LOGISTICK®

Innovators of Freight Securement Systems ®

2022 CORPORATE SUSTAINABILITY REPORT

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TABLE OF

CONTENTS



04. Hello From the Green Team

05. Meet our Team

06. Logistick Core Purpose

07. Our Core Values

08. Sustainability Promise

09. The Logistick Rainforest - Carbon Offset Program

10. People, Products, Process and Planet

11. Plastics and the Environment

12. Operation Clean Sweep

TABLE OF

CONTENTS

Continued

13. Recycling and Reuse Guide for Logistick #7 Plastic Products

14. Logistick National Recycling Network

15. Key Accomplishments

16. Sustainability Metrics Tracked

17. Key Product Sustainability Wins in 2022

18. Solar 2.0 - 2022 Rooftop Installation

19. Volunteering and Philanthropic Focus

20. Environment Awareness and Contributions

21. 5 Key Sustainability Goals

22. 2023 Key Objectives

HELLO FROM THE GREEN TEAM

The Logistick Secure Green Team is extremely satisfied with all of the improvements made and the objectives achieved in 2022. The team believes they can do even more in 2023, and are committed to building on the 2022 momentum. Business and life for the Logistick team is about continuous improvement, the evolution of things and raising the bar to achieve new milestones. Logistick's ambition is to sustainably expand its operations and increase profitability while minimizing its environmental footprint. The ultimate goal is to always have a net positive impact on the planet! The team is thrilled to contribute towards making the freight securement and transportation industries more sustainable, and is eager to inspire other business leaders to join them on this journey of responsible stewardship.

The Logistick story all started in 1990 when the founder of Logistick, Inc., Tom Kanczuzewski, was working in the trucking & intermodal business and wanted to acquire a contract with a large furniture manufacturer. To land the new business, he had to provide a more economical and sustainable way to secure shipments! There was a solution, and Logistick invented it – the original Loadbar®! The company, Logi-Stick, Inc. was incorporated in 1992, but later changed its name to Logistick, Inc. in 1996. A short time after the Loadbar®, the Super Strap® System was invented, followed by the Wedge® for heavier shipments. Throughout the years, Logistick has continued to innovate and invent new products and expand the product portfolio to accommodate the evolving transportation industry, as well as embracing sustainability innovation. Some of the more recent highlights include the AAR approval of the Super Wedge® XL, Floor Brace®, Intermodal Wedge® and Intermodal Wedge® XL as well as the invention of the Loadbar Wide®, Intermodal Strap®, Intermodal Wedge® and LogiTrack®. Lastly, in 2019 Logistick made the progressive move to become operationally carbon neutral by partnering with the Mamoni Valley Preserve through a rainforest lease program to offset their carbon footprint.

The Logistick leadership team understands that cultivating a positive work culture is a gradual process fueled by passion, focus, discipline and persistence. They recognize it as an ongoing journey of learning and problem-solving, driven by a commitment to stewardship and sustainability, all while serving their customers. With a shared vision and a unified team, Logistick helps pave the way for a more desirable future for both individuals, companies and the planet. They believe that the ideal culture is one where everyone finds happiness, personal growth opportunities, and actively contributes to improving their company and the world around them.

WHO WE ARE

The Green team was born out of a collective passion for environmental stewardship within Logistick. We recognized the pressing need to create a more sustainable future. Individuals from various departments came together to form the team, aiming to implement innovative strategies and promote sustainable practices throughout the organization.

MEET OUR TEAM

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



Nick Kanczuzewski
President



Dan Sheehan
VP, Sales and Marketing



Tyler Kanczuzewski
Sustainability Manager



Sara Stewart
Fulfillment Manager



Sarah Magor
Marketing Specialist



Eddie Forero
Global Sales & Solution Manager

"The company has made huge strides since 2019, when the Green Team started, and when I started as Sustainability Manager as well. The Company is embracing our motto "securing freight today, helping sustain tomorrow," more and more, and we also encourage each other to live everyday like it is Earth Day. It has been a fun journey, but we still have a long way to go. Onward and Upward!"

-Tyler Kanczuzewski, Sustainability Manager



LOGISTICK'S CORE PURPOSE

TO SECURE OUR CUSTOMERS' FUTURE BY IMPROVING SUPPLY CHAIN EFFICIENCIES THROUGH INNOVATION, SAFETY AND SUSTAINABILITY

OUR CORE VALUES

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. The core values spell SECURE.



