OFFICER CO-CHAIR, TORONTO EDI LEADERSHIP COUNCIL TORONTO, ONTARIO

I had the privilege to grow up in an area of Toronto with a very diverse population, where I attended school with kids from around the world, with different backgrounds and from all segments of the socio-economic spectrum.

Our workforce in the Toronto office is very much diverse as it reflects the population of the Greater Toronto Area. This presence of diversity defines who we are as a company, and as individuals within the organization. The leadership team at PSG has always strived to create an environment where differences are valued and respected.

As part of the Executive Team of the company, we received feedback from employees in our Toronto office that we were not always living up to that intention. This was a call for immediate action.

With the assistance of an external third-party expert, we began our journey to embed a more inclusive culture within the workplace, starting with our Toronto office.



After a review of our HR policies and practices, and consulting our employees via focus groups and individual interviews, a plan of action was developed.

One of the recommended actions was to form an EDI Leadership Council to act in an advisory capacity to provide information, advice and recommendations to the Management Team. I was humbled to be appointed as Co-Chair of this Council.

Although we are in the early stages of our journey, we have already deployed various education and awareness trainings, along with other actions and initiatives which ensure equity in the management of our human resources, and that recognize diversity and encourages inclusivity within our various teams.

Now that the concept is well implemented and very much appreciated by our employees in Toronto, we have initiated expanding the actions of the EDI Leadership Council in all our offices and facilities.

IN ORDER TO CREATE AND FOSTER AN ENVIRONMENT WHERE DIFFERENCES ARE RESPECTED AND VALUED, WE REQUIRE ON-GOING COMMITMENT, NOT JUST WORDS, TO CHAMPION EQUITY, DIVERSITY AND INCLUSION IN THE WORKPLACE."

Note: Initially structured with Co-Chairs, the Toronto EDI Leadership Council is currently chaired by Nadia Palmerini. After serving in the crucial start-up phase of the Council, the other founding Co-Chair has since left the company, to pursue other opportunities. We are in the process of identifying another Co-Chair for the Council.

With CPA & CA designations, **Nadia Palmerini** has diverse experiences in the corporate world. Notably, before her employment at Pattison Sign Group in 2016, Nadia was Corporate Controller in a Tier 1 automotive supplier and manufacturer of complex automotive components.

Initially employed as Senior Director of Finance, Nadia Palmerini rapidly moved up the ranks at Pattison Sign Group, where she is now VP and Chief Financial Officer, with a mandate that covers both the Canadian and US operations.



A passionate individual, and with a strong sense of excellence in her work and in her life, Nadia appreciates the loyalty and excellence of her fellow co-workers. Inspired by the entrepreneurship of the owner of PSG, Mr. Jim Pattison, Nadia believes that the success of all corporations lies in its people, and their commitment to quality, customer services and innovation.

Nadia is on the Board of Directors of the Ontario Sign Association and is a Steering Committee member of the International Sign Association (ISA). Now that her two boys are more independent, Nadia is considering opportunities to contribute to other not-for-profit organizations that are devoted to social causes in her community.



OUR JOURNEY TO SUSTAINABLE DEVELOPMENT

PSG recognizes that corporations in general, not only in the sign industry, are affected by sustainability trends. We take this very seriously and we strive to remain an industry leader on these issues.

At the corporate management level, we have a Vice President position specifically tackling sustainability issues. We also have local Green Teams, with mandates to provide the direction and implement local initiatives to reach the objectives and achieve the results expected in our Sustainable Development Initiative. While some local Green Teams have been less active during the reporting period, we are currently re-engaging these Teams in all our significant locations of operation. We have also restructured the governance of our sustainable development initiatives through the newly created Environment Team, which has the mandate to develop, research and recommend actions, targets, and goals which will be rolled out to our local offices and manufacturing facilities.

There is a growing trend to design and manufacture signs with small ecological footprints, both at the manufacturing level (e.g. using materials that have sustainability characteristics) and the operational level (e.g. signs with low energy consumption). The resulting opportunities are guided by both economic and environmental considerations in designing and manufacturing our customers' products. We achieve this balance by being in constant communications and working with our customers and suppliers.

On the other hand, PSG is part of the supply chain of several global companies. Most of these customers have their own sustainability requirements, which affect the design and the manufacturing of our signs. Again, we work proactively with our customers to ensure that we remain ahead of the curve with respect to their sustainability requirements.

The transportation of our products to the installation sites continues to be an opportunity for improvement as we implement sustainability principles in our operations. We have developed a corporate culture of maximizing and optimizing loads when we ship products across the continent. We also make production planning of our manufacturing facilities to minimize the distance of transportation of our products. As a corporation, we subscribe to several externally developed charters or principles (listed on the next page) and we are member of several industry organizations and most Chambers of Commerce and economic development agencies where we have manufacturing facilities and offices. We regularly assess our memberships and adherence to external charters and principles.

