

Supplier Code of Conduct

Introduction

This Supplier Code of Conduct (“SCC”) sets forth the principles and expectations for Suppliers including their employees and subcontractors (collectively “Suppliers”) who wish to establish and maintain business relationships with the City of Vaughan (the “City”).

The City’s values are centered on respect, accountability, and dedication. These values guide the City’s governance, interactions, and decision-making, ensuring transparent and ethical operations in line with the City’s strategic goals, including service excellence, innovation, and community sustainability.

Suppliers are expected to perform all duties competently, impartially, and with integrity, in a manner that can withstand public scrutiny. The City reserves the right to disqualify proposals and/or terminate contracts if evidence of a breach of this Code is discovered.

Supplier Obligations

Suppliers¹ must familiarize themselves with this Code of Conduct and comply with its terms as a condition of conducting business with the City of Vaughan. Suppliers must also inform their employees and any sub-contractors or sub-Suppliers about this Supplier Code. Any violation of this Code of Conduct may result in disqualification from current or future procurements and/or termination of existing contracts with the City.

Suppliers are expected to uphold the following core principles:

- 1. Ethical Standards and Business Integrity.** Comply with all applicable laws, ethical **standards** and principles of business integrity and refrain from their breach, evasion or subversion. This includes, but is not limited to, the *Criminal Code of Canada* (fraud, corruption, bribery), the *Competition Act* (bid-rigging, price fixing), and the *Lobbyists Registration Act, 1998 (Ontario)*.
- 2. Workplace Well-being.** Commit to protecting the health, safety and well-being of their employees and those of the City against illness, injury, violence, harassment or discrimination. This includes compliance with the *Occupational Health and Safety Act* and *Employment Standards Act, 2000*, as well as the *Ontario Human Rights Code* and the *Canadian Human Rights Act* where applicable. Suppliers will maintain a diverse and respectful workplace in

¹ Suppliers, when used in this document, includes Suppliers in contract with the City, as well as Prospective Suppliers (e.g., Bidders).

which the dignity and self-respect of every person is valued.

3. **Community, Social and Environmental Responsibility:** Suppliers are encouraged to support local communities, promote social value initiatives, and adopt environmentally responsible practices. Charitable contributions, and partnerships while contributing to social value initiatives like employment, community development, and social equity. The City of Vaughan prioritizes sustainable procurement, requiring Suppliers to adopt environmentally responsible practices, inform the City of green initiatives, and comply with all relevant environmental regulations, including waste management and pollution control.

Ethical Standards and Business Integrity

Governance and Accountability

- **Transparency in Supply Chain:** Suppliers must demonstrate transparency in their supply chain, and ensure that their business practices meet all ethical, legal, and environmental standards.
- **Supplier Audits and Compliance Checks:** Suppliers must cooperate with audits and compliance checks by the municipality or third-party auditors to ensure adherence to this code of conduct.
- **Cybersecurity:** Suppliers must implement robust cybersecurity measures such as the ISO 27001 standard, to protect sensitive municipal data and information. This includes complying with data protection laws and promptly reporting any data breaches as soon as the Supplier becomes aware, without undue delay.
- **Whistleblower Protection:** Suppliers must establish mechanisms for reporting unethical or illegal conduct within their supply chain. These reports should be handled confidentially, and whistleblowers should be protected from retaliation.

Compliance with Laws

- Suppliers must not engage in any fraudulent activity. Suppliers that wish to do business with the City shall abide by all applicable laws and regulations including Federal, Provincial and Local laws, including those regarding environmental matters, occupational health and safety, labour and employment practices, human rights, accessibility, immigration, product safety, shipping and product labelling.

- If Suppliers become aware of any activities that are not in compliance with all applicable laws and regulations, they must report it immediately as specified in the non-compliance reporting section of this Supplier Code.
- Suppliers shall disclose any previous convictions of collusion, bribery, fraud or other similar practices prohibited under law.

