# **BEAR FACTS**

Algoma Central Corporation Newsletter Spring 2019





### PRESIDENT'S Message

Just a few months on the job now and there has been no shortage of excitement around here! I would like to thank everyone for their hard work both this winter and into the spring; it has been busy times at Algoma!

The big story this first quarter was Tankers. The Algonorth joined our fleet in December and in March we added the Algoterra to the fleet. We now have eight vessels in operation. These two tankers have increased our deadweight capacity by over 40%. With the steady customer demand in this segment and the expansion of our contracts with IOL, these vessels will be hard at work for the remainder of the year.

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### **INSIDE THIS ISSUE**







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Check out photos from the awards dinner & go-karting!

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Algoma in the Community, 2018 United Way results and upcoming events.

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Share Your Story, Births, Final Sailings, New Hires & Promotions.

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Tim S. Dool leaving drydock in Duluth, Minnesota

## PRESIDENT'S MESSAGE CONTINUED



Sourcing crew for these vessels was a challenge but we successfully recruited a qualified Canadian crew for both tankers. One of the biggest challenges may turn out to be Algoma's greatest strength as we strive to be the employer of choice for Canadian seafarers.

We also announced in January that a definitive agreement was signed to acquire the interest held by Oldendorff Carriers GMBH & Co. ("Oldendorff") in the CSL International Pool ("the Pool") including three vessels owned by Oldendorff operating in the Pool. In early June the deal was officially closed and we have now taken ownership of the Algoma Victory, the Algoma Verity and the Algoma Valour, increasing our interest in the Pool to approximately 40%. This is a business we know well and I am confident that these vessels will generate positive returns.

In terms of lay-ups, we had one of the busiest winters in the Domestic Dry-Bulk segment in several years. Compared to the 2018 first quarter we had an 8% increase in operating expenses primarily as a result of an increase in dry-dockings. There were four vessels that underwent significant investment this winter. Of the four, the big transformation was on two of our oldest vessels, the John D. Leitch and the Tim S. Dool, which were dry-docked and re-painted, returning them to their former glory.

Also in Domestic Dry-Bulk, we announced on May 3, 2019 that we have exercised our option to build a new Equinox Class gearless bulker at the Jangzijiang Shipyard in China. The vessel is expected to arrive in time for the 2021 navigation season. For more details please see our Equinox Update on the following page.

Domestically, we have concluded a number of successful contract renewals and I want to thank everyone involved for their hard work in making this happen.

Global Short Sea Shipping experienced weak returns in the first quarter of 2019 and we have some work to do to improve these returns; however, there are still promising opportunities in the future for this segment.

Despite some challenges in the first quarter, the outlook continues to be positive for the year. I would like to wish everyone a safe and enjoyable summer!

#excitingtimesatalgoma

Dregg

## **EQUINOX UPDATE**

In the last issue of Bear Facts the Algoma Conveyor project was nearing the final stages of construction. Fast forward a few months and she is now in operation. The vessel left China on February 16, 2019 and made her two month journey home, taking her to the Phillippines, across the Pacific Ocean, travelling through the Panama Canal and up the east coast of North America to Canada.

The Algoma Conveyor officially began operations in Canada on April 18, 2019, first arriving in Seven Islands where she was re-flagged and underwent a crew change. The vessel has integrated into the Algoma family well and we would like to thank everyone who made this possible.

With the recent Board approval of another gearless bulk carrier the technical group are working hard to design and adapt changes into an updated version of the Equinox Class ship. The new design will not only be capable of carrying more cargo but also incorporate improvements and ideas generated from feedback received from those working on the existing ships and all departments of the management team. Of course, we will not be giving up the core advantages of the original Equinox vessels.

All going well, the first major milestone (steel cutting) will happen in November this year, with launching in August of 2020 and delivery into service early on in the 2021 shipping season.



Algoma Conveyor at the entrance of the Panal Canal







FOLLOW US O in S @ALGOMACENTRAL #EXCITINGTIMESATALGOMA #SAILWITHTHEBEAR



## **2018 YEAR IN REVIEW**

On April 22, 2019 our first Year In Review was published! Check out Gregg's first message as President & CEO, view our 2018 financial highlights, our strategic plan and path and vision for 2019!

