



Innovators of Freight Securement Systems®

SUSTAINABILITY REPORT

Securing Freight Today,
Helping Sustain Tomorrow

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2020



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2020 At A Glance

The recent global pandemic brought about a new challenge for the entire world. Virtually no one, nor any organization, was prepared for COVID-19. Many lives were lost, businesses were shut down, jobs eliminated, and our lifestyles and routines changed. During times like these, life is more about survival and adaptation to a new reality. The mind, body, and spirit of people and organizations have been deeply impacted, and it has been a sobering experience.

In times of darkness, there is always light at the end of the tunnel, and, in fact, Logistick created positive outcomes in the face of COVID. Some of those impacts for organizations like Logistick include: the creation of organizational risk and disaster plans, developing back-to-work plans for the “new normal” world, improving safety and wellness plans, reducing carbon footprint from less travel/transportation, better use of digital technology (tools of the trade), reducing paper invoicing and transitioning to digital payments and accounts receivable processing.

Logistick is proud to announce some pivotal wins that took place in 2020, despite the hard times of COVID. First, Logistick helped more customers keep their employees and cargo safe than ever before, as Logistick provides products for many customers in the essential goods and consumer staples businesses. The team came together and learned even more that it takes a unified team to make great things happen.

Second, Logistick inked a deal with the Mamoni Valley Preserve to lease 546 acres of primary and secondary rainforests to sequester 117,060 tons of carbon for up to 30 years. This is a big commitment from Logistick, as it will offset its entire operational carbon footprint. As the company grows, steps will be taken to creatively offset any additional carbon emissions.

Third, Logistick launched a circular shipping and packaging system with a supplier, Exemplary Foam. Exemplary Foam provides Logistick with foam inserts made of recycled content that are used with their two Loadbar products, as well as LogiTrack®. The circular program has eliminated the use of cardboard and wood pallets, and now utilizes reusable bins and pallets to safely ship the foam. The empty bins and pallets are stacked onto the next delivery truck returning to Exemplary. The number 4 plastic film that is used to secure the reusable bins to the pallets is also collected, baled, and recycled locally with Tri-Power Recycling. This closed loop program has led Logistick to believe that a circular economy is very feasible, and can help organizations save money while also minimizing negative environmental impacts!

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Core Values & Purpose

The Sustainability Promise

Logistick has been preventing freight damage and reducing waste for customers since 1991. Since 2019, they have been enhancing efforts to minimize environmental and carbon footprints by becoming more sustainable as a complete organization. Securing the future of customers by improving efficiencies through innovation and sustainability has always been critical to Logistick. The launch of the recent sustainability initiative SECURE GREEN, helps improve efficiencies even

greater, and secures a sustainable future for all. When freight is damaged or blemished, it is less likely to be bought or sold, thus, goods go unwanted. Those goods inevitably get dumped and likely end up in a landfill. According to national figures, the average semi-trailer or container carries 40,000 lbs. of goods. By preventing freight from getting damaged, Logistick greatly helps reduce landfill waste in the millions of tons.

“Securing Freight Today, Helping Sustain Tomorrow”

The company has also embraced a new corporate motto, “securing freight today, helping sustain tomorrow,” while encouraging everybody to live each day like it is Earth Day!



Core Purpose

“TO **SECURE** THE FUTURE OF OUR CUSTOMERS BY IMPROVING EFFICIENCIES THROUGH INNOVATION AND SUSTAINABILITY.”



Logistick's **SECURE** core values represent the foundation on which our organization conducts business and fulfills our mission, both internally and externally. Our core values are the fundamental beliefs and principles that guide our organization every day and in everything we do.

Being **SECURE** is the first step in establishing a foundation of sustainability in our organization.



Specialists
Experts in freight securement.



Efficient
Maximum productivity with minimum wasted effort and expense.



Customer Centric
Focused on customer needs and relationships.



Unified
A Team with one purpose, one goal, and one vision.