Specialist

Experts in Freight Securement - Employees highly skilled and driven in their roles.



Efficient

Maximum productivity with minimum wasted effort and expense.



Customer Centric

Focused on internal and external customers' needs and relationships.



Unified

Employees collaborating to drive customer and business success.



Resolute

Determined to succeed, driven and unwavering.



Evolving

Strategically enhancing, developing and expanding.

The SECURE stamp is imprinted on everything done at Logistick, whether it's a product, service, or a commitment. The SECURE mentality is the first step in establishing a foundation of sustainability at the organization.





LOGISTICK

SUSTAINABILITY PROMISE

Logistick has been preventing freight damage and reducing waste for customers since 1992. Since 2019, they have been enhancing their efforts to minimize their environmental and carbon footprint by becoming more sustainable as a complete organization. Securing the future of customers by improving efficiencies through innovation and sustainability have always been critical to Logistick. The launch of the recent sustainability initiative, SECURE GREEN, helps enhance efforts to improve efficiencies, and hopefully 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 end up in a landfill. By preventing freight from getting damaged, Logistick greatly helps reduce landfill waste in the millions of tons. According to national figures, the average semi-trailer or container carries 40,000 lbs of goods. Also, by avoiding the potential shipping of damaged or replacement goods, those potential emissions are avoided as well.

LOGISTICK

Innovators of Freight Securement Systems®

THE LOGISTICK RAINFOREST - CARBON OFFSET PROGRAM

Logistick started celebrating its 30th year in business in 2021, and, thanks to great clients and a dedicated team, the 4th decade in business is already gearing up to be the most impactful and innovative yet.



MAMONI VALLEY PRESERVE

Logistick made the big announcement on Earth Day 2021, about going carbon neutral (operationally), and contracting with The Mamoni Valley Preserve (MVP) Rainforest in Panama for up to 30 years of carbon offsets, or credits. Logistick completes annual monitoring and accounting of the carbon footprint (CO2), and the team is working to improve annual accounting accuracy. In fact, in 2023 a Life Cycle Analysis (LCA) study will be launched with Intertek in order to enhance the accuracy and continuity.

MVP is a top 20 global hotspot in terms of biodiversity, and the Logistick team is excited to help preserve critical land. MVP is a non-profit organization located in Panama. Supported by its U.S. 501(c)(3) corporation, MVP's sole focus is to preserve and enhance a 29,000-acre watershed that is key to saving the larger forest corridor, mitigating climate change, and protecting abundant endemic biodiversity.

MVP
Mamoní Valley Preserve

PEOPLE, PRODUCTS, PROCESS AND PLANET

The Logistick Secure Green Team came up with 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 continues to be the heart and soul of Logistick. Without great quality products providing solutions for its customers, it would be hard to imagine the company surviving over 30 years. Logistick has patents on over 13 niche products, and counting.

PLANET

Environmental stewardship is a critical initiative at Logistick. Running a business without negatively impacting the natural world is the goal. Logistick tries to positively impact the planet, so that future generations can enjoy what we have today!



PROCESS

Great systems and processes are essential to most businesses, especially at Logistick. It’s the engine that keeps forward momentum moving, continual maintenance and improvement are also key.