To view the report: <u>Click here</u>



## **THIS SHIP SAILS SAFE**

Congratulations to the following vessels for their Operational Excellence!

- 1. Algoma Mariner
- 2. Algoma Discovery
- 3. Algoma Spirit
- 4. Algocanada
- 5. Algoscotia
- 6. Algoma Hansa
- 7. Algoma Harvester
- 8. Bahama Spirit



### **Operations Excellence is:**

- 1. Don't Hurt Anyone No treatment above first aid.
- 2. Don't Spill Anything No oil spill to water, land or deck.
- 3. Don't Damage Anything No ship, dock, cargo, or bottom contact (causing damage greater than \$10K).

## **NOVAALGOMA UPDATE**



NovaAlgoma's owned fleet currently comprises 17 cement carriers, 20 mini-bulkers, 5 deep-sea carriers and a 25% interest in a fleet of 7 smaller specialized pneumatic cement carriers, for a total of 49 vessels.

Algoma and JT Cement will be adding an eigth vessel to the specialized fleet of smaller cement carriers. The vessel is currently under construction in the Netherlands and is expected to be delivered in early June, making it the third vessel in the fleet with a LNG fueled propulsion system. This fleet, which is managed by KGJ Cement, operates primarily in northern Europe.

There are currently 6 NASC vessels under construction that are expected to be added to the fleet starting in 2019 through to 2021.



ICS Oceanus

## 



#### 19% Reduction in GHG Emissions

In 2015, Algoma set a target of 25% reduction in Greenhouse Gas emissions by 2025, compared to 2008, and we have already reached a 19% reduction in our dry-bulk fleet.



#### 40% of Fleet Equipped with Closed-Loop Exhaust Gas Scrubbers

To date, Algoma has a total of 9 vessels equipped with closed-loop gas scrubbers, including 8 within the domestic dry-bulk fleet.

The next Equinox Class vessel will also be equipped with a closedloop scrubber.



### It's Live!

www.novaalgoma.com

NovaAlgoma has launched a new website! You can find fleet information, press releases, career listings and contact information all in one place!

Check it out!

Don't forget NovaAlgoma is on social media!

@NOVAALGOMA

#NovaAlgoma

#brightfutureahead



### \$240,000 in Charitable Donations & \$28,000 in Scholarships Awarded

Being a socially responsible Company is part of our vision. It is important for Algoma to give back to the communities where our employees live and work and we encourage our employees to do the same!

## 2019 ANNUAL CAPTAINS & CHIEFS MEETING

This year's C&CE meeting was a great success! For our team building night, our Captains and Chiefs took part in a friendly go-kart competition at the 401 Mini Indy in Toronto. Seeing our Captains & Chief Engineers whiz by on a go-kart was priceless! Congratulations to team Algoma Niagara on the win! It was a great night!

On the last evening of the conference we held a dinner and awards night recognizing those who celebrated a service milestone and our retirees. To all those who received an award, thank you all for your dedication and years of service and wishing our retirees all the best in their next chapter!







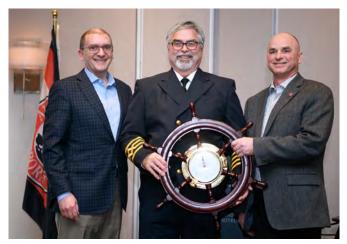






## **DINNER & AWARDS NIGHT**

Congratulations to everyone who received an award, thank you for your years of dedicated service and to our retirees all the best in your future endeavours and thank you for your service!



















From Left to Right: Frances Hallworth (United Way), Wanda Shaw, JudyAnn Savoia, Julie Nieuwesteeg, Hannah Bowlby and Sean Simpson (United Way).



Algoma Staff on Pitch In Day



Algoma Community Involvement Committe members Rebecca Gauvin (middle left) and Janice Sharp (middle right) presents Gillian's Place with \$1,300 in gift cards. Donating a gift card allows a mother the flexibility to make her own choices.

