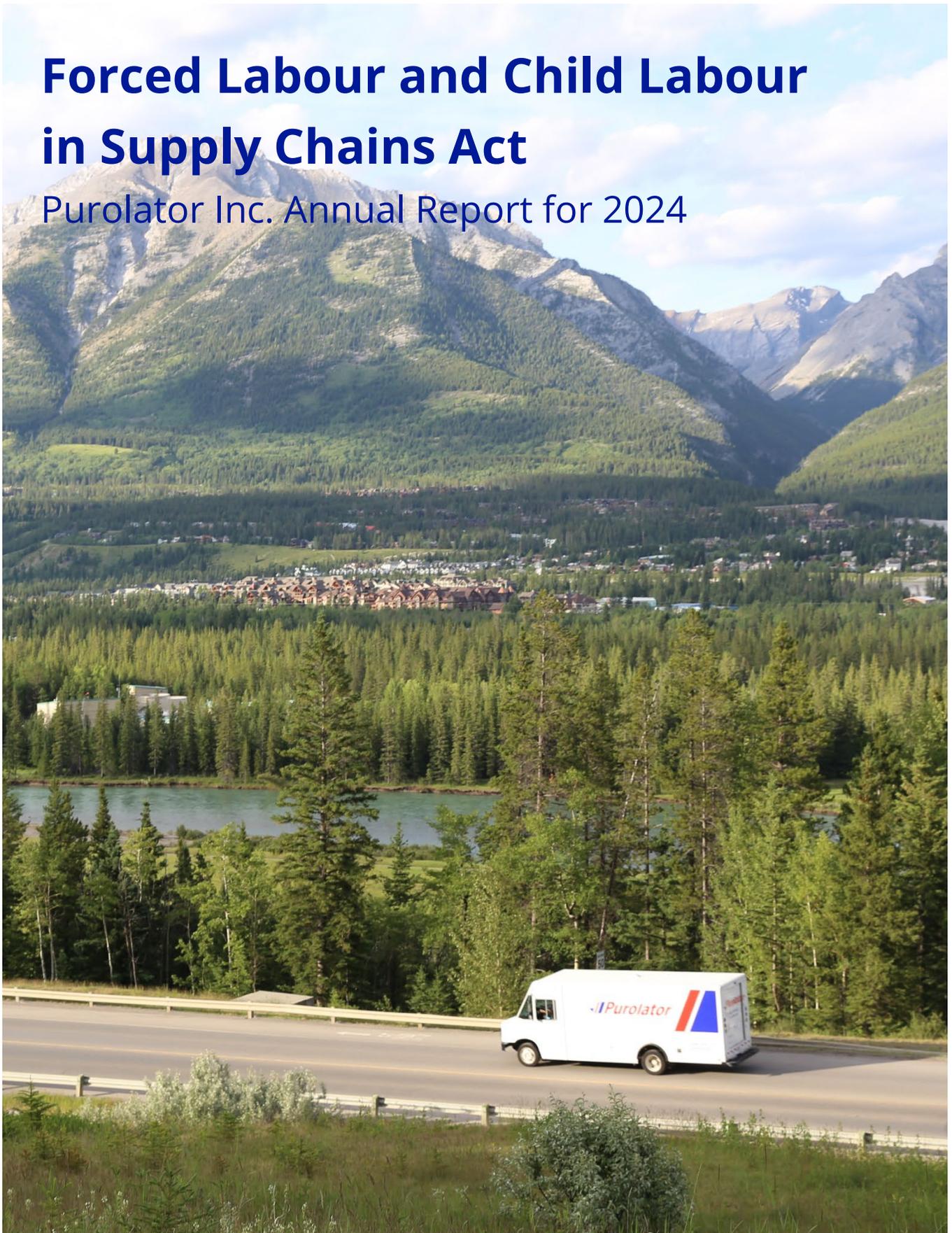


Forced Labour and Child Labour in Supply Chains Act

Purolator Inc. Annual Report for 2024



Fighting Against Forced Labour and Child Labour in Supply Chains Act

Purolator Inc. Annual Report Submission for the Period January 1, 2024 – December 31, 2024

This Report outlines the actions initiated by Purolator Inc. and its U.S. subsidiary Purolator International, Inc. (together, “Purolator”) to assess, mitigate, and address the risks of the use of forced labour and child labour across our supply chains and our future goals for on-going and effective due diligence.

About Purolator

Purolator is a leading integrated freight, package, and logistics provider, with a wealth of expertise that serves our vast clientele base, delivering packages to, from, and within Canada. We are committed to the empowerment, safety, and security of our team of over 14,000 employees and our customers alike. Purolator acknowledges the importance of the *Fight Against Forced Labour and Child Labour in the Supply Chain Act* (the “Act”) and the impact it could have on Canada’s international commitment to contribute to the fight against forced labour and child labour.

