



# Supplier Code of Conduct

## INTRODUCTION

Alberta-Pacific Forest Industries Inc. (Al-Pac) is committed to delivering exceptional products without compromising our values, ethics and responsible business practices, including those related to workplace, labour and human rights, health and safety, environmental impact, and corporate social responsibility. We expect the suppliers, vendors, manufacturers, agents, brokers and third parties (Suppliers) who conduct business with us to adhere to the same ethical standards and responsible practices.

This Supplier Code of Conduct sets out our expectations for and guides our business relationships with our Suppliers.

## SCOPE

Al-Pac's Supplier Code of Conduct (Code) outlines the company's expectations and guidelines for maintaining a responsible, sustainable and diverse supply chain based on our commitment to our values, ethics and responsible business practices. The Code sets out the minimum standards that Suppliers must meet, and nothing in the Code prevents them from exceeding these standards.

The Code applies to all Suppliers engaged in a business relationship with Al-Pac. Suppliers are expected to apply the principles and expectations outlined in this Code to their primary business operations and all subcontractors in their supply chains. Al-Pac expects Suppliers to share this Code with their contractors, agents, subcontractors and sub-agents, including labour agencies, engaged by them to assist with providing materials and/or services for Al-Pac. Suppliers are also expected to comply with all applicable laws and regulations of the jurisdictions where they operate. Where there are conflicts or inconsistencies, applicable laws will prevail.

By entering into any standard terms and conditions or other contractual agreements with Al-Pac, Suppliers accept this Code and affirm compliance with its commitments and requirements.

Failure to comply with this Code may result in termination of a Supplier's relationship with Al-Pac.

## PRINCIPLES FOR BUSINESS CONDUCT

Al-Pac values business relationships with Suppliers based on the principles of trust, mutual respect, ethics and responsible business practices. We will work with and support Suppliers who are committed to and comply with the following:

### HUMAN, WORKPLACE & LABOUR RIGHTS

Al-Pac complies with all applicable labour and human rights laws and regulations of the jurisdictions where we operate, and we uphold the *International Bill of Human Rights* and the International Labour Organization's (ILO) Core Labour Requirements. We align our practices with the *United Nations Guiding Principles on Business and Human Rights*, recognizing our role in promoting human rights commitments in our Supplier relationships and procurement practices. We expect Suppliers to adhere to these standards.



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## Child Labour

Al-Pac's Suppliers must comply with all applicable laws and regulations of the jurisdictions where they operate that relate to the minimum working age, and they must not engage in the employment of child labour, either directly or indirectly. This includes a commitment to:

- Prohibit and eliminate the worst forms of child labour.
- Not employ persons under the age of 15 years or below the minimum age as stated under the applicable laws and regulations of the jurisdictions where the Supplier operates, whichever age is higher.
- Where employment of persons between the ages of 13 and 15 years for light work is permitted by the laws and regulations of the jurisdiction where the Supplier operates, such employment must not interfere with school, nor be harmful to the health or development of the person. Notably, where children are subject to compulsory education laws, they must work only outside school hours and during normal daytime working hours in accordance with those laws.
- Not employ persons under the age of 18 in hazardous or heavy work, except for the purposes of training where permitted by the laws and regulations of the jurisdiction where the Supplier operates.

## Employment Eligibility & Voluntary Labour

Al-Pac's Suppliers must not engage in forced and compulsory labour. Workers must be free to choose employment and leave their employment at any time without being subject to coercion or restriction. Suppliers must commit to:

- Prohibit and eliminate all forms of forced and compulsory labour.
- Ensure employment relationships are voluntary and based on mutual consent without coercion, restriction and/or the threat of a penalty.
- Not condone any practices indicative of forced or compulsory labour including, but not limited to, the following:
  - Physical and sexual violence
  - Bonded labour
  - Withholding of wages, including payment of employment fees and/or payment of deposit to commence employment
  - Restriction of mobility and/or movement
  - Retention of passports and/or identity documents
  - Threats of denunciation to authorities

## Modern Slavery

Al-Pac will not work with Suppliers who engage in modern slavery as defined by *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act*.



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## Health & Safety

Al-Pac's Suppliers must comply with all applicable laws and regulations of the jurisdictions where they operate that relate to workplace health, safety and hygiene. Suppliers are expected to maintain sound health and safety programs for workers that ensure a safe and hygienic workplace, and promote the prevention of accidents and workplace injuries.

## Wages & Benefits

Al-Pac's Suppliers must comply with all applicable laws and regulations of the jurisdictions where they operate that relate to the legal minimum wage standard. Workers should receive clear information about their wages, and Suppliers must commit to not making unfair deductions from wages as a disciplinary measure.

## Freedom of Association

Al-Pac's Suppliers must, in accordance with all applicable laws and regulations of the jurisdiction where they operate, uphold the rights of workers to join or form a trade union without facing discrimination or intimidation. Suppliers must commit to respect the freedom of association and effective right of their workers to collective bargaining.

