

Voyageur Aviation Corp – Communication on Progress

For the Period: January 2017 – January 2018

Voyageur became signatory to the United Nations Global Compact (UNGC) on January 20, 2015. This marked the beginning of Voyageur's formalized journey along the path of Sustainability and reported Corporate Social Responsibility. Whether formalized or not, Voyageur has always operated in a sustainable manner. Voyageur's success is predicated on being efficient, responsible and sustainable. Having been signatory for over 2 years now, Voyageur has gone through many changes that have improved Voyageur's operation and commitment to the UNGC. As discussed in the previous Communication on Progress (COP), Voyageur Airways was purchased by Chorus Aviation Inc. on May 1, 2015. On January 1, 2016, Voyageur established 2 new companies, Voyageur Aerotech Inc. and Voyageur Aviation Corp. This strategic move allowed Voyageur to separate the Maintenance Repair and Overhaul, and Design Engineering portion of the company from the Air Operations portion that is Voyageur Airways. To support both companies with Administrative services, Marketing, Safety and Risk Management and Sustainable Development and Corporate Social Responsibility, parent company Voyageur Aviation Corp was established.

Under Voyageur Aviation Corp, Airways, Aerotech, and Avparts can combine their expertise to offer an unparalleled one-stop-shop for aviation related clients across the globe. In addition to this, Voyageur is able to actively promote the UNGC and its 10 fundamental principles across more business areas than ever.

Voyageur's Implementation of the Ten Principles

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: Make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals / Implementation

Voyageur is a company with a global reach and an understanding that businesses have a very important role to play in respecting and upholding human rights. As a Canadian employer, Voyageur must be compliant with the Canadian Human Rights Commission and follow the rules set out by both the Canadian Human Rights Act as well as the Employment Equity Act. Between these two laws, employer obligations regarding equality, duty to accommodate, and equal employment opportunities are defined.

Voyageur has long standing Overriding Policies in place for:

- Discrimination and Harassment
- Employment Equity
- Sexual Harassment

These policies are continually reinforced and accessible by every employee through Voyageur's company-wide online document sharing portal. Copies of these policies are also on display at common areas throughout Voyageur facilities.

If any employee feels that their Human Rights are being infringed upon or violated, they are able to submit a report through Voyageur's Confidential Reporting system. Access to these reports is restricted to only necessary individuals who have the requisite training and knowledge needed to properly handle these types situations.

Voyageur's parent company Chorus Aviation, introduced the Chorus' Female Leaders Advisory Group (FLAG) this year. FLAG was developed to advise on and support initiatives to increase gender diversity among the leadership at Chorus including

Voyageur Aviation Corp. The FLAG team first put out a survey to all employees to better understand the current situation in the workplace. The information garnered from this survey would allow FLAG to better focus efforts and resources. Voyageur is committed to diversity, and fostering an inclusive workplace. We recognize that a diverse employee group makes us stronger. One component of our diversity and inclusion initiatives is gender diversity.

After the data from the survey was collected and analyzed, FLAG has begun focus to two main areas;

1. Encouraging more females to consider aviation careers. There are great initiatives already underway to attract young people to the aviation industry. FLAG will lend our support to efforts encouraging young women to pursue non-traditional career paths.
2. Providing development opportunities for current employees within the Chorus group of companies who wish to enhance their leadership skills; both for their current roles or toward future opportunities. FLAG will be sponsoring professional development initiatives, including opportunities to network with colleagues in the company and industry. We'll also look at ways to support the mentorship and peer support programs. Additionally, an e-library with access to articles and books on leadership is in development.

These two areas are connected. By increasing the participation of women in aviation careers, we will increase the number of female candidates for roles across our organization.

Measurement of Outcomes

Voyageur has had no Human Rights violations in its operating history. Voyageur will also continue to remain vigilant and attentive to any potential Human Rights violations in our operations. Voyageur's confidential reporting system also continues to be used by employees for various different circumstances. This further indicates the need of such a system.

With creation and implementation of FLAG, Voyageur is now taking a big step forward in female advancement in the workplace. FLAG will track the progress of the initiatives utilizing metrics such as the percentage of females in the workplace and percentage of females in leadership positions.

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour;

Principle 6: The elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals / Implementation

In Canada, labour laws stem directly from human rights laws and regulations. Canada is a member of the International Labour Organization and therefore must apply the 4 labour principles from the UNGC in its own labour laws. Voyageur has multiple Overriding Policies and Directives regarding labour laws and regulations. The following Overriding Directives are currently enforced at Voyageur:

- Employment Equity
- Discrimination and Harassment
- Sexual Harassment
- Confidential Information
- Safety & Risk Management
- Non-Punitive
- Intellectual Property

Building upon these policies/directives, Voyageur also has policies/programs in place to specifically protect employees during performance of their duties. The following policies are currently in place:

- Work Refusal Policy

- Personal Protective Equipment (PPE) Training Program
- Working at Heights Training Program
- Confined Space Training Program

A new initiative that Voyageur is implementing, is increasing the labour component of the Voyageur supplier approval process. As mentioned in the human rights section of this document, Voyageur only utilizes approved suppliers for both aeronautical products. Voyageur maintains this list to ensure that only suppliers that meet legislative requirements are utilized. To become an approved supplier, they must complete Voyageur's Quality Audit form. An onsite audit may also be conducted if necessary. Every supplier's status is reviewed every three years. Questions regarding human resources and training are asked but, Voyageur will also now ask the potential supplier about its ability to uphold the UNGC's labour principles.

