

High-quality,
ubiquitous
connectivity will
change the world

2022 Environmental,
Social and Governance
Impact Report

TELESATTM

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Please refer to page 47 for additional information about the forward-looking statements made in this ESG Impact Report.

Message from our President and CEO



For 54 years, honesty and integrity have underpinned Telesat's culture and behaviors. In our inaugural Environmental, Social and Governance (ESG) Impact Report, we're eager to share how our ESG program is aligned not only with our business strategy but also with Telesat's key values and mission.

At Telesat, we know first-hand the power of connectivity, and during the pandemic, the world witnessed how broadband access was a critical lifeline for businesses, education, human connections and health. But it also amplified inequalities in accessibility for rural and remote communities as well as underprivileged people and nations. Now more than ever, we believe not only that connectivity is a basic human right, but also that **high-speed, ubiquitous connectivity will change the world.**

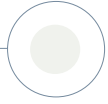
Telesat's ESG program focuses on five key areas to ensure that we fulfill our connectivity mission while protecting our environment, positively impact our employees and communities, and continue to operate with honesty and integrity. Our five focus areas are:

- ▲ Empowering Communities
- ▲ Prioritizing People
- ▲ Protecting the Planet
- ▲ Leading with Honesty and Integrity
- ▲ Ensuring the Resiliency of Critical Infrastructure

We are passionate innovators, pursuing our most ambitious connectivity program in our history. We believe our Telesat Lightspeed Low Earth Orbit (LEO) network will revolutionize access to affordable broadband, and that we can sustainably and responsibly deliver ubiquitous connectivity that changes the world for the better.


Dan Goldberg
President and CEO

About Telesat



Backed by a legacy of engineering excellence, reliability and industry-leading customer service, Telesat (NASDAQ and TSX: TSAT) is one of the largest and most innovative global satellite operators. Telesat works collaboratively with its customers to deliver critical connectivity solutions that tackle the world's most complex communications challenges, providing powerful advantages that improve their operations and drive profitable growth.

Continuously innovating to meet the connectivity demands of the future, Telesat Lightspeed, the company's Low Earth Orbit (LEO) satellite network, will be the first and only LEO network optimized to meet the rigorous requirements of telecom, government, maritime and aeronautical customers. Telesat Lightspeed will redefine global satellite connectivity with ubiquitous, affordable, high-capacity links with fibre-like speeds.

Telesat operates 15 geostationary satellites, providing wide geographic coverage with point-to-multipoint distribution. Telesat's global, blue-chip customer base provides diversified revenues across markets and geographies, with \$1.8 billion in contracted backlog.

But we're not resting on our legacy laurels! We're a "54-year-old start-up," taking on one of the largest and most ambitious space programs ever conceived. Telesat Lightspeed, our advanced, enterprise-class LEO network, will deliver unsurpassed performance, security, and resiliency for space-based connectivity.

With multiple Tbps of capacity in the Telesat Lightspeed network and the ability to dynamically focus multi-Gbps of capacity to demand hotspots, the Governments of [Canada](#) and [Ontario](#) selected Telesat Lightspeed to bridge the digital divide in Canada's far northern communities. Additionally, the Governments of [Canada](#) and [Quebec](#) have become strategic investors in the Telesat Lightspeed program.

Telesat Lightspeed is the culmination of a 50+ year track record of innovation and will revolutionize broadband connectivity from space with low-latency, high-throughput, fibre-like performance everywhere.

At a Glance

Founded in
1969

Employees
~500

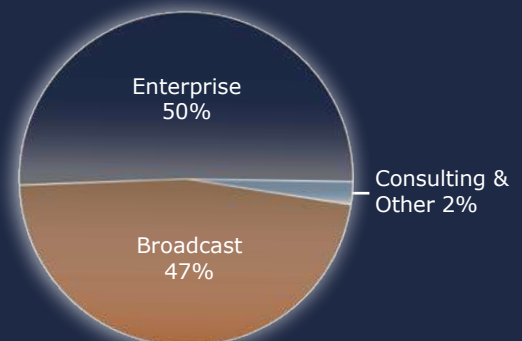
FY2022 Revenue
C\$759 Million

FY2022 Adj. EBITDA Margin
74.8%

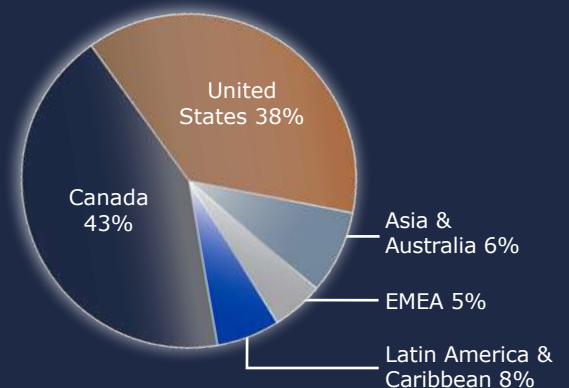
Contracted Backlog
\$1.8 Billion

GEO Fleet Utilization
89%

Service Types



Region



Vision, Mission and Values



Telesat's leadership team and employees are grounded in our culture of integrity, honesty and responsibility, and our belief that **actions** among our employees, customers, suppliers and business partners create trustworthy, valued long-term relationships.

Telesat employees across the globe participated in defining our corporate values and are unified in our collective vision and mission.

Our Vision: Ignite the future of connectivity, today.

Our Mission: To work collaboratively with our customers to deliver critical connectivity solutions that tackle the world's most complex communications challenges, providing powerful advantages that improve their operations and drive growth.

Our Core Values are unique to our culture and serve as guiding principles for how we operate across all Telesat locations. At Telesat, we are:

Customer Centric – We work openly, responsively and collaboratively with our customers to shape their offerings, expand their addressable markets, and facilitate their growth.

Established – We didn't just arrive on the scene. We're a "54-year-old start-up" that's been leading and disrupting communications for decades, from our world-class GEO satellite fleet to our revolutionary Telesat Lightspeed LEO network.

Engineering Driven – Our legacy of industry-leading engineering excellence and technical expertise allows us to design creative, flexible and robust satellite network architectures.

Global – We combine global coverage and scale with on-the-ground, local expertise and deep market knowledge to tailor the right solutions for customers.

Focused on the future, today – With Telesat Lightspeed, we're taking on one of the most ambitious communications programs in history while continuing to embrace, innovate and anticipate the needs of our customers today.

Our Commitment to ESG and Methodology Statement



Telesat designs critical connectivity solutions that tackle the world's most complex communications challenges, and we are committed to doing so in a way that is sustainable, responsible and inclusive.

Our inaugural ESG Impact Report objective is to align our corporate and shareholders' interests appropriately and sustainably with other stakeholder interests and expectations to enhance Telesat's long-term value as we manage market trends and business risks and opportunities.

Our ESG strategy is focused on 5 key pillars:

- ▲ Empowering Communities
- ▲ Prioritizing People
- ▲ Protecting the Planet
- ▲ Leading with Honesty and Integrity
- ▲ Ensuring the Resiliency of Critical Infrastructure





Our ESG strategy is managed and implemented, and this report was prepared, by a cross-functional, management-level committee with members from departments throughout Telesat, and with oversight provided by Telesat's executive leadership team and the Nominating & Corporate Governance Committee of Telesat's board of directors.

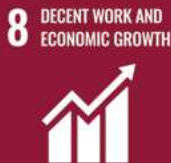




As we progress in our ESG journey, we will look for opportunities to define targets for improvement where appropriate and sustainable, and to provide appropriate and meaningful reporting on progress in meeting our ESG objectives. While ESG disclosure protocols are in the early stages of development, we are encouraged by the ongoing work of the new International Sustainability Standards Board (ISSB), which is attempting to create more consistency and standardization in sustainability reporting and which plans to finalize its first two exposure drafts in the first half of 2023. As experience with these frameworks grows and appropriate protocols and disclosure standards are published, Telesat intends to study them carefully to determine how our future ESG reporting might benefit from them.

