



2024 Report on Forced Labour and Child Labour

1. INTRODUCTION

This report covers the fiscal year ending February 1, 2025. It is published by Groupe Mayrand Alimentation Inc. (“Groupe Mayrand”) and Alimplus Inc. (“Alimplus”) in compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) in effect in Canada.

References to the “Company,” “we,” “our” and similar terms in this report refer collectively to Alimplus and Groupe Mayrand.

2. PREVENTION AND MITIGATION OF FORCED LABOUR AND CHILD LABOUR RISKS

At all times, our organization is committed to fostering a healthy and safe work environment where every worker can thrive in a setting free from discrimination, harassment and verbal, physical or psychological violence. These values are expected to guide the daily conduct of every director, manager and employee with respect, honesty, integrity, and civility.

Consistent with these principles, we uphold a zero-tolerance approach to forced and child labour.

During the most recent fiscal year, we took the following measures to prevent and mitigate the risk of forced or child labour in our business operations and supply chains:

- We continued to implement well-established processes for gathering information on worker recruitment practices and carried out the necessary verifications to ensure that all recruited workers had provided their consent.
- We upheld protections for whistleblowers reporting violations of our internal policies and code, ensuring that individuals who come forward are safeguarded against retaliation.
- We amended our Code of Ethics by adding a section on the prevention and mitigation of risks related to forced and child labour.

This report outlines these measures and provides an overview of certain initiatives we have implemented or been considering since the end of our most recent fiscal year, recognizing that these efforts are ongoing. For instance, we recently revised our Supplier Policy to outline our expectations regarding the management of forced and child labour risks by our suppliers.



3. OUR COMMERCIAL ACTIVITIES AND SUPPLY CHAINS

3.1. Our Activities

As a food distributor, our mission is to bring Quebec producers to the kitchens of local restaurateurs and the tables of people across the province.

At both Groupe Mayrand and Alimplus, this commitment is at the core of our business. We feel a strong sense of responsibility when it comes to food quality in Quebec, and we dedicate ourselves daily to its improvement.

Our operations are structured into two segments, run by two companies under the same parent organization. Groupe Mayrand is a wholesaler, while Alimplus oversees the distribution centres.

In business for 50 years, Alimplus is a food product distributor serving a diverse clientele in the restaurant, institutional and commercial sectors from its two distribution centres located in Montreal and the Eastern Townships. Alimplus offers a wide range of products, including meat, deli products, fish and seafood, baked goods, and dairy products, as well as dry goods and non-food items.

This report covers all of the Company's activities, despite the recent sale of Alimplus's food distribution assets, as this transaction was finalized after the close of our most recent fiscal year.

3.2. Our Supply Chain

Groupe Mayrand has four retail warehouse locations and sources products from over 600 suppliers. Many of our key suppliers are large international companies with a solid track record, a good reputation, proven risk mitigation processes, and a long-standing business relationship with us.

Our supplier base consists of major market players, with a strong focus on product quality. Since 95% of our suppliers are located in Canada, our direct imports are minimal and mainly come from the United States and, to a lesser extent, Italy.

Our centralized purchasing teams enable access to shared supply sources across our divisions, allowing us to offer innovative products, support local food producers who require long-term partnerships, and work with entrepreneurs shaping the future through more responsible practices.

By prioritizing the purchase of local products, we actively support Quebec's broader food ecosystem. We partner with the non-profit organization Aliments du Québec, which grants its "Aliments du Québec" certification to products that are (i) entirely sourced from Quebec, or (ii) made up of at least 85% Quebec-origin ingredients, provided that all main ingredients come from



Quebec. The “Aliments préparés au Québec” certification can also be given to products that are fully processed and packaged in Quebec, made with Quebec and/or imported ingredients.

We recognize that our suppliers have their own supply chains and source products from many foreign countries, including food items such as fruits and vegetables, meats, dairy products, and frozen goods, or packaging materials, cleaning products and kitchen equipment. As a result, the raw materials we process, distribute and sell originate from global sources over which we have limited visibility.

However, given our long-standing business relationships, we are confident that the low turnover of suppliers helps make our supply chain more efficient and less at risk, including with respect to human rights violations.

4. POLICIES AND DUE DILIGENCE PROCESSES

4.1. Code of Ethics and Policies

Our Code of Ethics reflects our commitment to act ethically and with integrity in all our business relationships. It demonstrates the importance we place on the health and safety of all our employees, clients, visitors, and subcontractors, and affirms our commitment to meeting or exceeding the obligations, duties, standards, policies, procedures, and work practices set out in the Occupational Health and Safety Act and its applicable regulations.

Additionally, under the Code of Ethics, everyone commits to actively participating in identifying workplace risks and taking all necessary precautions to prevent accidents and occupational injuries, whether performing work on the company premises or elsewhere, regardless of location.

