



RESPONSIBLE PROCUREMENT

We are committed to improving sustainability across the supply chain by positively influencing vendor practices and processes to mitigate risk.

Our suppliers, contractors and service providers are key in helping us achieve our business objectives. We always look for providers who share our values and understand the importance of working safely, responsibly, and sustainably.

Supplier Screening and Prequalification Assessment

We engage suppliers in a prequalification process to understand their experience, certifications, health and safety processes, financial health and other criteria. We collect this information annually from certain suppliers as part of our third-party supplier management tool, ISNetworld, which includes a prequalification questionnaire for medium and high-risk suppliers that asks questions related to ESG practices and performance. Suppliers are excluded from doing business with Gibson if they do not meet certain criteria.

We also continue to ensure that ESG considerations are incorporated into our request for proposals (RFP) process. We require all proponents to complete a sustainability questionnaire for information on ESG practices and performance. The sustainability section is worth a minimum of 10% of the overall supplier selection criteria for evaluating all proposals. This weighting includes additional questions on Indigenous relations to further support our collective journey towards reconciliation and our aspiration to increase the inclusion of Indigenous vendors in our supply chain. We continuously review purchasing practices by assessing business relevance factors such as safety, price, and technical requirements to ensure a balanced RFP scorecard.

Further to our supplier assessment program, we have a supplier development process. Suppliers must meet minimum grade requirements for each work scope based on risk. If deficiencies are identified or the company does not meet the grade requirements, the Variance Process is applied to develop corrective action mitigation plans.

100%
OF ALL SUPPLIERS
WHO WENT
THROUGH OUR RFP
PROCESS ARE
SCREENED USING
ESG CRITERIA

Supplier Engagement

We are always looking for providers who share our values and understand the importance of working safely and responsibly; these are the providers we build strong connections with.

As part of our commitment to operating a responsible business, we work to mitigate risks throughout our value chain by engaging with our suppliers on sustainability topics. In 2023, we hosted our second annual Supplier Forum for our key engineering and construction vendors to discuss our ESG expectations, share current and emerging best practices and discuss upcoming initiatives.

In 2023, we began an initial assessment of potential human rights and modern slavery risks in Gibson's supply chain, to proactively manage risks and stay ahead of upcoming legislative requirements. The risk assessment will screen suppliers based on country-specific, sector-specific and commodity-specific risks. We also plan to further engage our vendors in addressing potential human rights risks throughout their own supply chains.

Governance

We expect suppliers to operate per our ethical standards as they conduct business for and on behalf of Gibson. In 2021, we implemented a Supplier Code of Conduct and Ethics (Supplier Code) that outlines our expectations of suppliers and their commitment to ethical business conduct. The Supplier Code also encourages suppliers to seek opportunities to improve their sustainability performance. Suppliers must adhere to the code as part of our sustainable procurement approach for the supplier contracting, compliance and onboarding program.

Gibson's Senior Vice President & Chief Administrative and Sustainability Officer has executive oversight of our Responsible Procurement program. Key members of Gibson's Supply Chain and Sustainability teams are provided training to ensure adequate knowledge of their role in the program.