



Procurement Policy

This procurement policy is to be used by Mitel employees when requesting the procurement of a product or service for Mitel or any departmental use, to ensure that Mitel has a streamlined procurement process that is aligned to support company goals and values, while still providing the necessary due diligence with supplier selection.

1. Supplier Selection

When a need for a new or replacement supplier is identified, a supplier questionnaire must be completed. The questionnaire will vary in complexity depending on the nature of the services sought. This form captures required details of the request, for initial review. It is strongly suggested that any desired or required information specific to the product or service being sought, or any additional information required from the responding company are included in the supplier questionnaire.

The department team will assess the information provided, including seeking out further details commensurate with the of the products or services being procured, the requirements for successful implementation and potential suppliers for the solution. Depending on the nature of the spend, Mitel may request additional information with regard to:

- Company ownership;
- Financial history;
- Regulatory compliance;
- Disaster recovery/business continuity plans;
- Labour stability;
- Social and ethical responsibility;
- Company environmental targets and reporting;
- Quality certifications;
- Design and manufacture practices;
- Supply chain management;
- Adverse media or litigious nature.

Proposals and quotes from suitable suppliers are reviewed. Next, a cross-functional Mitel team will lead pricing discussions, contractual negotiations, and contract review. This part of the process includes a review and assessment of current incumbents, if any.

When a final Supplier has been selected, the departmental team will engage with information security, contract and finance review and approval as set out herein.

2. Information Security Review

Any contracts involving software or software services must be reviewed by Mitel's information security team in order to ensure that the product meets Mitel's standards and does not pose a security risk to the company. The information security team may request additional information from the vendor in terms of its risk profile,

audit process and security certifications.

The information security team is reached through grc@mitel.com to initiate such reviews.

3. Contracts Review

There are many types of purposes and renewals Mitel will need to make throughout the year. The level of involvement from Mitel's contracts management group (CMG) will vary depending on the total spend, nature, critical nature or sensitivity of the services and whether there is an agreement or online terms which need review.

Mitel's [CMG Policy](#) sets out the types of purchases which need to have contracts, agreements or online terms reviewed and approved before they are executed. There are some types of purchases which do not need to be reviewed and approved by CMG. These exceptions are also found in the [CMG Policy](#).

Contracts must not be signed before a purchase requisition has received all required approval of the contractual financial commitment in the procurement system of record. For clarity, this means that signing the contract is the last step in the process before the purchase order is released to the vendor.

4. Data Processing Review

In addition to CMG's review of the commercial terms of an agreement or terms and conditions, Mitel's CMG will also gather information around the type of data processing contemplated under the arrangement. There may be a need for a data processing agreement to be put in place, and depending on the type of data being processed, legal team may review to ensure Mitel's data is appropriately protected.

5. Spending Authorization & Approval

Department heads are responsible for adhering to their respective departmental budgets and must be able to track their spend throughout the year.

Further, any purchase requests of \$20,000 USD or greater will require completion of a [business rationale template](#) which must be uploaded in the procurement system of record as part of the purchase requisition approval process.

Purchase spending must be approved in accordance with Mitel's [Authorization Level Policy](#), as updated and revised from time to time. Specifically, this means that the seniority of the employee making the contractual commitment must align with the authorization levels set out in the Policy.

6. Supplier Code of Conduct

Mitel expects each supplier with whom it has a commercial relationship to hold itself to a high standard of ethical and environmental commitment. It is the responsibility of our suppliers to implement management systems that facilitate compliance with our [Code of Business Conduct](#) and the law, mitigate related operational risks, and facilitate continuous improvement. By contracting with Mitel, suppliers are undertaking to comply with our Supplier Code of Conduct, attached as Appendix A hereto.

Appendix A

Supplier Code of Conduct

We believe a strong relationship with our suppliers is the key to ensuring Mitel's success. The Supplier Code of Conduct was created to communicate our expectations to our suppliers.

The Supplier Code of Conduct is the foundation of our relationship with our suppliers - creating a mutual understanding of Mitel's core values and beliefs. The purpose of the Supplier Code of Conduct is to outline our expectations according to law and Mitel's core values and beliefs - ensuring consistent compliance from all of our suppliers.