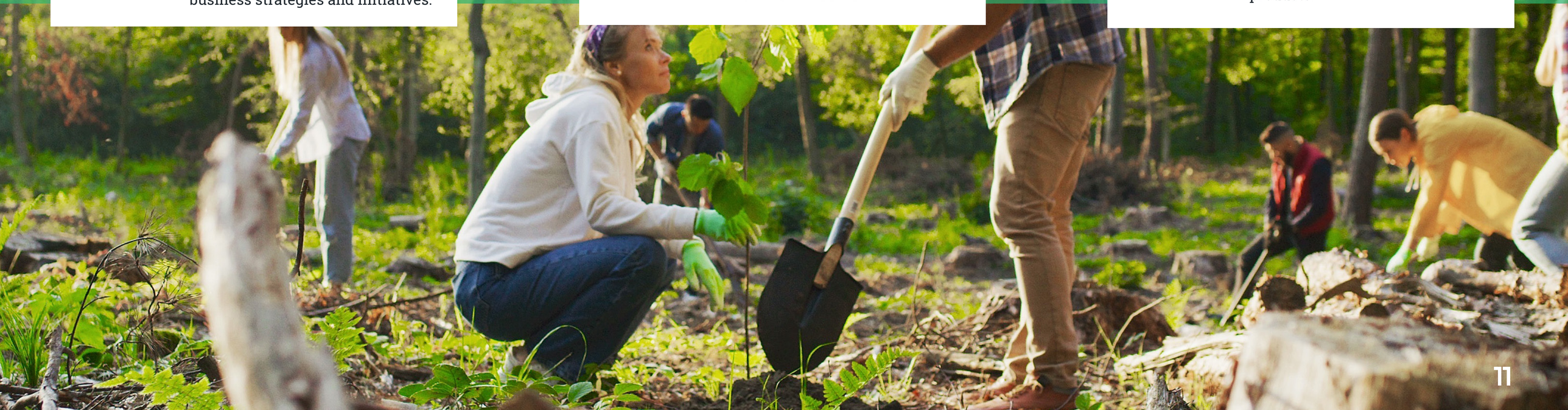
PEOPLE

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.

PLASTICS AND THE ENVIRONMENT

Logistick, Inc. is dedicated to protecting the environment (land, water, air) by reducing waste and incorporating recycled materials into manufactured products. The Logistick Environmental Management System (EMS) initiative provides a mechanism for environmental management throughout all business activity. The EMS is designed to cover environmental aspects which the company can control and directly manage, and those it does not control or directly manage, but can be expected to have an influence. Logistick, Inc. is committed to protecting the planet. To minimize environmental impacts concerning all business activities, all Logistick partners and stakeholders must:

- Comply with all applicable environmental legislation and sustainability commitments, including the consideration of environmental issues in all business strategies and initiatives.
- Prevent pollution and reduce consumption of resources through manufacturing and waste management practices that promote re-use, recovery and recycling, as appropriate.
- Adopt a material procurement program which takes into account the environmental impact, and supports the purchase of, energy-efficient and eco-friendly products.



OPERATION CLEAN SWEEP PLEDGE

The Operation Clean Sweep (OCP) pledge was signed and passed in 2020 by Logistick, Inc. and its key manufacturing partner, SPI Industries. The teams are working to achieve zero pellet, flake and powder loss in the plastic injection mold manufacturing process, to especially make sure no plastic enters the marine environment. Quarterly audits are conducted by a joint committee, and necessary actions are taken concluding each audit. The teams take the commitment seriously and continuously finds ways to reduce any type of plastic loss.

RECYCLING AND REUSE GUIDE FOR LOGISTICK #7 PLASTIC PRODUCTS

The Logistick freight securement products are 100% recyclable and sometimes reusable (LogiTrack pockets). Please consider specialty recycling all Logistick #7 parts containing post-industrial recycled ABS or PC. Maximize the volume of material you recycle to reduce dumpster fees, lower your environmental footprint, and reduce waste entering national landfills.



Logistick Plastic is Grade #7 Other - Post-Industrial Recycled Acrylonitrile Butadiene Styrene (ABS) and Poly-Carbonate (PC)

Logistick Products to Recycle - Loadbar XL® & Loadbar Wide®, LogiTrack®, Logipad®, Floor Brace® & Floor Brace® XL, Super Strap® & International Strap®, Intermodal Strap® & Intermodal Strap® XL, Intermodal Wedge® & Intermodal Wedge® XL, Wedge XL® & Wedge International®, Super Wedge® & Super Wedge® XL.

STEP 1

Check with your current recycling company to see if they will recycle (collect) the separated #7 ABS and PC streams.

STEP 2

If not - Check with your Logistick rep or sustainability group, and they will support you with proper recycling and/or eco-friendly disposal of the materials.

