



PEI Cannabis Management Corporation

# **Supplier General Code of Conduct**

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# PEICMC Supplier General Code of Conduct

## Preamble

Prince Edward Island Cannabis Management Corporation manages its operations with fairness, lawfulness, transparency, accountability, efficiency and sustainability. The purpose of the Supplier General Code of Conduct (the Code) is to align suppliers and potential suppliers with the corporation's core values.

The Code establishes the PEICMC's minimal requirements for the management of ethical, social and environmental risks and opportunities as the corporation engages in business relations with its suppliers. The policies in this Code apply to PEICMC suppliers and prospective suppliers. It is also expected that PEICMC suppliers and prospective suppliers apply similar policies throughout their own supply chain and business practices.

This Code applies to all parties contracted by the PEICMC for the supply of goods or services, and compliance with this Code is an integral part of the various conditions to become an approved supplier of the PEICMC.

Additional obligations, specifications and conditions pertaining to the supply of goods or services by PEICMC suppliers may be contained in individual purchase orders issued by the PEICMC or contract documents executed with the corporation.

## Business Ethics

- PEICMC suppliers are expected to adhere to high ethical standards inclusive of the following:
  - No money, gift, advantage, favor or any promise thereof shall be offered or given directly or indirectly by a supplier to influence the conduct of PEICMC staff. This includes gifts, privileges, hospitality, entertainment offers, or other similar benefits regardless of who they are given or offered to.

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- Suppliers and potential suppliers are never to place a PEICMC employee in a situation that could compromise his or her ethical behavior or integrity or create a conflict of interest.
  - Suppliers must uphold the principles of integrity and transparency in their business practices, which include respecting local, regional, national and international laws, regulations, rules and codes pertaining to the disclosure of their business activities, structure and financial situation.
  - The PEICMC takes all possible measures to ensure fair competition among its suppliers and expects its suppliers to act accordingly for their own activities. No privileged information (regarding prices, pricing methods, bidding strategies, contract terms and conditions, technology, and/or specifications) may be shared among competitors in ways that can interfere or restrain fair business and competition. The PEICMC will report to and cooperate with law enforcement authorities if there is reasonable suspicion of anti-competitive behavior.
  - The PEICMC authorizes certain staff to carry out procurement activities on its behalf and holds them accountable for doing so in compliance with all relevant laws and regulations. The PEICMC expects the same reciprocal accountability from its suppliers and their employees, sales agents, and subcontractors at all times throughout the procurement process.
  - In the course of working with the PEICMC, suppliers may not use proprietary information, patented technology or copyrighted software, documentation, or other materials from third parties without their authorization. Suppliers must safeguard confidential information and implement effective and enforceable controls consistently applied and verifiable by the PEICMC to ensure that their contractual confidentiality obligations are fully met.
  - All printed materials relating to supplier product information or prospective product listings must first be sent to PEI Cannabis Head Office at 3 Garfield Street in Charlottetown for review before being distributed to retail stores. PEI Cannabis retail site employees will not accept any printed materials directly from supplier representatives. Printed materials for review can also be emailed to Colin MacDonald at [cmacdonald@peicannabiscorp.com](mailto:cmacdonald@peicannabiscorp.com) and Laura Younker at [layounker@peicannabiscorp.com](mailto:layounker@peicannabiscorp.com).

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## Respect for Workers

- The PEICMC seeks to uphold human rights and labor rights, locally and abroad, and expects its suppliers to do the same in their own operations and those of their own subcontractors throughout their supply chain:
  - The PEICMC strives to align its procurement activities with its support and defense of human rights and expects from its suppliers that they work in step and conduct their activities and business relationships in full respect of the human rights described in the United Nations' Universal Declaration of Human Rights.
  - The PEICMC expects suppliers and supplier subcontractors to refrain from relying on child labor. The term child refers to any person under the age of 16.
  - The PEICMC expects suppliers and supplier subcontractors to refrain from relying on forced and compulsory labor. Employees will not work under any threat of penalty or punishment. All tasks must be undertaken out of the employees own free will.
  - The PEICMC expects suppliers and supplier subcontractors to recognize freedom of association and the right to collective bargaining, regardless of the jurisdiction in which they operate.
  - The PEICMC supports the principles of diversity and equality and expects suppliers and supplier subcontractors to refrain from discriminating against their employees for any of the following reasons: age (except as provided by law), ancestry, color, race, citizenship, civil, marital or family status (including single status), ethnic or national origin, place of origin, gender identity, gender expression, language, disability or handicap, political convictions, record of offences (in employment only), religious belief or creed, sex (including pregnancy and breastfeeding), sexual orientation, social condition or any other legally prohibited grounds for discrimination in the hiring process and every aspect of work life.
  - Suppliers and supplier subcontractors must provide their employees with a healthy, hygienic and safe work environment and must take all measures to prevent work-related injuries, illnesses and accidents. Suppliers and supplier subcontractors must implement clear occupational health and safety procedures, including the attribution of the responsibility of these procedures to an executive, and should provide occupational health and safety training for employees on a regular basis.

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- Suppliers and supplier subcontractors must comply with national laws or industry or international standards, whichever provides the best protection to ensure the health, safety and wellbeing of employees.
  - The PEICMC expects that supplier and supplier subcontractor wages and benefits paid out to employees for a workweek must meet or exceed the minimum legal wage, industry standards or collective agreement if applicable, whichever is most beneficial to the employee. The employee must be paid on a regular basis and receive a pay slip. Suppliers will not withhold salaries as a disciplinary measure without notifying the employees in advance.

## Environmental Protection and Sustainability

- The PEICMC is committed to purchasing goods and services stemming from practices that are respectful of the environment and which aim to reduce the environmental footprint at every phase of their life cycle. PEICMC suppliers and supplier subcontractors must give high priority to environmental issues and implement initiatives to foster sound environmental management through practices that prevent pollution and preserve resources:
  - Greenhouse gas (GHG) emissions contribute to climate change—a major and internationally recognized environmental issue. The PEICMC encourages suppliers and supplier subcontractors to take measures to reduce the GHG emissions generated by their operations, products and services.
  - The PEICMC encourages suppliers and supplier subcontractors to make efforts to preserve water and favor optimal water use by adopting practices to reduce water consumption and minimize the release of pollutants into water.
  - The PEICMC encourages suppliers and supplier subcontractors to adopt practices to reduce resource waste and optimize resource recycling.