Fair Business Practices

- Suppliers must engage in fair, open, and transparent dealings, responding honestly to City Bid Requests.
- Suppliers should only submit a bid if they know they can satisfactorily perform all obligations of the contract in good faith.
- Suppliers must treat all persons honestly, professionally and courteously.
- Suppliers must resolve any disagreements related to City contracts or procurements in a responsible, ethical and expeditious manner.
- Suppliers shall carry out their duties in a fair, impartial and transparent manner if in contract with the City.

Commitment to Integrity

- **Conflict of Interest:** Suppliers must declare and fully disclose to the City any actual or potential conflict of interest or unfair advantage related to the preparation of their proposal or where the Supplier foresees an actual or potential conflict of interest in the performance of the contract. A conflict of interest arises when someone's personal interests conflict with their responsibility as a Supplier. A conflict of interest can exist whether or not a pecuniary advantage is present, or preferential treatment to relatives, friends or organizations in which they have a pecuniary interest. Such conflicts of interest or unfair advantages may include, but are not limited to interests that might compromise performance of their obligations under a contract with the City. If such Conflict of Interest does exist, the City may, at its sole discretion, refuse to consider the proposal, withhold the awarding of any Contract to the Supplier until the matter is resolved to the City's sole satisfaction and/or terminate any ensuing contract in whole or in part.

- **Non-Corruption and Anti-Bribery:** The City maintains a zero-tolerance policy on corruption and bribery. Suppliers are expected to comply with applicable anti-corruption laws, and not engage in any form of corrupt practices, including, but not limited to, extortion, fraud, bribery or unlawful payment or benefit to secure any concession, contract or other favourable treatment. Suppliers shall not engage in any conduct that may put the City at risk of violating, or appearing to violate, anti-bribery laws or regulation.
- **Non-Collusion:** Prospective Suppliers (e.g. Bidders) must govern their participation in any procurements with the City without collusion or fraud, and ensure that their employees, agents and sub-contractors do the same. By submitting a proposal, Prospective Suppliers represent and warrant that they have prepared and submitted their proposal independently, without any agreement, understanding or coordination with any other Suppliers or Prospective Suppliers.
- **Anti-Lobbying:** Prospective Suppliers, (including their director(s), officer(s), employee(s), agent(s) or other representative(s) or any other parties that may be involved in a joint venture, consortium or similar business relationship with the Prospective Supplier, shall not lobby or solicit any employee, agent, or elected representative of the City, including other Suppliers or Prospective Suppliers, or the media, with respect to the Prospective Supplier's proposal or a procurement. Any attempt on the Prospective Supplier's part to improperly influence the evaluation and selection process may result in disqualification of the Prospective Supplier.
- **City Assets:** The City's assets must be protected from theft, destruction, vandalism, unauthorized duplication and neglect, and used properly and strictly for the City's purposes. Suppliers' personal use, misuse, misappropriation of/or theft or vandalism of City property, resources, equipment, materials and supplies is prohibited. All usage of City assets must adhere to applicable licensing agreements and/or contractual obligations. Suppliers must immediately notify the City if they become aware of any compliance breaches.
- **Fraud:** Suppliers must not engage in any fraudulent activity. Examples of activities which may be considered fraudulent include, but are not limited to:
 - i. forgery or alteration of documents (cheques, purchase orders, time sheets, etc.);
 - ii. misappropriation of funds, securities, supplies or assets;
 - iii. authorization or receipt of payment for goods not received, services not performed or hours not worked;

- iv. any claim for reimbursement of expenses that were not incurred for the exclusive benefit of the City;
 - v. authorization of unjustified or inflated change order requests to increase profits;
 - vi. knowingly delivering works, goods or services that do not meet contract specification; and
 - vii. subcontracting to business entities that are not arm's length without prior consent of the City.
- If Suppliers, their employees, associates or other third parties become aware of any activities that may be considered fraudulent, they must report it immediately.