Telesat Supports the United Nations (UN) Sustainable Development Goals

Telesat’s strategy and our mission-critical connectivity services indirectly contribute to 16 of the 17 UN Sustainable Development Goals (SDGs), a collaborative, global effort to protect our planet, end poverty, and help people live in prosperity and peace. We have identified eight SDGs as most relevant to our business, based on the impact our business has on the SDGs and how closely our five ESG pillars align with the SDGs.



| UN SUSTAINABLE DEVELOPMENT GOALS | HOW TELESAT CONTRIBUTES |
|--|------------------------------|
| <div> <div> 2 ZERO HUNGER  </div> <div> 2.3: Double the agricultural productivity and incomes of small-scale producers 2.4: Implement resilient agricultural practices that increase productivity and production 2.a: Increase investment in rural infrastructure </div> </div> | <div> Pages 32-33 </div> |
| <div> <div> 3 GOOD HEALTH AND WELL-BEING  </div> <div> 3.8: Access to quality essential health-care services </div> </div> | <div> Page 8 </div> |
| <div> <div> 4 QUALITY EDUCATION  </div> <div> 4.3 Vocational training & higher education 4.4 Skills and access to employment 4.7 Education in sustainable development 4.a Accessibility of educational establishments </div> </div> | <div> Pages 10-11, 23 </div> |
| <div> <div> 5 GENDER EQUALITY  </div> <div> 5.1 End all forms of discrimination against women 5.5 Ensure full participation of leadership 5.b Enhance the use of enabling technology 5.c Gender equality </div> </div> | <div> Pages 19, 21-23 </div> |

| | UN SUSTAINABLE DEVELOPMENT GOALS | HOW TELESAT CONTRIBUTES |
|---|---|-----------------------------|
|  | 8.2 Economic productivity | Pages 8-11, 14, 16 |
| | 8.4 Resource efficiency | |
| | 8.5 Full and productive employment and decent work | |
| | 8.6 Promote youth employment and training | |
| | 8.8 Labor rights and safe and secure working environments | |
|  | 9.1 Develop sustainable, resilient and inclusive infrastructures | Pages 8-14, 36-39 |
| | 9.4 Upgrade infrastructure and sustainable industrialization | |
| | 9.5 Innovation, research and development | |
| | 9.c Increase access to information and communications technologies | |
|  | 10.2 Empower and promote inclusion | Pages 19-23 |
| | 10.3 Ensure equal opportunity | |
| | | |
|  | 16.5 Reduce corruption | Pages 40-46 |
| | 16.6 Strong institutions | |
| | 16.7 Inclusive decision-making | |
| | 16.1 Ensure access to information and protect fundamental freedoms | |
| | | |
|  | 17.8 Scientific and technological capacity-building | Pages 14, 17, 26, 30, 32-33 |
| | 17.17 Multi-player partnerships | |
| | | |

Empowering Communities

3

GOOD HEALTH
AND WELL-BEING



4

QUALITY
EDUCATION



8

DECENT WORK AND
ECONOMIC GROWTH



9

INDUSTRY, INNOVATION
AND INFRASTRUCTURE



17

PARTNERSHIPS
FOR THE GOALS





Empowering Communities

Digital Transformation & Social Inclusion

In today's fast-growing digital economy, access to reliable, high-speed internet and wireless services are no longer a luxury but a necessity for all individuals. In fact, in 2016, the United Nations declared access to internet connectivity as a basic human right in Article 19 of its Universal Declaration of Human Rights.

Access to connectivity isn't only about having the technology available, but also being able to afford it. Affordable connectivity is a central element to fostering social and economic development and allowing individuals – no matter where they live – to participate in our world's booming digital economy. Whether it may be studying or working online, connecting with loved ones, seeking help during an emergency, or accessing key online services like telemedicine, banking or government services, having high-speed and reliable connectivity is essential to everyone. Governments play an important role in working with the private sector and telecommunications operators to ensure the availability and affordability of broadband networks to every citizen.

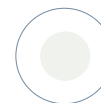
Today, governments around the world are prioritizing bridging their digital divide, particularly due to the COVID-19 pandemic, when lengthy lockdowns experienced by many nations exposed and exacerbated the connectivity gaps between people. Rural, remote, Indigenous and minority communities and populations were the most affected, further highlighting the economic and social inequalities for people with inadequate broadband access.



With 33% of the world's population lacking access to the internet, billions of people do not have:

- ▲ Access to **education** and online educational resources
- ▲ The opportunity to participate in **teleworking or skills training** or awareness of **job opportunities**
- ▲ The ability to participate in the **digital economy**, including online marketing, sales and purchasing
- ▲ Access to **healthcare**, from mental health services to online medical records and consultations, remote diagnosis, advice and treatment
- ▲ Access to **financial services**
- ▲ Access to **government services**
- ▲ Access to **news, social media platforms** and online social communities
- ▲ Access to **critical services for public safety** like 911 and mobile connectivity
- ▲ The ability to participate in the **democratic process**

Connectivity is an essential element of economic development and opportunity, social inclusion, civic involvement, public safety, and ultimately the health and advancement of individuals. When we create connections, we unleash potential for all: the potential to learn, the potential to grow, and the potential to prosper.



Telesat's Role in Bridging the Digital Divide

Connecting Canadians from Coast to Coast to Coast

In 1969 the Canadian Parliament established Telesat as a commercial company with a mandate to provide satellite communications services to Canada. In 1972 Telesat launched Anik A1, the world's first domestic communications satellite in geostationary orbit, marking the first time that citizens in the Canadian North had access to broadcast television, news and entertainment, as well as telephone services.

Today, in addition to broadcasting television and radio programming across the nation, Telesat also provides lifeline connectivity services in underserved areas, including satellite-dependent areas where Telesat supplies critical connectivity to provide internet, video and videoconferencing, telephony, LTE/5G mobile and 911 services.

Telesat connects underserved communities across Canada today, with Indigenous communities representing a majority of the far Northern networks in place. Telesat works hand-in-glove with Indigenous internet service provider (ISP) partners and communities to develop, support, and maintain community connectivity, which is used to connect households, with internet, telephony and critical government services in addition to cellular mobile services. Telesat also facilitates training on the deployment, operations and maintenance of the networks to ensure that our Indigenous partners develop the skill sets required to operate and maintain their satellite community infrastructure. This creates valued skills and jobs locally and improves the overall quality of service. Furthermore, Telesat has launched STEM scholarship and internship programs with a focus on women and indigenous youth to promote education and careers in technical fields that reside close to home, benefitting the community.





Telesat rural school connectivity
in the village of Puinahua, in Requena, Peru

Efforts to Bridge the Digital Divide Globally

As Telesat's spectrum rights and satellites expanded beyond North America, Telesat has provided resilient, reliable geostationary capacity to support several universal connectivity programs, including:

- ▲ The Ministry of Education of Peru (MinEDU)'s rural school connectivity program: Telesat has been providing connectivity for approximately 2,000 rural schools serving 135,000 students in unserved and underserved areas since 2011.
- ▲ The Internet para Todos (IpT) "Internet for All" connectivity program in Peru: Service provider partner Telefónica leverages Telesat Ku-band capacity to bridge the digital divide in Latin America and bring mobile broadband to remote populations where conventional telecom infrastructure deployment is not economically feasible. IpT is an open-access wholesale rural mobile infrastructure operator launched by Telefónica, Facebook, IDB Invest and the CAF (Development Bank of Latin America).
- ▲ The Colombian Ministry of Telecommunications' (MinTIC) Digital Centers program: Telesat provides high throughput Ku-band capacity to bring internet connectivity to remote schools, health posts and government institutions under a contract award from Sencinet Colombia. This project will create 14,745 digital centers that will be connected via terrestrial and/or satellite connectivity. The program is in the implementation phase and approximately 5,000 digital centers have commenced operations.
- ▲ Indonesia's government broadband program to provide communication services to 3T regions (outermost, remote, and underdeveloped). This program is managed by the Telecommunication and Information Accessibility Agency (BAKTI) of the Communication and Informatics Ministry (Kominfo). Telesat partnered with Indonesian service providers for this program.
- ▲ Telesat partnered with a leading European service provider to provide satellite capacity for broadband connectivity to schools across Niger - one of the world's most impoverished nations - through a World Bank program



Telesat Lightspeed: Transformational Technology to Bridge the Digital Divide

Telesat's advanced, next-generation Low Earth Orbit (LEO) satellite network, Telesat Lightspeed, will deliver affordable, fibre-speed internet connectivity and expand the reach of LTE/5G connectivity anywhere on Earth.

