

August 18, 2023.

Communication of Engagement (COE) September 2021 – September 2023

To our stakeholders:

I am pleased to report on the initiatives taken by the Canadian International Freight Forwarders Association (CIFFA), in support of the United Nations Global Compact's principles in the areas of human rights, labour, environment and anti-corruption.

In this initial Communications of Engagement, we describe the actions that our Association has taken to integrate the UN Global Compact and its Principles into our strategic direction.

We are committed to sharing this information with both our members and the general public using our primary channels of communication and are open to any feedback on our initiatives thus far.

Sincerely,

Canadian International Freight Forwarders Association (CIFFA)

Bruce Rodgers

Executive Director



About CIFFA

The Canadian International Freight Forwarders Association (CIFFA) represents more than 300 regular member firms including freight forwarding, freight brokerage, drayage companies, customs brokers and warehouse operators. CIFFA member companies employ tens of thousands of highly skilled international trade and transportation specialists. As a vital component of Canada's global supply chain, member firms of the Canadian International Freight Forwarders Association (CIFFA) facilitate the movement of goods around the world. We provide a vital link in Canada's global supply chains, enhancing export capabilities and assisting in the delivery of competitive solutions to Canada's importing and exporting communities.

CIFFA is an equal opportunity employer. The organization does not discriminate in recruiting, hiring, transfers, promotions, compensation, benefits, training, layoffs, recalls from layoffs, or other employment practices.

Description of Practical Initiatives

1. Creation of a Sustainability Committee

CIFFA created a Sustainability Committee comprising of employees of member firms, each having an interest in effecting positive change.

One of the initial tasks of the Committee was to create a mandate for our members, which states, in part:

As an industry, freight forwarding has the opportunity to benefit from integrating SDGs to support long term business success, through supply chain and trade resiliency. Given its cross-sectional nature, there is no SDG dedicated to transportation. Sustainable transportation is highlighted across several SDGs, in particular those related to food security, health, energy, economic growth, and infrastructure, amongst others. Many sustainability initiatives are developed by freight forwarding and logistics companies and, given the wide array of SDG's to which logistics can contribute, these initiatives cover a broad spectrum.

The mandate of the CIFFA Sustainability Committee will therefore be to identify best practices in the areas of sustainability and to provide guidance on the development and implementation of sustainability goals to membership.

The full statement can be read in the <u>Leadership</u> section of our website. <u>https://www.ciffa.com/wp-content/uploads/2021/06/Mandate-of-CIFFAs-Sustainability-Committee-1.pdf</u>

2. Sustainability Member Survey

In order to assist in developing direction to best serve the interests of members, CIFFA conducted a Sustainability survey in 2021.



Some of the key findings were as follows:

- Respondents were unanimous that sustainability is a key focus item for their business, with 75% indicating that it forms part of their business strategic priorities, with 75% indicating that it forms part of their business strategic priorities.
- Respondents indicated that the top two groups engaged by importance were employees and customers of the business. As a result, it was no surprise that the key departments involved in addressing sustainability were Operations, followed closely by Human Resources and the Sales/Marketing teams.
- Companies are focusing on introducing initiatives that contribute to sustainable practices as well as calculating emissions thereby committing to reducing their carbon footprint.

This guidance will lead the direction of the Sustainability Committee.

3. Board of Directors Commitment

The Board of Directors conducted a Strategic Planning session in September 2022 and agreed upon the following:

- 1) Provide clarity on ESG/DEI philosophy,
- 2) Define the value of ESG/DEI to drive member behavior, and
- 3) Embed ESG into decision making framework to ensure it is considered in all decisions.

Measurement Outcomes

1. Carbon Emissions Calculator

CIFFA has made a commitment to inform members about initiatives and tools that can help them with their sustainability initiatives and goals. As the reduction of carbon emissions is key to making gains in addressing the climate change crisis, CIFFA has prepared a listing of resources for members to measure the direct and indirect emissions of their transportation decisions. This will allow businesses to take informed actions towards meeting the goal of reducing their carbon footprint. The document can be found in the Resource section of our website: (https://www.ciffa.com/wp-content/uploads/2022/11/Repository-of-CO2-Emission-Calculators.pdf).

