

Supplier Code of Conduct

NAV CANADA



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NAV CANADA's Supplier Code of Conduct

Our Commitment

NAV CANADA is committed to acting responsibly in all business dealings to ensure compliance with applicable national and international legislation, including laws regarding anti-corruption, anti-trust, anti-bribery, fair competition and human rights. NAV CANADA will forgo business opportunities rather than act in an unethical manner and/or in violation of applicable law. Preserving an ethical workplace is critical to our continued success and we strive to hold ourselves to the highest ethical standards, and we expect the same of all individuals, entities, and other organizations that provide NAV CANADA with goods or services (our "Suppliers" and each a "Supplier").

NAV CANADA is a signatory to the UN Global Compact and is committed to the ten principles on human rights, labour, environment, and anti-corruption. NAV CANADA is also committed to environmental, social, and governance (ESG) efforts and is working towards the UN Sustainable Development Goals (SDGs) to promote environmental action, inclusive society, and strong governance to build a sustainable and economically resilient future.

Any entity, individual, or organization wishing to be a Supplier is expected to abide by the ESG principles outlined in this document and to ensure that these are passed down to their own subcontractors. Suppliers are highly encouraged to join the UN Global Compact to explicitly show their support towards the ten principles and UN SDGs.

Business Conduct and Ethics

Suppliers must commit to, and enforce, the highest standards of ethical conduct and fair business practices, including:

Business Integrity: The highest standards of integrity are to be upheld in all business interactions. The Supplier shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement. All business dealings should be transparently performed and accurately reflected

on the Supplier's business books and records. Monitoring and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

No Improper Advantage: Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. The Supplier commits to complying with all applicable laws relating to bribery and anti-corruption. The Supplier agrees that it will not cause NAV CANADA or one of its customers to be in breach of any such laws, and will maintain programs to prevent and detect violations of such laws. The Supplier will report to NAV CANADA any allegation of bribery or corruption made in court, arbitration, or in administrative proceedings against NAV CANADA or the Supplier, and will reasonably assist NAV CANADA in the investigation required by a government agency with regard to a breach of any such laws.

Disclosure of Information: Information regarding the Supplier's labour, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are strictly prohibited.

Intellectual Property: Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer information is to be safeguarded.

Fair Business, Advertising and Competition: Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

Protection of Identity and Non-Retaliation: Programs that ensure the confidentiality, anonymity, and protection of supplier and personnel whistleblowers are to be maintained, unless prohibited by law. The Supplier

should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.

Privacy: The Supplier acknowledges that NAV CANADA is subject to the *Personal Information Protection and Electronic Documents Act* (“PIPEDA”) of Canada. The Supplier commits to protecting and ensuring the confidentiality, privacy and security of NAV CANADA information, including personal information of suppliers, customers, consumers, and personnel, and has appropriate policies and procedures in place to ensure they can comply with this requirement. The Supplier will promptly report to NAV CANADA any unauthorized disclosure, alteration, or any loss of NAV CANADA information, including any personal or confidential information of NAV CANADA or suppliers, customers, consumers, and personnel.

The Supplier shall perform services in accordance with applicable anti-spam legislation. Where electronic messages are sent from or received in Canada, or computer programs are installed on computer systems in Canada, the Supplier shall comply with all requirements of the Canada Anti-Spam Legislation (“CASL”). The Supplier shall promptly report to NAV CANADA any compliance problems or incidents related to CASL, or if the Supplier receives notice from any governmental or regulatory authority relating to failure to comply with applicable anti-spam legislation.

Health and Safety

Suppliers must ensure safe working conditions and a healthy work environment for their personnel. At a minimum, the Supplier will ensure that the following health and safety standards are followed and adhered to:

Occupational Safety: Personnels’ exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, personnel are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about the risks associated with these hazards. Personnel shall be encouraged to raise safety

concerns.

Emergency Preparedness: Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, personnel notification and evacuation procedures, personnel training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

Occupational Injury and Illness: Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage personnel reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of personnel to work.

Industrial Hygiene: Personnels' exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, personnels' health is to be protected by appropriate personal protective equipment programs.

Physically Demanding Work: Personnels' exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

Machine Safeguarding: Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to personnel.