With our transformational enterprise-class network, we believe Telesat Lightspeed will connect the world's hardest-to-reach communities to the internet, with unprecedented service levels and economics.

Telesat will leverage a holistic approach to connecting communities, as bridging the digital divide is more than simply connecting households to the internet. It will also ensure that businesses, schools, hospitals and public safety and government agencies have reliable, high-performing connectivity, as well as access to the latest LTE and 5G technologies enabling both fixed and mobile access within, around and between the communities.

Telesat will partner with mobile network operators, internet service providers and communities with a community aggregator connectivity model; as planned, Telesat Lightspeed will deliver multi-Gbps backhaul connectivity to unserved and underserved communities that don't have access to a fibre backbone. It is expected that the local telecom operators will provide a wide range of affordable service plans, as well as last-mile connectivity and installation to individual homes, businesses and institutions, billing and local customer support.

Using this service delivery model, we believe Telesat Lightspeed will play a vital role in bridging the digital divide everywhere in the world.

Governments Select Telesat Lightspeed to Meet Universal Connectivity Goals in Canada

Recognizing the superior performance and ability to connect the hardest-to-reach communities in northern Canada and Ontario, The [Government of Canada](#) and the [Government of Ontario](#) committed to being early customers of Telesat Lightspeed services.

In both agreements, the Governments reserved dedicated capacity pools that Telesat offered at highly discounted rates. Internet Service Providers and Mobile Network Operators can access these capacity pools at further subsidized rates to provide backhaul connectivity to select communities, with a cost structure that is significantly more affordable than fibre or wireless alternatives.

In turn, the telecom operators will offer affordable broadband services to their end-users of at least 50 Mbps download and 10 Mbps upload speeds with unlimited data, the basic service objective established by Canadian regulators, and deploy and offer the latest LTE/5G mobile wireless technology as well.





The Economic Benefits of Connectivity

The societal benefits of connecting remote and rural communities are numerous. It improves education, increases job opportunities, supports e-commerce, exports and tourism, improves workforce efficiencies and more. The same holds true for the economic benefits of broadband connectivity:

- ▲ A [World Bank](#) study found that every 10% increase in broadband penetration boosts GDP growth by 1.38% in developing countries.
- ▲ [McKinsey & Company](#) found that a 10% increase in broadband household penetration delivers a boost to a country's GDP that ranges from .1 – 1.4%.

In addition to bridging the digital divide, we believe Telesat Lightspeed will bring significant economic and social benefits to Canada, generating billions of dollars in investment and economic growth.

Telesat will also be undertaking major upgrades and expansions of its facilities across the country, including a new high-tech, state-of-the-art Telesat Lightspeed Technical Operations campus, which will include a new and back-up satellite control centre, a network operations centre, cybersecurity and R&D laboratories as well as landing stations for the network.

Several Canadian manufacturers and suppliers will be supporting the program, from digital and software services to hardware, satellite components and satellite assembly. These investments and overall supply chain are expected to support and create over **1,500 Canadian high-paying jobs**, largely in the science, technology, engineering and mathematics (STEM) fields. The Telesat Lightspeed program represents billions of dollars in economic growth and exports.

Telesat is making meaningful research and development investments in partnership with several Canadian academic institutions, and actively participates in innovation and research programs with the Canadian Space Agency.

Prioritizing People



4

QUALITY
EDUCATION

5

GENDER
EQUALITY

8

DECENT WORK AND
ECONOMIC GROWTH

10

REDUCED
INEQUALITIES

17

PARTNERSHIPS
FOR THE GOALS



Prioritizing People

Our people are the foundation of our success. To execute our strategic imperatives, we rely on engaged employees that feel connected to Telesat's mission and values, are physically and mentally supported, take pride in their work, and are empowered to achieve and exceed their goals. We focus on attracting, developing and retaining the best talent, and creating an inclusive environment that fosters effectiveness, high performance and agility in our evolving business.

Attracting & Retaining Top Talent

Telesat leverages best-in-class compensation tools to ensure our total compensation packages are competitive with the market and reflect inclusive practices to attract, engage and retain diverse talent.

Our inclusive, equitable compensation is designed to provide our employees with financial security and reflect their skills, roles, responsibilities, performance and potential.

Our **comprehensive benefits** include:

- ▲ Highly competitive salaries
- ▲ Performance-based bonus incentives
- ▲ Health benefits for employees and their families
- ▲ Parental and family leave benefits
- ▲ Generous paid time off
- ▲ Mental health support
- ▲ Disability benefits
- ▲ Retirement and pension plans with company matching of employee contributions



We continue to improve our new hire orientation experience to support a quick integration into Telesat and ensure a positive experience for our new hires. The new hire orientation involves familiarizing new employees with the company's culture, mission, values, organization structure, roles and responsibilities, teammates, compensation and benefits. A combined effort of the Human Resources team, the new hires' managers and team members as well as other Telesat representatives play an essential role in helping new employees feel welcome navigating their first few months with Telesat.

We believe **professional growth and development** plans for every employee enhance our human capital, contribute to employee satisfaction, and correlate with improved corporate performance. Telesat offers **company-paid certifications and reimbursement** of various professional courses to develop specialized skills on an individual basis. Telesat also partners with industry-leading vendors and facilitators to offer targeted training focused on the needs of the business to keep up with evolving customer and sector demands.

A healthy talent pipeline is crucial to Telesat's success. To attract the next generation of innovators and leaders, Telesat offers **Co-op Positions**, primarily with post-secondary students pursuing science, technology, engineering and mathematics (STEM) degree programs. Between 2021 to 2032, Telesat plans to offer **200 Co-op positions in Canada**.

Telesat partners with several universities to provide multi-year, **funded research opportunities** for engineering students, with research projects aligned to Telesat's business, including GPS denial activity, Security, and User Antenna development. In 2022, Telesat staff members also provided mentoring for Master's Degree candidates at Massachusetts Institute of Technology.

Telesat team members are passionate about satellite technology and connectivity, often donating their time and expertise to help inspire students from elementary through university levels to pursue careers in the satellite industry.



Ensuring Workplace Safety and Employee Well-being

Telesat's [Code of Ethics](#) strictly prohibits "any discrimination or harassment, including on the basis of age, color, creed, disability, ethnic origin, gender, sex, marital status, family status, national origin or place of origin, political belief, race, ancestry, religion or creed, sexual orientation, gender identity, gender expression, citizenship status, military and/or veteran status or any other characteristics protected by law." The Code also prohibits workplace violence of any kind.

Telesat has adopted additional specific policies to further enhance workplace safety and employee well-being. Under the [General Health & Safety Policy](#), the Corporation commits to providing and maintaining a safe and healthy working environment for all employees in compliance with legislative and acceptable industry requirements and to providing adequate training related to employees' specific job requirements to eliminate foreseeable hazards. Telesat has adopted a [Workplace Harassment and Violence Prevention Policy](#) that prohibits any work-related act of harassment by and employee of Telesat or any person conducting business with Telesat. The policy spells out a complaint process to protect, support and assist any person subjected to workplace harassment. Additionally, the policy prohibits any act of violence or threat of violence by any employee of Telesat, as well as any customers, contractors and visitors.

Long before the COVID-19 pandemic began, health and safety considerations and policies have been integral to our business operations. From an employee's first day at Telesat, we reinforce the importance of safety through our new-hire orientation program, which details safety expectations and policies.

Telesat's Health & Safety Policy Committee and its Workplace Health & Safety Committees meet regularly to identify and address corporate health and safety concerns, develop policies, develop and promote programs to educate and train employees, and monitor, maintain data and report accidents, injuries and health hazards in accordance with applicable legislation.

Telesat quickly established a COVID-19 Task Force at the start of the pandemic to monitor and understand government mandates across all Telesat office locations. As restrictions eased and employees resumed working in the office, the Task Force recommend science-based best practices to keep employees safe, including physical distancing requirements, face masks and sanitation guidance.

