

SUPPLIER

Code of Conduct



Contents

1.0	INTRODUCTION	1
2.0	SCOPE AND APPLICABILITY	1
3.0	RESPONSIBLE BUSINESS PRACTICES AND BUSINESS INTEGRITY	2
3.1	Economic Responsibility	2
3.2	Social Responsibility	3
3.2.1	Ethics	3
3.2.2	Employment Practices and Human Rights	3
3.2.3	Diversity and Inclusion	3
3.2.4	Health and Safety	3
3.3	Environmental Responsibility	4
3.3.1	Management of Environmental Impacts	4
4.0	INFORMATION AND DATA MANAGEMENT	4
4.1	Information Access Controls	4
4.2	Privacy and Information Security	5
4.3	Encryption	5
4.4	Data Retention and Destruction	5
5.0	ALIGNMENT	5
5.1	Alignment to the Supplier Code	5
5.2	Right to Review	5
5.3	No Third-Party Beneficiary Rights	5

1.0 INTRODUCTION

CWB Financial Group is the only full-service bank in Canada with a strategic focus to meet the unique financial needs of businesses and their owners. Canadian Western Bank and its subsidiaries (CWB) provide full-service business and personal banking, nation-wide specialized financing in targeted industries, comprehensive wealth management offerings, and trust services. Our teams take a relationship-based approach to deliver a uniquely proactive and differentiated level of service to clients in targeted industries where we have deep expertise. Clients choose CWB for our highly personalized service, specialized expertise, customized solutions, and faster response times.

At CWB, our culture is integral to our success, and our values guide the decisions and actions we take to contribute to the success of our clients, people, and investors. Our culture is founded on the principles of integrity and accountability and our corporate governance practices are designed to foster ethical conduct, promote responsible business practices and build long-term and sustainable shareholder value. Our organization and our teams are required to comply with applicable laws and regulations, and behave responsibly and ethically. We share this responsibility with the organizations who we conduct business with.

2.0 SCOPE AND APPLICABILITY

Our goal is to partner with Suppliers who operate in accordance with values comparable to ours, and in a manner which is consistent with prudent business practices.

This Supplier Code of Conduct (this Supplier Code) sets out the principles and expectations as to how we select organizations to supply goods and services to us, and how we expect that their employees, representatives, intermediaries, independent contractors, and subcontractors (each a “Supplier”) conduct business with us. This Supplier Code is consistent with CWB’s [Code of Conduct](#), to which our directors, officers and team members attest their compliance to on an annual basis, and this Supplier Code outlines our expectations for our Suppliers.

Any Supplier, and any of their subcontractors, must maintain compliance with this Supplier Code and be prepared to acknowledge compliance as requested by CWB. Where there is a conflict between the language in this Supplier Code and a contract between us and a Supplier, the terms in the executed contract will govern.

Our intent is to collaborate with our Suppliers to align with this Supplier Code. We ask our Suppliers to communicate the expectations of this Supplier Code to their management and workers. Where a Supplier is found to be in noncompliance with this Supplier Code, we will seek an improvement plan and timeline from the Supplier to address the identified areas of concern. If the Supplier continues to be noncompliant with this Supplier Code after an agreed-upon timeline, we will take steps to review the terms of our relationship, which may include reduction in business volume or ending the relationship, depending on the circumstances.

While this Supplier Code does not cover every specific scenario, we expect our Suppliers to use it to guide their conduct and exercise care and diligence in the course of work with us.

We will periodically review this Supplier Code and make revisions when needed.