Addressing our sustainability issues is a strong motivation for us to continue to work with our customers and to engage our employees. Furthermore, it pushes us to be on top of the latest developments and best practices to ensure that we remain a leader in our sector and a good corporate citizen in general.



GUIDING PRINCIPLES OF THE PSG SUSTAINABLE DEVELOPMENT INITIATIVE

- Commitment by the Executive and Senior Management Teams of PSG;
- Covers the triple bottom line of sustainable development, namely economic prosperity, social considerations and protection of the environment;
- Accountable to customers, employees, communities and owner;
- Builds on a foundation of honesty and integrity to ensure the credibility of the initiative;
- Incremental in scope and in time; and,
- Promotes employee engagement.

OBJECTIVES OF OUR CSR

- Provide a framework to document the triple bottom line of PSG (economic, social and environmental performances);
- Provide a framework to analyze the current practices at PSG, to identify areas for improvements and to set goals;
- Inform the various stakeholders of PSG customers, employees, suppliers, communities, our owner;
- Provide a mechanism to better address the concerns and needs of our customers; and,
- Allow PSG to be a better, more informed, corporate citizen.

STAKEHOLDERS OF OUR SUSTAINABLE DEVELOPMENT INITIATIVE

- Current and potential customers;
- Current and prospective employees;
- Family of employees and the communities where PSG is present;
- Public in general; and,
- Owner.



CHARTERS OR PRINCIPLES ADHERED BY PSG

- International Organization for Standardization (ISO)
- Canadian Standards Association (CSA)
- Underwriters Laboratories (UL)
- International Sign Association (ISA)
- Sign Association of Canada (SAC) and its provincial branches
- Employee Equity Program
- Workplace Hazardous Materials Information System
 (WHMIS)
- Workplace Health, Safety and Compensation Commissions (WHSCC) (or equivalents)
- OHSAS
- Occupational Health and Safety Act
- Petroleum Equipment Institute (PEI)
- Canadian Welding Bureau

MATERIAL ASPECTS

The *Material Aspects* are those that reflect the organization's economic, environmental and social impacts; or substantively influence the assessments and decisions of stakeholders. Thus, using the best available reporting principles and practices allows us to focus on material aspects that are important for PSG, and our stakeholders, through the process of reporting and the disclosure of significant indicators for the sustainability of the company.

The material aspects reported have been identified in our previous Corporate Sustainability Reports. In the preparation of this current report, a review of the material aspects was performed; it is felt that these material aspects are still relevant as indicators for the sustainability of the company. As we move forward with our sustainability initiatives, we intend to continue and enhance our dialogue with our stakeholders and adjust, as needed and if relevant, the material aspects we will report on in the future.

ECONOMIC

While most of the materials to manufacture signs are supplied by multinational, global corporations, we nonetheless generate significant direct economic benefits in the communities and jurisdictions where we operate. By providing salaries and benefits to employees, by paying taxes, by purchasing a significant portion of our materials and other goods and services from local suppliers, we contribute to the economic well-being of the communities in which we operate.

Most of our hiring is done locally, notably where we have manufacturing facilities and where we have significant locations of operations and sales offices. This is particularly important since two of our manufacturing facilities are in small communities (Edmundston) and in a rural region (Heath Springs), while the third (Orillia) is also in a small community, but next to a large urban center (Toronto). Employing mostly local people enhances the quality of our presence in these communities, while having the benefit of employees who are proud to work at PSG.

As much as possible, we call upon local businesses, contractors and suppliers for products and services we need and which can be supplied locally. Specifically, we have a network of approximately 900 subcontractors who complete our sign installations and maintenance in the field. Not only do we receive great value in return, this approach also contributes to generating positive additional economic activity in the communities where we do business.

Designing and manufacturing signs that attract attention and are visually pleasing, durable and energy efficient create an important indirect economic benefit: helping businesses become successful with signs that attract customers. The success of our customers reflects on the long-term success and sustainability of our own company. It is this mutual success that ensures direct, indirect and induced economic benefits to the economies where we do business.

Our manufacturing facilities are significant employers in their respective communities. Some manufacturing facilities, such as in Edmundston and Heath Springs, are in the top three employers in their respective regions. In the communities where we do business, and in particular in these two communities, our economic activities generate significant direct, indirect and induced economic impacts, making PSG one of the key economic players in these regions.

While our main markets are signs and other facility branding elements purchased by customers, we also provide leasing options, thus allowing those interested customers to minimize their capital investments. This is an indirect benefit that contributes to the success of our customers.

Understandably, we also have the key goals of being financially successful and of bringing a reasonable return on invested capital (ROIC) to our owner, while remaining competitive in our industry. That is how sustainable companies succeed. We intend to maintain this objective in the long term, and thus continue to satisfy the needs of our customers, who do business with a financially stable and sustainable company; to contribute to the prosperity of the communities where we do business; and to continue to provide competitive, dependable and professional services to our customers.