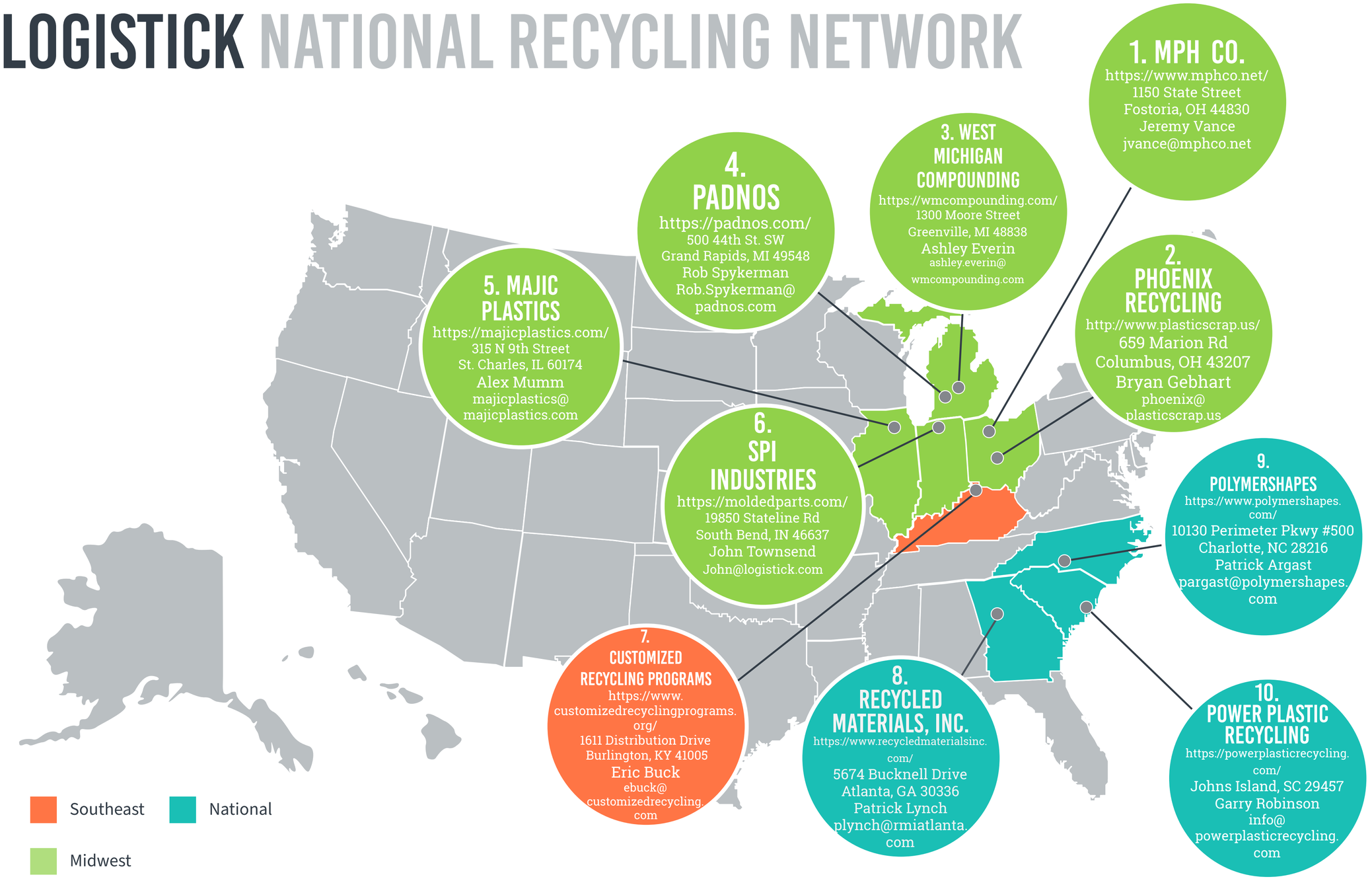
STEP 3

Collect the material in bins, gaylords, or other containers of choice, and coordinate the transfer to your recycling company.

OPTIONAL STEP 4

LogiTrack® pockets that are collected and separated can be reused at your discretion. Buy new tracks + foam to use with reused pockets.

LOGISTICK NATIONAL RECYCLING NETWORK



KEY ACCOMPLISHMENTS

The 2022 accomplishments were in close alignment and in accordance with the 5 key Logistick sustainability goals. These achievements have continued the momentum that Logistick needs to reach the 5 goals (see 5 Key Sustainability Goals section on page 21) The 2022 accomplishments are tied to the planet, people, process and product focus.