Activities and Pursuits

Importing and Production

Purolator provides and offers for purchase, shipping supplies at its retail locations. As part of its due diligence, Purolator reviewed the suppliers who produce these goods and is conducting a thorough review to determine the full supply chain of these products through EcoVadis. This EcoVadis review is discussed in further detail in this report.

Purolator’s third-party customs broker retained data pertaining to the types and volume of goods imported during the 2024 reporting year. As part of its due diligence process, Purolator intends to conduct a thorough review of this data for the purpose of complying with the Act and assessing the full scope of its supply chain network.

Activities of subsidiary

Purolator Inc.’s subsidiary Williams PharmaLogistics Inc. does not meet the reporting requirement for the year 2024 based on the criteria in the Act.

Policies and Due Diligence Processes

Purolator's Code of Business Conduct and Ethics (the "Code") articulates the standards of conduct expected of all Purolator employees in areas of critical importance to Purolator. It sets out Purolator's expectation that employees comply with the law and act ethically at all times. This includes dealings with suppliers. We expect our suppliers to have similar standards in place and operate in compliance with all applicable laws and regulations.

The Code is reviewed annually and approved by the Board of Directors of Purolator Holdings Ltd., being the governing body of the entity that controls each entity included in this Report (the "Board"). All employees receive mandatory annual training on the Code. Purolator updated the Code in November 2023 to address its commitment to compliance with the Act. This update was effective January 1, 2024, in accordance with Purolator's established review cycle.

Purolator published and incorporated into its Procurement Policy, its "Responsible Sourcing Standard", a document that expressly outlines the expectation for all suppliers to perform due diligence assessments to prevent and eliminate the risk of using forced labour or child labour.

In furtherance of the work highlighted in Purolator's 2023 report, Purolator enhanced its supplier registration documentation and required its suppliers to attest and confirm that their businesses, including their subcontractors, are committed to prohibiting the use of forced and child labour, as well as respecting human and employment rights in their operations. This attestation is required annually.

Purolator also engaged the services of EcoVadis, a globally recognized sustainability assessment platform for global supply chains, to assess the forced labour and child labour risk levels of its suppliers. EcoVadis provides a structured framework that is designed to systematically evaluate risks associated with forced labour and child labour within supply chains.

Purolator's Supply Chains

EcoVadis' assessment integrates two main factors: 1) Forced Labour and Child Labour Risk as well as 2) Procurement Risk into a matrix. The Forced Labour and Child Labour Risk is assessed based on industry-specific data, complemented by country-level insights sourced from The Global Slavery Index 2023. Purolator's procurement practices, such as its spend level and criticality level, are submitted to EcoVadis' assessment tool as a part of determining Procurement Risk. EcoVadis then reviews the Forced Labour and Child Labour Risk and Procurement Risk to determine the overall "Modern Slavery Priority."

Using its EcoVadis IQ+ database, EcoVadis analyzed and matched four hundred and eighty-eight (488) of Purolator's suppliers. This analysis showed that the four hundred

and eighty-eight (488) suppliers span ninety-four (94) industries and seven (7) countries. Further, it revealed that 82.8% of the suppliers are from Canada, 16.0% are from the United States, and the remaining 1.2% are from five (5) other countries (for a breakdown of the five countries, see Table 1.1 below).

Distribution of Suppliers' Country	Count
Canada	404
United States	78
United Kingdom	2
China	1
Hong Kong	1
India	1
Netherlands	1

Table 1.1 - Distribution of Suppliers' Country as provided by EcoVadis

EcoVadis proceeded to score Purolator's suppliers using a rating system from "very high" to "very low" based on the categories of "Human Rights Country Risk" and "Labour & Human Rights Industry Risk".

1) Human Rights-Country Risk

When assessing Human Rights Country Risk, EcoVadis considers the country's health, social and human rights violations risk levels. EcoVadis concluded that for this category, none of Purolator's suppliers were located in "Very High" Human Rights Country Risk areas.

EcoVadis however, ranked one of Purolator's suppliers located in India as "High" risk solely based on its location being in India. Purolator proceeded to conduct a review of this supplier. Following a review of the supplier's information, which included a consideration of that supplier's industry of "computer programming, consultancy and related activities", Purolator found no instances of forced labour or child labour identified for this supplier.

2) Labour and Human Rights- Industry Risk

When assessing Labour and Human Rights Industry Risk, EcoVadis takes the following into account: Child Labour, Forced Labour and Human Trafficking; Diversity, Equity and Inclusion; Employee Health and Safety; Working Conditions; Social Dialogue as well as Career Management and Training.