MARKET PRESENCE

Because of the importance of the role we play in the local communities at our significant locations of operations, we strive to have a large proportion of our Executive Team hired from these local communities. All PSG locations have hiring practices that tap into the local talent pool, both for manufacturing and for management personnel. With respect to the company's senior management, six of the seven members on the Executive Team are from the local communities where PSG is present.



ENVIRONMENTAL

At the operational level of our signs, we have made significant improvements in the design of signs that minimize energy consumption. We are committed to work with our employees, our R&D Department, our suppliers and our customers to continue to reduce the ecological footprint of our signs, both in the manufacturing phase and the operational phase of the signs.

We are committed to optimize the usage of materials in the manufacturing of our signs, and to optimize the usage of consumer products in our operations. In the manufacturing of signs, we work to reduce the material intensity by optimizing design and reducing waste. At the operational level, we have implemented environmentally friendly business practices where consumer products made from recycled materials are used when available.

Within all of our facilities, whether they are manufacturing plants or office environments, we have recycling programs for all our waste. Basically, anything that can be recycled is recycled. This includes products such as metals, plastics, wood from crating, paint, paint thinners, paper, cardboard, etc.

While most of our waste is non-hazardous, we do work with hazardous material and we generate some hazardous waste.

These include paints and solvents for the manufacture of signs; and mainly waste oils and hydraulic fluids from the operation of our manufacturing equipment. In all cases, we comply, and surpass, local regulations in the handling and in the recycling or disposal of our hazardous waste. Further, our facilities are equipped with specific rooms and ventilation systems for the storage of hazardous products and waste.

During the previous reporting period, we abandoned the usage of the corporate jet that we were sharing with other divisions of our parent company, The Jim Pattison Group. This allowed us to significantly reduce our GHG emissions, without compromising our travel efficiencies.

Our goal is to continue to be a model sign manufacturer where environmental issues are considered in the design and the manufacturing of our products. We are committed to continue making our operations and products as environmentally responsible as possible.

Our sites, notably the manufacturing facilities, have clean environments and they integrate well in the communities where we are present. This minimizes the impact of our facilities on the landscape of our communities. Our Sales Offices contribute to the economic activities in their communities.

ENERGY

As a manufacturing company where most products consume energy and have an important material intensity, we are continuously innovating to produce signs that have low energy consumption, while reducing the material intensity. Further, we are constantly looking for raw materials that are made from recycled materials or that can be recycled at the end of the useful life of the product. This is achieved by working with our employees, notably our R&D Department, our suppliers and our customers.

At the business operations and manufacturing levels, we execute energy audits in our facilities, and we have a corporate-wide initiative to measure our GHG emissions. We have identified, through a participatory approach with our Green Teams, lists of GHG sources in our facilities and offices, and we have made significant modifications to our accounting system to be able to better track data that allows us to better monitor our GHG emissions. Our objective is to reduce both our energy consumption and our GHG emissions.

Through our GHG emissions reporting, we have identified the types of energy consumed within the organization. Besides natural gas, propane and heating oil, we monitor the fuels consumed in vehicles owned or controlled by us. Primary data on the consumption of energy, on a volume basis, are detailed in our GHG Inventory Reports; while conversion factors are EPA-based, and they are archived in the same report.

Besides having industrial-grade standby generators at our manufacturing facilities and significant office locations, we do not currently have our own energy generating equipment, and we do not sell energy of any form.





In general, since the adoption of sustainable development principles through systemic actions, we see a downward trend in our total energy consumption, and in our fuel consumption from non-renewable sources. The low numbers for the current reporting period are indications of the impact of the global coronavirus pandemic, where our operations have significantly reduced our total energy consumption.

EMISSIONS

While we recognize that climate change is a global and complex problem, we also recognize that local actions must be made to reduce greenhouse gas (GHG) emissions. At PSG, we quantify our GHG emissions from our manufacturing and business operations. This project involves all manufacturing facilities and all Sales Offices.

The initiative started with training sessions to the Executive and Senior Management Teams, then to management and technical staff who are involved in identifying GHG sources. With the guidance of an external advisor, we identified and validated, through an employee participatory process and site visits, all GHG sources in our facilities and offices. We have also made significant modifications to our accounting system in order to efficiently track and measure data that allows quantifying our GHG emissions on a continuous basis.

2013 was the first year we quantified our GHG emissions, and it provides a baseline from which we are working to reduce our carbon footprint. PSG is committed to continue to work on reducing its GHG emissions.





Energy indirect emissions: Emissions related to PSG's activities, but where the emissions are from other entities not controlled by PSG (e.g. electricity consumption)

Indirect emissions:

Emissions, other than energy indirect, which are a consequence of PSG's activities, but arise from GHG sources that are not owned or controlled by PSG (e.g. emissions due to commercial airline traveling)

As for our total energy consumption, our greenhouse gas emissions have been decreasing in the last years. The continuous downward trend is mainly due to our efforts to optimize or reduce business trips. The low numbers for the current reporting period are indications of the impact of the global coronavirus pandemic, where our operations have significantly reduced in the later part of the reporting period.