Environmental

- Improved carbon footprint accounting for 30-Year Carbon Offset Partnership with Mamoni Valley Preserve.
- Donated to the 1% for the Planet, *Planet Impact Fund.* Resources for environmental organizations addressing today's urgent environmental issues and power investments that build a healthy, sustainable world. Helping combat climate change, advance environmental justice, foster conservation, lead the clean energy transition and more.

Social & Equality

- 25 blogs drafted for the education of sustainability, efficiency and lean practice in the freight transportation industry.
- Human Resources offered support, workshops, team lunches, outings, and an Earth Day cleanup event at Logstick HQ.
- Increased philanthropic giving budget by 50% in the past 2 years for social causes, disaster relief, environmental awareness, and introduced volunteering hours.

Governance

- Completed key interviews with Intertek Life Cycle Assessment (LCA) team, to learn about the process and costs for launching LCA study on Logistick manufactured parts and systems, to improve operational carbon footprint accounting.

Economic

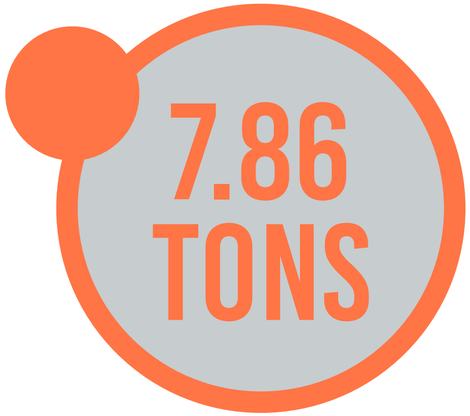
- Reduced weekly dumpster pick-ups by improving recycling process, saving waste, and weekly hauling charges.
- Solar 2.0 installation completed at SPI Industries, a sister company and manufacturing partner.



SUSTAINABILITY METRICS TRACKED

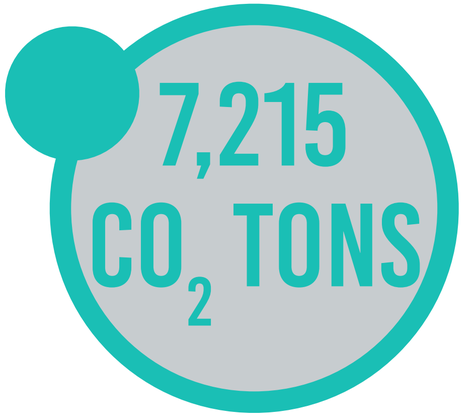
The Logistick crew was hard at work in 2022 supplying freight securement products and solutions to the consumer goods, transportation and shipping industry. 2022 was a record year for product sales and a near record year for domestic and international cargo secured. And as always, more cargo secured means less damaged goods, fewer injuries and less landfilled waste. Other than total product sales, Logistick is tracking 3 critical 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



Shrink Wrap Recycling (#4 Plastics, LDPE) = 3 tons
Purge/Scrap Plastic from Manufacturing = 1,720 lbs.
OCC (Cardboard Gaylords, Mix Cardboard, Paper) = 4 tons

OPERATIONAL CARBON FOOTPRINT (CO_2) EMISSIONS IN TONS ANNUALLY

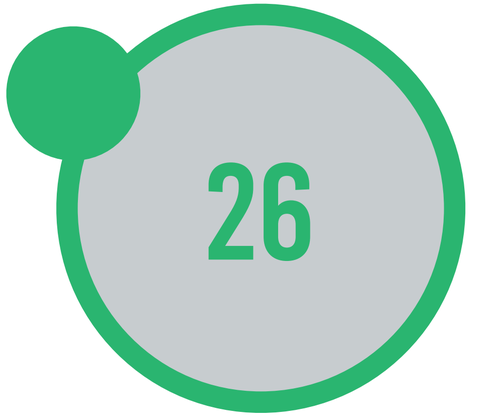


30 Year, 546 Acre MVP Rainforest Lease
CO_2 Sequestration Inventory = 117,060 tons

2021 CO_2 = 9,779 tons
2022 CO_2 = 9,479 tons

Current CO_2 Offset Balance = 88,200 tons

EDUCATIONAL RELEASES



Sustainability Focused Blogs = 25
Articles, White Papers, Webinars = 0
Sustainability Report = 1

KEY PRODUCT SUSTAINABILITY WINS IN 2022

Recycled Resin Feedstock

Logistick products are made from post-industrial ABS recycled plastic, and made of a minimum of 70% recycled content, which is roughly 32% of the footprint of virgin plastic. The plastic comes through a supply chain that is recycling over 100 million pounds of plastic scrap that is typically sourced from industries like automotive.

