



Emballages Carrousel's Business Partner Code of Conduct

2024 JANUARY



Sourcing decisions are influenced by a number of factors, such as supply chain disruptions and changing stakeholder requirements.

Emballages Carrousel transforms these challenges into opportunities in line with its eco responsible mission and through close collaboration with its business partners and other relevant stakeholders.

This Code of Conduct sets out Carrousel's expectations for their business partners and other stakeholders along the supply chain with regard to sustainable development and responsible business practices.

The aim is to help Carrousel fulfill its commitments and meet client and consumer expectations concerning the eco-responsible dimension of its packaging solutions. (See Eco Responsibility Charter and Responsible Procurement Charter.)



SCOPE

This Business Partner Code of Conduct applies to all partners, subcontractors or stakeholders (hereinafter “suppliers”) who offer products and services to Emballages Carrousel for commercial sale. More specifically, it concerns business partners involved in the following sectors: food service and industrial packaging, sanitary products and personal protective equipment. The provisions of this Code will be revised annually as practices evolve.

COMPLIANCE

Emballages Carrousel prioritizes working closely with its business partners to maintain compliance with the Code of Conduct and to ensure the cohesion and coherence of its ecosystem. Support for the company’s continuous improvement initiatives is important. Partnerships and ongoing dialogue are also essential for successfully establishing new business practices that are ethically, socially and environmentally responsible across industry supply chains.

All business partners are expected to comply with this Code of Conduct and with national and international laws, standards and regulations, with emphasis on the reference standards (see appendix). These include the following texts:

- ▶ The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- ▶ The United Nations Convention against Corruption
- ▶ The Universal Declaration of Human Rights (UDHR)
- ▶ The Ten Principles of the UN Global Compact
- ▶ Fighting Against Forced Labour and Child Labour in Supply Chains Act (S.C. 2023, c. 9).

COMPLIANCE MONITORING

In order to assess compliance with the Code of Conduct and to offer support to its partners, Carrousel reserves the right to collect information to verify supplier compliance with this Code of Conduct, in particular through questionnaires, requests for supporting documentation or audits.

ETHICS AND GOVERNANCE

Ethics is at the heart of our business relationships and is the cornerstone of this Code. Carrousel expects its business partners to act with integrity, honesty and professionalism and to adhere to the highest ethical principles in order to preserve Carrousel’s integrity and activities, as well as public trust.

Anti-corruption provisions and other fraudulent practices

Business partners must not participate in any form of corruption, extortion, bid-rigging, influence-peddling, malicious or unauthorized use of privileged information, embezzlement, falsification or other fraudulent practices. All information exchanged must be truthful, honest and not misleading in any way.

Transparency mechanisms

Carrousel’s business partners are encouraged to openly share their best practices and to provide complete information that is relevant to Carrousel’s responsible procurement approach. This includes any type of supporting document related to the sustainable performance of Carrousel and its relevant stakeholders, including its clients.

Compliance with laws and Carrousel policies

Partners must comply with all applicable national and/or local laws, regulations and policies. The highest standard will prevail.

Conflict of interest

Carrousel business partners must not engage in activities that could create a conflict of interest, whether real or apparent. They are required to be cautious and diligent in detecting and promptly reporting such conflicts.

HUMAN WELL-BEING

To ensure the dignity and safety of individuals within the organizations with which Carrousel does business, directly or indirectly, Carrousel's relations are based on the values of respect and kindness, and on the application of existing labour and human rights laws and standards.



Freedom of association and non-discrimination

Carrousel expects its partners to actively engage in social dialogue, to respect the right to collective representation by preserving the right to freedom of association and expression, to support collective bargaining in accordance with local legislation, and to prohibit all forms of discrimination.

Forced labour, human trafficking and modern slavery

Partners must not use forced labour or any form of human trafficking and slavery, and must actively fight against these practices in their own supply chains. All work must be voluntary and workers must be free to terminate their employment with reasonable notice. In the case of prison work, it must be supervised by approved government programs.

Underage workers

Partners must have hiring practices that accurately verify the age of their employees. Suppliers must respect the minimum legal working age in their countries of operation, and the work that these children do must not be hazardous, interfere with their schooling or contravene Canadian law and the 1999 Worst Forms of Child Labour Convention.

Working conditions

Partners must comply with all applicable laws on wages, working hours, vacations, supervision and training, and benefits, paying at least the minimum amounts required. They must also pay premium rates for overtime hours, in accordance with the laws in force. Partners must ensure that their employees are authorized to work legally.

Health and safety

Partners must meet occupational health and safety standards in accordance with legislation and Carrousel's guidelines so as to ensure a healthy and safe working environment for all their employees. Employees must receive the supervision, training and safety equipment they need to perform their work safely.

Alcohol and drugs in the workplace

Emballages Carrousel is committed to maintaining an alcohol- and drug-free work environment for its business partners, employees and visitors. Partners are encouraged to implement a similar policy in their own establishments.

Respect

Partners shall maintain professional and respectful relationships with Carrousel's clients, employees and stakeholders. This implies behaviour that is free from discrimination and harassment, and that promotes equity, diversity and inclusion.

Whistleblower protection

Partners must establish programs to protect the anonymity of whistleblowers, prohibit retaliation for reporting violations in good faith, and ensure compliance with applicable laws, standards and regulations, including this Code of Conduct. They must also offer a means of reporting workplace issues without revealing their identity, in line with the Transparency International principles.

