



# Dempsey Corporation

## Sustainable Procurement Policy

**Effective Date:** May 3, 2025

**Prepared by:** VP- ESG, VP Operations

**Version:** Public Web Version

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### Purpose

As a distributor serving global clients in the Food, Industrial, and Beauty sectors, Dempsey Corporation is committed to sourcing products and services in a way that promotes environmental responsibility, ethical conduct, and social equity.

This Sustainable Procurement Policy guides how we evaluate, onboard, and manage our suppliers with the goal of creating a more transparent, responsible, and resilient supply chain.

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### Scope

This policy applies to all Tier 1 suppliers and strategic sourcing partners globally. It covers:

- Raw material and finished goods procurement
- Packaging and transportation vendors
- Contract manufacturing and outsourced service providers

It is aligned with our broader ESG framework, Supplier Code of Conduct, and annual disclosures in the Dempsey ESG Report.

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### Sustainable Procurement Principles

Dempsey's procurement activities are guided by the following principles:

#### Risk-Based ESG Screening

Suppliers are assessed using a Supply Chain Sustainability Risk Assessment Policy, which includes:

- Country-level corruption and labor risk (e.g., via CPI index)
- Industry-specific ESG concerns
- Evaluation of supplier responses to onboarding and audit requests
- Priority assignment for high-risk or high-spend suppliers

#### Environmental Criteria

We favor suppliers who demonstrate:

- Regulatory compliance on emissions, waste, and resource use
- Adoption of low-impact or recycled materials



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- Carbon footprint reduction initiatives
- Readiness to share Scope 3 emissions data when applicable

See our Environmental Policy for more detail.

#### **Social and Human Rights Standards**

Suppliers must:

- Prohibit child labor, forced labor, and discrimination
- Provide safe working conditions and fair wages
- Comply with Canada's Bill S-211 on forced and child labor

Expectations are outlined in our Human Rights Policy and Supplier Code of Conduct.

#### **Ethics and Compliance**

All suppliers must commit to:

- Anti-bribery and corruption standards
- Transparency in business dealings
- Cooperating with any ESG or ethics audits
- Adhering to our Anti-Bribery and Corruption Policy

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#### **Supplier Requirements and Evaluation**

We require all new suppliers to:

- Sign the Dempsey Supplier Code of Conduct or submit an equivalent policy
- Complete an ESG self-assessment or questionnaire upon onboarding
- Cooperate with documentation and audit requests
- Demonstrate willingness to improve ESG performance where needed

Supplier ESG performance is reviewed periodically and may influence vendor selection, contract renewal, or risk rating.

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# **Dempsey Corporation**

## **Sustainable Procurement Policy**

### **Training and Accountability**

Procurement personnel receive ESG-focused training on:

- Responsible sourcing principles
- Sustainable product evaluation
- Vendor due diligence and risk management

Procurement decisions are monitored and reviewed by the ESG Committee, and results are documented in internal compliance systems.

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### **Transparency and Reporting**

Sustainable procurement outcomes, including:

- % of suppliers onboarded with ESG review
- Conflict mineral compliance
- Improvements in vendor ESG ratings

...are reported annually in the Dempsey ESG Report.

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### **Continuous Improvement**

We are committed to evolving this policy as standards, technologies, and stakeholder expectations shift. We regularly benchmark our procurement practices and invite supplier feedback to improve our approach.