Domestic Manufacturing with Solar Energy

Logistick manufacturing is in the heart of the Midwest (South Bend, IN), with newly added solar generation as well. Most of the raw material is sourced regionally. Logistick products are also recyclable after use, as a #7 plastic. Albeit challenging, Logistick is working with select customers to collect used products and re-recycle them back to production to embrace circularity.

Damage and Waste Prevention

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

Research, Development, and Green Innovation

In terms of R&D measures - safety, reliability, strength and performance are equally important to the team, especially during record production years like 2022. The R&D team reported being again very satisfied with all product performance measures, even though production pressure remained busy. The team is still working on a new product line that consists of less material and energy needs, for customers with lighter loads. Stay tuned for more information in 2023!

Reusable Products

The LogiTrack®, the first partially reusable Logistick manufactured product, is a two-part system that includes a “pocket” and a “track”. The pocket is reusable as long as it isn’t damaged. In 2022, some customers officially reported back about keeping undamaged pockets to reuse, and then bought new tracks only! The airbags and e-track ratchet straps are also reusable multiple times, which is an important attribute with both products growing in sales. Lastly, the R&D team is testing the reusability of the Floor Brace®, and SMK40 Banding

SOLAR 2.0 - ROOFTOP INSTALLATION

In 2022, SPI Industries, Logistick's strategic manufacturing partner, contracted with Inovateus Solar to install the second solar array on their facility. This solar array is projected to power over 25 percent of the energy needs of the entire SPI campus.

The team is excited to be utilizing more renewable energy in the manufacturing process to lower the annual carbon footprint!

SOLAR FACTS:

- **Array Size:** 990 Panels. 391 kWdc / 300 kWac, Producing 462.3 MWh of Electricity Per Year
- **Recycling:** 2.5 Tons of Construction Waste Recycled to Achieve 100% Recycling Rate
- **Emissions Avoidance:** 328 Metric Tons. Equivalent to Powering 41 Avg. Size Homes Annually

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inovateus

SPI INDUSTRIES
Custom Molding the Future



Solar being installed on SPI industries roof at
19850 Stateline Rd. South Bend, IN 46637

VOLUNTEERING AND PHILANTHROPIC FOCUS

Team Logistick is proud to continue our Founder's generosity and philanthropy in our community and around the world. In the last 7 years alone, Logistick has given over $1,550,000 million dollars to over 50 local and national charitable organizations that depend and survive on donor funding. The focus remains on the health and well-being of those less fortunate, as well as the conservation of Mother Earth. It is important to look towards the future and continue the positive change and healing for those in need. Team Logistick is extremely grateful to be able to give back, and volunteer. In 2022 alone, Logistick team members volunteered over 250 hours of time to charities of choice and the company gave each employee 8 PTO hours specifically to volunteer. Logistick is all about "keeping the spirit", as the founder acclaimed! Some of the local and national groups that are supported are listed below. The plan is to continue to support these groups, as well as others, which are consistent with the Logistick philanthropic philosophy.

Cultivate
Renewing hope one meal at a time

Cultivate Food Rescue

CONVOY OF HOPE®

Convoy of Hope

PACK AWAY HUNGER™

Pack Away Hunger

NAMI
National Alliance on Mental Illness
Find Help. Find Hope.

National Alliance on Mental Illness

St. Margaret's House

St. Margaret's House

SHRM®
BETTER WORKPLACES BETTER WORLD™

Society for Human Resource Management

CLUBHOUSE of St. Joseph County

Clubhouse of St. Joseph

WSL
women's service league

Women's Service League

ENVIRONMENTAL AWARENESS AND CONTRIBUTIONS

Environmental contribution and stewardship are especially important initiatives to Logistick. Over the last 5 years, Logistick has given over $250,000 to environmental organizations alone, on top of committing to a 30-year carbon offset program 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 2022, Logistick donated a significant amount to the 1% for The Planet "*Planet Impact Fund*", as well as the Potawatomi Zoo Lion Project.