## COMMUNITY Matters

Thank you to all our employees who take the time to participate in community events throughout the year!

On March 28, 2019 the Algoma Community Involvement Committee accepted the United Way Committee of the Year Award! The award is presented to an organization that achieved tremendous success in their employee giving campaign through the leadership of a dedicated committee. Way to go!

For Earth Week a group of shoreside staff took part in Pitch In Day by collecting garbage between locks





2 and 3. They collected 32 bags of garbage that was then picked up by the City of St. Catharines and disposed of properly. After the pick up a pizza lunch was organized raising \$215.00 that was donated to Heartland Forest, a 93 acres protected wetland that provides educational tools to children about ecosystems, biodiversity and the environment. Heartland Forest is also wheelchair accessible so that the outdoors can be experienced by everyone.

Great job everyone!

#### #thebearcares #communitymatters

Algoma Community Involvement Committe members Rebecca Gauvin (back left) and Janice Sharp (back second from right) presents Heartland Forest with \$215.

### 2018 UNITED WAY CAMPAIGN RESULTS Total Amount Raised \$82,139.62

Thank you to everyone who donated! We couldn't have done this without the help and generosity from all of you!

#### **Congratulations to the following winners!**

#### Winner of 5 Algoma Sweaters for donating socks/mittens:

- 1. Wayne Hennessy
- 2. Elena Cannatelli
- 3. Cindy Miatello
- 4. Michelle Daltoe
- 5. JudyAnn Savoia

#### Winners of 5 Algoma Sweaters for donating to the Campaign:

- 1. Gregg Ruhl
- 2. Giulia Smyth
- 3. Ryan Muil
- 4. Mike Vanoostveen
- 5. Jim Phillips

### The vessels listed have been awarded the following amounts for the highest donations to the Campaign:

- 1. Algonova \$150
- 2. Algoma Mariner \$400
- 3. AlgoCanada \$400
- 4. Algosea \$400

### UPCOMING EVENTS

- 1. Backpacks for Kids Late Summer
- 2. Pitch-In-Day Early Fall

### MORE DETAILS TO BE Announced Soon. All are welcome!



## EARTH WEEK AT ALGOMA - DID YOU KNOW?

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#### THE ISSUE: SINGLE-USE PLASTICS

According to researchers at the University of Toronto, the concentration of plastic in our Great Lakes is equal to or greater than that found in the ocean. One recent study estimated that approximately 22 million pounds of plastics are discarded into the Great Lakes System every year.

#### WHAT ARE WE DOING TO HELP?

- Single-use plastics are reduced at source Algoma has eliminated the use of plastic straws, cutlery and dinnerware on board.
- Recyclable materials are sorted on the vessels.
- Not throwing waste overboard is strictly enforced.
- At our head office we have water and coffee refill stations and provide recycling bins at every desk.

#### WHAT YOU CAN DO:

- Use reusable shopping bags and water bottles.
- Purchase reusable food storage containers instead of using sandwich bags.
- Be aware of and observe the recycling practices for your region.



#### THE ISSUE: ENDANGERED MARINE MAMMALS

North Atlantic Right Whales are one of the most endangered of all large whales, with a remaining population of only about 400 animals. These whales migrate north along the North American east coast during the spring and summer to feed, and have recently been frequenting the Gulf of St. Lawrence.

#### WHAT ARE WE DOING TO HELP?

- Algoma participates with the Reseau d'Observation de Mammiferes Marins (ROMM) to compile observation data on these and other whales in the lower St. Lawrence River and Gulf of St. Lawrence.
- We also follow federal regulations regarding slowing down and, if possible, avoiding certain areas during periods of high whale activity.

#### WHAT YOU CAN DO:

- If you live in areas that are also home to marine mammals, you can help protect them by being aware of and adhering to boating regulations in whale zones, keeping your distance, and reporting sightings or injured mammals to Fisheries and Oceans Canada at <u>XMARWhalesightings@dfo-mpo.gc.ca</u>.
- For more information on watching marine wildlife see <u>http://www.dfo-mpo.</u> gc.ca/species-especes/mammals-mammiferes/watching-observation/indexeng.html.



