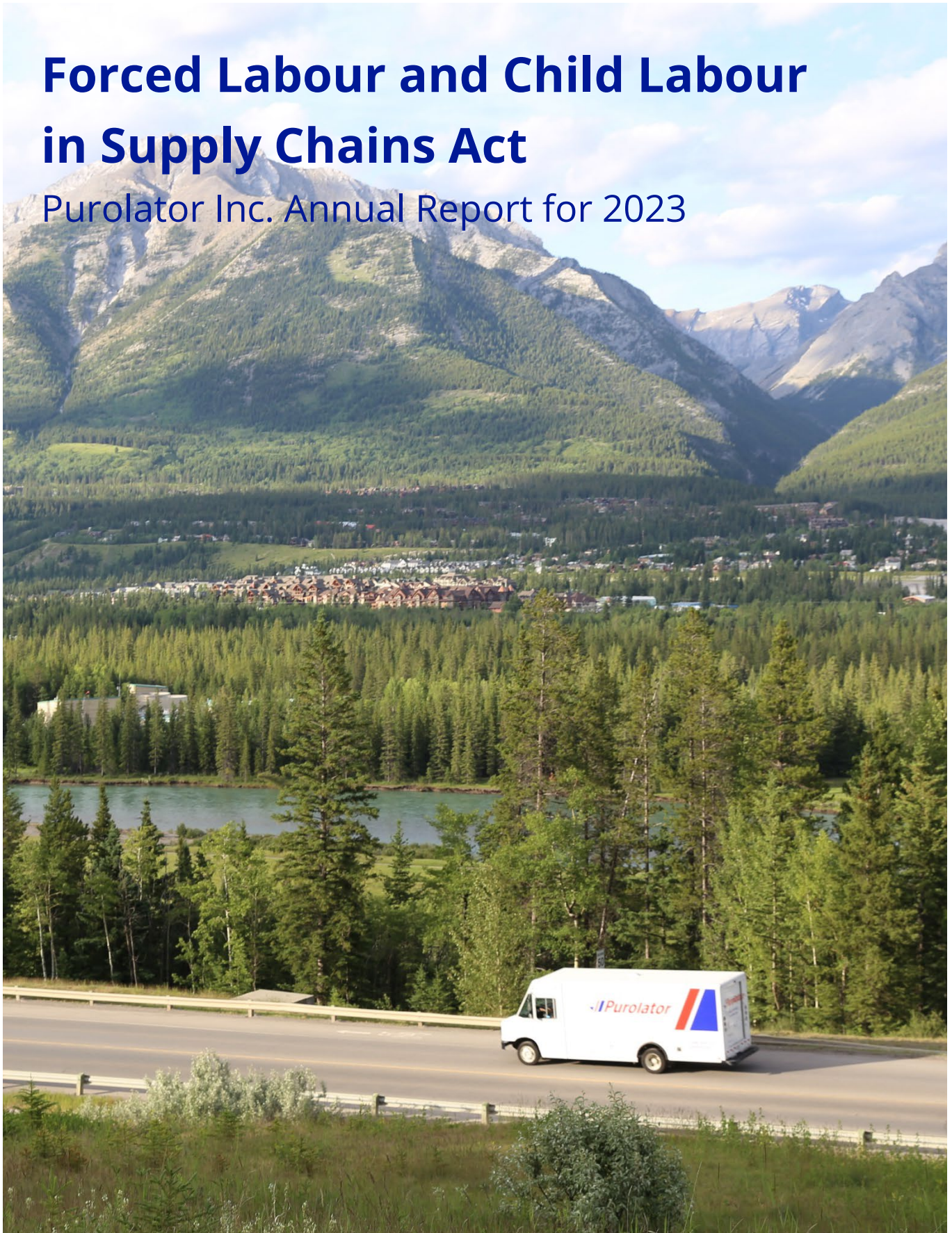


Forced Labour and Child Labour in Supply Chains Act

Purolator Inc. Annual Report for 2023



Fighting Against Forced Labour and Child Labour in Supply Chains Act

Purolator Inc. Annual Report Submission for the Period January 1, 2023 – December 31, 2023

This Report outlines the actions initiated by Purolator Inc. and its subsidiary Purolator International (collectively “Purolator”) to assess, mitigate, and address the risks of the use of forced labour and child labour across our supply chains and our future goals for on-going and effective due diligence.