The Code of Ethics includes a reporting process for non-compliance, which provides protection for whistleblowers. In cases where a report is made in good faith, the individual making the report cannot be subject to retaliation by the company, employees or any business partner. The Code of Ethics was amended in January 2025 to include a clear commitment to a zero-tolerance approach toward forced and child labour, and to outline the measures taken by management to prevent and mitigate the risk of using forced or child labour in our commercial activities and supply chains.

Our Workplace Violence and Harassment Prevention Policy states that our organization will not tolerate any form of harassment and/or physical or psychological violence from employees, managers, staff, clients, suppliers, or subcontractors, and will act diligently in response to such situations. The policy also offers a confidential reporting process.



4.2. Supplier Policy

We also have a Supplier Policy aimed at strengthening our business relationships with our partners to ensure quality service and products for our shared clientele. We typically meet with our key suppliers once a year and have them sign the Supplier Policy on an annual basis.

Following the end of our most recent fiscal year, we amended our Supplier Policy to clearly state that our suppliers must ensure their operations are free from all forms of forced labour, including, but not limited to, child labour, slavery, debt bondage, and human trafficking. We specifically require our suppliers to implement due diligence procedures to identify and eliminate risks of forced and child labour in their supply chains.

4.3. Worker Recruitment

In addition, to ensure that all our workers have been recruited with consent, we require documentation verifying compliance with applicable regulations, as well as proof of identity and age (this includes a piece of identification, a work permit, if necessary, a social insurance number, and a mailing address). We prioritize the direct hiring of local workers and, occasionally and on a temporary basis, we work with placement agencies or hire temporary or foreign workers to provide specific expertise or meet short-term needs. In all cases, our recruitment processes comply with the laws and regulations in force in Canada and Quebec.

4.4. Due Diligence Process

During our most recent fiscal year, we conducted preliminary reviews of our priority suppliers and noted that most of them have a supplier code of conduct, or ethical or responsible sourcing processes in place.

Since we have not yet implemented our own due diligence procedures, we currently rely on those of our suppliers, as many of them are subject to similar laws on forced and child labour, either in Canada or abroad.

5. RISK ASSESSMENT AND CORRECTIVE MEASURES

As part of our initial risk assessment, we have preliminarily identified certain sectors and activities that may present a higher likelihood of risks related to forced and child labour. For example:

- The types of products we sell, distribute and import;
- Suppliers further down our supply chain, such as at the Tier 3 level; and
- Raw materials.

We also acknowledge the inherent risks in the agriculture and food processing sectors, particularly in relation to our indirect suppliers, over whom we have less visibility.



According to the United Nations Network on Migration, the agricultural production of fresh fruits and vegetables is a sector more prone to the use of workers considered more vulnerable to exploitation, such as temporary or seasonal workers, migrant workers recruited through employment agencies, and agency workers.

In our case, this risk is primarily found in the production of raw materials by suppliers located several tiers upstream in our supply chain, including within the supply chains of our Canadian suppliers, who represent the vast majority of our sourcing and who themselves may be subject to the requirements of the Act.

To date, we have not taken any remediation measures regarding the use of forced or child labour or the loss of income for vulnerable families, as no specific cases of this nature have been brought to our attention in relation to our direct suppliers.

Any allegation, disclosure or discovery of forced or child labour within our operations or supply chains will be taken very seriously by the Company, which will ensure that an investigation is carried out as promptly as possible. In such cases, the Company will implement any appropriate corrective measures to remedy the identified risk.

6. TRAINING

Upon hiring, we provide all employees with training related to their job duties and workplace health and safety, in addition to giving them a copy of our internal policies, including our Code of Ethics. We do not currently provide training to our staff on specific human rights issues, but we plan to do so in the near future, in a targeted manner and in line with our operational reality.

The Company is generally committed to acting ethically and with integrity in all its business relationships.

7. ASSESSING THE EFFECTIVENESS OF OUR APPROACH

Ensuring that forced and child labour practices do not occur within our company and supply chain is and will always remain a matter of continuous improvement. Although we have not yet taken specific measures to assess the effectiveness of our actions, the Company remains proactive in adjusting its processes and verifications to continue improving the effectiveness of its efforts.

This report was approved by the Board of Directors of Alimplus Inc. on May 26, 2025, and the Board of Directors of Groupe Mayrand Alimentation Inc. on May 26, 2025, in accordance with paragraph 11(4)(b)(i) of the Act and constitutes the report of both entities for the fiscal year ending February 1, 2025.



In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. To the best of my knowledge, and after having exercised reasonable diligence, I confirm that the information contained in the report is true, accurate and complete in all material respects for the purposes of the Act, for the above-mentioned reporting year.

I have authority to bind Alimplus Inc.

Full name: Daniel Le Rossignol
Title: Chairman of the Board
Date: 2025-05-26

I have authority to bind Groupe Mayrand Alimentation Inc.

Full name: Daniel Le Rossignol
Title: Chairman of the Board
Date: 2025-05-26