#### THE ISSUE: GREENHOUSE GAS EMISSIONS (GHGs)

Greenhouse gas emissions (GHGs) generated from fossil fuel combustion in transportation are a major contributor to climate change. According to the Chamber of Marine Commerce, the marine shipping industry can be one part of the solution, given that commercial marine vessels are the most fuel efficient and carbon friendly way to transport the raw materials and goods that society needs. One vessel can carry as much cargo as about 300 rail cars and almost 1000 trucks, and emits much less GHGs to move the same amount of cargo. (https://www.marinedelivers.com/environment/)!

#### WHAT ARE WE DOING TO HELP?

At Algoma, we are taking measures to reduce our GHG emissions, and have set a target for our fleet of a 25% reduction by 2025 - as of 2018 we had already reached a 19% reduction in our domestic dry bulk fleet.

#### WHAT YOU CAN DO:

- Carpool, take the bus, walk/bike to work and practice energy saving measures at home such as turning your lights off when not needed, using LED light bulbs and sealing air leaks.
- For more energy saving tips see <u>https://www.enercare.ca/blog/tips-tricks/top-</u>

15-ways-save-energy-home.



Jacey, the daughter of O/S Calvin Chaulk, wanted to share her snow sculpture with the employees of Algoma. Thank you for sharing and great job Jacey, looks like you might have a future as a Naval Architect!

## SHARE YOUR STORY



Captain Robert Loveless sent in this photo of a hammock that Wheelsman, Mark Hurst made for his retiring shipmate wheelsman, Camille Cloutier. Beautiful hammock Mark! Thank you for sharing Captain Loveless.



Over the winter, the John D. Leitch was re-painted at the Port Weller Dry-Docks, where she was built in 1967. The vessel was christened the Canadian Century and re-named in 2002 honouring the owner of the Upper Lakes Group Jack (John) D. Leitch. In 2011, the Upper Lake eet was purchased by Algoma but the name remained. Jack requested to come see the ship and we had the pleasure of having Jack, who is now 98, and his wife Catherine come to see her in all her glory. Thanks for coming Jack, it was an honour. Special thank you to our VP, Engineering, Steve Wright for taking Jack to the vessel and sending in this photo.

Photo: Left to Right - Ewa Tauben igel former VP of HR Upper Lakes Group, Jack (John) D. Leitch, Steve Wright, former Upper Lakes employee and now VP – Engineering at Algoma.



Captain Ray Schrempf sent in this photo of the Algoma Innovator in the Mackinaw Straits. Looks like the vessel is breaking through the clouds! Thank for sharing Captain Schrempf.

WANT TO SEND IN YOUR STORY?

send to bearfact@algonet.com

## 2019 ALGOMA AWARD Recipients







Photo Left: Captain Kenneth Marsh (L) presents Abel Stevens (R) with his scholarship.

Photo Right: Captain Kennth Marsh (L) presents Matthew Devoe (R) with his scholarship.

Georgian | Centre for Marine Training and Research

### Algoma Central Corporation Award for Marine Technology Navigation



Photo Left: Jessica Perotta, Assistant Manager, Fleet Personnel (L) presents Joseph Lamoureaux (M) and Mirko Balog (R) with their award.

Photo Right: Jessica Perotta, Assistant Manager, Fleet Personnel (L) presents Bryan Barty (M) and Yevgeny Belgradov (R) with their award.





Photo From Left to Right: Marc-Antoine Gervais – Deck Cadet Victor Lechasseur – Engine Cadet Captain Harold Ouellon – NACC Quebec (Company rep presenter) Mathieu Levesque – Deck Cadet Alexandre Faribault-Pager – Engine Cadet Keith Turbide – Engine Cadet Charles-Etienne Morin – Deck Cadet (absent)

### CONGRATULATIONS ON YOUR AWARDS!



## TRAINING





Our ships might be laid up for the winter but our crews and office staff are hard at work taking part in training, upgrading their certificates and attending marine colleges to teach and train future seafarers. Great job everyone!