Sanitation, Food, and Housing: Personnel are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Personnels' dormitories provided by the Supplier or a labour agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate

heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

Health and Safety Communication: The Supplier shall provide personnel with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

Drugs and Alcohol: Suppliers' personnel are strictly prohibited from performing work on NAV CANADA premises, be in control of a NAV CANADA vehicle or operate NAV CANADA equipment while under the influence of alcohol or drugs, including the after-effects of such use. The possession, distribution, sale, or consumption of cannabis is explicitly banned at all times while on NAV CANADA property. Furthermore, the use, possession, presence in the body, or distribution or sale of illicit and/or illegal drugs while performing work on NAV CANADA premises, in NAV CANADA vehicles or while using NAV CANADA equipment is strictly prohibited.

Environment

Suppliers are to demonstrate good stewardship of the environment while working to reduce the environmental impacts of their operations. Suppliers are expected to:

Environmental Permits and Reporting: All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

Pollution Prevention and Resource Reduction: The use of resources and generation of waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

Hazardous Substances: Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

Wastewater and Solid Waste: The Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. In addition, measures should be implemented to reduce generation of wastewater. The Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

Air Emissions: Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required prior to discharge. The Supplier shall conduct routine monitoring of the performance of its air emission control systems.

Materials Restrictions: The Supplier shall comply with all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

Storm Water Management: The Supplier shall implement a systematic approach to prevent contamination of storm water runoff. The Supplier shall prevent illegal discharges and spills from entering storm drains.

Energy Consumption and Greenhouse Gas Emissions: Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. The Supplier shall look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

All Suppliers should have a documented environmental policy (or show progress towards implementing one) and work to minimize the impact of their activity on climate change. Suppliers must work towards developing greenhouse gas emission reduction targets for scope 1, 2 and 3 emissions.

All Suppliers shall respond to NAV CANADA's yearly (at minimum) request for information concerning greenhouse gas emissions and energy consumption

related to their products or services in the timeframes set out in the request, to ensure NAV CANADA's compliance with reporting requirements.

Human Rights and Labour

For purposes of this section, the following terms have the following meanings:

“Child Labour” means labour or services provided or offered to be provided by persons under the age of 18 years and that:

- (a) are provided or offered to be provided in Canada under circumstances that are contrary to the laws applicable in Canada;
- (b) are provided or offered to be provided under circumstances that are mentally, physically, socially or morally dangerous to them;
- (c) interfere with their schooling by depriving them of the opportunity to attend school, obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and heavy work; or
- (d) constitute the worst forms of child labour as defined in article 3 of the Worst Forms of Child Labour Convention, 1999, adopted at Geneva on June 17, 1999.

“Forced Labour” means labour or service provided or offered to be provided by a person under circumstances that:

- (a) could reasonably be expected to cause the person to believe their safety or the safety of a person known to them would be threatened if they failed to provide or offer to provide the labour or service; or
- (b) constitute forced or compulsory labour as defined in article 2 of the Forced Labour Convention, 1930, adopted in Geneva on June 28, 1930;

“Human Trafficking” means transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services; and

“Modern Slavery” means the exploitation of a person for commercial or personal

gain, in which the person cannot leave or refuse the situation because of threats, violence, coercion, deception, and/or abuse of power. Modern Slavery includes, but is not limited to:

- (a) Child Labour;
- (b) Forced Labour;
- (c) Human Trafficking;
- (d) bonded (including debt bondage) or indentured labour; and
- (e) involuntary prison labour.

NAV CANADA does not tolerate Modern Slavery in connection with any of its business dealings. Suppliers are expected to support and respect the protection of human rights of personnel and must treat all with dignity and respect.

NAV CANADA's Suppliers shall:

Support Freely Chosen Employment:

Modern Slavery shall not be used either by Supplier or by any of its suppliers, or subcontractors.

There shall be no unreasonable restrictions on personnels' freedom of movement in the Supplier's facility or unreasonable restrictions on entering or exiting Supplier-provided facilities.

As part of the hiring process, personnel must be provided with a written employment agreement in a language which they understand that contains a description of terms and conditions of employment prior to the personnel departing from his or her country of origin. All work must be voluntary and personnel shall be free to leave work at any time or terminate their employment. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by personnel to personnel's identity or immigration documents, such as government-issued identification, passports or work permits, unless the holding of work permits is required by law.

Personnel shall not be required to pay employers or agents' recruitment fees or

other aggregate fees in excess of one month's salary. All fees charged to personnel must be disclosed and fees in excess of one month's salary must be returned to the personnel.