Resolute
Determined to succeed, driven and unwavering.



Evolving
Strategically enhancing, developing and expanding.

SECURE

MEET OUR TEAM

The SECURE Green Team champions and enhances Logistick sustainability efforts. The team is focused on efforts such as going paperless, material reuse, enhancing recycling, environmental awareness and education, operational efficiency and reducing their organizational environmental footprint.

” Core people are pulled from all areas of the company, which helps align and infuse sustainability across the organization.
Tyler Kanczuzewski - Sustainability Manager and Team Leader

Since day one of Logistick operations, efforts have been led to create more efficient, eco-friendly and sustainable freight securement solutions. Sustainability and stewardship are the bedrock of the organization, especially when making critical business decisions (example – using post industrial recycled plastic resin) and optimizing operating footprint and efficiencies. The Logistick SECURE Green Team plans to further enhance efforts and focus on innovative solutions to sustainably grow the company, and make a strong and positive impact on the planet. Future generations should enjoy the planet as much as people enjoy it today!



Nick Kanczuzewski
President



Dan Sheehan
VP of Sales and Marketing



Tyler Kanczuzewski
Sustainability Manager



Sarah Magor
Marketing Specialist



Jason Ramtahal
Product and Application Engineer



Sara Stewart
Logistics Manager



Eddie Forero
Global Sales and Solutions Manager

The Big 4

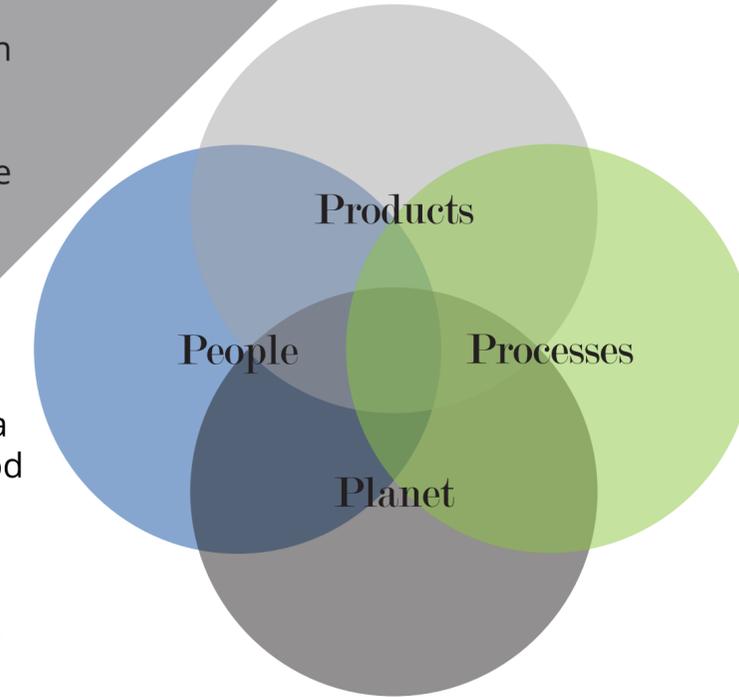
The Logistick SECURE Green Team recently adopted four words, all starting with P, which they believe are critical to the survival and evolution of the business and the world in which it operates. The inspiration to create these 4 came from a concept and phrase coined by sustainability guru John Elkington: “people, planet and profits,” and the “triple bottom line.” Elkington encourages companies to embrace these as a foundation for true and ethical success.

Products

Innovation is the heart and soul of Logistick. Without great quality products providing solutions for its customers, it would be hard to imagine the company thriving 30 years. Logistick has patents on over 13 load securement products and counting.

Processes

Good systems and processes are essential to any business, especially Logistick. It’s like the engine that keeps things moving forward, but you have to continually maintain and make it more efficient.