3.0 RESPONSIBLE BUSINESS PRACTICES AND BUSINESS INTEGRITY

We expect our Suppliers to conduct their business with integrity and accountability, and in alignment with the following principles:

- **Conformity with Laws and Regulations** – Suppliers must maintain compliance with the applicable laws, rules, and regulations of the jurisdictions in which they operate.
- **Privacy and Information Security** – Suppliers must only use information obtained through their relationship with us in accordance with our contract and strictly for the purpose for which it is provided. Suppliers must process and store information as agreed with us and have appropriate data management, privacy protection and information security policies and procedures in place to protect personal and confidential information. Suppliers must notify us immediately of any actual or suspected privacy or security breaches, or losses of our information.
- **Anti-bribery and Anti-corruption** – Suppliers must not engage directly or indirectly in any activities that would put themselves or us at risk of violating anti-bribery and anti-corruption laws. Suppliers must ensure that policies are in place to prevent fraud, money laundering, bribery and corruption.
- **Outsourcing and Subcontracting** – Suppliers are not to subcontract services they perform for us or outsource activities that directly impact the delivery of goods and services to us, without our prior approval. Where approval is given, we ask to be informed about the locations of where the work will be performed, with assurance of no degradation of delivery or service quality provided, and with clear identification of all parties involved in the provision of the services.
- **Business Continuity** – Suppliers must have business continuity and disaster recovery plans, maintained and tested in accordance with applicable regulatory, contractual and service level requirements when applicable for the goods provided or services performed by the Supplier.
- **Gifts and Entertainment** – We recognize that giving of business gifts and entertainment is a customary way to strengthen business relationships. However, the nature of gifts or entertainment provided by any existing or potential Supplier must not be provided in an attempt to gain advantage or preferential treatment, or with the intent to influence our procurement or business activities involving the Supplier. Furthermore, the value of offered gifts should never be in cash (or cash equivalent) or supersede the value of CAD \$250. For further information on this topic, refer to CWB's [Code of Conduct](#).
- **Conflicts of Interest** – Suppliers must exercise reasonable care and diligence to prevent any situation in which a perceived or actual conflict of interest may occur in its dealings with us. For more information, please refer to CWB's [Code of Conduct](#).

3.1 Economic Responsibility

We believe that economic sustainability focuses upon bringing economic benefits to a vast group of stakeholders, including our clients, our people, our investors and the communities in which we operate. From an ethical perspective, commercial transactions should be economically beneficial to all parties involved and relationships should be based on the principle of fair and honest dealings. We expect our Suppliers to exercise economic responsibility in their commercial transactions.

3.2 Social Responsibility

It's no coincidence that two of our corporate values are 'People First' and 'Inclusion Has Power'. We are thoughtful about everything we do and are proud of the social values we uphold as an active, engaged member of our communities. We aim to work with socially responsible Suppliers whose actions align with our corporate values.

3.2.1 Ethics

Suppliers should be able to provide evidence that they have implemented due diligence procedures to avoid ethical issues within their supply chains and have commercially reasonable and lawful payment policies with their staff, suppliers and subcontractors.

3.2.2 Employment Practices and Human Rights

Suppliers must abide by applicable employment standards, labour, non-discrimination and human rights legislation. Where laws do not prohibit discrimination, or where they allow for differential treatment, we expect Suppliers to be committed to non-discrimination principles and not to operate in a way that unfairly differentiates between individuals.

Suppliers must be able to demonstrate that:

- The use of all types of child, forced, or compulsory labour is forbidden and not used.
- They do not tolerate workplace harassment, bullying or disrespectful conduct.
- Reasonable background screenings have been conducted on the Supplier's employees.
- Employment standards are used that are clear, uniformly applied, and meet or exceed legal and regulatory requirements.
- Employees are free to raise concerns and speak up without fear of retaliation or reprisal.

3.2.3 Diversity and Inclusion

Suppliers must have policies and procedures in place to avoid discrimination against a person due to race, colour, ancestry, national or ethnic origin, pardoned criminal conviction, religious beliefs, gender, age, disability, marital status, family status, source of income, gender identity or expression, genetic characteristics or sexual orientation. Suppliers must respect the dignity of their own employees and others, adhere to principles of diversity, and maintain a respectful workplace.

3.2.4 Health and Safety

Suppliers must provide a safe work environment and abide by relevant health and safety laws and regulations. Suppliers must ensure employee health and safety is effectively managed, so that health and safety risks, issues, incidents, and noncompliance are identified, documented, and addressed in order to provide adequate physical and psychological conditions to ensure the health and well-being of its employees.