2. Forwarder Magazine

In the of Spring 2022, CIFFA published a magazine dedicated to Sustainability. Articles consisted of:

- Fighting Against Forced Labour and Child Labour
- Illegal Wildlife Trade
- Driving Low-Carbon Hydrogen Deployment
- Making Fashion and Consumer Electronics Circular
- Member Sustainable Best-Practices



3. Blueprint Document

CIFFA's Sustainability Committee has been through a discovery process, learning about the origins of sustainability, various tools, reference materials and networks, with an interest in raising awareness for members and to explore opportunities for CIFFA. These findings have been outlined in a 30-page Sustainability Blueprint – An Introductory Guide to Sustainability for CIFFA Members. The document can be found in the Resource section of our website: https://www.ciffa.com/wp-content/uploads/2023/06/Sustainabilty-Blueprint-20230626-FINAL.pdf).

4. DEI Statement

The Boards of Directors worked in collaboration to develop the following DEI Statement, which will be posted on our website in the weeks to come.

A) Purpose

The purpose of this policy is to express the Canadian International Freight Forwarders Association ("CIFFA")'s beliefs, values and commitment regarding equity, diversity, and inclusion. It aims to ensure that CIFFA's voice on the subject of equity, diversity and inclusion is consistent, and that the values related to equity, diversity and inclusion are clear.

The creation of an Association that is equitable, diverse, inclusive, respectful and protects the human rights of all employees, members, and guests, including those groups protected under Canadian federal and provincial human rights legislation, requires the work of every member of CIFFA, including employees.

B) Policy

CIFFA:

- Values the dignity and uniqueness of the individual, and equity and diversity in our environments and our community. CIFFA recognizes that historical and persistent barriers to equitable participation may exist or exist in society and within the Association and forwarding industry.
- Believes that a culture of inclusion and an understanding of the intersectionality of individual identities supports fully engaged members, employees, and guests, and serves our communities.
- Believes diversity is uniquely valuable to our Association and forwarding industry and should reflect the diversified composition of society.
- Believes that equity competence and creating a culture of inclusion are necessary to achieve our strategic goals including member and excellence in the forwarding industry, including competition, innovation, multi-generational membership, member and employee engagement and sustainability.
- Believes in championing inclusion and diversity in the Association and in the industry.

CIFFA commits to achieving diversity, equity, and inclusion by:



- Forging a culture of diversity, equity and inclusion that is welcoming, respectful, accessible, and does not tolerate stigma, harassment, or discrimination.
- Complying with existing federal and provincial legislative requirements.
- Developing and implementing goals, policies, competencies, and special initiatives to promote diversity, equity, and inclusion, diversity.
- Where appropriate or needed collecting data to track progress and regularly evaluate the effectiveness of the initiatives we undertake, by communicating the outcomes to our community.
- C) CIFFA commits to embracing and supporting our members and employees' differences in age, ethnicity, gender, gender identity or expression, language differences, nationality or national origin, family or marital status, physical, mental and development abilities, race, religion or belief, sexual orientation, skin color, social or economic class, education, work and behavioral styles, political affiliation, military service, caste, and other characteristics that make our members and employees unique.
- D) CIFFA will not work with vendors that discriminate, or that seek to limit the legal rights and activities of people. This includes but is not limited to direct actions, and organization materials, website, publications, and social media that promotes or communicates discriminatory treatment on any grounds listed above. CIFFA encourages its members to support an inclusive environment.

CIFFA is committed to providing an environment in which all individuals are treated with respect. In addition to prohibiting discriminatory practices, CIFFA works to actively promote inclusivity. Members of CIFFA and participants in CIFFA programs and activities are expected to conduct themselves at all times in a manner consistent with the values as outlined in this Policy.

Conclusion

CIFFA confirms its commitment to the UN Global Compact and its Ten Principles, encompassing human rights, labour, environment, and anti-corruption. Through our efforts to communicate and educate our Membership base, we align with the work of the UNGC.