## Harassment, Discrimination & Violence

Al-Pac's Suppliers will not victimize and/or engage in harassment, discrimination and/or workplace violence, including sexual harassment and violence, against any worker or party to the contract with Al-Pac based on, but not limited to:

- Race, creed, colour, ancestry, ethnic background or origin, national origin, nationality and/or citizenship
- Age, sex or gender, gender identity and/or sexual orientation
- Religion or religious activity, association, belief(s) and/or creed
- Physical or mental disability or handicap, and/or the use of any means to alleviate the handicap
- Political belief, opinion, convictions, activity, association and/or affiliation
- Language or linguistic background or origin
- Marital status and/or family status
- Lawful source of income or receipt of public assistance
- Any other criteria protected by law

Suppliers will not permit workers to bring onto Al-Pac worksites, or display while providing goods and/or services, any vehicle, equipment, clothing, signage or materials containing language, symbols or imagery that could be reasonably considered:

- Vulgar, obscene or sexually explicit
- Discriminatory, harassing, or derogatory toward any individual or group
- Racist, hateful, or promoting violence or exclusion
- Antisocial



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- Otherwise inconsistent with a respectful, inclusive and safe workplace.

As per AI-Pac's Workplace Harassment, Discrimination & Violence Prevention Policy, Suppliers in a business relationship with AI-Pac must, at a minimum, maintain a policy or policies that apply to their workers with the same or greater requirements as those set forth in AI-Pac's policy. Suppliers must enforce such policies as required including, but not limited to, when directed by AI-Pac, and when working onsite at the AI-Pac workplace. Failure to maintain and/or enforce such policies may result in termination of the business relationship.

AI-Pac may, at its sole discretion, enforce the company's policy against any Supplier engaged in a business relationship with AI-Pac.

AI-Pac's policy does not override applicable municipal, provincial, territorial or federal laws. Where there are inconsistencies, the applicable laws will prevail.

## **BUSINESS ETHICS**

### **Compliance with Laws & Regulations**

AI-Pac's Suppliers are expected to comply with the laws and regulations of the jurisdictions where they operate.

#### **Ethics**

AI-Pac's Suppliers are expected to maintain the highest standard of integrity and ethics in their business dealings. Any and all forms of corruption, extortion and bribery are strictly prohibited.

#### **Anti-corruption and Bribery**

AI-Pac's Suppliers must comply with the laws and regulations of the jurisdictions in which they operate that concern the prevention of corruption and bribery. Actions that may be taken as bribery and/or an offer or promise to give a bribe to government and/or public officials or those in positions equivalent to them are prohibited. Requesting, agreeing to receive and/or accept a bribe is also prohibited.

#### **Conflicts of Interest**

AI-Pac's Suppliers must warrant that no real, apparent or perceived conflict of interest exists or is likely to arise in the performance of a contract with AI-Pac. In the event a Supplier or their subcontractors become aware of any matter that causes or is likely to cause a conflict of interest, they must immediately disclose the matter in writing to AI-Pac's Procurement & Contracts department and submit by email to [notices@alpac.ca](mailto:notices@alpac.ca).

#### **Fair Competition, Antitrust Laws, Intellectual Property & Data Privacy**

AI-Pac's Suppliers must comply with all applicable laws and regulations of the jurisdictions where they operate that relate to fair competition, antitrust, intellectual property, data privacy and related laws and regulations. Conduct that stifles fair competition including, but not limited to, conspiracy, bid rigging, refusals to deal, price maintenance and cartels, is prohibited.



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## ENVIRONMENTAL IMPACTS

Al-Pac is committed to minimizing environmental impacts from our operations. This includes reducing our climate impact, maintaining strong environmental management systems within our mill site operations with a focus on environmental performance and continuous improvement, and applying responsible forest management practices with a focus on stewardship, biodiversity and sustainability. Al-Pac's Suppliers are encouraged to maintain the same commitment to environmental stewardship.

Al-Pac's Suppliers must comply with all applicable laws, regulations, policies and standards of the jurisdictions where they operate that relate to environmental stewardship, protection, performance, monitoring, reporting and other requirements. Suppliers are expected to employ environmental management practices and/or systems that identify, monitor, and minimize and/or mitigate negative environmental impacts of their operations, including impacts that may be present within their supply chains.

As required by the terms and conditions of the contractual agreement, Suppliers must comply with Al-Pac's policies and standards that relate to environmental stewardship, protection, performance, monitoring, reporting and other requirements. Al-Pac's policies and standards do not override applicable municipal, provincial, territorial or federal laws. Where there are conflicts or inconsistencies, the applicable local laws will prevail.

## MONITORING & COMPLIANCE

Al-Pac's Suppliers must maintain reasonable information and management systems necessary to document compliance with this Code, applicable laws and regulations of the jurisdictions where they operate, and their contractual obligations with Al-Pac. Suppliers must provide to Al-Pac, in writing, confirmation of such information and management systems, including supporting documentation, upon reasonable request.

Suppliers may be required by Al-Pac to periodically confirm in writing to the company's Procurement & Contracts department by email to [notices@alpac.ca](mailto:notices@alpac.ca) that they meet the requirements of this Code.

It is the Supplier's responsibility to maintain compliance with this Code. Should a Supplier identify a deficiency in compliance with this Code, it must notify Al-Pac's Procurement & Contracts department in writing by email to [notices@alpac.ca](mailto:notices@alpac.ca) in a timely manner. The Supplier is expected to identify and take corrective action(s) to address the deficiency to achieve compliance with this Code and notify Al-Pac that the corrective action has been implemented. Where appropriate and at the Supplier's own determination, Al-Pac may support the Supplier to take the corrective action(s).

## ADMINISTRATION

This Code will be reviewed every three years, or more frequently as may be necessary.



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AI-Pac reserves the unilateral right to revise this Code as required.  
AI-Pac will notify Suppliers of changes to this Code.

**DOCUMENT CONTROL**

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