



## **Confidential Submissions Policy**

*Effective Date: January 1, 2011 (revised August 9, 2011)*

## CONFIDENTIAL SUBMISSIONS POLICY

### TABLE OF CONTENTS

Description	Section
Introduction	1
Definitions	2
Scope and Applicability	3
Objective	4
Procedures for Reporting Wrongdoing	5
Reprisal	6
Investigations	7
Improper Report	8
Confidentiality	9
Corporate Compliance Officer	10
Legal Assistance for the Reporter	11
Process Flow Chart	Schedule 1

## 1. Introduction

Purolator is committed to a corporate environment that demonstrates and encourages ethical behaviour at all levels of the organization. Conducting day-to-day activities in an ethical way is the right thing to do and makes good business sense. Purolator is committed to complying with all laws to which it is subject and to protecting Employees and all of its assets and resources.

Purolator's continued success depends on Employee commitment to ethical behaviour. That commitment includes an obligation to report any Wrongdoing, as further described in this Confidential Submissions Policy.

## 2. Definitions

**"Audit Committee"** means the Audit Committee of the Board of Directors of Purolator Holdings Ltd.

**"Board of Directors"** means the Board of Directors of Purolator Holdings Ltd.

**"Clearview"** means ClearView Strategic Partners Inc.

**"Corporate Compliance Officer"** means an individual, appointed by the President and C.E.O. of Purolator Holdings Ltd., who is responsible for administering this Confidential Submissions Policy.

**"Employee"** means any individual who is an employee, officer or director of Purolator.

**"General Counsel"** means the individual, appointed by the Board of Directors, who holds the position of General Counsel of Purolator Holdings Ltd.

**"Improper Report"** means a Report that is frivolous, contains false or misleading information, or is made in bad faith, and includes, but is not limited to, providing false information, submitting a Report that the Reporter knows is baseless, or submitting repeated Reports concerning matters that have been previously examined and resolved.

**"Leadership Team"** means those Employees holding a "Director" level position or higher.

**"Purolator"** means Purolator Holdings Ltd., Purolator Inc. and Purolator International, Inc., collectively or individually as the context requires.

**"Report"** means a report of Wrongdoing submitted by a Reporter in accordance with this Confidential Submissions Policy.

**"Reporter"** means an individual who submits a Report pursuant to this Confidential Submissions Policy.

**“Reprisal”** means any of the following actions taken against an Employee by reason that the Employee has, in good faith, submitted a Report under this Confidential Submissions Policy or has, in good faith, cooperated in an investigation carried out under this Confidential Submissions Policy:

- (i) a disciplinary measure including demotion or termination;
- (ii) any measure that adversely affects the employment or working conditions of the Employee; or
- (iii) a threat to take any of the measures referred to in any of paragraphs (i) or (ii) above.

**“Wrongdoing”** means an act or omission that has occurred or is about to occur and is within one or more of the following categories:

- (i) a misuse of Purolator’s funds or assets;
- (ii) gross mismanagement of Purolator’s resources;
- (iii) questionable and/or improper accounting, internal control or auditing practices or conduct (including fraud, deliberate error or misrepresentation);
- (iv) a violation of Purolator’s Code of Business Conduct and Ethics; and
- (v) Reprisal against an Employee.

Employees who are in doubt about whether an act or omission may be characterized as a Wrongdoing under this Confidential Submissions Policy may consult with the Corporate Compliance Officer. Any such consultation can be made anonymously without fear of Reprisal.

The Corporate Compliance Officer may be reached by mail, e-mail or telephone as follows:

**Mail:**  
Purolator Inc.  
Legal Department  
5995 Avebury Road  
Mississauga, ON L5R 3T8  
Attention: Corporate Compliance Officer

**E-mail:**  
[corporatecomplianceofficer@purolator.com](mailto:corporatecomplianceofficer@purolator.com)

**Telephone:**  
1-800-326-4963  
ext. 23398

### **3. Scope and Applicability**

This Confidential Submissions Policy applies to all Employees who witness or become aware of any Wrongdoing.

### **4. Objective**

The purpose of this Confidential Submissions Policy is to:

- (i) encourage Employees, acting in good faith, to report Wrongdoings;
- (ii) provide an effective process for reporting Wrongdoing that does not subject the Reporter to fear of Reprisal;
- (iii) ensure that participants in an investigation are treated fairly and appropriately; and
- (iv) ensure that Purolator maintains a process that favours transparency and accountability.

