



## Supplier Code of Conduct

### 1. Introduction

Purolator Holdings Ltd. and its operating subsidiaries, Purolator Inc., and Purolator International, Inc. (collectively referred to as “Purolator”) aims to maintain the confidence of all its stakeholders by minimizing legal, financial and reputation risks. Purolator believes that adherence to its corporate values and undertakings in social responsibility is essential. Purolator endeavours to work with suppliers who share this view. The Purolator Supplier Code of Conduct (Code) outlines the guidelines, principles, and standards that all suppliers of Purolator are required to follow and uphold in their business and throughout their supply chains.

### 2. Application

The Code applies to all of Purolator’s suppliers and their sub-contractors (“Suppliers”) be it for the supply of goods or services. All Purolator Suppliers must carefully review the guidelines in the Code and agree to abide by the guidelines as a condition of doing business with Purolator.

### 3. Business Integrity

#### i. Laws and regulations

In all their activities, Suppliers must ensure that they conduct business in compliance with all the applicable laws, rules, and regulations.

#### ii. Ethics and professionalism

Suppliers must respond to bid solicitations, requests for standing offers, and requests for supply arrangement in an honest, fair, and comprehensive manner that accurately reflects their capacity to satisfy the requirements stipulated in the bid/offer/arrangement or contract documents. Suppliers may submit bids/offers/arrangements and enter contracts only if they are able to fulfill all stipulated obligations. Furthermore, Suppliers have a duty of good faith and honest performance, before and during the procurement process.

#### iii. Conflicts of interest

Throughout their relationship with Purolator, Suppliers must not try to gain improper advantage or preferential treatment by Purolator employees. Suppliers will be required to warrant that no real, apparent or perceived conflict of interest exists or is likely to arise in the performance of the contract. If Suppliers become aware of any matter that causes or may cause a conflict of interest, they must immediately disclose the matter to Purolator in writing.

#### iv. Gift and entertainment

Where relevant, Purolator employees must seek approval in writing from their manager and/or Purolator’s Corporate Compliance Officer before accepting entertainment or gifts from any Suppliers (for clarity, a significant gift or benefit is one that could influence, or could reasonably be perceived by others to influence, the judgment or impartiality in dealings with the other party). For this reason, business entertainment in particular must be moderately scaled, attended by one

or more representatives of the party providing the entertainment and intended only to facilitate business goals.

**v. Anti-bribery and anti-corruption**

Bribery is a corrupt practice that undermines good governance and fair competition in the global market. It is not acceptable for any Suppliers to offer any bribe, kickback or other unlawful payment or benefit to secure any concession, contract, or other favourable treatment. Purolator is subject to the Corruption of Foreign Public Officials Act (CFPOA) and requires its Suppliers to comply with CFPOA and all applicable anti-corruption laws in its own jurisdiction.

**vi. Responsible business practices**

**a. Business resumption and contingency planning**

As some Suppliers' goods and services are critical to Purolator's businesses, Suppliers are expected to have and maintain business continuity and disaster recovery plans in accordance with applicable regulatory, contractual, and service level requirements.

**b. Natural disaster plan**

As an essential partner to Purolator's business continuity, Suppliers are expected to conduct a natural disaster risk assessment and comprehensive emergency responses plan relevant to their businesses, including but not limited to earthquakes, floods, hurricanes, and other potential hazards. Suppliers are required to promptly report to Purolator if any natural disaster incidents affecting their operations, and be responsible to enhance the resilience of their supply chain during and after a natural disaster.

**4. Privacy, Information and Data Security**

**i. Data protection and disclosure of confidential information**

Suppliers shall adhere to all applicable laws and regulations related to data protection and industry best practices for information security, including security of personal data. They are expected to maintain the security and privacy of all confidential information provided by Purolator, and handle the data in a proper and professional manner to demonstrate compliance with the principles of data protection.

