



Code of Ethics & Business Conduct

Painting Better Communities

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Our Commitment, Our Values

Message from the CEO:

Cloverdale Paint's success has been anchored in the trust and confidence we earn from our employees, customers, and shareholders. We are committed to our people and communities and take our responsibilities seriously.

Cloverdale Paint was founded in 1933 and our reputation has been built on the quality of our products, the quality of our people and the quality of our company as a trusted supplier. It is critical to our long-term success to establish and maintain a high level of customer satisfaction and confidence with all our customers. We want our customers to view us as problem solvers and trustworthy partners. Our corporate vision and values reflect this commitment.

This Code of Ethics and Business Conduct guides our actions and the care we take in how we conduct ourselves with our people, community and customers.

We are proud of how we adhere to our commitments, values, and company goals through honourable and respectful conduct.

Sincerely,



Tim Vogel
Chairman & CEO



Message from the President & COO:

Cloverdale Paint is committed to our values: Respect for people, commitment to integrity, social responsibility, industry leading service, fostering innovation, focusing on quality, promoting success and ensuring clarity of communications. This Code of Ethics and Business Conduct serves to guide our behaviours and actions.

The safety and wellbeing of our people, our planet and our communities are key priorities. As a manufacturer, retailer and employer, we engage fully with regulatory authorities in all federal, municipal and provincial jurisdictions to ensure we are compliant with legislation and emission requirements and we pride ourselves in taking a proactive approach to all environmental, safety and ethical matters.

These commitments are core to us in the Cloverdale family and it is critical that each and every one of us live these values and model these behaviours. I ask all Cloverdale employees to stand with me in upholding our responsibilities and living our values.

Sincerely,



Darrin Noble
President & COO





Cloverdale Paint

Our Vision

Our vision is to be the supplier and the employer of choice in our industry. We describe this vision as "The Place to Be".

The Cloverdale Group is the largest family owned & operated coatings company in North America.

Our Core Values

- Respect for People •
- Commitment to Integrity •
- Industry Leading Service •
- Fostering Innovation •
- Focusing on Quality •
- Clarity of Communication •
- Social Responsibility •
- Promoting Success •

Painting Better Communities



At Cloverdale Paint, we are helping to paint better communities. Our coatings are protecting and providing a more colourful world all around us – where we live, where we work and the products we use every day.

Our success is a direct result of our commitment to our Core Values of Respect, Integrity, Service, Innovation, Quality, Communication, Social Responsibility, and Success and the principles they represent. These principles include operating at the highest standards of integrity, honesty, and fairness in our business practices while maintaining a compliant, safe, and inclusive work environment.

We are committed to maintaining the high ethical standards we have set for ourselves and applying them in all aspects of our work. This Code of Ethics and Business Conduct reinforces our commitment to conduct our business in a manner consistent with our legal and ethical obligations to customers, suppliers, employees, stakeholders, the public and the environment.

GETTING ANSWERS TO YOUR QUESTIONS OR REPORTING A CONCERN

It is always encouraged that employees speak with their immediate manager or supervisor for any questions, concerns or potential violations of this Code of Ethics and Business Conduct, Company Policies or applicable laws and regulations,

Your immediate manager or supervisor is best-suited to respond to your issue immediately and may already be familiar with the concern you are reporting.

You may also contact and use the following resources:

- Human Resources & Development at 604-596-6261 or send an email to hr@cloverdalepaint.com
- Compliance and Regulatory Department at 604-594-6211 or send an email to regulatory@cloverdalepaint.com
- [Your Feedback Matters](#) is available on the Intranet for your comments, questions or concerns.

Our Commitment

Respect for People

Cloverdale Paint is committed to creating an environment where everyone is treated with dignity and respect. We demonstrate care of our employees by ensuring:

Ethical Hiring Practices

Cloverdale Paint ensures that all hiring decisions are made in a fair and unbiased manner. All candidates are considered fairly, and the best candidate is selected for the job without regard to irrelevant factors.