OCEANA Protecting the World's Oceans

Oceana

MAMONÍ VALLEY PRESERVE PANAMÁ

Mamoni

fernwood BOTANICAL GARDEN AND NATURE PRESERVE

Fernwood

Hoosier Environmental COUNCIL

Hoosier Environmental

St. Joseph County Parks

St. Joseph County Parks

ALLIANCE for the GREAT LAKES

Alliance for the Great Lakes

POTAWATOMI ZOO

Potawatomi Zoo

1% FOR THE PLANET

1% for the Planet

5 KEY SUSTAINABILITY GOALS

The forward vision for Logistick is to continue to be a leader in sustainable freight securement, and develop new innovations that make a positive impact on the planet, especially in the current decade. Logistick believes the climate is evolving, and that humans are having an impact on the planet, in many ways negatively. However, if these practices are altered to be more sustainable, eco-friendly and innovative, negative impacts like carbon emissions, accumulation of waste and pollution can be reversed. As we know, the planet is resilient, if we give it a chance to heal. Logistick will continue to secure the future of freight, reduce waste, and help build a planet that is habitable and healthful for all things living. The 5 Key Sustainability Goals that Logistick plans to achieve by 2025-2030, are:

01 ESTABLISH CARBON NEUTRAL OPERATIONS WITH A NET POSITIVE IMPACT ON THE ENVIRONMENT BY 2025. ALSO, INVEST IN FOREST AND WATER CONSERVATION PROJECTS BY 2025.

Progress Report → Agreement signed in 2020, 30-year operational carbon offset with Mamoni Valley Preserve.

02 IMPROVE ANNUAL SOCIAL AND ENVIRONMENTAL IMPACT THROUGH COMMUNITY ENGAGEMENT, PHILANTHROPY, AND VOLUNTEERING PROGRAMS.

Progress Report → Over $1.55 million donated to over 50 organizations in the last 7 years, 25% annual growth.

03 BECOME THE NATION'S LEADING FREIGHT SECUREMENT AND WASTE MANAGEMENT REDUCTION COMPANY IN THE U.S. BY 2030.

Progress Report → National rankings still do not yet exist, but the team believes great strides are being made.

04 BECOME A RECOGNIZED THOUGHT LEADER FOR SUSTAINABLE PACKAGING ALTERNATIVES USING SUSTAINABLE DEVELOPMENT BEST PRACTICES.

Progress Report → A record, 25 sustainability, efficiency and lean focused blogs were sent out in 2022.

05 GENERATE IMPROVED SUSTAINABILITY COST SAVINGS AND COST REDUCTIONS ON AN ANNUAL BASIS.

Progress Report → Through building energy and product packaging efficiencies, over $70,000 is annually saved.



2023 KEY OBJECTIVES

The following are the 2023 objectives to be achieved or completed by the end of the year. Each of the 8 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

Carbon Footprint Accounting

Launch Intertek Life-Cycle Assessment (LCA) study on Logistick manufactured parts and systems, to improve operational carbon footprint accounting.

02

Reporting

Put in place quality reporting for suppliers, and safety reporting for customers. Both will be more accurately recorded for future sustainability reports.

03

Reusable Testing

Continue stress testing products that are reusable, or are potentially reusable: Floor Brace®, Intermodal Strap® Kit Banding, LogiTrack Pockets®, Airbags, and E-Track Ratchet Straps.

04

Recycling Program

Pilot scrap recycling program with resin supplier to test footprint and steps to meet quality specifications.

05

Marketing

Enhance marketing and customer communication language regarding reusable products and components.

06

Earth Day

Host Earth Day team outing on Apr 22, 2023 with Cultivate Food Rescue.

07

Philanthropy

Increase both charitable giving and total team volunteer hours by a minimum of 5 percent.

08

Continuous Improvement

Find new organizational efficiencies and opportunities to decrease and offset our operational carbon footprint.


“SECURING FREIGHT TODAY,
HELPING SUSTAIN TOMORROW”
LOGISTICK
Innovators of Freight Securement Systems ®