People

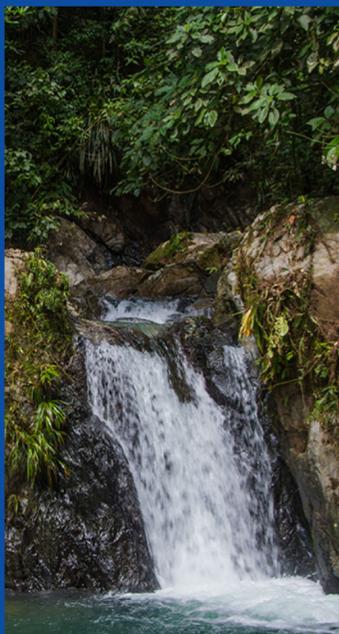
Logistick believes in a culture of having good health and wellness for its employees and their families. Having opportunities to succeed is part of the Logistick model. Everyone on the team makes a positive impact.

Planet

Environmental stewardship is an absolute must at Logistick. Running a business while positively impacting the natural world is key. Logistick is a steward of the planet, and wants future generations to enjoy what we have today!

Carbon Neutrality Announcement

Carbon Neutrality Announcement: Logistick, Inc. celebrated 30 years in business with the announcement of becoming operationally carbon neutral on Earth Day 2021. Sustainability has always been at the core of Logistick's purpose, to secure freight and reduce damage and waste, while promoting safety of freight in trailers and containers moving over the road, on the rail and across the seas. Additionally, the Logistick team has over 200 years of combined experience helping customers keep their freight and employees safe and secure. That experience, along with sincere stewardship for the planet, make for a winning combination.



Celebrating 30 years of business

The company celebrated this 30th anniversary by announcing their partnership with the Mamoni Valley Preserve (MVP), a US-based non-profit, dedicated to the conservation of the Mamoni Valley Rainforest in Panama. Logistick has contracted with MVP to offset their operational carbon footprint until 2050, and the equivalent of 117,060 tons of carbon (CO₂), by leasing a 546-acre tract of rainforest in this top 20 global biodiversity hotspot. The rainforest of the Mamoni Valley have long suffered deforestation and degradation. The destruction of these rainforest endangers the connectivity of five million acres of contiguous carbon dioxide absorbing forests, as well as countless endangered species.



To put into perspective the sequestration of 117,060 tons of CO₂, that would be equivalent to taking 23,095 average gasoline vehicles off the road for one year, or removing the emissions from 13,000 average size homes for an entire year.

Live Everyday like it's Earth Day!

The Logistick team aims to lead the freight and load securement industry in sustainability practices by reducing landfill waste and helping mitigate climate change. "Logistick strives to be stewards of the environment and we couldn't be happier to partner and help preserve the Mamoni Valley Rainforest. For 30 years we have been reducing waste in the transportation and shipping world, and now we can emphatically say - we are operationally carbon neutral," said Ashley Brickley, CEO of Logistick. The company has also embraced a new corporate motto, "securing freight today, helping sustain tomorrow," while encouraging everybody to live each day like it is Earth Day!

Key Accomplishments in 2020

ENVIRONMENTAL (Planet)

- Signed 30-year carbon offset lease with Mamoni Valley Preserve
- Joined 1% for the Planet as a member donor

ENVIRONMENTAL (Planet)

- Auditing and tracking of Operation Clean Sweep began in 2020
- Created recycling network for the recycling of used Logistick products

ECONOMIC (Profit or Cost Savings)

- Launch of circular program for foam inserts, using reusable shipping bins and pallets
- Shrink wrap, #4 plastics, recycling with local niche recycler



ECONOMIC (Profit or Cost Savings)

- 75% reduction of printed install manuals in shipped product boxes
- HQ building energy usage down 50 percent

SOCIAL & EQUALITY (People)

- Increased philanthropic giving budget by 25 percent for social causes, disaster relief and environmental awareness organizations

SOCIAL & EQUALITY (People)

- Monthly team lunches and quarterly outings to cultivate a positive team culture
- Educational blog development for the freight securement solutions

Sustainability Metrics Tracked

With over 200 years of combined experience, the Logistick crew was hard at work in 2020 supplying freight securement products and solutions to the consumer goods, transportation and shipping industry. 2020 was a record year for product sales, which also means a record amount of cargo secured. More cargo secured means less damaged goods, and less landfill waste. Logistick now tracks critical sustainability metrics in order to improve stewardship and sustainable practices across the organization, with suppliers, and most importantly, with their customers.