**ii. Data breach and risk management**

Suppliers should implement information security measures to protect Purolator's information from unauthorized access, disclosure, alteration, or destruction. In case of any data breaches or security incidents, Suppliers must have an Incident Management plan in which they report to Purolator immediately and provide detailed information about the scope of breach and remediation actions.

**iii. Data management and maintenance**

Access to Purolator's data must be restricted to authorized personnel only on a need-to-know basis. Suppliers are responsible for the accuracy and maintenance of data, and shall conduct regular assessment to protect data from potential threats. Suppliers will be required to provide Purolator with an annual attestation of their compliance with the applicable Privacy, Information and Data Security requirements (for example ISO and/or SOC reports and certifications).

## **5. Human Rights and Fair Labour Practices**

### **i. Child labour, forced labour & modern slavery**

Purolator is committed to contributing to the fight against modern slavery across all our operations and supply chains. Purolator expects all Suppliers to respect their workers' workplace rights, take steps to mitigate human trafficking risks and monitor compliance of labour and human rights in their supply chains. All Suppliers are prohibited from using child labour, forced labour and participating in modern slavery.

Suppliers must comply with Canada's prohibition on the importation of goods produced, in whole or in part, by forced or compulsory labour. This includes forced or compulsory child labour and applies to all goods, regardless of their country of origin.

### **ii. Abuse, harassment & discrimination**

Purolator has zero-tolerance to any types of physical/sexual/verbal abuse, harassment, discrimination, violence, retaliation and other disrespectful and inappropriate behaviour. Suppliers must abide by applicable employment standards, labour, non-discrimination and human rights legislations, and have a policy in place that strictly prohibits discrimination and harassment. During the interactions with Purolator, Suppliers are expected to maintain a positive, harmonious, and professional manner.

Suppliers must maintain workplaces characterized by professionalism, and respect for the dignity of every individual with whom their employees interact. Suppliers must respect the diversity of their employees, clients and others with whom they interact, both in and outside the workplace, including respect for differences such as gender, race, colour, age, disability, sexual orientation, ethnicity, religion, marital status, pregnancy, veteran status or any other characteristic protected under local laws and regulations.

### **iii. Compensation and working hours**

Suppliers are expected to provide their employees with written employment contracts outlining the terms of employment in a language understood by the employee. Suppliers are required to pay fair wages to their employees and comply with wage laws in all circumstances, and the wage must be paid directly to the worker without charging any recruitment fees or related costs. If overtime is necessary, Suppliers must inform their employees prior to the shift and ensure that the employees could refuse working overtime without penalty or disciplinary actions.

### **iv. Health & safety**

Suppliers are required to provide a healthy and safe workplace while complying with relevant health and safety laws in conjunction to Purolator's Health & Safety policy. Suppliers are required to provide all their employees, agents and personnel with adequate information and instruction on health and safety details and to enable their employees to meet their responsibilities for the maintenance of a healthy and safe workplace. Suppliers are required to proactively and swiftly communicate any health and safety issues identified at any Purolator facilities or area in which the Supplier has been asked to work by Purolator to their Purolator Procurement team or to Purolator's Director of Health and Safety.

### **v. Freedom of association and grievance mechanism**

Suppliers must respect the right of workers to join or form trade unions. Open communication channel between workers and management should be encouraged to foster a collaborative

working environment. Suppliers are expected to provide an anonymous and confidential method to all employees to raise concerns to senior management without fear or retaliation.

## **6. Diversity, Equity and Inclusion**

Purolator is firmly committed to employment equity, diversity and inclusion. This means recognizing and addressing barriers experienced by anyone including but not limited to women, visible minorities, Indigenous peoples, persons with disabilities, racialized persons, members of the LGBTQ2S+ community and new Canadians.

Purolator expects Suppliers to comply with all laws and regulations in accordance with the Canadian Human Rights Act and other relevant legislation. Purolator is committed to working with diverse organizations from underrepresented groups and expected the same along our supply chain. Suppliers are required to have an effective diversity, equity and inclusion policy or statement in place that demonstrates employment equity as one of the many processes for creating a diverse and inclusive workplace in all its workplace for members of the designated groups, as well as other identifiable groups.