Recognizing the importance of activity and physical fitness to overall well-being, Telesat organizes employee fitness challenges and encourages team participation in charity races. Telesat also provides adjustable, stand-up desks within its offices, encouraging employees to stand and move more to maintain physical and mental health.



Diversity, Equity and Inclusion (DEI)

Telesat is committed to attracting, engaging and retaining the most capable, effective and productive workforce in our industry. We also recognize that increasing the diversity of our workforce can lead to increased creativity and innovation, employee satisfaction and revenue generation. Telesat is focused on fostering an inclusive, equitable, enjoyable and accessible workplace where all team members feel valued and respected, and have the opportunity to reach their full potential. We are committed to ensuring a culture of respect, belonging and equal opportunity for all of our employees.

Telesat Corporation Board Diversity

Telesat is mindful of the benefit that diversity can provide in maximizing the effectiveness and decision-making abilities of the Telesat Corporation Board. In this regard, we are committed to increasing diversity on the Telesat Corporation Board, including having established a goal to have female representation of at least 30% on the Telesat Corporation Board. In searches for new candidates, Telesat Corporation will consider the level of diversity, including female representation, on the Telesat Corporation Board, which will be one of several factors used in the search process.



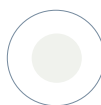
Employment Equity

Telesat is committed to ensuring that equal access to employment opportunities is available for designated groups and that attributes such as national or ethnic origin, colour, age, gender, gender identity, religion, sexual orientation marital status, disability or race are irrelevant to an individual's job status or opportunities. Telesat complies with the Employment Equity Act governed by the Canada Labour Code and reports annually on the status of its employment equity program, including the percentage of workers in four designated groups identified in the Employment Equity Act: women, aboriginal peoples, visible minorities and persons with disabilities.

As of December 31, 2022, Telesat's percentage of workers in the four designated groups was as follows:

| Women | Visible Minorities | Persons with Disabilities | Indigenous |
|--------|--------------------|---------------------------|------------|
| 24.63% | 14.67% | 1.60% | 1.60% |

* Outside of Canada, Telesat does not collect information regarding self-identification as a visible minority Indigenous or persons with disabilities. Therefore, these groups are calculated compared to the Canadian employee population. Eighty-three percent of Telesat's workforce is in Canada.





In collaboration with the Canadian Human Rights Commission, Telesat participated in an Employment Systems Review audit in 2019 to identify gaps in the representation of the four designated groups within its workforce, and identify existing barriers, remedial actions, and best practices to increase the representation of each designated group.

As an outcome of the Employment Systems Review audit, in 2020 Telesat created an Employment Equity Committee, consisting of individuals from various backgrounds and levels across the company. Key responsibilities of the committee include:

- ▲ Recommending specific programs or ideas to foster and maintain employment equity
- ▲ Monitoring and evaluating the success of employment equity programs
- ▲ Communicating committee activities to employees and relaying employee feedback to the committee
- ▲ Reviewing the Employment Equity Plan
- ▲ Promoting and demonstrating the spirit of employment equity

Promoting Diversity in Hiring

Telesat will continue to integrate a range of DEI best practices into talent acquisition to help mitigate the potential of unconscious bias and create a bias-free work environment. Training will be provided for the Talent Acquisition team in 2023, with plans to extend training to hiring managers thereafter.

Accessibility Plan and Disability-Inclusive Hiring

Telesat intends to create an environment free of barriers for Persons with Disabilities. As such, we have created an accessibility feedback page on our public website to encourage members of the public and customers to provide us with feedback and suggestions that we can leverage to remove unknown barriers for Persons with Disabilities. In 2023, we intend to prepare and submit an Accessibility Plan to address all of these barriers.

In 2021, Telesat joined the Ontario Disability Employment Network (ODEN) and in 2022 became a proud partner of Jobs Ability Canada. Jobs Ability Canada allows us to access their exclusive online recruitment platform that is created by and for people who have a disability. This gives Telesat an advantage in hiring talented individuals from an under-developed talent pool while staying focused on our values and commitment to disability-inclusive hiring.

Telesat partners with Carleton University's [Act to Employ](#) to ensure that whenever there are co-op positions available at Telesat, students with disabilities are informed about the opportunities and invited to apply. We hope to increase the representation of Persons with Disabilities by retaining suitable co-ops for permanent positions following their graduation.





Women in STEM Scholarship Program

Telesat believes in a work environment where women can thrive, progress and advance their careers. Globally, less than 30% of technology jobs are occupied by women. As such, we want to contribute to increasing that percentage and we strongly believe that encouraging women to choose and pursue STEM careers will greatly influence their representation in the workplace in the years to come.

In 2021 Telesat launched its National Women in STEM Scholarship Program. This program focuses on closing the gender gap in STEM and helping to prepare and empower more women to take a leading role in these important and fast-growing fields. Through this annual program, Telesat awards eight scholarships of \$5,000 each to women who are entering or enrolled in a bachelor's program in a STEM field through an accredited Canadian university or college. Scholarship Partners Canada (SPC), a division of Universities Canada, administers Telesat's Women in STEM Scholarship Program and selects a committee of Canadian university representatives to evaluate scholarship applications.

Indigenous Scholarship Program

Today, less than 2% of Indigenous Canadians work in STEM occupations. Telesat strongly values its Canadian heritage and the contribution of the Indigenous Peoples to the creation and development of our country and wants to contribute to their professional development.

In 2022 Telesat developed its first annual National Fellowship Program for Indigenous Youth. This program will help reduce barriers to education and provide impactful learning and career opportunities in the space sector. Beginning in the spring of 2023, Telesat will award two Indigenous students with \$5,000 scholarships, \$15,000 stipends, and 8-month paid internships at one of Telesat's teleport facilities in Alberta, Manitoba, Nunavut, Ontario, or Quebec. Scholarship Partners Canada (SPC), a division of Universities Canada, will administer Telesat's Fellowship for Indigenous Youth Program and select a committee of Canadian University representatives and an Indigenous-led application review committee. With these actions, Telesat wants to create a pool of valuable candidates who will be ready to join our expanding workforce in the years to come.

Employment Systems Reviews and Pay Equity

As a federally regulated employer, Telesat is subject to the new federal pay equity legislation to ensure equal pay for Women employed in jobs similar to those performed by their male counterparts. To ensure an accurate job evaluation system and a fair and equitable compensation structure, Telesat will analyze its compensation structure in 2023 and will implement the pay equity plan in 2024. As part of this process, a pay equity committee will be established, with women comprising at least 50% of the members.

Giving Back to Our Communities

Telesat employees take immense pride in knowing that the connectivity services we provide make a difference in the world, and proactively seek out opportunities to make a difference in their local communities. Telesat provides several options for giving, some of which are corporate-led initiatives, and others are organized by employees.

A popular annual giving initiative is Telesat's Global Step challenge. Employees across the globe set out to achieve the step goal challenge, and for every employee that completes the goal, Telesat donates funds to the charity selected at each Telesat location participating in the challenge. In 2022, employees chose to support the Ottawa Hospital Foundation, the World Food Program, CHU Sainte-Justine Foundation, and Saugeen Hospice.

Employees also join Team Telesat for Ottawa Race Weekend every May, with races varying from 5 kilometres to 42.2 kilometres. Telesat matches funds raised by employees and also provides an additional \$20 per km donation based on the total kilometres of the team. All funds raised are donated to the Ottawa Hospital where the most challenging medical cases in our headquarters region and innovative clinical trials are performed.

As the world watched the horrifying humanitarian crisis unfold in Ukraine, our team in our Allan Park Ontario location launched an initiative to raise funds. With company matching, this initiative resulted in a donation to UNHCR, the United Nations refugee agency that is supporting Ukraine refugees.



Protecting the Planet



54 Years of Responsible Space Operations



Telesat has been a responsible geostationary space operator since the launch of Anik A1 in 1972. Telesat's focus is, and always has been, to act as a good steward and manager of space-based resources that our modern world relies on. Space is a globally shared resource and must be protected and preserved so future access to space is not compromised. The world relies on assets in space for the distribution of broadcast news and entertainment, weather forecasting, navigation capabilities, environmental monitoring, internet connectivity and more. Telesat takes great care in its satellite designs and operations to ensure we do not create pollution or space debris, protecting the long-term sustainability of the space environment.