Specialty Recycling and Efficient Waste Reduction/Mitigation Tonnage

- Cardboard Box Use Reduction (Reusable Bin Program) = 1 Ton
- Printed Paper Reduction (Install Manuals Now Digital) = 3.5 Tons
- Shrink Wrap Recycling (#4 Plastics, LDPE) = 1 Ton



Carbon Footprint (CO₂) Emissions in Tons Annual Average

- 30 Year, 546 Acre Rainforest Lease (CO₂ Sequestration) = 117,060 Tons
- 2019 CO₂ = 3,902
- 2020 CO₂ = 5,735*
- *includes additional findings of operational CO₂ generating activity
- CO₂ Offset Balance = 107,423 Tons



Sustainable Educational Resources Delivered

- Educational Blogs = 7

Logistick Product Sustainability Wins



Recycled Resin as Feedstock

Logistick products are made from post industrial ABS & PC recycled plastic. The plastic comes through a supply chain that is recycling over 100 million pounds of plastic, scraps that are often sourced from the automotive industry. These suppliers have the ability to reprocess the material back to original quality and structural strength. The recycled resin has only 32% of the cradle-to-grave footprint compared to virgin plastic.



Local Manufacturing

Logistick's manufacturing is done locally, and much of the raw material is sourced regionally, reducing the carbon footprint created by shipping. Logistick products are also recyclable after use, as a #7 recyclable plastic. Although it may be challenging, Logistick is working with select customers to pilot the collection of used products and recycle them back into production.



Reusable Product Initiative

The LogiTrack®, the first foray into reusable products for Logistick, is a two-part system that includes a “pocket” and a “track”. The pocket portion is technically reusable, as long as no damages occur. Logistick does not provide any warranty or performance guarantee for the reuse factor, however they are designed and manufactured for multiple uses.



Damage and Waste Prevention

Logistick has secured a reputation as an industry leader in freight damage prevention solutions. Logistick continues to be dedicated to the innovation of load securement systems to meet the evolving needs of the transportation industry. Innovation and solving problems helps create a systems-thinking organization that reduces waste, resources and material; thus, leading to a more sustainable organization from top-to-bottom.