ACHIEVING GOALS



DEEPAK TANEJA SUPERVISOR, ACCOUNTS PAYABLE TORONTO, ONTARIO

Deepak Taneja and his wife left India with two things: a few pieces of luggage full of essential personal belongings and a big virtual suitcase full of dreams. Canada was on their bucket list where they felt that they could achieve a better life and pursue successful careers.

They arrived in Toronto, where they were literally alone. They knew nobody, nor did they have family or friends in the region. On their own, they had to learn everything of the North American life. From house hunting, to grocery shopping, to job searching.

We are happy that Deepak found us.

Initially hired as an Associate in our accounts payable team, Deepak brought a wealth of experience from his past work in accounts receivable and payable in India. Currently serving as Supervisor, Deepak made significant contributions in implementing paperless processes in our accounts payable system. Ironically in this period of pandemic, these systems have been of great help as most of our office employees have been working from home during a large portion of the reporting period.

Deepak is also involved in our greenhouse gas (GHG) inventory program, where he ensures that we track the data on all our GHG sources. Deepak's contributions were recognized in 2020 by his nomination for the Personal Achievement Award from the Jim Pattison Group.

Deepak's wife is also well established in the Canadian job market, where she works in a non-profit organization in Toronto.

ENVIRONMENTAL COMPLIANCE

We are proud to operate state-of-the-art manufacturing facilities, and we maintain offices that inspire professionalism. These are more than images for us, they reflect the type of company that we are. In recent years, we have invested in our facilities to reduce their ecological footprints, while still providing safe and efficient workplace environments. Notably, we invest in energy-efficient lighting upgrades, energy efficiency assessments and upgrades, video conferencing infrastructure, safety audits and upgrades, and we constantly optimize the workspace of our various facilities and offices.

Over the period covered by this report, PSG was not in breach of any environmental laws or regulations. Thus, we did not receive monetary fines or non-monetary sanctions for non-compliance with environmental laws and regulations.





TRANSPORT

Since we use third-party logistics companies to transport our signs to their installation sites, we do not control the whole value chain for the shipping of our products. Thus, the transportation of signs is not part of the boundaries for this Corporate Sustainability Report. However, through internally developed best practices, we are deliberate in reducing the impacts, financial and environmental, of shipping our finished products. This is achieved through a rigorous planning of production, combining loads destined for specific regions and consolidating freight loads. Further, we are constantly working to reduce the amount of packing material (notably wood and plastic wrapping) for our finished products.

Our business operations, including our sales efforts, have significant impacts, both financial and regarding GHG emissions, on our sustainability as a company. Through our annual GHG Inventory Reports, we track the GHG emissions for the transport of our workforce for business operations and sales. We also extensively use an efficient video conferencing system that has significantly reduced the needs of traveling for our employees.

With manufacturing facilities and Sales Offices throughout North America, and with markets that span the continent, air travel constitutes a significant proportion of our GHG emissions (after our direct emissions, mostly due to energy consumption, and the indirect energy emissions from our purchases of electricity). The following figure presents the evolution of our GHG emissions from the air travel of our workforce.

GHG EMISSIONS FOR AIR TRAVEL



While we greatly value the personal contacts in business relations, we constantly strive to reduce our air travel in our operations, with the consequence of reducing global greenhouse gas emissions. The sharp decrease reported in 2018 is due to a reduction in commercial air travel and abandoning the usage of the shared corporate jet with other divisions of The Jim Pattison Group. Regarding the current reporting period, the reduction in our greenhouse gas emissions follows the same downward trend as other indicators, which is compounded by the impacts of the global coronavirus pandemic.

LABOR PRACTICE AND DECENT WORK

Our employees are our greatest asset. We are proud to say that we offer competitive pay and benefits, along with good and safe work environments, and we are committed in continuing to do so. We are also responsive to situations that allows us to improve the work conditions and environments of our facilities and offices.

Human Resources (HR) are managed locally in each of our manufacturing facilities and main offices, under the responsibility of the newly created position of Director of Human Resources that ensures we have consistent HR policies throughout the company. We continuously adjust and improve our HR policies with the aim of providing similar practices and data monitoring approaches in all our facilities and offices.

EMPLOYMENT

A dedicated, well-trained workforce leads to improved productivity, while enhancing quality and innovation; these are important factors for the sustainability of a company. Aside from offering competitive compensation packages (salaries, benefits, health plans, etc.), we have implemented several employee engagement initiatives (annual evaluation, regular meetings with all personnel, training, etc.) to enhance employee engagement in their work and in the company. This, we feel, explains the relatively low turnover rates in our manufacturing and management personnel.

However, since our facilities and offices are situated in regions of strong economic growth, and low unemployment rates, finding good, qualified people is challenging in all our facilities, as much for manufacturing personnel as for administration personnel. However, we are not the only corporation having these challenges. In this context, we strive to provide good working conditions, both regarding salaries and benefits, for our employees. We also develop innovative approaches to attract highly qualified people, such as partnership programs with the New Brunswick Community College.