Measurement of Outcomes

Voyageur stands behind its Work Refusal Policy and ensures that all employees are aware of their right to refuse dangerous work. Voyageur also places large amounts of emphasis on our training programs for both newly hired employees and recurring training. Monthly inspections are carried out for compliance to safety regulations. Voyageur continues to reduce the number of incidents/non-compliances that occur or are found in large part due to the effectiveness of the training programs in place. Voyageur has never been involved in any forms of compulsory labour or child labour.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development of diffusion of environmentally friendly technologies.

Assessment, Policy and Goals / Implementation

Voyageur firmly believes that the next paradigm shift in the aviation industry will be in the environmental area. Not only can sustainable/environmentally friendly initiatives help improve environmental well-being, but they can also unlock great value for companies. Efficiencies, cost savings and other benefits can be realized through the implementation of sustainable initiatives.

Voyageur has two (2) main streams of operations where precautionary approaches are applied. These are Flight Operations and Maintenance and Engineering. Voyageur has implemented the following Environmental Initiatives:

- Fuel Management Policy: Under this policy, Voyageur trains and instructs flight crews on how to best effectively manage fuel during operations. Not only does this policy help protect the environment but it also creates cost savings which are then passed on to the customer.
- Asbestos Awareness Program: This program was designed to provide awareness about asbestos. Voyageur's main base facilities were designed during a period when asbestos was used for thermal/acoustical insulation and fire proofing. Voyageur has thoroughly identified and labeled all areas of its main base where asbestos exists.
- Aircraft Paper Records Recycling: Throughout the dismantling of several aircraft this year, Voyageur was tasked with the disposal of all of the documentation for these aircraft. Voyageur is happy to confirm that all aircraft records were recycled properly
- Energy Conservation at our Main Base of Operations: While not official policy, Voyageur uses many techniques and strategies to conserve energy at its main base of operations in North Bay, Ontario. This is especially prevalent during the winter months. Limiting operation of the hangar doors for instance drastically reduces the workload on the heating system.

A major project currently underway at Voyageur's Head Quarters is the renovation of the hangars and office facilities. This is a multi-phase project with the first phase having been completed recently. Voyageur has completely renovated one of the hangars and the offices within. This project involved many adaptations from structural to environmental. As mentioned above, Voyageur's facilities were designed during a period when asbestos was used as insulation and fire proofing. This adds the complex

element of asbestos removal and disposal to the project. Voyageur has ensured that the proper and legal procedures are being utilized for the removal of the asbestos. The disposal of the asbestos is also being conducted in accordance with the Environmental Protection Act of Ontario.

Measurement of Outcomes

Through the renovations, the removal of the asbestos provides a positive impact to the environment. The renovations also make the buildings more energy efficient further reducing the environmental footprint.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals / Implementation

Voyageur Airways fully supports the United Nations in its fight against all forms of corruption. In many of the countries of operation for Voyageur, the ugly head and face of corruption is widespread. Knowing this, Voyageur provides training to all of our Site Managers and other employees who deal with third parties at overseas locations. This training and emphasis on eliminating corrupt practices in Voyageur operations help to combat corruption in these areas of operation. Voyageur would handle any instances of corrupt practices with the sternest authority.

Voyageur's parent company Chorus Aviation Inc. has established two new policies in the Code of Ethics and Business Conduct. They are;

1. Chorus Anti-Money Laundering and Anti-Terrorist Financing Policy
2. Chorus Anti-Bribery and Anti-Corruption Policy

These policies have been created to further assist our compliance efforts by providing more information about the different types of prohibited conduct and the procedural steps we can take to minimize the risk of violations.

Before any Aircraft Operating Agreement signed, Voyageur has the client complete a Know Your Customer (KYC) form completed. Additionally, the client must also complete and duly sign a Due Diligence Questionnaire and Compliance Certificate as part of the Aircraft Operating Agreement. These documents have the client declare that they have not engaged in money laundering, terrorist financing, bribery and/or corruption.

Tying the Code to the Anti-Corruption principle of the UNGC, Voyageur will undertake all business dealings in a candid and straightforward manner that preserves our integrity and reputation.

Measurement of Outcomes

Voyageur is also subject to many audits by various organizations. These are both financial and operational in scope and nature. These audits have not discovered any evidence of corrupt practices.