Confidentiality and Privacy

- Suppliers may have access to confidential and/or personal information by reason of their duties and responsibilities with the City. Confidential information is defined as any information that is proprietary, strategic, technical, business or personal and not available to the public.
- All Suppliers must respect such information and ensure it is safeguarded from unauthorized disclosure or access. Confidential information must be protected in accordance with the Supplier Code of Conduct. Such information must only be used or disclosed in accordance with this Supplier Code of Conduct and the provisions of the *Municipal Freedom of Information and Protection of Privacy Act, 1990* and the *Personal Health Information Protection Act, 2004*.
- Disclosure of information means making the information available to others, and should only occur where disclosure is necessary and proper in the discharge of the City's functions or where the disclosure is required by law. This includes and protects any information that is, and should be considered as, internal information relating to City business. Suppliers must not disclose confidential and/or personal information unless specifically and explicitly permitted in the terms of their contract. The duty of a Supplier to maintain the integrity and confidentiality of City information continues once that Supplier ceases to be in a contract with the City. When discussing business matters, Suppliers must consider their surroundings. Conversations in public places should be limited to information that is non-confidential and does not include references that could identify a person or situation.

Workplace Well-being

Human Rights and Labour Practices

- **Child and Forced Labor:** Suppliers must ensure that they do not engage in or support child or forced labor in any form.
- **Non-Discrimination:** Suppliers must comply with the City's Policies, including the Respectful Workplace and all applicable human rights legislation, such as the Ontario's Human Rights Code, the Canadian Human Rights Act and similar local legislation in their respective jurisdiction.
- **Safe Working Conditions:** Suppliers must provide a safe and healthy working environment for their employees and, in compliance with the *Occupational Health and Safety Act* and any other applicable local and international workplace health and safety laws.
- **Health and Safety Standards:** Suppliers must ensure that all safety regulations are followed to safeguard workers and the public. This includes, but is not limited to, maintaining safe sites, facilities, and transport.

Community, Social and Environmental Responsibility

Community and Social Responsibility

- **Support for Local Communities:** Suppliers are encouraged to support local communities through hiring practices, charitable contributions, or partnerships with local businesses.
- **Social Value Contribution:** Suppliers should consider the broader social value of their services, particularly when it comes to issues like employment, community development, and social equity. They should also help the municipality meet its social value targets, which may include supporting local economic growth, reducing inequality, and promoting well-being.
- **Social Media:** Suppliers should not communicate on social media platforms on behalf of the City unless the Supplier is expressly authorized in writing to do so by the City. When

such communication is authorized, it is to be conducted in a manner that is consistent and respectful of Canadian libel laws, *Municipal Freedom of Information and Protection of Privacy Act, 1990*, applicable City policies, and the City's practices in regards to confidential information and intellectual property. All City data or information obtained by the Supplier through the delivery of services or goods is to be considered proprietary and confidential. Without the City's prior consent, Suppliers should not communicate to social media platforms identifying the City as a client and the associated services and goods provided to the City. City consent must be obtained prior to identifying the City as a client.

Environmental Responsibility

- **Sustainable Procurement Practices:** The City of Vaughan is committed to procuring from more sustainable and responsible supply chains that address environmental opportunities and risks, whenever possible. The Supplier shall keep the City informed about any environmentally friendly processes, new technologies and/or green initiatives, as they relate to the Deliverables. The Supplier may be required, in consultation with the City, to make any environmentally friendly processes, new technologies and/or green initiatives related to the Deliverables available to the City. The Supplier may also be required to show its commitment to environmental sustainability by providing evidence of corporate policies relating to the provision of a safe and healthful workplace, environmental protection and conservation of energy and natural resources.
- **Compliance with Environmental Regulations:** Suppliers must comply with all relevant environmental laws and standards, including waste management, recycling, and pollution control measures.