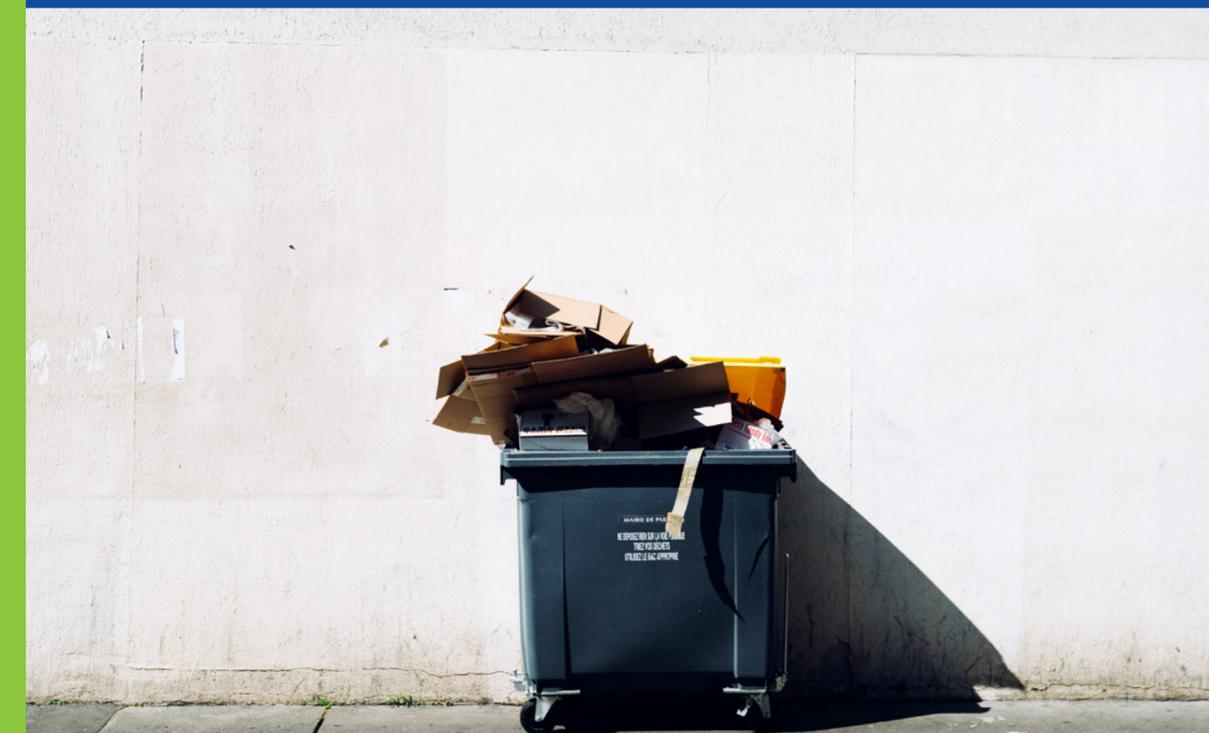


Research, Development and Green Innovation

In terms of R&D measures - safety, reliability, strength and performance are equally important to the team, especially during high production years like 2020. The R&D team reported being very satisfied with all product measures, even though production was ramped up. The team also indicated that they are working on a new product line that will consist of less material and energy needs, for customers with lighter loads. Stay tuned for more information!

Ancillary Material Recommendation

Wood Use - Most Logistick products require the use of 2x4, 2x3 and 4x4 lumber. Logistick recommends the purchase of Forest Stewardship Certified lumber (or similar certification), as well as collecting and reusing the lumber as much as possible. Use best judgment to gauge the strength, or compromised strength, of the lumber.