- **Fairness and non-discrimination:** The company should ensure that all applicants are treated fairly and without discrimination based on race, gender, age, religion, sexual orientation, and disability.
- **Transparency and consistency:** The company should have clear and consistent hiring processes that are openly communicated to all applicants.
- **Legal compliance:** The company should ensure that all hiring practices are in compliance with provincial and federal legislation.
- **Merit-based hiring:** The company should base hiring decisions on the qualifications and skills of the applicant, rather than on factors such as personal connections or biases.
- **Reference checks:** The company should conduct thorough background checks on all applicants to ensure that they have the qualifications and qualifications required for the job and do not have any history of illegal or unethical behavior.
- **Diversify the Talent Pool:** The company should strive to have a diverse workforce, with employees from different backgrounds, cultures, and experiences to bring fresh perspectives and ideas.
- **Ethical recruiting practices:** The company should ensure that all recruiting practices are ethical and do not exploit or deceive candidates.
- **Regularly review and improve:** Regularly review the hiring process, and make improvements where necessary, to ensure that it remains fair, transparent, and consistent.

Cloverdale Paint cares about ensuring a respectful workplace and will investigate instances of improper behaviour. Where improper behaviour is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

Reference: HR-15 Standards of Conduct and HR-16 Respectful Workplace



Respectful Workplace

We create and maintain a workplace that is free from discrimination, harassment, workplace bullying, and workplace violence. We recognize the right of all employees to be treated with dignity and respect at all times while working on behalf of Cloverdale Paint.

All employees are aware that discrimination, harassment, workplace bullying, and workplace violence are unacceptable and will not be tolerated by the company. Any employee who feels harassed or discriminated against should report the incident to their manager or to Human Resources and Development.

All Cloverdale Paint employees are expected to support an inclusive workplace by adhering to the following conduct standards:

- Treating others with dignity and respect at all times
- Addressing and reporting inappropriate behaviour that are discriminatory, harassing, abusive, and offensive
- Fostering teamwork and employee participation
- Seeking insights from employees with different experiences, perspectives and backgrounds
- Confronting the decisions or behaviours of others that are based on conscious or unconscious social biases
- Being receptive when given constructive feedback regarding others' perceptions of our conduct

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Health and Safety is a Priority

Taking active measures to promote health and safety initiatives improves employee motivation and raises productivity in all of our locations. We are committed to providing our employees with a safe working environment. All employees are expected to comply with all safety requirements. Information on Cloverdale Paint's Health and Safety policies is available on the intranet's Health and Safety Tab.

Reference: HSMS (Health and Safety Management System) links in the intranet

Fostering the importance of mental health and well-being by providing resources and creating safe spaces where everyone feels comfortable is one of the ways of taking care of each other. Cloverdale Paint's Employee and Family Assistance is designed to help employees through tough times and promote overall wellness for the employees and their dependents. This program offers confidential and short-term support that assists with a variety of issues, including financial, legal, physical, and mental health.

Reference: Employee Benefits Centre, Lifeworks, <https://www.workhealthlife.com/>



Commitment to Integrity



Procurement Standards

Cloverdale Paint helps protect the environment through responsible raw materials selection in our procurement decisions and laboratory standards. We are committed to monitoring our initiatives on re-using, recycling, reducing energy use, emissions, and carbon footprint.

At Cloverdale Paint, it is important to us to ensure fair value for the product and services we purchase and are mindful of managing cost, reducing supply risk, and enabling stakeholders to achieve their business goals in the context of a fair marketplace.