This begins with robust satellite design specifications to ensure a high level of reliability throughout the spacecraft service life, including redundancies across key components and subsystems. Space is a harsh environment, and the Telesat satellites are designed to mitigate the risks of extreme temperature variabilities, the empty vacuum, small meteorite impacts and radiation damage.

“**100% successful deorbit rate over Telesat's 54-year history.**”

When Telesat has experienced anomalies on orbit, our talented and experienced operations engineering team consistently developed operational techniques to maximize the life of the satellites' mission, while ensuring that critical operational capability is maintained. Through careful monitoring of operations, tracking of satellite performance and continued review and assessment of propellant reserves and satellite health, Telesat has been **successfully deorbited 19 Telesat satellites, representing a 100% success rate over Telesat's history**. By successfully deorbiting our spacecraft, we're reducing hazards to other satellites, and keeping space free of debris for future generations.



The Telesat operations team carefully tracks propellant usage over the life of each satellite and updates lifetime predictions as appropriate when the estimated amount of propellant remaining is refined. We utilize multiple techniques including detailed bookkeeping, PVT analysis, and special propellant gauging techniques defined by the satellite suppliers to ensure that we have the most accurate view of the remaining propellant. End of Service Life dates are modified accordingly to ensure an appropriate reserve is available to safely move the satellite to the graveyard orbit.

Telesat has taken a similar approach to its first Phase 1 LEO satellite. The satellite was operated at its nominal orbit, and when the satellite was deemed to be approaching its end of life and at an increased risk of failure, Telesat maneuvered the satellite to an orbit that would naturally decay within less than the then 25-year deorbit requirement.

Telesat has been active in the management of Space Situational Awareness (SSA) for our operational fleet throughout its history. Telesat shares orbital and maneuver planning data with other nearby operators, the US Space Force's Combined Space Operations Center, Space Data Association, Canadian Space Agency and others. Telesat has well-established processes, refined through our extensive operational experience, to analyze Collision Data Messages and identify close approaches that may require maneuvers to protect the safety of our assets in space. These processes use an appropriate balance of automated screening and expert analyst reviews to ensure a robust approach to minimizing the risk of collisions with our fleet.

Telesat Lightspeed LEO Operations

With the development and deployment of the Telesat Lightspeed LEO constellation, Telesat will leverage our experience and practices at GEO to ensure that our LEO operations are responsible. This starts with the design of the constellation and its satellites.





Safety by Design

The Telesat Lightspeed satellites will be located at 1,315-1,325 km orbits, which provides a wide field of view of Earth and reduces the overall number of satellites required to achieve global coverage. This also significantly reduces the risk of collisions. These operational altitudes are also well above the more crowded altitudes utilized by the SpaceX Starlink and planned Amazon Kuiper mega-constellations. The Telesat Lightspeed satellites have a baseline 10-year minimum design life for operations. These factors combined substantially reduce the overall number of satellites undergoing launch, orbit raising and deorbiting maneuvers compared to larger constellations with shorter satellite lifetimes.

Protecting the space environment was a key consideration in the design of our satellite launch and deployment plans. The dispenser that releases satellites from the launch vehicle is designed to prevent collision via separation velocity and phasing of releases without maneuvering the released spacecraft. Each satellite's initial injection altitude from the launch vehicle will be between 400-475 km. If a satellite fails on injection with no ability to perform maneuvers, its orbit will passively decay, and the satellite will burn up in less time than the required 5-year deorbit timeline.

The Telesat Lightspeed satellites are designed to be robust against component failures, which will allow for continued operations with graceful degradation of communications capabilities. The satellites will have on-board redundant equipment for the critical systems required to support reliable and safe operations on orbit and deorbit at end of life. The satellites are also designed with features that facilitate capture and deorbit by a tug vehicle in the unlikely event that a satellite becomes derelict at any time in its life. The satellites will be equipped with onboard orbit determination capability that can utilize GPS or Galileo signals to maintain accurate orbit knowledge.



Space Situational Awareness

Building from our processes and experience in GEO flight operations, Telesat will be implementing sophisticated Space Situational Awareness systems to manage collision risks during orbit raising, operations and re-orbit. Telesat will share our orbital data and maneuver plans with the Combined, Space Operations Center, the Canadian Space Agency, other satellite operators, and third-party SSA services to coordinate maneuvers and mitigate conjunctions. Telesat SSA systems will include the processing of third-party sources of SSA data and sophisticated automated screening tools to evaluate conjunction data and provide notifications to the dedicated SSA team for action as required. Telesat is currently cooperating with several well-established and new SSA service providers to assess capabilities to ensure that our systems will have timely and accurate data. Telesat believes timely and accurate data will be key to lowering operational risk and optimizing our constellation operations, even as space becomes more crowded. Selecting the appropriate SSA services and implementing sophisticated SSA systems internally to screen the data, identify conjunctions that require action and efficiently plan avoidance maneuvers when required will ensure that we can remain good stewards and minimize risk to our operations and the environment.

Telesat will constantly assess our SSA risk standards and will adapt to a changing space domain environment. As the space domain becomes more crowded with operational and non-operational objects, we expect to remain consistent in the thresholds that we consider for assessing collision risks, and we will need to process and action more events. This will depend on improved orbit determination for non-operational objects so that the required Probability of Collision (PoC) can be achieved at reduced separation distances.

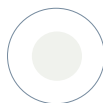
At the end of the operational life of each satellite, Telesat will execute re-orbit maneuvers to lower the satellite orbits in a controlled manner, while taking appropriate consideration for other operators' satellites and space debris, until the orbit is reduced to a minimum of 480km which will result in natural decay to re-entry within 5 years, however, the target will be to reduce this to occur within 2 years. Active control for debris avoidance will be maintained until the orbit decays below 400 km. The satellite design is such that the casualty risk is negligible, and the satellite components are largely expected to demise during re-entry given the lack of any large titanium tanks or components. The net casualty risk by design for any residual objects that could survive re-entry with high kinetic energy is less than 1 in 10,000.



Sustainable Launch Services

As previously mentioned, the 198 Telesat Lightspeed satellites will be located at an orbital altitude that provides a wide field of view of Earth, reducing the number of satellites required to achieve global coverage. Each satellite will have a 10-year operational life, which is 30-50% more than competitive LEO satellites. As a result, Telesat will require significantly fewer satellite launches to complete our global constellation, thereby having a much smaller carbon footprint in comparison to our competitors.

There have been significant innovations in the launch industry in recent years with the development of launch vehicles that employ reusability to minimize the impact on the environment relative to fully disposable launch vehicles. For example, the SpaceX Falcon 9 launch vehicle has a proven track record of reuse of the first stage over many launches. The Blue Origin New Glenn launch vehicle currently under development is similarly designed to recover and re-use the first stage. Telesat intends to use reusable launch vehicles for the majority of its Telesat Lightspeed launches. Reusability and management of the rocket body's upper stages for appropriate removal from orbit will remain key considerations in Telesat's selection of launch service providers in the future.





Preserving the Night Sky

Telesat recognizes the importance of preserving the night sky to enable important research of the universe. Our operational altitude, spacecraft design considerations and nominal operations of the satellite will all contribute to minimizing the impact of the Telesat Lightspeed constellation on the night sky.

The Telesat Lightspeed satellites have been designed to ensure that they have a visual magnitude no brighter than 8 to meet the International Astronomical Union recommendations. When operational, the Telesat Lightspeed satellites will minimize the light reflected off the satellites that are directed toward Earth. Large reflective surfaces, such as solar arrays and radiators, are designed and operated so that they do not result in persistent reflection of solar flux onto the surface of the Earth, either directly or indirectly. There will be very limited operational situations in which there are expected to be glints in the direction of a ground observer. Telesat will openly share the constellation orbital data with the astronomical community to enable the prediction of these infrequent events where they cannot be mitigated.