Comply with Young Workers Regulations: Child labour is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 18, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

NAV CANADA is supportive of the use of legitimate workplace learning programs for students and workers under the age of 18 ("Young Workers"), which comply with all laws and regulations. However, Young Workers shall not perform work that is likely to jeopardize their health or safety, including working night shifts and overtime.

Supplier shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

Maintain Appropriate Working Hours: Studies of business practices clearly link personnel strain to reduced productivity, increased turnover and increased injury and illness. Work weeks are not to exceed the maximum set by local law. Further, a work week should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Personnel shall be allowed at least one day off every seven days.

Provide Appropriate Wages and Benefits: Compensation paid to personnel shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, personnel shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, personnel shall be provided with a timely and understandable wage statement that includes sufficient information to verify

accurate compensation for work performed. All use of temporary, dispatch and outsourced labour will be within the limits of the local law.

Ensure Humane Treatment: The Supplier shall ensure that personnel are not subjected to, harsh and inhumane treatment, including, but not limited to any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, verbal abuse, or threats to personnel's family members. The Supplier shall also ensure that there is no threat of any such treatment. Disciplinary policies and procedures in support of requirements relating to treatment of personnel shall be clearly defined and communicated to personnel.

Implement Non-Discrimination Policies and Processes: The Supplier shall be committed to having and maintaining a work environment that is free of harassment and discrimination. The Supplier shall not engage in discrimination based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Personnel shall be provided with reasonable accommodation for religious practices. In addition, personnel or potential personnel shall not be subjected to medical tests or physical exams that could be used in a discriminatory way.

Not Prevent Freedom of Association: In conformance with local law, Suppliers shall respect the right of all personnel to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of personnel to refrain from such activities. Personnel and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

Diversity and Inclusion: NAV CANADA is committed to fostering a diverse and inclusive work environment where diverse ideas and perspectives are valued, respected and protected. Likewise, NAV CANADA expects its Suppliers to treat their clients, suppliers, personnel, subcontractors, and others in a manner that is consistent with these values. It is NAV CANADA's belief that including a range

of diverse parties and perspectives is important to our future business success and, for that reason, we seek to work with high-performing Suppliers who are also able to add a diverse perspective to our business.

Suppliers are strongly encouraged to identify, adopt, and integrate the principles of diversity and inclusion into their business practices and processes utilizing acceptable, appropriate, and up to date language.

All Suppliers shall respond to NAV CANADA's yearly (at minimum) request for information concerning their Human Rights and Labour practices within the timeline set out in the request, to ensure compliance with NAV CANADA's reporting obligations.

Monitoring and Compliance

The Supplier will demonstrate that it has established or maintains an appropriate management and monitoring system to ensure compliance with this Code as set forth below.

Corrective Action: Suppliers are expected to promptly take corrective action to address any deficiencies identified with respect to compliance with this Code.

Compliance: Suppliers will keep all information necessary to document their compliance with this Code. By providing goods and/or services to NAV CANADA, the Supplier thereby confirms compliance with this Code, as well as compliance with all applicable laws in the country or countries in which they are doing business. Further and upon prior written notice, NAV CANADA may, through itself or a third party, at NAV CANADA's cost, audit the Supplier's books, records and facilities to ensure the Supplier's compliance with this Code.

Reporting Noncompliance: Non-compliance with this Code can be reported in English and French by email to navcanada@integritycounts.ca, by phone at 1-866-921-6714, by mail at PO Box 91880, West Vancouver, BC, V7V 4S4, Canada, or by fax at 1-604-926- 5664.

Management System: The Supplier shall demonstrate, adopt or establish a management system whose scope is related to the content of this Code. The management system shall be designed to ensure: (a) compliance with applicable

laws, regulations and customer requirements related to the Supplier's operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement. The management system should contain the following elements:

Legal and Customer Requirements. A process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

Risk Assessment and Risk Management. A process to identify the legal compliance, environmental, health and safety and labour practice and ethics risks associated with the Supplier's operations, and the determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

Training. Programs for training personnel who have a direct responsibility for supply chain management to implement Supplier's policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements.

Audits and Assessments. Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of this Code and customer contractual requirements related to social and environmental responsibility.

Accountability Standards and Procedures. Maintain internal accountability standards and procedures for personnel failing to meet the standards set forth in this Code.