

TITLE:	Social Procurement Policy
POLICY OWNER:	Chief Financial Officer
ID / VERSION NUMBER:	ESG-0003 V4
EFFECTIVE DATE:	April 14, 2023

PURPOSE:

The purpose of this Policy is to outline Calian practices and procedures for the procurement of goods and services, including its commitment to social procurement, being the achievement of social, economic, cultural, environmental and workforce development goals through Calian's procurement activities and purchasing power (“**Social Procurement**”).

SCOPE:

This policy applies to Calian Group Ltd. and its subsidiaries (collectively “**Calian**”), including all Calian employees, contractors, officers, executives, management and any other parties conducting work on Calian’s behalf. At Calian’s discretion, any vendors, suppliers, customers, consultants, partners or any other third parties conducting business with Calian may also be bound by this Policy as a condition of doing business with Calian.

POLICY:

1. Calian will take necessary actions to protect the integrity of its procurement practices and ensure all competitive procurement opportunities will be open, fair and transparent for qualified suppliers to participate in the provision of goods and services.
2. The intent of Calian’s procurement practices shall be to ensure best value for its expenditures by considering social, economic, cultural and environmental values in procurement-related matters.

Social Procurement

3. As stakeholder requirements continue to evolve, procurement practices have shifted to also include a focus on Social Procurement as one of the key value propositions in Calian’s supply chain management. Social Procurement is established to create inclusive economic growth for Calian, and to outline Calian’s procurement practices as it relates to evolving stakeholder requirements.
4. Where possible, Calian shall use its purchasing power as a means to increase supplier diversity and economic and social opportunities and inclusion for underrepresented groups and businesses, as well as their communities. This can be achieved by adhering to:

- a) Calian policies and standards, including:
 - i. Calian's Guide to Ethical Business Practices
 - ii. Calian UK Modern Slavery Statement Fiscal Year 2022
 - iii. Diversity, Equity and Inclusion Policy
 - iv. Restriction of Hazardous Substances (RoHS) standards
 - v. Responsible Mineral Policy

Portfolio Management

- 5. Each department that routinely procures goods or services shall at least annually review the spectrum of vendors, suppliers, service providers and partners from whom Calian procures goods or services (hereinafter collectively "**Suppliers**").
- 6. The primary purpose of these Management Reviews shall be to identify and confirm preferred Suppliers with whom to foster business relationships. Ancillary purposes include evaluating Calian's performance as a customer and identifying any flaws in this Policy or related processes.

Relationship Management

- 7. Procurement of goods or services shall be subject to Calian's Expenditure Approval Policy.
- 8. At least three written quotations shall be obtained from prospective Suppliers prior to the procurement of goods or services if:
 - a) No preferred Supplier has been designated for that good or service and the purchase value exceeds \$10,000 CDN.
 - b) The purchase value exceeds \$50,000 CDN (regardless of whether a preferred Supplier has been designated).
- 9. In 2024, suppliers from whom Calian procures goods or services shall be subject to qualification criteria outlined in Calian's Vendor Code of Conduct as applicable, and Vendor the Code of Conduct must be completed and reviewed prior to the procurement of goods or services from the particular Supplier.
- 10. In the event that the qualification criteria outlined in the Qualification Forms is amended, the affected Suppliers shall be evaluated against the new qualification criteria as soon as practical. If an existing Supplier fails to qualify under any new such qualification criteria,

the Supplier shall be given a 90-day grace period to improve their operations in order to meet the criteria.

11. If an existing Supplier fails to meet the qualification criteria after such grace period, Calian shall proceed to terminate the business relationship with the Supplier as soon as practical.

Compliance, Reporting and Enforcement

12. This Policy and its enforcement will be taken seriously, including the investigation of any breaches or alleged breaches. All parties subject to this Policy are expected to provide full cooperation into any investigation under this Policy.
13. Violations or suspected violations of this Policy should be immediately reported to a supervisor/manager or any level of management within Calian that the reporting party feels comfortable with. Any party who receives a submission from any person regarding a reportable activity shall immediately report such submission to Calian's Chief Financial Officer or Chief Executive Officer, regardless of the materiality of the suspected violation. If the reportable activity concerns the activities of Calian's Chief Financial Officer or Chief Executive Officer, then the submission should be passed on directly to the Chairman of Calian's Audit Committee.
14. Sanctions for breach of this Policy may be imposed by Calian, including termination of employment.
15. Any reported violations of this Policy made in good faith shall not be subject to any form of reprisal. If the reporting party is directly involved or implicated in the violation, the party's act of self-reporting the violation will be considered when determining an appropriate sanction.

Policy Assessment

16. Calian may periodically review and assess this Policy and changes or modifications may be implemented from time to time without notice as Calian deems necessary.