According to Purolator's supplier analysis report from EcoVadis, the four hundred and eighty-eight (488) suppliers fell into ninety-four (94) industries found in eleven (11) industry categories (for a breakdown of the eleven (11) industry categories, see Table 1.2 below).

Distribution of Suppliers' Industry Category	Count
Business Services & Other Activities	145
Transportation & Logistics	121
Technology, Media & Communication	87
Retail & Wholesale Trade	37
Industry not provided by supplier	31
Manufacturing & Production	25
Financial Services & Insurance	23
Construction & Infrastructure	8
Healthcare, Social Services & Education	6
Accommodation, Hospitality & Food Services	3
Environmental Services & Waste Management	2

Table 1.2 - Distribution of Suppliers' Industry Category

When assessing Labour & Human Rights Industry Risk, EcoVadis considers the industry and its risk of labour and human rights violations for forced and child labour. Based solely on industry alone, EcoVadis rated one hundred and three (103) of Purolator's suppliers as "Very High" risk.

The distribution of their industry categories is shown below in Table 1.3:

Industry Category of 103 "Very High Labor & Human Rights industry risk" supplier	Count
Transportation & Logistics	74
Business Services & Other Activities	19
Manufacturing & Production	4
Accommodation, Hospitality & Food Services	3
Construction & Infrastructure	3

Table 1.3 - Industry Category of 103 "Very High Labor & Human Rights industry risk" supplier

Purolator conducted a review of these one hundred and three (103) suppliers and found that there were no instances of forced or child labour reported for any of those suppliers.

Modern Slavery Priority

EcoVadis uses the suppliers' assessment results above to determine a "Modern Slavery Priority" and corresponding priority level (critical/strategic/moderate). EcoVadis rated five (5) of Purolator's suppliers as "Critical". Purolator conducted a review of these five (5) suppliers and found no instances of forced labour or child labour reported. This

finding was further supported by EcoVadis' 360° Watch, which is another compliance mechanism that EcoVadis uses to track supplier compliance.

Remediation Measures

Purolator has not identified any reports of forced labour or child labour across our supply chains or within our procurement activities to date.

Remediation of loss of income

Purolator has not identified any reports of forced labour or child labour across our supply chains or within our procurement activities to date.

Training

All Purolator employees are required to complete Purolator's Annual Code of Business Conduct and Ethics training. At the conclusion of the training, employees are required to certify that they have reviewed the Code and report any known Code violations. Purolator updated its training in 2024 to include a section on forced labour and child labour. This update was launched in January 2025 in accordance with Purolator's established training cycle.

In April 2024, Purolator's Social Justice Movie Club hosted a session on "Forced Labour and Child Labour in the Supply Chain". The focus of the session was to discuss the social injustices caused from forced and child labour and its impacts on a global level as well as highlight Purolator's response and takeaways at an individual level.

Assessing Effectiveness

The Board reviews and approves policies regularly. This includes the Code, as well as the Procurement Policy which incorporates Purolator's Responsible Sourcing Standard. All other policies and procedures are reviewed on a regular cadence.

Purolator tracks employee awareness of its corporate policies and procedures through its Annual Code of Conduct e-learning and reports its completion rate to the Board every May. Purolator ensures it obtains a one hundred percent (100%) completion rate for all active employees each year.

With respect to its procurement practices, Purolator revised its request for proposal language to confirm that potential suppliers do not engage in forced labour or child labour. Purolator also revised its contractual language to include anti-forced labour and child labour provisions. All new supplier contracts signed in 2024 includes this revised language.

Purolator requires its suppliers to submit an annual attestation that it does not engage in forced labour or child labour.

As noted above, in 2024, Purolator engaged the services of EcoVadis to conduct an independent review to evaluate our supply chains' forced labour and child labour risks. To date, Purolator has not identified any occurrences of forced labour or child labour along its supply chains.

Next steps

- During the 2025 fiscal year, Purolator will continue to review, assess, revise and implement processes and procedures as necessary to reduce the risk of forced labour and child labour in its supply chains.
- Purolator will continue to enhance its monitoring including through tools such as EcoVadis.

Attestation

The contents and delivery of this Report were approved under section 11(4)(b)(ii) by the board of directors of Purolator Holding Limited, being the governing body of the entity that controls each entity included in this Report.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in the capacity as a director and the President and Chief Executive Officer of Purolator Holdings Ltd., attest that I have reviewed the information contained in this Report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the 2024 reporting year.



John Ferguson
Director and President and CEO
of Purolator Holdings Ltd.

May 14, 2025

I have the authority to bind the corporation.