In general, the labor-management relations at PSG are good. The fact that most of the management positions are occupied by employees who grew within the company confirms this. Indeed, employees recognize that management personnel have a good understanding of their contributions to the company.

Two of our manufacturing facilities operate under collective bargaining agreements, while the third, Heath Springs, operates under the state legislation of Right to Work. We are not aware of any situations where the right to freedom of association and collective bargaining has been at significant risk. We diligently treat all complaints and grievances in accordance with our collective agreements and policies, and with due respect of our employees. We do not publicly disclose the number of complaints and grievances, if any, nor the actions taken. We always internally post job openings, both for manufacturing and management personnel, to allow for internal promotions and job mobility within our company. We proudly support equity, diversity and inclusion in all our facilities and offices. In the communities where cultural diversity is present, our workforce in these locations reflects this diversity. Further, in this context, we continue to be committed towards equal opportunity for women within PSG and we offer equal remuneration packages for women and men.

We have also developed internal models of projection of workloads, which allows us to be proactive in the recruitment and the training of employees before the start of large projects.

The following Table provides a summary of our full-time employment hires, by region, during the reporting period.

REGION	YEAR	TOTAL NUMBER	% OF WORKFORCE
	2019	40	9%
CANADA	2020	12	3%
	2019	49	24%
USA	2020	49	24%
TOTAL	2019	89	14%
TOTAL	2020	61	10%

NEW, FULL TIME EMPLOYMENT HIRES, BY REGION, DURING THE REPORTING PERIOD

Employment turnover rates can be influenced by several factors, some of which are not under the control of the employer. As a company, PSG makes all reasonable efforts to ensure the stability of its personnel, while maintaining a healthy turnover rate in our pool of employees. For the period covered by this report, the turnover rates, as a function of regions, were as follows:

EMPLOYEE TURN-OVER RATE, BY REGION, DURING THE REPORTING PERIOD

REGION	YEAR	% TURNOVER
CANADA	2019	8%
	2020	10%
	2019	20%
USA	2020	24%
TOTAL	2019	12%
TOTAL	2020	14%

OCCUPATIONAL HEALTH AND SAFETY

Beyond satisfying legal or regulatory obligations, we are committed to providing safe and healthy workplaces for our employees and visitors. At the manufacturing level, we have established Joint Health and Safety Committees at all significant locations of operations of the company. We also provide safe work environments, appropriate tools, work protocols, health and safety manuals, and regular training regarding workplace occupational health and safety. Workplace occupational health and safety are monitored locally in all our facilities.

- All new employees receive training on health and safety requirements, along with our safe workplace environment protocols.
- All manufacturing facilities have a Joint Health and Safety Committee, which applies to all employees.
- A specific section of this report discloses our response to the global coronavirus pandemic.

COMPOSITION OF THE JOINT HEALTH AND SAFETY COMMITTEE IN OUR FACILITIES

REGION	MEMBERS (NO.)	MANAGEMENT (NO.) (%)	NON-MANAGEMENT (NO.) (%)
EDMUNDSTON, NB	10	5 50	5 50
HEATH SPRINGS, SC	12	2 16	10 84
ORILLIA, ON	8	3 37.5	5 62.5

WORKPLACE ACCIDENTS DURING THE REPORTING PERIOD

REGION	LOSS TIME ACCIDENTS	LOST DAYS OF WORK	NON-LOSS TIME ACCIDENTS	FATALITIES
EDMUNDSTON, NB	11	277	28	0
HEATH SPRINGS, SC	7	515	4	0
ORILLIA, ON	0	0	6	0

SOCIETY

As a North American-based corporation, we follow business practices strongly grounded on ethical principles, notably as they relate to corruption, anti-competitive behavior, and marketing communications. This is achieved through open and internally transparent management systems where individuals are accountable for their actions.

Our procurement practices follow the general business approaches on the North American continent. Although we are a large player in our industry, we are not yet large enough to impose sustainability practices or metrics on our suppliers. However, we have a growing trend to do business with suppliers who follow like-minded sustainable business practices. We will continue to monitor our role in the development of a sustainable sign industry, and we will use our position to positively influence this development.

We work in partnership with local groups, organizations and institutions to improve the quality of life in the communities where we do business; this Corporate Sustainability Report lists some of the great actions and initiatives undertaken by our employees and the company. These actions tend to focus on supporting education and training institutions, not-for-profit groups related to poverty reduction, health research, and other worthy local/regional/national causes.

SOCIETY COMPLIANCE

As all responsible companies, our goal is to comply with all applicable laws, regulations, legislations and codes of conduct. While ultimately this obligation rests on the Vice President, Corporate Services to ensure compliance, all management staff are fully aware of their obligations in regard to ensuring that we fully comply with regulatory and legal obligations. All non-compliance situations that are eventually raised, if any, are diligently investigated.

During the reporting period, PSG complied with all laws and regulations in every jurisdiction we operate. Thus, PSG did not receive fines, nor did it receive non-monetary sanctions, for non-compliance with laws and regulations.