Telesat's constellation will consist initially of approximately 200 satellites, not the thousands envisioned by others which will overall reduce the potential for impact on the night sky. As previously mentioned, the satellites will operate at 1,315 – 1325km from Earth, which is significantly higher than the SpaceX Starlink (305-550 km orbit) and Amazon Kuiper (590-630 km) orbits, which will result in an approximately 60% reduction in apparent brightness.

Telesat is committed to engaging with the astronomy community to evaluate any impact, review opportunities to minimize impacts through appropriate design or operational choices and ensure that there is an open exchange of relevant data to enable the astronomy community to predict and manage any impacts that cannot be eliminated.



Satellite Broadband: Key Enabler in Meeting Net Zero

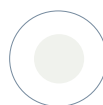
Access to high-speed, low latency, ubiquitous broadband connectivity is key to reducing global energy and fuel consumption, while enabling energy-efficient technologies across major sectors including agriculture, energy and transportation.

Agriculture: Satellite-based broadband connectivity is the critical backbone for increasing efficiencies through automation, rationalizing water consumption, reducing costs, and increasing yields in the agriculture industry. Connected agriculture combined with earth observation imagery can prevent fertilizer overuse, which decreases runoff and its associated risks of eutrophication of bodies of water.

Resource & Energy: With distributed, remote sites in rural and offshore locations, low-latency satellite connectivity enables intelligent IoT solutions to track vibrations, odors, and other conditions, monitor for security breaches, and detect gas and equipment leaks and temperature fluctuations to avoid catastrophic environmental events and keep employees safe.

Transportation: Broadband connectivity provides real-time access to weather data to optimize fuel efficiency for aviation and maritime routes. Leveraging big data and analytics together with secure, global communications capabilities enables the monitoring of ship and aircraft components and onboard equipment. This real-time data processing allows operators to apply predictive maintenance to monitor breaking parts as well as improve fuel usage.

In addition to contributing to energy saving technologies in these sectors, ubiquitous broadband connectivity can also reduce overall business transportation. Online collaboration tools and meeting platforms have enabled hybrid work arrangements, reducing vehicles on roads. The sustained growth of remote work is prompting many organizations to reconsider online business meetings in lieu of air travel in an effort to reduce costs and carbon emissions.





Tracking Climate Change and Our Environment

The advanced Telesat Lightspeed LEO constellation will consist of optically interlinked satellites that provide a global mesh network in space, including Polar coverage for increased data routing flexibility and resiliency. With this sophisticated architecture, other satellite operators will be able to connect to the Telesat Lightspeed constellation via optical links for Ka-band RF links, and our Telesat Lightspeed Space Relay services deliver data to its final destination.

Mission-specific imagery and sensor satellites for Earth observation support climate change monitoring, agriculture monitoring, deforestation monitoring, carbon emissions measurement and more, and will be able to be transmitted in real-time through the Telesat Lightspeed network to data processing centers for interpretation and analysis.

In 2022, Telesat Government Solutions, a U.S.-incorporated, wholly-owned subsidiary of Telesat received a US\$30.65 million Funded Space Act Agreement from the National Aeronautics and Space Administration (NASA) as a partner for its Communications Services Project (CSP). Since NASA plans to decommission its owned and operated Tracking and Data Relay Satellite (TDRS) system in the coming years, the agency's CSP will evaluate commercial SATCOM networks' feasibility to reliably support future near-Earth missions. Under this agreement, Telesat Government Solutions will demonstrate Telesat Lightspeed's space-to-space relay capabilities for manned and unmanned space missions, including data relays for scientific observations.



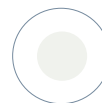
Managing Environmental Performance

Telesat manages its impact on the environment, and we champion practices to reduce energy consumed and waste generated by our business operations.

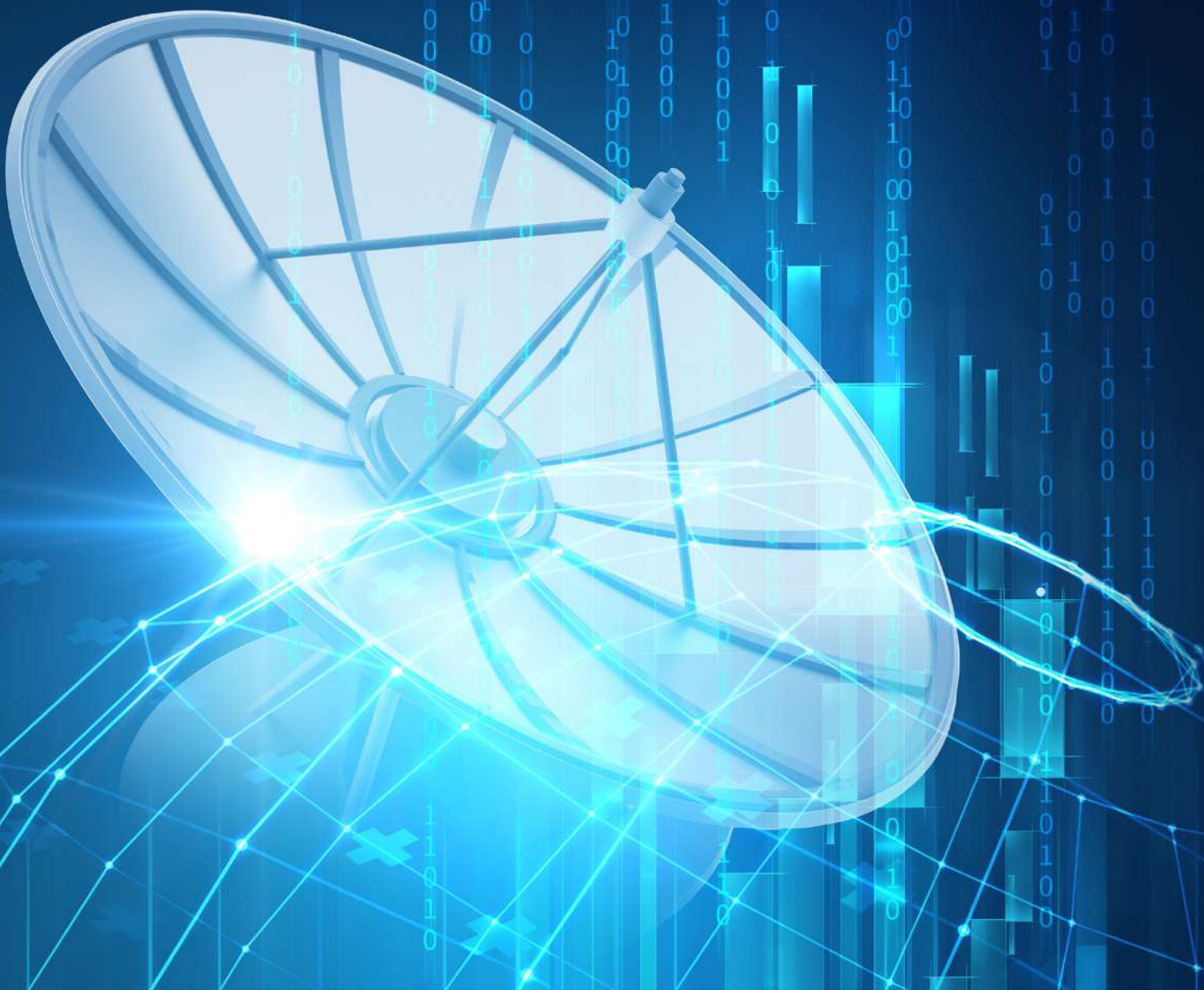
Telesat's core business activities have a low environmental impact; the company does not operate manufacturing sites and the CO2 emissions of its business offices and teleports are primarily from purchased electricity and natural gas for maintaining comfortable work environments. Diesel is procured at critical and essential service locations to provide backup restoration power, ensuring the continuity of mission-critical connectivity services for our customers.

Telesat proactively works toward reducing its environmental footprint. In 2019, Telesat completed its headquarters relocation, and one of the key factors in our building selection was that the office must be environmentally friendly and sustainable.

