

Supplier Code of Conduct

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Capitalized terms used but not otherwise defined in this Code have the respective meanings given thereto in the Master Products and Services Agreement between Supplier and NBC (“MPSA”).

Overview and Vision

This Code describes NBC's expectations of Supplier regarding responsible business practices. These expectations reflect NBC’s values and how they are applied in the context of its operations, as approved by its board of directors or its committees, as applicable¹.

This Code sets forth certain standards that Supplier must meet in its business relationship with NBC.

¹ See: <https://www.nbc.ca/about-us/social-responsibility/social-report.html>

By adopting this Code, NBC affirms its intention to do business with suppliers who take into account environmental, social and governance (ESG) considerations in their operations and throughout their supply chain.

Respecting this Code and the Law (Compliance)

Supplier will implement all applicable measures and procedures to comply with the principles set forth in this Code. These measures and procedures must be verifiable.

NBC may request information and verify Supplier's compliance with this Code by audit at any time upon written notice.

Supplier will also comply with applicable laws in the jurisdictions of all countries in which it does business for all matters listed in this Cod.

Supplier agrees to notify NBC of any non-compliance with this Code or any law applicable to the subjects enumerated in this Code.

ENVIRONMENT

Climate Risk Management and Disclosure

To meet the climate goals of the Paris Agreement, NBC is committed to managing and reducing its environmental footprint across all areas of its operations.

Supplier must demonstrate that it is proactively working toward this goal, which can be done by having or implementing the following measures:

- Assessing the environmental impacts of its operations and implementing appropriate environmental policies and practices to prevent, manage, and mitigate the adverse environmental impacts of its operations, particularly with respect to:
 - Hazardous materials;
 - Pollutants;
 - Wastewater and solid waste;
 - Air emissions;
 - Air and water quality;
 - Energy consumption; and
 - Greenhouse gas emissions.

These policies and practices must be applied throughout Supplier's organization, with management or board oversight.

- Disclose annually to NBC its carbon footprint in accordance with the Carbon Disclosure Project (CDP) framework or any other framework that allows NBC to account for Supplier's emissions in accordance with the CDP framework available at the following address: <https://www.cdp.net/en> and to provide to NBC any other relevant information in a timely manner.

- Implement an environmental management system to monitor the progress of the environmental policy and related certifications. This management system could be ISO 14001, EMAS (Eco Management Audit Scheme) or equivalent.

Continuous Improvement and Annual Reporting

NBC expects Supplier to improve its environmental performance and resilience to climate risks throughout the course of its mandate with NBC. NBC is committed to supporting Supplier in this process.

SOCIAL

Labour Practices and Human Rights

The United Nations Guiding Principles on Business and Human Rights provide that business enterprises must respect human rights. Supplier must comply with these principles, as well as the following international and local standards:

- The United Nations Universal Declaration of Human Rights; and
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

More specifically, Supplier must comply with international and local standards governing working conditions, including:

- Working hours;
- Minimum age of employment;
- Wages and benefits for its Personnel; and
- Recognition of and respect for the right to freedom of association, freedom of organization and freedom of collective bargaining.

Supplier must also respect the dignity of its Personnel and of each person with whom its Personnel and management interact.

Supplier must provide a work environment free from:

- Harassment and retaliation;
- Abuse and violence; and
- Discrimination based on race, colour, age, sex, gender identity, gender expression, sexual orientation, ethnic or social origin, religious beliefs, political views, disability or any other ground prohibited by law.

Supplier will have in place a zero-tolerance policy for all forms of discrimination, harassment and violence in the workplace and towards its customers.

Fight against slavery, forced labour and child labour in the supply chain

Supplier will not use:

- Child labour;
- Forced or compulsory labour;
- Involuntary or debt bondage; and
- Any other type of modern slavery practices.

Supplier will have a zero-tolerance policy in this regard for all of its facilities, business activities and supply chain.

Supplier must demonstrate that child and forced labour is not used in its operations. Supplier must also be able to provide evidence of the due diligence process in place to manage labour issues in its supply chain.

Supplier must confirm that its supply chain is free from modern slavery practices and may be asked by NBC to report on this regularly.

Inclusion and diversity

NBC recognizes that its workforce, including the people in its supply chain, is a key asset in generating long-term value. NBC values diversity to build a strong and talented team.

Supplier will develop an inclusive and diverse workforce and provide equal opportunity to businesses in its supply chain, with equitable representation of all diversity, including:

- Women;
- Indigenous peoples; and
- Minorities/visible minorities;
- People with disabilities; and
- Members of the LGBTQ+ community.

This must be reflected in Supplier's hiring practices and in its selection of suppliers, as well as in the composition of its board and management.

Supplier will not engage in discriminatory practices regarding applicants in its hiring and pre-hiring processes (job postings, application forms, interviews).

Supplier must eliminate barriers to employment for persons with disabilities and provide products and services that are accessible to them.

Occupational Health and Safety

Supplier must comply with all health and safety laws, regulations and standards related to its operations. Supplier must implement all necessary measures, including providing training and communicating best practices and procedures, to protect its Personnel from occupational health and safety hazards.

Community involvement

As a major player in the economy of Québec and Canada since 1859, NBC is committed to promoting the well-being of the communities it serves.

Supplier must also be committed to promoting the well-being of the communities it serves, which can be done through a variety of measures, including donations and sponsorships.

GOVERNANCE

Business Ethics

Supplier must implement clear policies on ethics and business conduct. These policies must clarify the course of action to be taken by the following individuals to comply with ethics and laws, including conflicts of interest:

- Directors;
- Management; and
- Personnel;
- Contract workers; and
- Third parties.

Fair Business Practices

NBC believes in free and open competition and expects Supplier to adhere to the same principles.

Robust and fair competitive practices include, but are not limited to:

- Bidding independently of competitors;
- Not discussing bidding practices with competitors;
- Not entering into agreements, coordinated practices or understandings that could restrict competition;
- Not exchanging sensitive information with competitors (including prices, costs, production data, market data, sales territories, suppliers or distribution channels, customer lists or other non-public business information); and
- Only collect information about competitors using ethical and legal means.

Anti-corruption and anti-money laundering

Supplier will:

- Adhere to the highest ethical standards; and
- Implement a zero-tolerance policy to deal with actions that are inconsistent with anti-corruption, fraud, illegal transactions or money laundering.

Confidentiality and Protection of Personal Information

Supplier must observe the highest standards of confidentiality and protection of Personal Information and comply with the confidentiality obligations of the MPSA and the law. Without limiting the obligations set forth in the MPSA, Supplier may only use Personal Information in a responsible and ethical manner.

CORRECTIVE ACTION (NON-COMPLIANCE WITH THIS CODE)

NBC reserves the right to take corrective action in certain situations of non-compliance. Such action may include the following:

- Issuing a warning;
- Terminating a contract in whole or in part; and
- Terminating a business relationship.

OWNERSHIP OF THIS CODE

Executive responsible for this Code	Senior Manager, Governance & Center of Excellence, Sourcing
Date of last revision	September 1, 2022

NBC reserves the right to amend this Code at any time.