Every individual involved in the procurement and supply management processes must use their best judgment to ensure that our procurement and contracting activities are:

- Legal, accountable and auditable
 - Ethically, environmentally and socially responsible
 - Supportive of balancing cost-effectiveness with appropriate technological, commercial, and organizational requirements that support product quality and innovation
 - Capable of identifying, minimizing and managing risks that may threaten the supply chain or the wider organization
- Open to continuous improvement and development, in particular by the training, development and support of our staff. We expect our suppliers to reflect the values that we have as a company, including:
 - > Acting ethically and with integrity
 - > Maintaining data privacy and security
 - > Embracing inclusion and diversity
 - > Ensuring fair employment and wages
 - > Reducing environmental impact
 - > Providing working conditions that support safety, well-being, and health

Gifts and Entertainment

Accepting gifts and entertainment from current or potential suppliers, vendors or service providers can cause a conflict of interest or make the appearance that you put your personal interests ahead of Cloverdale Paint's best interests. As a general rule, modest gifts and entertainment may be accepted as part of normal business activities or common courtesies between business partners.

The following examples of gifts and entertainment are allowed when infrequent and reasonable:

- Meals that are associated with business activities
- Admission to industry events such as conferences and trade shows and related activities during the event (meals, giveaways, etc.)
- Professional education or development opportunities, such as product knowledge training or other activities to further associate knowledge and skills.

- Tickets to sporting or cultural events offered to employees with a nominal market value. In no case should an employee solicit tickets for personal use.
- Gift baskets and other perishable items, provided they are shared with other employees at your work location

Relationships with Suppliers, Vendors and Service Providers

Some social relationships with current or prospective suppliers, vendors and service providers can create an appearance of a conflict of interest and, in the worst case, could interfere with the ability to perform the job objectively and decision-making ability. If you have a social relationship that could impair objective decision-making with a supplier, vendor or service provider for which you have direct and primary responsibility for the business relationship, disclose the relationship to Human Resources & Development.

In addition, if you are asked to serve as a board member, consultant, advisor or employee of any current or prospective third party that may do business with Cloverdale Paint, you must have Human Resources & Development review the relationship for any potential conflicts of interest prior to accepting the position. Cloverdale Paint expects its suppliers, vendors and service providers to act ethically and in a manner that meets or exceeds the standards set forth in this Code of Ethics and Business Conduct.

Reference: Supplier Code of Conduct – CP Intranet

Upholding the Law and Compliance

Cloverdale Paint's Commitment to Integrity begins with complying with laws, rules, and regulations where we do business. Each of us must understand the company policies, laws, rules, and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or Cloverdale Paint policies, we should seek advice from the resource expert. We are responsible for preventing violations of law and must report behaviours that are in contravention to established rules and legal obligations.

Confidential and Proprietary Information

We respect the confidentiality rights of others. We will not acquire or seek to acquire through improper means a competitor's or customer's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

Cloverdale Paint employees are responsible for protecting the company's confidential information, including trade secrets, from unauthorized disclosure, whether internal or external, deliberate or accidental. Employees who doubt as to whether certain information is confidential must ask their direct supervisor or manager before disclosing it.

Employees should not disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any confidential information regarding Cloverdale Paint, its business operations, plans, financial condition, results of operations or any strategic plans without the consent of their manager. We must remain vigilant when making presentations or proposals to customers to ensure that our presentations do not contain material non-public information.

Employees who doubt as to whether certain information is confidential must ask their direct supervisor or manager before disclosing it; any unauthorized disclosure of company information is prohibited. In addition, employees, retirees and other former employees are prohibited from using or attempting to use company information for their personal use, gain or advantage; or providing information to others.

Reference: HR-15 Standards of Conduct

Conflict of Interest

Employees of Cloverdale Paint will not undertake activities that may result in influencing our decision mak-

ing in ways that would not be in the best interests of Cloverdale Paint or would reflect poorly on the Company or the individual as an employee of Cloverdale Paint. Our policy is to ensure that employees do not receive financial or other personal gain that improperly influences their decisions.

Participating in actions that are or may be perceived to be in conflict of interest with Cloverdale Paint will be treated as a serious matter and may be grounds for disciplinary action that could include job dismissal.