3.3 Environmental Responsibility

We recognize that climate change will have a profound impact on the Canadian economy and our stakeholders, and believe we have a part to play in Canada's transition to net-zero emissions by managing our direct and indirect climate impact. We expect our Suppliers to act in an environmentally responsible manner.

3.3.1 Management of Environmental Impacts

We trust our Suppliers to understand and manage environmental risks. These risks include the threat of adverse impacts on the natural environment that translate into risks to the livelihoods, health and rights of individuals and communities. We expect our Suppliers to undertake initiatives and integrate environmental considerations into their operations and promote and strive for continuous improvements to mitigate or minimise any adverse impacts on the environment, such as implementing policies, programs and operational efficiencies that reduce waste, water and energy usage, greenhouse gas emissions and paper consumption.

We require our Suppliers to:

- Abide by all applicable legislation and regulations related to the protection of the environment and the handling of dangerous and hazardous materials, where applicable.
- Ensure facilities comply with environmental legislation, including all laws related to waste disposal, greenhouse emissions, discharges, toxic substances and hazardous waste disposal.

We expect our Suppliers to:

- Maintain applicable environmental policies and risk management procedures, appropriate to the size and nature of the supplier's operations, preventing, mitigating, and controlling serious environmental and health impacts from its operations, including raw material usage, greenhouse gas emissions, water, waste, air quality and biodiversity protection.
- Provide solutions and delivery options for low-carbon products and services when a sustainable option is available.
- Develop a precautionary, principles-based approach and promote environmentally friendly technologies and processes in their own operations and across their supply chain.

4.0 INFORMATION AND DATA MANAGEMENT

Suppliers must only use information obtained through their relationship with us in accordance with our instructions and strictly for the purpose for which it is provided. In their dealings with us, if Suppliers become aware of non-public information about us or our clients, we expect Suppliers to have in place policies and procedures for the proper safeguarding, handling and use of that information (such as information barriers). These policies and procedures must meet applicable legal and regulatory requirements to prevent inappropriate access, use or disclosure of non-public information.

4.1 Information Access Controls

Suppliers must have policies and procedures in place to approve, grant, remove, deactivate, and periodically review access to our information, ensure that the level of access is appropriate, and remove unnecessary access without undue delay.

4.2 Privacy and Information Security

Suppliers must process and store information as agreed with us and have appropriate data management, privacy protection and information security policies and procedures in place to protect personal and confidential information. Suppliers must notify us immediately of any actual or suspected privacy or security breaches, or losses of our information.

4.3 Encryption

Suppliers must protect all information received from, created for, or otherwise related to us throughout all stages of the information life cycle, including creation, collection, storage, use, transmission, archiving, and destruction, and use suitable methods of encryption where required.

4.4 Data Retention and Destruction

Suppliers must retain and securely destroy data in accordance with criteria established by the executed supplier agreement and in line with local regulatory requirements and provide confirmation and/or evidence of destruction upon request. Suppliers must take reasonable measures and maintain adequate internal data management policies to ensure proper compliance with their obligations to us. Suppliers must process and store information as agreed with us and have appropriate data management, privacy protection and information security policies and procedures in place to protect personal and confidential information. Suppliers must notify us immediately of any actual or suspected privacy or security breaches, or losses of our information.

5.0 ALIGNMENT

5.1 Alignment to the Supplier Code

We require Suppliers to:

1. Align to the principles of the Supplier Code; and
2. Will demonstrate their adherence to this Supplier Code, if requested.

We value collaboration with our Suppliers and will work together to ensure adherence to the Supplier Code, and develop improvement plans as necessary.

If any person has reason to believe that a CWB Supplier is not adhering to the spirit or principles of this Supplier Code, we encourage them to report their concerns to CWB's Procurement Office by email to: procurement@cwbank.com

5.2 Right to Review

We may request to review a Supplier's policies and procedures to assess alignment with this Supplier Code including a request to visit Supplier's facilities, upon written notice, at a date and time agreed between the Parties.

5.3 No Third-Party Beneficiary Rights

This Supplier Code does not create any third-party beneficiary rights for the Supplier or any other third parties. The Supplier Code is in addition to and not in lieu of provisions of any legal agreement or contract between Suppliers and us.