1. Scope

This code applies to any company who provides supplies to Mitel, including but not limited to manufacturers, parts suppliers, logistics and their subcontractors. This code is not exhaustive; suppliers are required to use their own discretion to ensure compliance with unaddressed topics. For additional information regarding our requirements, refer to Mitel's [Code of Business Conduct](#).

2. Risk Assessment and Management

We expect Suppliers to develop and maintain processes that identify risks in all areas addressed in this Code; assess the significance of each risk; and implement appropriate procedures and controls to minimize the identified risks.

3. Verification

We require Suppliers to maintain documentation to verify compliance with the Supplier Code of Conduct and applicable laws and regulations.

4. Legal Compliance

We require our suppliers fully comply with all laws, rules, and regulations applicable to their country of operation.

5. Ethics

We expect the highest standard of ethics, integrity, and responsibility in all our operations and endeavors. Suppliers are required to be ethical in all aspects of its business, practices, operations, and relationships.

6. Accuracy of Business Records

We are committed to the integrity of our business records and ensuring that our books, records, and financial reporting are accurate and complete. We require suppliers to maintain up-to-date business and financial books, records, and statements to demonstrate compliance with applicable laws and regulations. Upon Mitel's request, these records must be made available.

7. Disclosure of Information

We expect Suppliers to accurately record and disclose information regarding its business activities, without falsification or misrepresentation, to all appropriate parties and as required by law.

8. Fair Competition and Antitrust

We require our suppliers to conduct their business in full compliance with all applicable fair competition and antitrust laws and regulations in the jurisdictions in which it operates.

9. Conflicts of Interest

Suppliers may not engage in any activities that would create an actual or potential conflict of interest regarding their duties, interests, and obligations to Mitel. We expect our suppliers to immediately notify Mitel if any conflicts of interest arise.

10. Anti-Bribery/Anticorruption

Suppliers may never engage in any kind of bribery or kickbacks, including promising, offering, providing, or authorizing anything of value to a government official or political entity to gain an unfair business advantage. We

expect Suppliers to be in full compliance with all applicable foreign and domestic anticorruption laws.

11. Gifts and Entertainment

Suppliers may not offer or accept anything of value from business partners to obtain unfair business advantages. Any gifts or entertainment must comply with applicable laws and regulations and must not violate Mitel's policies on the matter. "Gifts and entertainment" include anything of value, such as loans, prizes, meals, tickets, or gift certificates.

12. Confidentiality/Privacy

In order to conduct day-to-day business with Mitel, suppliers may need access to confidential/ private records. Suppliers must ensure this information is protected and remains confidential and abide by all applicable data privacy laws and regulations. Suppliers may not disclose this information unless given written permission from Mitel.

13. Intellectual Property

Suppliers must respect Mitel's intellectual property rights, including processes, information, technology, and customer information. Suppliers are required to take all reasonable efforts and necessary precautions to safeguard their knowledge and protect intellectual property rights.

14. Workplace Standards

Suppliers are required to follow all general workplace standards and must comply with all applicable laws and regulations, including those that relate to labour, wage, working hours, discriminatory hiring and employment practices, and health and safety. This commitment establishes and ensures a safe working environment for all employees.

14.1. Non-discrimination

Suppliers may not engage in or tolerate any discriminatory conduct against any person on any basis, including race, religion, gender, disability, nationality, veteran status, union membership, political opinion or any other class protected by law.

14.2. No Harassment

All workers have a right to a workplace free of harassment and abuse. We require our suppliers prohibit all types of harassment including, but not limited to physical, verbal, psychological and sexual harassment.

14.3. No Forced Labour

Suppliers must ensure that all work is on a voluntary basis. Suppliers may not use or tolerate the use of any illegal form of forced labour, including trafficked, bonded, slave, indentured, or prison labour.

14.4. Terms of Employment

Suppliers are expected to provide their employees an environment respectful of human dignity and their fundamental rights.