Fifty-six percent of Telesat's employees are located in our corporate headquarters in Ottawa. ONE60 Elgin, where our headquarters is located, is a Gold Certified LEED (Leadership in Energy and Environmental Design) building. Through the design, engineering, construction and operations of this building, the management company has achieved better air quality, optimized natural lighting, decreased waste, and reduced water and energy consumption. Additional creative solutions to sustainability include an in-house recycling facility and compost fridge, electric car charging stations, and rooftop beehives to help keep our local ecosystem healthy.



Ensuring the Resiliency of Critical Infrastructure





Ensuring the Resiliency of Critical Infrastructure

Telesat's satellite connectivity is the backbone of mission-critical communications of leading broadcasters, telecom operators, enterprises and governments throughout the world. We have a responsibility to ensure the resilience, reliability and security of our services, and we continually perform comprehensive threat risk assessments across our entire ecosystem.

Spacecraft Operations

Telesat's Satellite Control Center is staffed on a 24/7 basis, with geographical and communications link redundancy to enable continuous operations at a secondary operations center in the case of a failure or a threat to the infrastructure. These systems are tested routinely and are a key element in our emergency response protocols.

Additional physical controls are implemented within the satellite control center, and Spacecraft Operations resides in a segmented, protected environment, separate from corporate data networks.



Teleports and Network Operations

Power Redundancies

All Telesat teleports and gateways use uninterruptible power supply (UPS) systems for critical technical loads; these are short-term solutions to bridge to external diesel power generation in the event of a power outage. We have sized our UPS battery banks to the minimum viable capacity that meets operational requirements with a goal of reducing the environmental footprint.

The use of a UPS system allows us to avoid powering up a diesel generator for small interruptions or power bumps on utility feeds.

We track fuel stock usage and have spill detection and containment at our generator facilities. UPS and standby generation systems are maintained and tested on a scheduled basis to ensure they meet operational and environmental standards for the location installed.

Where possible we select partners that have similar solutions and more than one prime source of electrical energy.

As we begin building our Telesat Lightspeed Landing Station within existing Telesat teleports, we are exploring the feasibility of using solar power as an alternate source of energy to offset high-carbon energy use cases.

Antenna Redundancies

At major Teleports, Telesat maintains standby antennas where we can route customer services in the event of an antenna equipment anomaly. This practice reduces capital and environmental concerns compared to dedicated one-to-one backup antennas while providing resiliency to our customers. For higher frequency Ka-band systems, we use 50-60 Km geographical redundancy to mitigate poor weather conditions, with dedicated fibre interconnects to maximize service integrity and reduce expense and environmental impacts.

Fibre and Points of Presence (PoPs) Redundancies

Where critical services have been defined by customer contracts, we provide redundant fibre and PoP routes to meet desired high serviceability requirements.

Cybersecurity

At Telesat, cybersecurity is top-of-mind and is built into everything we do. It is a standing agenda item on board of directors' meetings and is regularly scrutinized by the board's audit committee. We also insist that this rigor is built-in with our supply chain, by ensuring that any assessment of a supplier, who could affect our information or information entrusted to us, includes our strict cybersecurity controls. The intense focus in cybersecurity is demonstrating positive results and Telesat has not suffered any material cybersecurity incidents in at least the past three years.

Telesat has adopted the National Institute of Standards and Technology (NIST) Cybersecurity Framework, and our security framework utilizes security controls from multiple industry standards and government regulations, including the U.S. Department of Defense (DoD), CMMC, ISO 27001/27002, and Sarbanes-Oxley. Over and above that, we have recently analyzed the approximately 500 cybersecurity controls of the U.S. Space Force's Infrastructure Asset Pre-Assessment Program (IA-Pre) to ensure the highest level of cybersecurity is built into our next-generation Telesat Lightspeed products and services. We are endeavoring to achieve a low-risk rating score for our Telesat Lightspeed constellation by meeting IA-Pre program criteria, and assessing NIST 800-53 control baselines with the National Security System Overlay and Space Overlay, applied against our designated risk management framework impact levels.

Procedures related to logical access control are centrally managed within their respective environments and are based on the principles of authorized approval, least privilege, role-based access, and segregation of duties. All network segmentation and network access controls are managed and overseen by Information Security.

Employee education and training on potential security threats is a key component of our cybersecurity program and it is conducted on an ongoing basis, with additional emphasis during the annual Cybersecurity Awareness Month. We ensure the latest software releases and security patches are implemented for all operating systems and applications installed, deploy multi-factor authentication to access Telesat computers and applications and active password management. We provide additional emphasis and training to ensure employees recognize phishing attempts and immediately report them. In October 2022, Telesat's cybersecurity team led Cybersecurity Month communications campaigns and weekly quizzes to reiterate key security themes and obtained high employee engagement across the organization.



Physical Security

Telesat leverages layers of physical security controls and processes at its locations, including badge-controlled access to enter Telesat offices and gated access and security cameras at Teleports and at gateways that do not have full-time personnel on site.

3rd Party Audits

Third-party attestation of our security posture is an important part of our security program. Telesat's compliance with required controls is assessed by two external and independent audit companies. One company is responsible for determining the effectiveness of our internal controls (including cyber-specific controls). The second audit company provides an independent opinion on the organization's financial statements and as part of this, assesses all applicable cyber controls.

We expect to have the Telesat Lightspeed network third-party vetted under the DoD's Cybersecurity Maturity Model Certification, and the U.S. Space Force's IA-Pre requirements.

Leading with Honesty and Integrity





Leading with Honesty and Integrity

Telesat's Governance Commitment

Throughout Telesat's six decades as a leading global satellite service provider, its Board of Directors and senior management have fostered Telesat's commitment to environmental, social and governance policies and principles, setting an ethical tone at the top and engaging in ethical and socially responsible decision-making. They have succeeded in creating a heartfelt culture of integrity throughout the organization.

Telesat's commitment is manifested through policies and protocols that embody ethical and socially responsible principles, including employee safety and well-being, respect for the law, fair and honest business practices, and conscientious and mutually beneficial engagement with the community and other corporate stakeholders. Telesat leadership has not been content with lofty slogans. Rather the Corporation has established oversight mechanisms starting at the top of the organization to ensure that socially responsible business principles are translated into business practices and accountability.

Tone at the Top

Telesat's Board of Directors has adopted a comprehensive set of policies to establish a culture of integrity at Telesat that is broad and deep. The Board's Mandate states that its responsibilities include:

- ▲ corporate social responsibility, ethics and integrity;
- ▲ monitoring financial reporting and management;
- ▲ monitoring internal control and management information systems;
- ▲ corporate disclosure and communications;
- ▲ adopting measures for receiving feedback from stakeholders; and
- ▲ adopting key corporate policies designed to ensure that Telesat and its directors, officers and employees comply with applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

ESG Policy

Telesat's Board of Directors formally adopted an [ESG policy](#) in November 2022, based on the recommendation of its Nominating & Corporate Governance Committee. The policy articulates the Corporation's approach and commitments in the areas of business ethics and integrity, environmental health and safety, fair and honest treatment of stakeholders, employee relations, human rights and community investment. While the formal ESG policy is new, it is in fact the capstone in Telesat's decades-long effort to develop and implement many longstanding policies and principles that advance ESG goals and commitments.

Code of Ethics

If the formal ESG policy is the capstone of the Board's efforts, Telesat's [Code of Ethics](#) is the cornerstone. The purpose of the Code of Ethics is to articulate Telesat's "commitment to conducting business with integrity, honesty and respect, in compliance with applicable laws, regulations and policies, and in a manner that preserves Telesat Corporation's reputation and deters unethical behaviour and wrongdoing." The Code applies to all members of the Board, officers, employees, consultants, contractors and agents of Telesat Corporation and its subsidiaries worldwide. Adherence to the Code of Ethics is a condition of employment with, or of providing services to, Telesat. The Code sets the Corporation's expectation that its representatives will conduct themselves with honesty and integrity and provides a comprehensive set of specific undertakings implementing this requirement in the workplace, the marketplace, and the community.