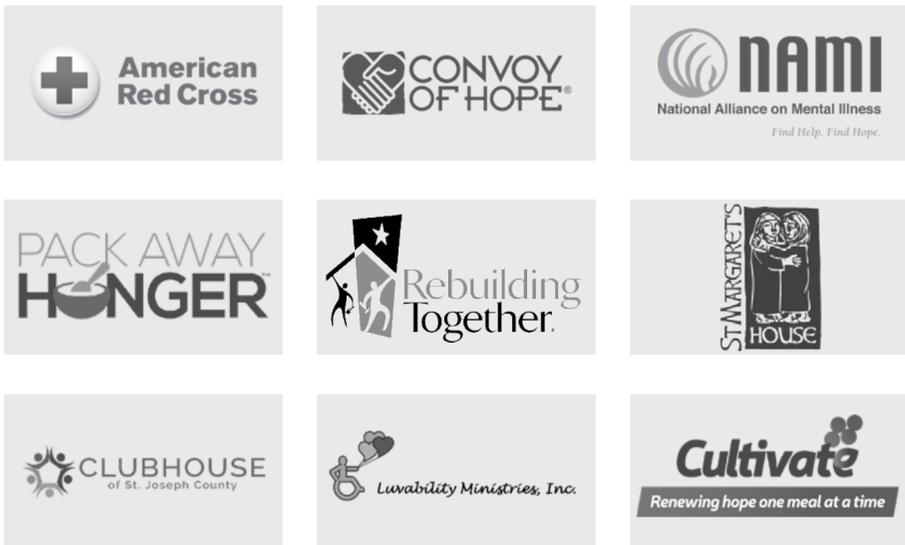
Philanthropy

Team Logistick is proud to continue the founder's generosity and philanthropy in our community and around the world. In the last 5 years alone, Logistick's charitable foundation has given over 1 million dollars to local and national organizations that depend and survive on donor funding. Their focus remains on the health and well-being of those in need, as well as the conservation of Mother Earth. Logistick looks to the future in hopes that they continue to see positive change and healing for all those in need and that they can make a difference in the lives of others. They are grateful and "keep the spirit", as the founder proclaimed! Some of the local and national groups that they support are listed below. Logistick plans to continue to support these, as well as others that fall in-line with the philanthropic philosophy.



Logistick believes in protecting the environment and having a net positive impact on Earth as an organization, a network and a community.

Charitable Organizations



Environmental Contributions and Awareness

Environmental contribution and stewardship are especially important initiatives to Logistick. Over the last 3 years, Logistick has given over \$136,000 to environmental organizations alone, plus committed to a 30-year carbon offset project with the Mamoni Valley Preserve Rainforest. The team believes in protecting the environment and having a net positive impact on the planet. Some of the organizations they have donated to, volunteered with, or supported are listed below.

Logistick pledges to support these and grow involvement with new organizations moving forward. These organizations are each contributing to similar initiatives and the awareness of environmental protection, nature conservancy and education, carbon offsetting, reducing plastic waste and pollution. In 2020, Logistick joined One Percent for The Planet as a member donor.



The Sustainability Goals

The forward vision for Logistick is to continue to be a leader in sustainable freight securement through new innovations that make a positive impact on the planet. Logistick believes the climate is indeed changing, and that humans are having an impact on the planet. If general practices continue to be altered to be more sustainable and innovative, negative impacts like carbon emissions, accumulation of waste and pollution can be mitigated and reversed. Logistick will continue to SECURE the future of freight, waste reduction and a planet that is habitable for all things living. **Logistick's Top 5 sustainability goals to be achieved by 2030:**

- 01** Establish carbon neutral operations with a net positive impact on the environment by 2025. Also, invest in renewable energy, and forest and water conservation projects by 2025.
 - > Agreement signed for 30 year operational carbon offset with Mamoni Valley Preserve
- 02** Improve annual social and environmental impact through community engagement, philanthropy, and volunteering programs.
 - > Started new partnerships and grew total giving efforts in 2020
- 03** Become the nation's leading freight securement company in sustainability by 2030.
 - > Logistick is currently the only known freight securement company to establish sustainability reporting and key metrics
- 04** Become a recognized thought and education leader in sustainable packaging alternatives using sustainable development best practices.
 - > 2020 was the start of a new system for blogging, getting out 7 blogs
- 05** Generate improved sustainability cost savings and cost reductions on an annual basis.
 - > Reduction of energy, consumed boxes and printed paper leading to costs savings

2021 Objectives & Action Steps



The following are the 2021 objectives to be achieved or completed by the end of the year. Each of these 9 objectives align with the 5 core sustainability goals to be achieved by the end of the decade.

These goals were created by the Green Team, in collaboration with the leadership team, to make sure these align with the overall Logistick strategy.

01

Continue piloting regional recycling efforts to close the loop (10,000 lbs. + is targeted).

02

Continue to engage with national industrial plastic recyclers to refine the national recycling network and collection points.

03

Complete EPA Green Power Partnership Application. Also, energy efficiency and renewable energy upgrades for manufacturing facility.

04

100 percent launch of ink plate project, thus, complete elimination of printed install manuals per every Logistick product box.

05

Track total reduction of corrugated boxes used through launch of reusable bin program.

06

Track new sustainability KPI: Annual carbon footprint offset, specialty recycling and waste reduction/mitigation, and sustainable education resources.