Further, during the reporting period, PSG complied with all requirements, regulations and voluntary codes in matters protecting basic human rights. As mentioned elsewhere in this report, some concerns regarding our HR practices in our Toronto office were shared with Management; this situation was treated diligently, in accordance with the best practices for such incidents. Otherwise, we did not experience incidents of violations involving the rights of all people, including indigenous people; and we did not have legal actions for anti-competitive behavior, anti-trust, and monopoly compliance.

Finally, PSG was in compliance with all requirements, regulations and voluntary codes concerning product and service information and labeling; and PSG did not receive fines for not complying with laws and regulations concerning the provision and use of products and services.



COMMUNITY INVOLVEMENT

Most of the materials to manufacture signs are supplied by multinational, global corporations (steel, aluminum, plastics, lighting, etc.). Nonetheless, we make all reasonable efforts to purchase goods, supplies and services from local vendors. These local purchases make a difference for small shops, and local contractors. As a corporation, we are committed to continue to expand local purchases whenever possible.

From community economic development agencies, to fundraising initiatives, to helping reduce poverty, PSG employees contribute in building the communities where we are present. Their involvements in numerous charitable initiatives, committees and groups contribute in building strong and dynamic communities. Below are a few examples of some of the community activities that the company and our employees have been involved during the reporting period.

EDUCATING THE LEADERS OF TOMORROW (EDMUNDSTON)

Through the years, our Edmundston office has developed numerous partnerships with the post-secondary education institutions in the region.

Notably, our engineering and design teams continue to participate in the teaching of an engineering design course at the Edmundston Campus of the Université de Moncton. In the teaching of design processes, the project of the "Edmundston" sign is used as a case study for the students.





TEACHING A DESIGN CLASS AND PRESENTING OUR DESIGN PROCESSES TO FUTURE ENGINEERS IS A REWARDING EXPERIENCE, WHILE CONTRIBUTING OUR KNOWLEDGE IN THE TRAINING OF HIGHLY QUALIFIED PEOPLE".

DENIS GUÉRETTE MANAGER, ESTIMATION AND ENGINEERING EDMUNDSTON The City of Edmundston, situated on the main passing point between Central and Atlantic Canada, wanted a signage that would attract the attention of those traveling the Trans-Canada Highway. Composed of three different signs, the main sign is situated at the main highway exit for Edmundston, while two smaller signs are situated near the boundaries of the city on the highway. Through our sign leasing and maintenance program, the City of Edmundston was offered a package that allowed them to complete this important project for the business community and the tourism sector of the region.



CHAMPIONS OF SOCIAL CAUSES (KNOXVILLE)

While the COVID-19 pandemic has affected our involvement in social causes in 2020, our Knoxville office has continued to be active in numerous initiatives, that have positive impacts in its community. The generosity of our employees has materialized in the support of many needy causes, such as the ones presented below.

KNOXVILLE GREEN TEAM ESSAY SCHOLARSHIP:

A flagship program of our Knoxville office, the Green Team Scholarship is an annual essay competition for employees, or their extended family members, wanting to pursue their studies. Candidates submit an essay, on a sustainable development topic relevant to the Knoxville area, which is determined by the Knoxville Green Team, while the winning essay is selected by an independent committee. In 2019, the funds for the scholarship were raised during the Annual Tennessee Tailgate party at a football game of the University of Tennessee, while in 2020, because of restrictions on gathering, PSG has funded the scholarship.

In 2019, the topic of the essay was to present ideas on how to promote awareness and implement actions to improve the concept of reducing and reusing, with specific application at personal, community, or national levels. In 2020, the topic of the essay was on the impacts to plants, animals or natural resources as humans strive to preserve and extend its own existence. The 2019 recipient of the scholarships is finishing a bachelor's degree in Business Management at the University of Tennessee, and she is considering graduate studies. For her part, the 2020 recipient is studying Film Production at the Middle Tennessee State University. Not surprisingly, both recipients are doing great in their studies.

U OF T SCHOLARSHIP: Through the years, our employees have raised a \$25,000 endowment fund for a student scholarship at the University of Tennessee. The scholarship is awarded to athletes who return to study at the UT.

BLOOD DRIVE: Prior to the COVID-19 pandemic, the Knoxville office held two blood drives during the reporting period.

RACE FOR THE CURE: For nearly 12 years, our Knoxville Office has a team in the Race for the Cure, which raises funds for a local foundation. The funds are raised through a Chili Cook-Off, an annual event cherished by our employees.

RESTORATION HOUSE: Restoration House of East Tennessee walks alongside low-income single parent families, helping them break harmful cycles and regain hope and a future. Our Knoxville employees raised funds for this deserving organisation in the Knoxville community.

SPONSORSHIP OF A FAMILY IN NEED: Working with the Catholic Charities of East Tennessee, our Knoxville employees sponsored a family of seven during the Christmas period.





Note : The photos on this page were taken prior to the beginning of the COVID-19 pandemic.