### **5. Procedures for Reporting Wrongdoing**

#### **5.1 Duty to Report**

Ethical behaviour is everyone's responsibility at Purolator. Purolator's commitment to the highest standards of business conduct is reflected in its policies, procedures, guidelines and processes. Subject to applicable laws, all Employees who witness or become aware of Wrongdoing should immediately report it in accordance with the disclosure procedures set out in this Confidential Submissions Policy.

The Confidential Submission Policy is not an emergency response system. If you require emergency assistance please call 911 or appropriate local authorities.

#### **5.2 Submitting a Report**

Employees should feel free to raise issues with their immediate supervisor or manager. However, it is recognized that in some circumstances Employees may not be comfortable raising a Wrongdoing with their immediate supervisor or manager or may not be satisfied with their resolution of the Wrongdoing. For these reasons, Purolator has engaged ClearView, an independent third party, to service and support a number of dedicated communication mediums (including toll-free "hotline", web site and mail service) that are available year-round, 24 hours a day, 7 days a week to receive Reports. Employees with information about a Wrongdoing are encouraged to submit their Report through one of the following ClearView channels:

- (i) ClearView hotline at:1-866-981-5597;
- (ii) ClearView web site at [www.clearviewconnects.com](http://www.clearviewconnects.com); or

- (iii) ClearView mailing address at:  
ClearView Connects  
P.O. Box 11017  
Toronto, ON M1E 1N0

All information provided to ClearView will be immediately forwarded to the Corporate Compliance Officer for review and investigation with a copy to the General Counsel, the Chairperson of the Audit Committee and the Chairperson of the Board of Directors. Reports are given the option to exclude the General Counsel from receiving a copy of the information.

### **5.3 Information Needed to Support Investigation**

Reporters should provide as much information as possible about the Wrongdoing. When providing information, Reporters are encouraged to identify themselves and include their contact information. This information will assist in the investigation of the matter, including any follow-up discussions that may be needed.

In some cases, it may not be possible to initiate or properly conduct an investigation without this information. Reporters may, however, choose to submit their Report anonymously, and if they do, their choice will be respected.

A Report should be factual and not speculative. It should contain sufficient, precise and relevant information to allow for the proper assessment of the situation, including its urgency. Without this information, an investigation may not be possible or warranted.

Set out below is a checklist (which is not meant to be exhaustive) of the type of information that is needed to facilitate a proper investigation:

- a description of the Wrongdoing;
- the name of person(s) involved, including witnesses and their contact information;
- a detailed account of the events that took place, including the date(s) and place(s) of those events and the person(s) involved;
- the Reporter's rationale for why the incident may constitute a Wrongdoing;
- the steps, if any, the Reporter has taken prior to reporting the Wrongdoing, including discussions with a supervisor or manager and the actions taken by the supervisor/manager;
- whether any other individuals or organizations are aware of the Wrongdoing; and
- any additional documentation or other information that is available to support the Report.

All information provided to ClearView will be immediately forwarded to the Corporate Compliance Officer for review and investigation with a copy to the General Counsel, the Chairperson of the Audit Committee and the Chairperson of the Board of Directors. Reports are given the option to exclude the General Counsel from receiving a copy of the information.

#### **5.4 Report Involving Senior Leaders**

If a Report alleges Wrongdoing by a member of the Leadership Team or a member of the Board of Directors, the Chairperson of the Audit Committee and the Chairperson of the Board of Directors will, to the extent that they are not implicated in the Wrongdoing, determine how to proceed. If the Chairperson of the Audit Committee and the Chairperson of the Board of Directors are both implicated in the Wrongdoing, either one of them or the General Counsel (if he or she has not been excluded from receiving the Report) must promptly forward the report to one or more members of the Board of Directors who is not implicated in the Wrongdoing and that person or persons will determine how to proceed. In determining how to proceed, the responsible person or persons may, among other things, instruct the Corporate Compliance Officer or an external investigator to investigate the Wrongdoing alleged in the Report.

### **6. Reprisal**

#### **6.1 Reprisal Protection**

Employees who act in good faith will not be disciplined, discharged, demoted, suspended, threatened, harassed, harmed in any other manner, discriminated against or subjected to any other Reprisal as a result of:

- (i) submitting a Report;
- (ii) seeking guidance on how to handle a Wrongdoing; or
- (iii) assisting with the investigation of a Wrongdoing.

Appropriate disciplinary action (which, depending on the circumstances, may include termination of employment) may be taken against any Reporter if he or she has taken part in a Wrongdoing or submitted a Report that is determined to be an Improper Report (as further described in paragraph 8 below).

Employees who believe that they have been the subject of Reprisal should immediately report their concern to the Corporate Compliance Officer directly or via one of the ClearView solutions.