Shiphandling Course - Georgian College From left to right: Blake Gustafson, Allister MacLean, Romulo Abaigar, Chris Connor, Dominique Bailey, Aaron Fernandez, Travis Shipman and Nadeem Khan. In front: Instructor Captain Ray Schrempf.



BRM Course - Bridge Resource Management From left to right: Christian Sutton, Rodney Georgison, Brett Massender, Julie Corriveau, Ray Schrempf, Yuri (not ACC employee), Christian Solano, Maxim Piche-Beauregard, Nasser Rosete.



SSO Training - Ship Security Officer Back (left to right):

Darnell Normore, Jeffrey Martin, Matthew Conrad (not ACC employee), Muhammad Khan, Jacob Vos, Robert McGarrity, Valeriy Karcheglo, Nadeem Khan, Romulo Abaigar.

**Front (left to right):** Tyler Davidson, John Stephen.



**Pilotage Course - Georgian College From left to right:** Rodney Georgison, Tom Hutchings, Ali Hassan, Julien Lafreniere, Mark Spence, Scott Chant.

## **SAFETY TRAINING - CADETS**

Our Manager, Safety, Dan Fournier was at it again this winter travelling to marine schools to speak to cadets about the importance of safety and the tools Algoma uses to sail safe! Way to selfie Dan! #thisshipsailssafe #sailwiththebear







Pictures Above: Georgian College safety training 1<sup>st</sup> year Cadets

**Picture to the Left: Nova Scotia Community College** 1<sup>st</sup> year Cadets

## **CERTIFICATE UPGRADES**

Congratulations to the following employees for upgrading their certificates!

Daniel Aubry Maxim Piche-Beauregard Sandeepan Bose Mike Brown Nicolas Gagnon Ali Hassan Kevin Dan Lundstrom Peter Mogl-MacLean Karim Rahmouni Apoorva Srivastava Dereck Tait Alexandre Therrien

## **NEW SERVICE AWARD PROGRAM**



Algoma would not be as successful as we are without the efforts of all of our dedicated, hard-working employees. In return, it is important for employees to be recognized and to feel appreciated for all of their contributions. One way Algoma has recognized commitment and loyalty to the Company is through our Service Award Program. As we continue to evolve as a Company the way we recognize our employees should also evolve to ensure we continue to show the great value we place on their service. With that in mind, Algoma is introducing a new Service Award Program aimed at recognizing and rewarding our diverse workforce with a program just as diverse, providing many choices for our employees who are celebrating a milestone year.

With our new program, employees who are celebrating their 10th anniversary will be given an updated, modernized award (as shown above) along with a 10th year medallion to be placed on the award. Thereafter, with every 5th anniversary, employees will receive an additional medallion to commemorate that milestone that they can place on the award they received for their 10th anniversary. Any employee who has surpassed their 10th year anniversary with Algoma will receive the new award once they reach their next milestone year along with a medallion for each of the milestones they have celebrated to that time.

In addition to the medallion, starting with the 15th year anniversary and every 5th anniversary thereafter, employees will be able to select a gift option from a variety of choices from technology, jewellery, household items, lifestyle gifts and many more.

For many, the 25th year is considered a special milestone and one employee's look forward to celebrating. We will continue to honour the importance of employees attaining their "Golden Year" anniversary by providing watch and ring options in the selection of gifts for employees to choose from. Although the supplier and look may change, these options will still be there for employees. In addition, employees who were expecting to be honoured for their 25th anniversary this year will have the choice of the former watch and ring design or a gift from the new selection.

Another important change is the timing of receiving a service award. Previously the program lagged a year which meant employees would not get their plaque until the year following their milestone year. With the new program, we will be celebrating milestones each quarter which means if an employee attained a milestone anniversary in the previous quarter they will be sent a service award package the following quarter.

All of the information regarding how to receive the award and select a gift will be included in the service award package that will be emailed to employees.

- The HR Team

## BIRTHS





Captain Dennis Taylor is proud to announce the birth of his grandson Luke, born November 29, 2018.



ATL Engineer Eric Bantog is proud to announce the birth of his son Gilrey, born on December 24, 2018.