ENVIRONMENTAL PRESERVATION

Emballages Carrousel expects its business partners to go beyond mere compliance with current regulations and programs, so as to reduce the impact on the environment and ecosystems and preserve natural resources. Emballages Carrousel encourages the adoption of measures and behaviours based on circular economy and 5R-D principles to improve its environmental performance and that of its suppliers. These efforts should include performance monitoring and improvement plans.

Compliance with environmental laws and reduction of environmental impacts

Partners must comply with all national and local environmental laws and programs applicable to the environmental management of its activities. The aim of this compliance is to protect the environment and its resources (see appendix). This involves, among other things, water quality management and the sound management of resources, including forests, residual and hazardous materials, and emissions.

Water management

In an effort to improve water management, current standards and legislation must be respected when integrating practices and technologies designed to reduce water consumption and limit or treat wastewater in partner operations.

Residual materials management

Responsible management of residual materials includes reduction at source, sorting, use of recycled materials and recycling. These practices should be applied both to operations and to the design of suppliers' products and services, thereby encouraging the recyclability and reuse of materials.



Climate change

Carrousel counts on the collaboration of its partners to help implement measures aimed both at mitigating or adapting to climate change and at adapting our societies to the effects, particularly in the field of packaging solutions. In particular, Emballages Carrousel encourages the use of renewable energies and increased eco design in products and services to reduce the carbon footprint of their entire lifecycle.

Circular economy

Partners are expected to innovate and to help implement circular economy approaches and solutions. Emballages Carrousel encourages, among other things, functional economy, industrial symbiosis and eco-design initiatives aimed at rethinking needs, reducing and recovering materials, promoting re-use and facilitating recycling.

Extended producer responsibility

Emballages Carrousel expects its business partners to actively comply with local obligations regarding the end of life management of their products and services. This includes compliance with selective collection systems, such as the extended producer responsibility (EPR) approach adopted in Canada and elsewhere (see appendix).



SOCIO-ECONOMIC DEVELOPMENT

Beyond compliance with human well-being standards and legislation, Carrousel encourages its partners to invest socially by acting with respect for the surrounding communities and supporting economic development in the communities in which they operate.

This includes promoting local businesses, fair and ethical trade, and social impact organizations. The approach aims to create a harmonious environment with communities that are directly and/or indirectly affected by Emballages Carrousel's activities.

Moreover, projects that impact communities should foster local development and take into account the social acceptability of stakeholders. (See Carrousel's Eco-Responsibility Charter – Strategic Orientations 3 and 4.)



For any questions related to compliance monitoring or to confidentially report violations of Carrousel's Code of Conduct, please contact the purchasing manager.

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GLOSSARY AND DEFINITIONS

► **5Rs - Rethink, Reduce, Reuse, Recycle, Recover:**

Defined by approaches to reducing the environmental footprint of products and services, i.e., rethinking, reducing, reusing, recycling and recovering resources.

► **RP - Responsible procurement:**

In addition to the usual value for money and availability considerations, responsible procurement incorporates sustainable development criteria and even ethical principles that can be applied to product selection (recyclability, energy consumption, origin, total cost of ownership) and suppliers (environmental performance, working conditions, local socio-economic development, governance, respect for animal welfare). Responsible procurement is often part of a corporate social responsibility strategy.

► **Sustainable development:**

A type of development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It is built on three interdependent pillars: economic, social and environmental.

► **Circular economy:**

Defined as “a production, exchange and consumption system that aims to optimize the use of resources at all stages of the lifecycle of goods and services through circular logic, while reducing one’s environmental footprint and contributing to the well being of individuals and communities” (source: Pôle québécois de concertation sur l’économie circulaire [Quebec Centre for consultation on circular economy]).

► **RPP:**

Responsible procurement policy



► **Business partner:**

Any individual or legal entity involved in a commercial relationship with Emballages Carrousel.

► **Stakeholder:**

An individual or group (organization), actively or passively involved in a business decision or project, i.e., whose interests can be positively or negatively affected by the execution of the project or the business decision.

► **CSR - Corporate Social Responsibility:**

Principle whereby companies should, as a matter of social conscience or moral necessity, take responsibility for the consequences of their activities on the community, by voluntarily integrating social, environmental and economic concerns into their values, culture, decision-making processes, strategy, operations and interactions with their stakeholders.

APPENDIX

Acts and regulations

- ▶ Canadian Environmental Protection Act (1999) (justice.gc.ca)
- ▶ Canada Water Act (justice.gc.ca)
- ▶ Q-2 - Environment Quality Act (gouv.qc.ca)
- ▶ Single-use Plastics Prohibition Regulations (justice.gc.ca)
- ▶ Q-2, r. 46.01 - Regulation respecting a system of selective collection of certain residual materials (gouv.qc.ca)
- ▶ Municipal By-Laws (montreal.ca)
- ▶ Environmental Management Act (gov.bc.ca)
- ▶ Order in Council 461/2023 (gov.bc.ca)
- ▶ Selective Collection Systems in Canada
- ▶ Fighting Against Forced Labour and Child Labour in Supply Chains Act (S-211)

Reference standards

- ▶ The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- ▶ The United Nations Convention against Corruption
- ▶ The Universal Declaration of Human Rights (UDHR)
- ▶ The Ten Principles of the UN Global Compact
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