Independence and Accountability

The Board has adopted Corporate Governance Guidelines (the “Guidelines”) that require the Board to make an annual determination on the independence of each Board member as required under applicable securities laws and stock exchange rules. Under the Guidelines, the Company publicly discloses the determination of independence of the Directors in accordance with applicable securities laws. The Guidelines also require Directors to disclose all actual or potential conflicts of interest consistent with applicable law and to abstain from voting on matters in which a Director has a conflict of interest.

Under the Guidelines, the Telesat Board seeks to ensure that its members are reflective of diverse professional experience, skills, knowledge and other attributes that are essential to its successful operation and the achievement of Telesat’s current and future plans and objectives. All Directors are required to possess fundamental qualities of intelligence, honesty, integrity, ethical behavior, fairness and responsibility and to be committed to representing the long-term interests of the shareholders. The Board values the diversity of abilities, experience, perspective, education, gender, background, race and national origin of its members and, through its Nominating & Corporate Governance Committee, annually assesses its composition and effectiveness.



Engagement with Stakeholders

Telesat is committed to fostering honest and constructive relationships with its stakeholders.

Foundational to the Corporation's stakeholder engagement is its commitment to act in compliance with applicable laws and regulations. The Code of Ethics requires all Telesat representatives to comply with applicable laws, rules and regulations of the jurisdictions where they carry out their duties and all jurisdictions where Telesat conducts its business activities. The Code of Ethics also obligates Telesat Representatives to respect applicable competition laws and to act "only in fair and open competition, by treating ethically competitors, suppliers, customers, investors, and colleagues" by avoiding, for example, misrepresentations of material facts, manipulation, concealment, abuse of confidential information, or any other illegal or unfair practices in all activities undertaken by or on behalf of Telesat. The Board has extended the ethos of legal compliance and fair dealing to the general public by adopting a Disclosure Policy which seeks to provide consistent, factual, balanced and timely disclosure of material information about the Corporation to the investing public, in accordance with applicable legal and regulatory requirements. The Corporation's Anti-Bribery Policy, Insider Trading Policy and Lobbying Act Compliance Policy are further specific examples of Telesat's commitment to lawful and ethical engagement with the Corporation's stakeholders.

Oversight and Accountability

Under its Mandate, the Telesat Board is required not only to set the ethical tone for Telesat and its management but to "satisfy itself that the President and Chief Executive Officer and management create a culture of integrity throughout the organization." In furtherance of this obligation, the Board has adopted formal corporate governance mechanisms to provide oversight of key aspects of Telesat's ESG-related policies. Telesat management has also established protocols to implement the Corporation's ESG-related objectives.





Corporate Governance Structure

As discussed above, the Board of Directors makes regular assessments of the independence and diversity of its members, as well as ensuring that directors are free from conflicts of interest in their stewardship of the Corporation. The Board has also undertaken to complete an annual self-assessment of its performance based on a survey of individual directors conducted by the Nominating & Corporate Governance Committee.

The Board has established committees to provide oversight of various aspects of the ESG-related policies discussed above. These committees include the following:

Audit Committee

- ▲ Among its responsibilities, the Audit Committee contributes to the culture of high integrity at Telesat by providing oversight functions, including:
- ▲ reviewing and monitoring the implementation of the Company's Code of Ethics;
- ▲ seeking to ensure that adequate procedures are in place for the review of Telesat's public disclosure of financial information; and
- ▲ monitoring and reviewing complaints regarding accounting or auditing matters, legal and regulatory violations relating to corporate financial reporting and disclosure, as well as violations of Telesat's Code of Ethics with respect to financial matters;
- ▲ oversight of the Company's cybersecurity program.

Human Resources & Compensation Committee

The Human Resources & Compensation Committee has oversight duties and responsibilities related to Telesat's ESG-related objectives, including the following:

- ▲ receiving updates and reports regarding compliance with human resources-related laws and regulations, including applicable labour standards and worker's compensation requirements; and
- ▲ overseeing the implementation of measures designed to ensure that recruitment and identification processes are appropriate to foster the identification and progression of diverse candidates.

Nominating & Corporate Governance Committee

The Nominating & Corporate Governance Committee plays a key advisory and oversight role in respect of the Board's commitment to maintaining a culture of high integrity. The Committee's roles include the following:

- ▲ developing and implementing corporate governance policies, guidelines and principles for the Corporation, including the periodic review and assessment of environmental, social, humanitarian, health and safety and other social responsibility-related policies, systems and activities of the Company on behalf of the Board;
- ▲ monitoring the outside activities and related party transactions of directors to assess director independence and potential conflicts of interest;
- ▲ identifying prospective directors for appointment or nomination to the Board based on a variety of suitability criteria, including consideration of the level of representation of women and other diverse candidates; and
- ▲ reviewing the adequacy of systems in place to verify compliance with applicable securities laws and stock exchange rules regarding corporate governance and disclosure requirements.

Workplace Accountability and Compliance

In furtherance of the Board-level commitment to the creation of a culture of high integrity, Telesat management has put in place a variety of accountability and compliance mechanisms to put ESG-related policies into practice.

Key among these is the *employee annual ethics certification*, which requires employees to refamiliarize themselves and certify their compliance with the Code of Ethics on an annual basis. The Corporation has also instituted specific *reporting and enforcement mechanisms under its whistleblower and anti-harassment policies*, which among other things guarantee that employees who are victims of discrimination or harassment will be protected from retaliation. Telesat also imposes on all of *its suppliers an obligation to comply with applicable laws* and regulations. Telesat has also established and retained expert outside environmental consultants to support its *Environmental Incident Management policy and protocols* to ensure that whenever spills or other environmental incidents occur at any Telesat facility, they are reported, managed and mitigated effectively. Examples of other accountability mechanisms can be found in the ESG-related policies on Telesat's website at <https://www.telesat.com/investor-relations/corporate-governance/>.



Forward Looking Statement Safe Harbour

All forward-looking statements in this ESG Impact Report are made as of April 30, 2023 and are qualified by these cautionary statements.

This ESG Impact Report contains statements that are not based on historical fact, and are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and Canadian securities laws. Forward-looking statements may relate to Telesat Corporation’s future outlook and anticipated events or results and may include information regarding the financial position, business strategy, growth strategy, budgets, operations, plans and objectives of Telesat Corporation, among other things. When used herein, statements which are not historical in nature, or which contain forward-looking terminology such as “will”, “plans”, “commits”, “expects”, “believes”, “anticipates”, “intends”, “may”, “could”, or similar expressions, are forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to statements regarding our ESG commitments, strategies, and initiatives; our business plans and strategy; our technology and services; our opportunities for growth; and our stakeholder engagement efforts. Actual results may differ materially from the expectations expressed or implied in the forward-looking statements as a result of known and unknown risks and uncertainties. Accordingly, readers should not place undue reliance on forward-looking information. Telesat Corporation does not undertake to update any forward-looking information made in this ESG Impact Report, except as required by applicable securities laws.

The forward-looking statements included in this ESG Impact Report are based on Telesat Corporation’s current expectations and are subject to a number of risks, uncertainties and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond Telesat Corporation’s control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Known risks and uncertainties include but are not limited to: inflation, risks associated with operating satellites and providing satellite services, including satellite construction or launch delays, launch failures, in-orbit failures or impaired satellite performance; the impact of COVID-19 on Telesat Corporation’s business and the economic environment; the ability to deploy successfully an advanced global LEO satellite constellation, and the timing of any such deployment; the availability of government and/or other funding for the LEO satellite constellation; the receipt of proceeds in relation to the re-allocation of C-band spectrum; volatility in exchange rates; the ability to expand Telesat Corporation’s existing satellite utilization; and risks associated with domestic and foreign government regulation. The foregoing list of important factors is not exhaustive. Investors should review the other risk factors discussed in Telesat Corporation’s annual report on Form 20-F for the year ended December 31, 2022, that was filed on March 29, 2023 with the United States Securities and Exchange Commission (“SEC”) and the Canadian securities regulatory authorities at the System for Electronic Document Analysis and Retrieval (“SEDAR”), and may be accessed on the SEC’s website at www.sec.gov and SEDAR’s website at www.sedar.com.

Unless otherwise expressly stated, we obtained industry, business, market and other data from our own internal estimates and research, as well as from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry and general publications, government data and similar sources.