## **7. Environmental Sustainability**

### **i. Permits, certificates and law compliance**

Suppliers are expected to comply with all federal, provincial and municipal environmental protection laws and regulations, and maintain a high professional standard for their environmental practices throughout their value chain. All required environmental permits and licenses shall be obtained, documented and all applicable reporting requirements shall be followed and uploaded into the Ariba Portal. Personnel must have adequate resources and training available to fulfill any existing or evolving compliance obligations.

### **ii. Policy and management system**

Suppliers should have a formalized Corporate Environment policy that outlines their commitment to reduce their impact on the environment, which is communicated to all internal and external stakeholders. Suppliers should perform regular environmental audits to assess the nature and extent of the risk of harm to the environment if applicable. An environmental management system is recommended as it provides a framework to manage environmental aspects and continually improve environmental performance.

### **iii. Hazardous management**

Suppliers must have a systems and procedures in place to ensure the safe handling, storage, transportation and disposal of dangerous goods, waste and hazardous materials. Suppliers shall also have systems in place to prevent any accidental releases into the environment.

### **iv. Environmental reporting and transparency**

Purolator is committed to reducing its environmental impacts in its own operations and throughout its Supplier base. Suppliers are encouraged to follow a continuous improvement mindset to evaluate and take action to minimize impacts to the environment throughout their entire value chain. In support of Purolator's environmental objectives, Purolator encourages Suppliers to:

- Measure and report on environmental impacts such as Greenhouse Gas (GHG) emissions, energy use, and waste;

- Establish and implement interim environmental targets related to Suppliers' material areas of environmental impact, preferably validated by Science-Based Targets Initiative (SBTi) where applicable;
- Develop a long-term strategy to reduce their environmental impacts, including GHG emissions, in their value chain;
- Evaluate and minimize waste generation. Suppliers are encouraged to follow the 5Rs of waste management - refuse, reduce, reuse, repurpose, recycle and use sustainably-sourced materials where possible;
- Evaluate and minimize energy use and consider renewable energy sources for their operations; Establish a management framework to address climate risks and seize climate-related opportunities;
- Apply sustainability criteria in the selection and assessment of their suppliers;
- Identify and engage in initiatives that support local communities; and
- Communicate environmental sustainability performance and progress to internal and external stakeholders through regular public reporting.

## **8. Compliance and Monitoring**

Suppliers are expected to adhere to and comply with Purolator's Supplier Code of Conduct. Suppliers may be required to periodically confirm in writing that they meet their obligations under the Code, and need to submit relevant reports, attestations and certificates in Ariba platform whenever being requested by Purolator. In some circumstances, Purolator may audit a Supplier's control environment.

Suppliers are required to alert the Purolator procurement team (in writing) as soon as they are made aware that they may not be in compliance with the Code. Purolator will work with Suppliers to address potential instances of non-compliance with the Code, and ensure a sound understanding of expectations in order to address any apparent lack of compliance. If Suppliers or their related supply chains are unable or unwilling to comply with the Code, Purolator reserves the right to take appropriate actions including but not limited to seeking more information, deeming a bid non-responsive, terminating the contract for default, setting aside the standing offer, suspending or cancelling the supply arrangement, or other contractual consequences.

## **9. Continuous Improvement**

Suppliers are encouraged to perform regular review and assessment to their operations in order to stay aligned with industry best practices and evolving threats.

## **10. Sub-contractor Management**

Suppliers will ensure that their sub-contractors and agents are aware of and will comply with the same contractual requirements and expectations including the Supplier Code of Conduct.

## **11. Contact Information**

If you have any questions about Purolator's Supplier Code of Conduct, please contact Ruwanika Boteju, Director, Strategic Procurement, at: [ruwanika.boteju@purolator.com](mailto:ruwanika.boteju@purolator.com)