Reference: HR-14 Conflict of Interest

Anti-Trust Compliance

Cloverdale Paint committed to competing fairly and in compliance with applicable anti-trust laws. All employees are expected to comply with the anti-trust and competition laws of their respective jurisdictions. No supervisor or manager has the authority to direct or approve any action by an employee in violation of these laws. The consequences of violations under Canada's Competition Act are serious and far reaching. Our company policy is not only to comply with such laws but also to avoid conduct likely to lead to a violation of the Act. Accordingly, violations to our company policy may subject an employee to disciplinary action (including discharge).

We are dedicated to ethical and fair competition. We will offer Cloverdale Paint products based on their merit, superior quality, functionality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Cloverdale Paint or the sales of its products nor engage or assist in unlawful boycotts of particular customers.

Reference: HR-26 Anti-Trust Compliance

Social Responsibility

Protecting the Environment

Cloverdale Paint is committed to ensuring initiatives that support:

- Reusing and Recycling. Working with national and local programs to reuse and recycle resources we produce and consume to achieve a circular economy
- Responsible Raw Materials Selection. Promoting, understanding and contributing to mitigating the social and environmental impacts of sourcing raw materials in supply chains, leveraging direct and indirect partnerships and using international standards as guideposts
- Reducing Carbon Emissions. Identifying opportunities and creating strategies to reduce the carbon emissions of our activities as an organization

Cloverdale Paint holds leadership positions on all coatings regulatory associations in North America and engages closely on emerging chemical, environmental and legislative issues. Cloverdale Paint facilities are fully compliant with land, air, and water emission requirements, and our regulatory and procurement teams conduct audits of facilities and suppliers to ensure environmental efficacy. We engage fully with regulatory





authorities to ensure we are compliant with all legislation and emission requirements and we seek to ensure a proactive approach on environmental and safety matters.

Reference: Cloverdale Paint Social Responsibility Program

Community Engagement

We actively participate in community projects to support initiatives that focus on healthcare education and mental wellness, ensuring education through scholarships, and volunteering our time to support local charities. We support the community by employing local residents within the areas we operate our business. We will continue encouraging and helping our staff to support and volunteer for community activities and we will help employees to make tax-free donations to charity through payroll giving.

Reference: Cloverdale Paint Social Responsibility Program

Industry Leading Service and Quality

Cloverdale Paint's success has been built on the relationships we have developed with our customers and the service and quality we consistently deliver.

Customers are the purpose and lifeblood of our business. Everything we do must focus on ensuring that our customers are delighted and will return to Cloverdale Paint time and time again.

More than just a business relationship, we actively engage with our customers to connect to the communities we serve. We aim to be true partners to them by providing value to their operations through an ethical, responsible and safe supply chain that meets their business needs and priorities, and ensuring innovative and top quality products and services.

Promoting Success

Learning and development activities are an important way to promote success for Cloverdale Paint employees. These activities include training programs, workshops, mentoring, Cloverdale Paint Academy, our learning management system, and other continuing education opportunities. Cloverdale Paint helps employees acquire new skills and knowledge, improve performance, and advance their careers. Additionally, investing in learning and development can help our company stay competitive, improve productivity, and foster a culture of continuous improvement.



Clarity of Communication

All Doors are Open

Leaders are responsible for creating an open and supportive environment where employees feel comfortable to constructively voice their opinion and ask questions if they are not clear on the direction the company is taking.

Social Media and Public Communication

All employees are expected to exercise discretion on their social media presence. Cloverdale Paint expects all employees to remain fair, professional, and polite to any affiliates, shareholders, customers, and/or suppliers. All employees are expected to adhere to the company's confidentiality agreement and anti-discriminatory policy.

Employees responsible for representing the company on social media are required to uphold the company's image, core values, and corporate branding.

- Avoid speaking on and/or posting about subjects outside of the company's expertise.
- Avoid posting and / or sharing offensive, discriminatory, and / or false information.
- Reply to all comments in a timely manner.
- The Digital Marketing Manager and Specialist must thoroughly review the content for any misleading or incorrect information.

Reference: HR-15 Standards of Conduct