07

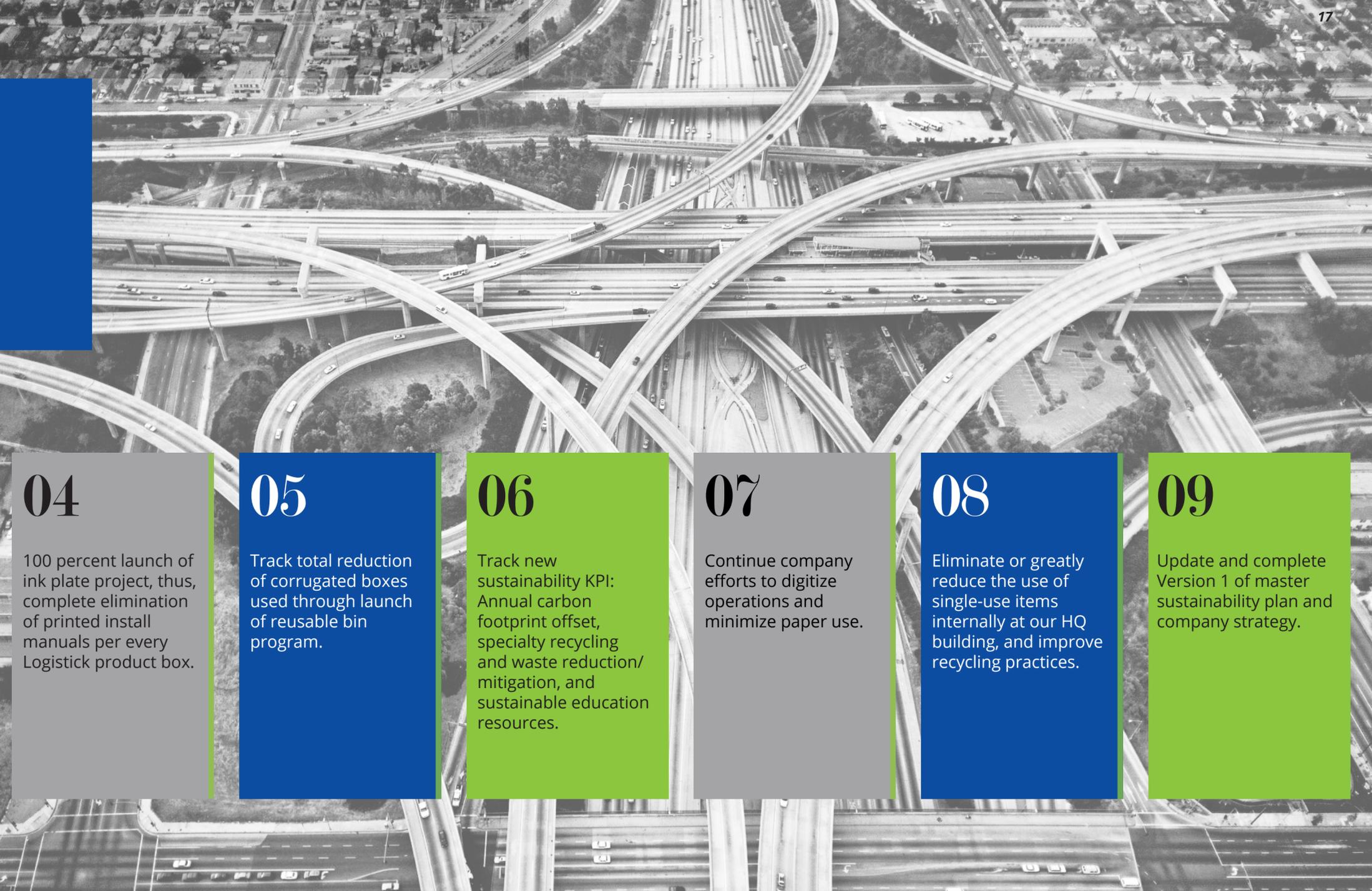
Continue company efforts to digitize operations and minimize paper use.