About Purolator

Purolator is a leading integrated freight, package, and logistics provider, with a wealth of expertise that serves our vast clientele base, delivering packages to, from, and within Canada. We are committed to the empowerment, safety, and security of our team of over 14,000 employees and our customers alike. Purolator acknowledges the importance of the *Fight Against Forced Labour and Child Labour in the Supply Chain Act* (the “Act”) and the impact it could have on Canada’s international commitment to contribute to the fight against forced labour and child labour.

Activities and Pursuits

Importing

Purolator’s third-party customs broker retained data pertaining to the types and volume of goods imported during the 2023 reporting year. As part of its due diligence process, Purolator intends to conduct a thorough review of this data for the purpose of complying with the Act and assessing the full scope of its supply chain network.

Production, selling or distributing goods in Canada or elsewhere.

Purolator provides and offers for purchase, shipping supplies at its retail locations. Purolator is reviewing the suppliers who produce these goods and are obtaining the required information in order to determine the full supply chain of these products.

Activities of subsidiary

Purolator’s subsidiary Williams PharmaLogistics Inc. does not meet the reporting requirement for the year 2023.

Supply Chains

Purolator is in the process of assessing the supplier network and the locations from which such goods are imported.

Policies and Due Diligence Processes

In 2023, Purolator reviewed its business processes and initiated an action plan to address compliance with the Act, which involved a review of its policies and procedures that impact the supply chain.

Purolator's Code of Business Conduct and Ethics (the "Code") articulates the standards of conduct expected of all Purolator employees in areas of critical importance to Purolator. It sets out Purolator's expectation that employees comply with the law and act ethically at all times. This includes dealings with suppliers. We expect our suppliers to have similar standards in place and operate in compliance with all applicable laws and regulations.

The Code is reviewed annually and approved by Purolator's Board of Directors. All employees receive mandatory annual training on the Code. Purolator updated the Code in November 2023 to address its commitment to compliance with the Act. This update was effective January 1, 2024, in accordance with Purolator's established review cycle.

In addition, Purolator's Recruitment and Selection Policy as well as the Co-op and Student Hiring Policy outlines our parameters around hiring.

Purolator is in the process of updating additional policies and procedures to further mitigate the risk of forced labour and child labour in its supply chains. This includes updates to Purolator's Responsible Sourcing Standard and Supplier Code of Conduct. These will be rolled out in 2024 and further information provided in next year's report.

Forced labour and child labour risks

In 2023, Purolator initiated the review of its due diligence process for the purposes of ensuring compliance with the Act and identifying a third-party vendor to support in the risk review of suppliers in the supply chain. To date, Purolator has not identified any occurrences of forced labour or child labour along its supply chains but is committed to the development and implementation of due diligence strategies with our suppliers that will identify and address any inherent risks.

Purolator is developing language to be included in its requests for proposals and forms of vendor contracts for new suppliers to confirm that potential suppliers do not engage in forced labour and or child labour. Purolator is also implementing attestation and compliance monitoring of existing suppliers. These will all be rolled out in 2024.

Remediation Measures

Purolator has not identified any risk of forced labour or child labour across our supply chains or within our procurement activities to date; therefore, no remediation measures have been taken.

Remediation of loss of income

Purolator has not identified any risk of forced labour or child labour across our supply chains or within our procurement activities to date.

Training

All Purolator employees are required to complete Purolator's Annual Code of Business Conduct and Ethics training. At the conclusion of the training, employees are required to certify that they have reviewed the Code and report any known Code violations. Purolator updated its training in 2023 to include a section on forced labour and child labour. This update was launched in January 2024 in accordance with Purolator's established training cycle.

Assessing Effectiveness

Purolator is in the process of developing procedures and measures to assess the effectiveness of its efforts to identify and reduce any risk of forced labour and child labour in our activities and supply chains.

Next steps

During the 2024 fiscal year, Purolator will continue to review, assess and implement processes and procedures to reduce the risk of forced labour and child labour in its supply chains. This includes:

- Revising our request for proposal language to confirm that potential suppliers do not engage in forced labour and or child labour;
- Provide interactive education session for employees on the Act and develop specific employee training on the risk of forced labour and child labour in the supply chains;
- Revising our standard contractual language for new suppliers which includes forced labour and child labour language;
- Implementing attestation and compliance monitoring of existing suppliers;
- Updating our Procurement Policy with the Responsible Sourcing Standard and Supplier Code of Conduct; and

- Continue training our employees.

Attestation

“In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act for the reporting year listed above.”

DocuSigned by:

John Ferguson

3C0CA67076B049D

John Ferguson
President and Chief Executive Officer
I have the authority to bind the corporation.

Date: 23 May 2024 | 10:59 AM PDT