THINK GLOBALLY; ACT LOCALLY

Darren Filipenko strongly believes in environmental responsibility and how everyone can contribute on a personal level.

A Designer in our Penticton office, Darren proudly rides his bicycle to work, weather permitting or when a global pandemic does not make him work from home. While Darren claims that he does it for the exercise, the convenience and to save money, his behavior on environmental issues is an inspiration for the Penticton office.

Darren does however recognize that a happy by-product of his cycling to work is an avoidance of greenhouse gas emissions in the atmosphere. A by-product that is greatly needed these days in the beautiful, and extremely hot, Okanagan Valley of British Columbia.



Self-portrait of Darren Filipenko

SOMETIMES, IT IS THE SMALL ACTIONS THAT MAKE A DIFFERENCE.

At all of our locations, PSG employees are working to reduce our environmental footprint, and they are engaged in numerous fundraising activities and community drives, which, year after year, benefit the people in needs in the communities where we are present. Here is a sample of some of the difference-making activities, organized by our employees in our main facilities.

CORPORATE

• Because of the coronavirus pandemic, staff holiday parties were canceled for 2020. Instead, on behalf of our employees, Pattison Sign Group made donations to Food Banks in our various locations of operations.

EDMUNDSTON

- Management personnel are involved in various post-secondary education and economic development committees in the Northwest region of the Province of New Brunswick
- An academic scholarship was awarded to a student enrolled in the Technical Design Program at the local campus of the New Brunswick Community College
- During the coronavirus pandemic, a scholarship was awarded to a student enrolled in culinary art at the local community college
- PSG contributes the expertise of its staff, on a pro bono basis, in the development of industrial design courses at the provincial community college, and in the teaching of an engineering design course at the local university, thus contributing to building the economic development capacity of the region through the training of highly qualified people
- The Edmundston location continues to participate in the *Grand défi Pierre Lavoie*, a fundraising activity to support the creation of a culture of preventive health by leading people to adopt healthy life habits



• PSG provides continuous support to local community organizations that promote well-being (softball league, ski center, golf club)

EDMUNDSTON (CONTINUED)

• In the initial concerning phase of the global coronavirus pandemic, a PSG vehicle equipped with a sound system circulated in the streets of Edmundston with messages on how to cope with the situation, while offering encouragement and music to lift the spirits of everyone subject to stay-at-home orders

TORONTO

- · Paperless operations have been implemented
- The battery disposal program is still very much appreciated
- Employees do an annual cleanup of the surroundings of the PSG building, including in the adjacent wood section of a municipal park
- We organize fundraising activities and we have donated signage for Toronto's YouthLink
- Regular donations are made to local Food Banks

ORILLIA

- Our employees perform an annual Spring Cleaning of a local road
- Annual fundraising events are organized to raise funds for the Canadian Cancer Society
- Regular donations are made to local Food Banks

HEATH SPRINGS

- We hosted the Director of Community Relations for Lancaster County and a local volunteer from the Heath Springs Activities Committee for a conversation on our activities and a plant visit
- 4 x 6 ft birthday cards were donated to the Town of Heath Springs, to celebrate their 130th anniversary in 2020
- Toys for Tots continues to be active, where toys are provided to children in need
- We organize the Regional Car Show, a community event where employees and local residents display their priceless cars and trucks; this event is the main fundraiser for the Toys for Tots
- Donations are made to local Food Banks
- Food Drives are organized to support the local shelter
- Five of our employees are volunteer firefighters in their communities, while one employee is a member of the County Council of Heath Springs

KNOXVILLE

- A Monthly Newsletter, the Green Up Knoxville, is published, with a focus on sustainable development activities
- · Contributions are made to the UT Renewing Academic Commitment Scholarship
- Employees participate in Pedometer Challenges, where over a one week period, steps are counted to win gift cards
- Walking Groups are held during lunch time in the downtown of Knoxville

MONTREAL

A Montreal-based team won the 35th Annual McDonald's Ski Challenge, an important fund-raising event made up of
employees and invited guests from various McDonald's suppliers and partners



Note : The photos on this table were taken prior to the beginning of the COVID-19 pandemic.

OUR RELATIONSHIP WITH THE ENVIRONMENT

PSG is committed to sustainable development and we are making conscientious efforts to reduce the ecological footprint of our manufacturing and business operations, and in the design of our signage products.

For economic and environmental reasons, notably climate change, there is a global trend towards low energy consumption equipment. In providing energy efficient signs, without loss of visual quality, we have worked on sign design and have made the shift towards LED technology for practically all our signs. We continuously work with LED manufacturers, along with our customers, to identify the best possible product configurations to provide quality, efficient lighting in the signs we manufacture.

In our continuous efforts to develop and proactively adopt industry best practices across our operations, rather than simply comply with regulations, we follow the requirements of various US States that have enacted provisions of the Interstate Mercury Education and Reduction Clearinghouse (IMERC) model legislation.