08

Eliminate or greatly reduce the use of single-use items internally at our HQ building, and improve recycling practices.

09

Update and complete Version 1 of master sustainability plan and company strategy.



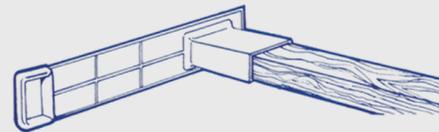
Always Remember Your Roots



Jan Mannen & Tom, Renee & Chris Kanczuzewski

The Logistick story started in 1990 when the founder of Logistick, Inc., Tom Kanczuzewski, was working in the trucking & intermodal business (at CSI Logistics) and wanted to acquire a contract with a large furniture manufacturer. To land the new business, he had to provide a more economical way to secure shipments! There was a solution, and we invented it – the original Loadbar®! The company, Logi-Stick, Inc. was incorporated in 1992, but later changed its name to Logistick, Inc. A short time after the Loadbar®, the original Super Strap® was invented, followed by the Wedge® for heavier shipments. Throughout the years, Logistick has continued to invent new products and expand the product line to accommodate the evolving transportation industry. Some of the more recent highlights include the invention of the Loadbar Wide®, Intermodal Strap®, Intermodal Wedge® and LogiTrack®, as well as the AAR approval of the Super Wedge® XL, Floor Brace®, Intermodal Wedge® and Intermodal Wedge® XL. Logistick specializes in one-way freight securement systems to prevent longitudinal and lateral movement. The products are easily installed,

can withstand over 10 times more force than standard metal load locks, and provide maximum adhesion to all transportation equipment surfaces, while allowing for normal flexing of trailer and container walls. The systems are inexpensive when compared with alternative cargo restraint options and are disposable/recyclable, allowing one-way shipments to be secured, with no need to maintain ownership. The strength and versatility of the patented Logistick products help prevent freight damage, reduce claims, reduce waste, improve safety and add product quality to delivered shipments. The systems reduce the risk of falling cargo when opening doors and are often used to separate orders on trailers scheduled for multiple deliveries. Logistick products are manufactured in the USA and distributed throughout North America, Europe, South America and the South Pacific. The products are made from post industrial recycled plastics, and are recyclable after use. The products are also compact and lightweight, making them easy to store. The organization is especially focused on innovation to bring the absolute best in freight securement systems. Logistick promises to continue to enhance its products and search for new innovative systems that will further benefit customers, and the sustainability of the freight and transportation industry. We want to continually help our customers maximize waste reduction, minimize damaged freight and claims, and promote employee safety, in the most cost effective and easy-to-use manner.



Original Loadbar®



Loadbar Wide®

Continuing the Sustainability Journey

Logistick leadership believes that growing a positive work culture happens over time, with patience, and most importantly, with purpose.



Tyler & Nick Kanczuzewski, Ashley Brickley & TJ Kanczuzewski

It is a journey of never-ending learning and improving, and it should be enjoyed. A commitment to stewardship and sustainability lays a solid foundation, and a unified team working toward a common goal paves a roadway for the right culture. The right culture is one where everyone is happy, able to grow, and plays a role in making their company and their world a better place.

The Logistick SECURE Green Team is satisfied with all of the improvements made and the overall objectives achieved in 2020. However, the team also believes that they can do better in 2021, and is firmly committed to doing so. Business and life is about constant improvement, evolution and raising the bar. Logistick wants to continue growing the company and making profits to support their sustainability goals, while having more positive impacts. The goal is to have a net positive impact on people and the planet. The team is excited to make significant gains this year, to help the industry become more sustainable, and encourage business leaders to also join in on the sustainability journey!

Sincere Regards,
Logistick SECURE Green Team

"Securing Freight Today, Helping Sustain Tomorrow"



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