## **FINAL SAILINGS**

It is with our deepest sympathy that we announce the passing of the following employees and retirees. Retired 2<sup>nd</sup> Engineer, Brian Beresford passed away on April 20, 2018; Head Cargo Maintenance, Gary Toope passed away on January 31, 2019; Mobile Utility Crew member, Kenneth Bye passed away on February 1, 2019 and Shipkeeper Ricky King passed away on April 29, 2019. Our sincerest condolences go out to all their family and friends.



## **NEW HIRES**



















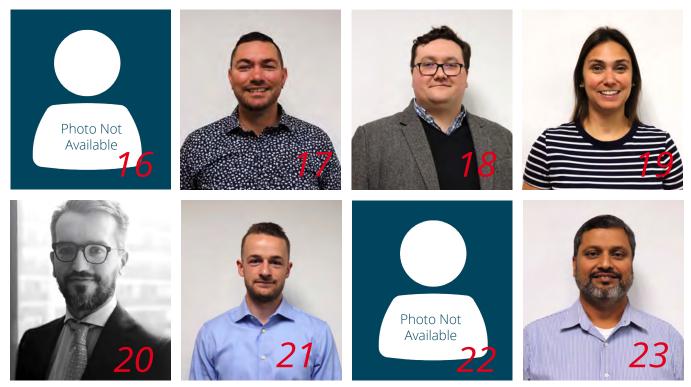








- 1. Captain Eric Alyward was hired full time on January 1.
- 2. Captain Thomas Hutchings was hired full time on January 11.
- 3. Nathaniel Wheeler was hired full time on January 14 as Engineering Superintendent (Tankers)
- 4. Captain Jamie White was hired full time on January 14.
- 5. Chief Engineer Javed Masood was hired full time on January 22.
- 6. Margarita Davidson transferred from shipboard to the office as full time Coordinator, Fleet Personnel on January 14.
- 7. Chief Engineer Lewis Knegje was hired full time on February 28.
- 8. Chief Engineer Juri Kiseliuk was hired full time on March 22.
- 9. Chief Engineer Sami Sakaa was hired full time on March 31.
- 10. Maybeth Szilagyi returned and was hired full time as Logistics, Coordinator on April 1.
- 11. Terri Morris was hired full time as Clerk, Billing on April 1.
- 12. Shelley Eustace was hired full time as Clerk, Billing on April 1.
- 13. Marie France LeBlanc was hired full time as Clerk, Billing on April 1.
- 14. Shannon Convery was hired full time as Clerk, A/P on April 1.
- 15. Alex Tapp was hired full time as Coordinator, Disability & Risk Management on April 10.





- 16. Captain Petre Petrov was hired full time on April 24.
- 17. Jesse Vidal was hired full time as Manager, Sales on April 29.
- 18. Trevor Haslam was hired full time as Administrative Assistant, HR on April 29.
- 19. Michelle Daltoe was hired full time as Buyer on May 1.
- 20. Michele Aliprandi was hired full time at NovaAlgoma in Lugano as Head of Financial Reporting & Controlling on May 3.
- 21. Brandon Andres was hired full time as Management Trainee on May 6.
- 22. Captain Edward Kemp was hired full time on May 9.
- 23. Ayub Quraishi was hired full time as Buyer in Fort Lauderdale on May 13.
- 24. Chief Engineer Asif Hamad was hired full time on May 24.



## PROMOTIONS



- 6. On January 14, 2019 Avijit Roy was promoted to Senior Superintendent (Tankers)
- 7. On January 25, 2019 Romulo Abaigar was promoted to Training Captain.
- 8. On February 10, 2019 Martin Bateman was promoted to Training Captain.
- 9. On March 25, 2019 Nadeem Khan was promoted to Training Captain.
- 10. On April 1, 2019 Doug Elliot was promoted to Senior Manager, Purchasing.
- 11. On April 1, 2019 Graciano Dela Paz was promoted to Assistant Manager, Purchasing.
- 12. On April 1, 2019 Kelly Humes was promoted to Director, Technical & Purchasing
- 13. On April 1, 2019 Julie Nieuwesteeg was promoted to Manager, Human Resources.

## CONGRATULATIONS!