#### **6.2 Reprisal Remedies**

If an investigation determines that the Reporter has been subject to Reprisal, Purolator will take all necessary measures (where appropriate) to:

- (i) permit the Reporter to return to his or her duties;
- (ii) reinstate the Reporter;
- (iii) pay to the Reporter compensation in an amount not greater than the amount that, in Purolator's opinion, is equivalent to the remuneration that would, but for the Reprisal, have been paid to the Reporter by Purolator;
- (iv) rescind any measure or action, including any disciplinary action, taken in respect of the Reprisal; and
- (v) pay to the Reporter an amount equal to any reasonable and actual expenses and any other reasonable and actual financial losses incurred by the Reporter as a direct result of the Reprisal.

## **7. Investigations**

All Reports of Wrongdoing will be taken seriously. The Corporate Compliance Officer, the Chairperson of the Audit Committee or the Chairperson of the Board of Directors (or such other independent person, as the circumstance may warrant) will immediately and thoroughly investigate, or cause to be investigated, all Reports, provided sufficient information has been submitted.

All Employees have a duty to cooperate in the investigation of a Wrongdoing (including a Reprisal). Employees will be subject to appropriate disciplinary action, up to and including termination of employment, if they fail to cooperate in an investigation or deliberately provide false information during an investigation.

If, at the conclusion of its investigation, Purolator determines that Wrongdoing has taken place, it will take all required remedial action. This action may include disciplinary action against the party found to have taken part in the Wrongdoing, up to and including termination of employment. Appropriate steps will also be taken to prevent the Wrongdoing from happening again.

## **8. Improper Report**

No Reporter should misuse this Confidential Submissions Policy by, among other things, making an Improper Report. An Improper Report will be viewed as Employee misconduct and will be subject to appropriate disciplinary action, which, depending on the circumstances, may include termination of employment.

## **9. Confidentiality**

ClearView, the Corporate Compliance Officer, the General Counsel, members of the Board of Directors and all Employees who participate in, or are involved in any way in, any investigation under this Confidential Submissions Policy shall:

- (i) keep information relating to any investigation under this Confidential Submissions Policy confidential to the extent reasonably practicable; and
- (ii) refrain from discussing any Report or the fact of their involvement in an investigation, except to the extent required for the purposes of any investigation, resolution or to comply with this Confidential Submissions Policy or applicable laws.

## **10. Corporate Compliance Officer**

The Corporate Compliance Officer shall be appointed by the President and C.E.O. of Purolator Holdings Ltd. and shall be responsible for:

- (i) overseeing the administration of this Confidential Submissions Policy and maintaining appropriate records;
- (ii) establishing, communicating and distributing appropriate procedures, forms and guidelines under this Confidential Submissions Policy;
- (iii) receiving, recording and reviewing Reports;
- (iv) conducting investigations in accordance with and subject to this Confidential Submissions Policy;
- (v) determining, where appropriate, if there are sufficient grounds for further action and review;
- (vi) alerting the Chairpersons of the Audit Committee and the Board of Directors of any Report that requires their prompt attention;
- (vii) alerting the Board of Directors where a Report concerns the conduct of the Chairperson of the Audit Committee or the Chairperson of the Board of Directors; and
- (viii) preparing regular reports to the Audit Committee summarizing activities, including Reports received in each fiscal quarter and how material matters (if any) were resolved.

The Corporate Compliance Officer may, where appropriate, engage the assistance of one or more delegates to assist in carrying out his/her responsibilities as provided for in this Confidential Submissions Policy.

The Corporate Compliance Officer shall have the authority to obtain any record or information, including any data in electronic form, necessary to carry out his or her duties under this Policy, provided that such record or information belongs to Purolator or is in the lawful custody or control of Purolator. All employees, contractors and professional advisors of Purolator must comply with any request for information of the Corporate Compliance Officer provided that such request is endorsed by any one of the following people: (a) a member of the Board of Directors; (b) the President and Chief Executive Officer; or (c) an officer who reports directly to the President and Chief Executive Officer.

#### **11. Legal Assistance for the Reporter**

To encourage good faith Reports, the Chairperson of the Audit Committee and/or the Chairperson of the Board of Directors, or such other person as appropriate, may in his/her sole discretion, arrange for the Reporter to receive advice from an independent law firm at Purolator's reasonable expense. In such instances, the role of the independent law firm would be to represent the Reporter with respect to the Report, pursuant to a retainer agreement to be entered into between Purolator and the independent law firm. Any such determination to retain an independent law firm will be made based on the merits of and circumstances surrounding the Report. The independent law firm would act in the interests of the Reporter.

## SCHEDULE 1 PROCESS FLOW UTILIZING CLEARVIEW