PSG recognizes the global trend towards reducing greenhouse gas emissions to curb the effects of climate change. This will affect the way we generate electricity, the way we consume energy, the way we produce goods and services, the way we travel and transport goods, among others. We have a continuous company-wide project to assess our energy consumption and our carbon emissions, and we are committed to working to reduce both.

Through a continuous improvement approach, our administrative processes have been shifting from paperbased to electronic-based. This reduces the need to print document, thus saving on the consumption of products, reducing greenhouse gas emissions, and simply put, being more efficient. Further, our printers are, by default, set to black and white, and double-sided printing. Color and single-sided printing are done by taking specific actions.

PSG currently has recycling programs for aluminum, steel, copper, wood, plastics, paint, oil, cardboard, and paper; we use low VOC paints. We have developed procedures, which include a *Bulb Eater* tube disposal system, for mercury disposal. Where recycling is possible, we recycle.

We also follow regulations and industry best practices to dispose of all our waste streams, including transformers, ballast and wood. When possible, such as for wood products, employees have first access, for personal usage, to the material being disposed or sent to industrial recycling facilities.

For our business operations, we use products made from post-consumer recycled material (paper, printer cartridges, etc.) when available. Similarly, all office waste that can be recycled (computers, electronic equipment, paper, printer cartridges, etc.) are disposed of accordingly.

Climate change is an increasing concern for all, including the sign industry. We have thus started to examine the impact of extreme weather events on the signs that we fabricate and that are installed on the sites of our customers. We are tracking occurrences of sign deficiencies in extreme wind conditions, and we are re-examining the design of our signs and the attachments components of our signs to bases and to buildings. We intend to remain ahead of the curve on the issues of extreme weather events for the sign industry.



PREPARING OUR CORPORATE SUSTAINABILITY REPORT

Since embarking on our Sustainability Journey, PSG has voluntarily published four Corporate Sustainability Reports (CSR), in 2011, 2013, 2016 and 2018. Mainly based on the recognized Global Reporting Initiative (GRI) Guidelines, this fifth Corporate Sustainability Report (CSR) has been prepared in accordance with the best available reporting principles and practices.

The reporting period for this fifth CSR covers the calendar years of 2019 and 2020, i.e., from January 2019 to December 2020, which corresponds to a two-year period since the publication of our last CSR.

Re-statements related to our previous CSRs have not been made in the current CSR 2020.

The scope, boundaries and measurement methods in the preparation of the CSR 2020 are the same as our previous reports; thus, there has been no changes in the scope and aspect boundaries for this report.

The boundaries for the CSR, and the materiality aspects in this report, are in conformity with the previous CSRs of Pattison Sign Group. An assessment of these boundaries and materiality analyses was made prior to preparing this report. While it was determined that the boundaries and the materiality are representative of the position of the company at this time, it is our intention to revisit such parameters for our next CSR.

In its conception phase, the company Green Team determined the guiding principles of the Sustainable Development Initiative, the stakeholders of the initiative and the priority actions, including the preparation of Corporate Sustainability Reports. The Green Team who performed this task was composed of members, with representation from all regions, gender representation, and with members working in practically every level of the company.

The data and information needed to prepare the Corporate Sustainability Report is measured and compiled from different sources. Quantitative data is measured through formal tracking systems (such as labor related or financial data), or from surveys to our various facilities on specific data that is not formally tracked, notably for the various stories and profiles in the report. Qualitative data is compiled from surveys to our various facilities and offices. Moving forward, we are continuing to implement processes to better formally track all data that is relevant to the sustainability of the company.

Thus, as for our previous CSRs, this CSR was prepared by maximizing the usage of internal resources, with the assistance of a Sustainable Development Advisor, rather than calling upon external consultants who would have prepared a report without building from the corporate knowledge base and using less participation from PSG employees.

Consultation of our stakeholders is important, with a particular emphasis on our customers. We develop close working relationships with our customer-base, which can span decades. Through these relationships, and as our global partners also evolve their own sustainability principles, we cover these issues on a continuous and ongoing basis. We also engage with our customers, and potential customers, during trade shows and meetings, where innovations are regularly discussed. As we move forward, we will continue to engage with our stakeholders to assess and adjust our areas of focus with respect to sustainability issues.

The boundaries of the report have been set where PSG has direct control; this includes the three owned manufacturing facilities, along with our Sales and Operational Offices in North America. While PSG has built a strong network of partners and has made significant efforts to create the necessary tools to properly manage this network of installation, service and manufacturing sub-contractors by implementing strict manufacturing and in-field protocols and guidelines, these important partners remain subcontractors. They are not part of the company and as a result PSG does not have an ultimate direct control on them. Similarly, once a sign element is installed on a customer's premise, PSG has no control on the operation of the sign. Therefore, the boundaries for this Corporate Sustainability Report do not include installation and service crews and the operations of signs, or any manufacturing completed by agents. It is felt that the boundaries chosen represent the most significant sustainability issues under the direct control of Pattison Sign Group.

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PHOTO CREDITS

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