14.5. Child Labour

Suppliers must not use child labour. All employees must be of at least legal age established by working age laws of their and Mitel's country of operation. To ensure compliance, suppliers must create and maintain official and verifiable documentation of each of its employees' ages.

14.6. Working Hours

Suppliers must comply with all applicable laws and regulations regarding working hours, break periods, and overtime hours in any jurisdiction where the supplier and Mitel operates.

15. Subcontractors/ Third Party Employment Agencies

We must be informed of all subcontractors. Suppliers are responsible for educating and training subcontractors and ensuring subcontractors are compliant with the provisions of this Code and the law.

16. Health and Safety Practices

Suppliers must comply with all applicable safety and health laws and regulations in the countries in which they and Mitel operate. Suppliers are expected to provide employees with a healthy and safe workplace, including access to clean, safe and reasonable working conditions.

16.1. Occupational Safety

Suppliers must protect workers from exposure to chemical, biological, and physical hazards, in addition to on-site accidents. Suppliers are expected to identify, evaluate, and manage these occupational health and safety hazards.

17. **Emergency Prevention Section**

Suppliers must identify and assess potential emergency situations in the workplace. Suppliers must develop and implement emergency plans and response procedures, including but not limited to fire alarms, fire drills, exit facilitates, fire detection and suppression equipment, and recovery plans to minimize harm to life and property.

17.1. Infectious Disease Preparedness and Response

Suppliers must develop, implement, and maintain a program to prepare for, prevent, and respond to the potential of an infectious disease outbreak among its employees.

17.2. Incident Management

Suppliers must create and maintain procedures to prevent, manage, track, and report employee safety incidents. Suppliers are expected to implement corrective action plans to mitigate risks, provide necessary medical treatment, and facilitate employees' return to work.

18. **Environmental Sustainability**

We recognize our responsibility to the environment and seek to operate sustainably. Suppliers are expected to apply a continuous improvement approach to enhance their environmental performance and reduce their environmental footprint. Suppliers should provide Mitel with a carbon reduction plan that shows their improvement targets over time. Suppliers must follow all applicable laws and regulations regarding environmental practices.

18.1. Energy Sourcing

Suppliers must report on the carbon emission to run their facilities and their plans to source green forms of energy (solar, wind, hydro) for their utility. This should cover heat, cooling, and electricity used for operations.

18.2. Hazardous Waste

Suppliers must create and maintain systems to ensure the safe handling, movement, storage, disposal, and management of hazardous materials. Suppliers are expected to train employees on how to handle hazardous material.

18.3. Wastewater and Solid Waste Emissions

Suppliers must monitor, treat, control, manage, and properly dispose of wastewater and solid waste. Suppliers must comply with all applicable waste management laws and regulations. Suppliers should ensure minimal waste goes to landfill, and instead is reused, recycled, or incinerated with energy recovery.

18.4. Air Emissions

Suppliers must identify, manage, reduce, and properly dispose of air emissions that pose a hazard to the environment. Suppliers are expected to conduct routine monitoring of the performance of its air emission control systems.

18.5. Pollution Prevention

Suppliers must strive to reduce consumption of resources, including raw materials, energy and water. Suppliers are expected to implement improvement plans for waste reduction, recycling, and energy conservation policies and seek ways to use cleaner sources of energy.

18.6. Conflict Minerals

Suppliers and their subcontractors must not use conflict minerals, whose obtainment is linked to human rights violations. Suppliers must meet the conflict reporting requirements as established in the IPC-1755 standard.

18.7. Permits and Reporting

Suppliers must obtain and maintain all required environmental permits. Suppliers must comply with the reporting requirements of applicable permits and regulations.

19. **Audits and Inspection**

We can audit the supplier at any time to ensure compliance with the standards in this Supplier Code of Conduct. Factories can be inspected as a part of this process. If permission to conduct an audit is denied, consequences up to or including termination of our agreement may occur.

20. **Noncompliance**

Part of conducting business with Mitel includes compliance with this Supplier Code of Conduct. We have the right to terminate business with a supplier who fails to adhere to the code. If it is determined a supplier does not adhere to the Code, they must correct their actions to ensure compliance with the requirements stated herein.