Procurement Charter

1.0 Purpose

This Procurement Charter sets out the principles, expectations, and basic terms that suppliers must meet when contracting or working with SEA CAN SYSTEMS INC. (SEA Can). It is intended to ensure clarity, consistent performance, compliance, and a collaborative relationship that delivers value and mitigates risk.

2.0 Scope

Applies to all third-party suppliers, contractors, consultants, vendors, and their subcontractors' providing goods, services, or works to SEA CAN SYSTEMS INC.

3.0 References and Acronyms

3.1 References

N04780 Terms and condition of Purchase (SEA UK)
SC-001-P011 Supplier Quality Assurance Requirements.
SC-002-P017 Conflict Minerals Policy
SC-002-P018 Supplier Environmental, Social, Governance Policy
SC-002-P019 Supplier Improvement Policy

3.2 Acronyms

GPDR – General Data Protection Regulation

3.3 Definitions

none

4.0 Core Supplier Principles

4.1 Compliance and Legal Obligations

- Comply with all applicable laws, regulations, permits, and industry standards in the jurisdictions where work is performed.
- Provide accurate certifications, licenses, and audit-ready documentation on request.

4.2 Ethical Conduct and Anticorruption

- Uphold zero tolerance for bribery, corruption, facilitation payments, fraud, and child or forced labor.
- Maintain transparent relationships with employees and third parties; disclose any conflicts of interest.
- Comply with SC-002-P017 Conflict Minerals Policy

4.3 Quality and Performance

- Deliver goods/services that meet agreed specifications, standards, and acceptance criteria.
- Maintain documented quality control processes and corrective action mechanisms.
- Maintain counterfeit parts policy and mitigation process
- Notify SEA promptly of any deviations, nonconformances or corrective plans.
- Must comply with SEA CAN Systems Inc. Supplier Quality Assurance Requirements SC-001-P011.

4.4 Industrial and Technological Benefits (ITB) Policy:

- This policy mandates that firms awarded government contracts must invest in Canada, sourcing from Canadian Suppliers contributing to economic growth and job creation.

4.5 Delivery and Continuity

- Meet agreed delivery schedules, lead times, milestones, and service levels.
- Communicate changes to delivery schedule changes early.
- Maintain contingency and business continuity plans to minimize disruption and communicate risks early.

4.6 Pricing and Financial Transparency

- Provide fair, accurate, and consistent pricing with no hidden fees.
- Notify of any material cost changes in advance and provide substantiating details when requested.
- Accurate, reliable information and records are critical to meeting our charter principles plus all financial, legal and management obligations, and to fairly reflect SEA transactions. The supplier and SEA must keep accurate records of all matters related to the supplier's business with SEA.

4.7 Health, Safety and Environment (HSE)

- We aim to provide staff with the training, work methods and equipment necessary to achieve the highest level of health and safety performance. We expect our suppliers to comply with health safety environment and quality legislation.
- Operate in a manner that protects the health and safety of employees, contractors and the public.
- Comply with environmental laws and pursue pollution prevention, waste reduction, and responsible resource use.
- Suppliers working on our sites are expected to respect SEA Can operational business requirements in respect of behavioral safety initiatives and where necessary we will seek evidence that our suppliers are working towards our stated goals for zero harm.
- Comply with SC-002-P018 Supplier Environmental, Social, Governance Policy

4.8 Sustainability and Social Responsibility

- Support environmental sustainability, responsible sourcing, and where feasible, low-carbon practices.

- Encourage diversity, equity, and inclusion in hiring and subcontracting practices.
- Comply with SC-002-P018 Supplier Environmental, Social, Governance Policy

4.9 Data Security and Confidentiality

Suppliers should protect confidential information belonging to or vested in SEA CAN in accordance with all relevant laws, and act to prevent misuse, theft, fraud, or improper disclosure. SEA Can is committed to complying fully with the principles of the General Data Protection Regulation (“GDPR”) and requires all its suppliers to comply with the requirements set out in the regulation. Suppliers must take due care in handling, discussing or transmitting sensitive or confidential information that could affect SEA Can, its employees, its customers, the business community or the public, even after their assignment or contract with SEA Can has expired

- Protect confidential information and personal data in accordance with contractual terms and applicable data protection laws.
- Maintain appropriate cybersecurity controls, incident response plans and notify SEA CAN SYSTEMS immediately of breaches affecting our data.

4.10 Subcontracting and Supply Chain Management

- Obtain prior consent before engaging material subcontractors and ensure subcontractors meet these same principles.
- Maintain visibility and reasonable control over critical tiers of the supply chain.

4.11 Intellectual Property

- Respect intellectual property rights and ensure clear ownership/licensing for deliverables per contract terms.

4.12 Communication and Collaboration

- Designate accountable points of contact; communicate proactively and respond to queries and escalations within agreed timescales.

- Participate in periodic performance reviews and continuous improvement initiatives per SC-002-P019 Supplier Improvement Policy

4.13 Continuous Improvement and Innovation

- Pursue cost-efficiency, process improvements, and innovation that benefit quality, sustainability or total cost of ownership.
- Propose improvements and track implemented benefits.
- Comply with SC-002-P019 Supplier Improvement Policy

5.0 Performance Measurement and Governance

- Agreed KPIs (e.g., on-time delivery, quality/defect rates, responsiveness) will be monitored and reviewed regularly.
- Non-performance may trigger remediation plans, penalties, suspension of new orders, or contract termination as defined in agreements.
- Periodic audits (desktop or on-site) may be conducted; suppliers must cooperate and provide requested records.

6.0 Reporting, Escalation and Dispute Resolution

- Report safety incidents, regulatory breaches, or material supply issues immediately.
- Follow agreed escalation paths for operational or commercial issues.
- Disputes should follow the contractual dispute resolution process (negotiation → mediation/arbitration → legal recourse as last resort).

7.0 Confidentiality and Records

- Maintain and dispose of records in accordance with contract and legal retention requirements as listed in the Non-Disclosure Agreement.
- Return or destroy confidential materials at contract end, per instructions.

8.0 Termination

Material breaches of these principles or contract terms allow SEA CAN to enforce contractual remedies, including termination, recovery of damages, and suspension of payments as permitted by agreement.

9.0 Onboarding and Review

- Suppliers will undergo an onboarding assessment (compliance, HSE, financial, and information security).
- This Charter will be reviewed periodically and may be updated; suppliers will be notified of changes and expected to conform.

10.0 Acceptance

By accepting work or signing a contract with SEA Can the supplier acknowledges and agrees to adhere to the charter principles, supplier quality requirements (SC-001-P011), contract terms, and N0480 Terms and Conditions of Purchase.

11.0 Approvals

Prepared by

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Reviewed by

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Authorised by

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Date: 2026-04-22

12.0 Revision History Log

Rev	Description of change	Prepared by	Approved By	Date
00	Initial release	C. Rino	K. Cunnane	2026-04-22