



SUPPLIER CODE OF CONDUCT

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SUPPLIER CODE OF CONDUCT

1. INTRODUCTION

Every day, Canadians put their trust in Sofina when they choose to purchase our products to feed their friends, families and themselves. That is a tremendous privilege that we do not take for granted, and we want Canadians to not only feel good about the product they are buying, but also about the manner in which it was made.

We are proud to be one of Canada's leading manufacturers of primary and further processed protein and grocery products. That has come through the hard work of our dedicated employees and our suppliers.

We aim to conduct our business in a socially and environmentally responsible manner, working collaboratively with all sector stakeholders to inspire meaningful and sustainable change. That is why we work in partnership with our suppliers to build trust and achieve common purpose for the good of all.

We expect our Suppliers to support our Environment, Social Governance (ESG) initiatives, including upholding human rights, acting ethically, ensuring food safety, quality and animal welfare, and protecting the environment in which we operate. This Supplier Code of Conduct sets the framework for us to work together in an ethical, fair and sustainable manner.

SOFINA FOODS INC.

Ben Borruat
Sr. Vice-President, Sourcing & Procurement

Roland Deschamps
Vice-President, Legal Affairs & ESG

2. SCOPE

APPLICATION

This Supplier Code of Conduct (this “Code”) applies to suppliers, vendors and manufacturers who manufacture, package or supply (i) goods or services; and (ii) agents, brokers and other third parties (collectively, “Suppliers”) who conduct business with Sofina Foods Inc., its affiliates, subsidiaries, and operating divisions and/or customers in North America (collectively, “Sofina”).

Suppliers must share this Code with their contractors, agents, sub-contractors and sub-agents, including any labour agencies, who are engaged to assist with providing goods or performing services for Sofina (collectively, the “Related Parties”). Any reference to “workers” within this Code means Supplier’s workers and Related Parties’ workers.

ACCEPTANCE

By accepting a purchase order from Sofina or entering into a supply agreement or other contractual agreement with Sofina (the “Governing Terms”), you are accepting the terms of this Code (as amended from time to time) and affirming compliance with its requirements. This Code is not to be read in lieu of but in addition to your obligations as set out in the Governing Terms.

EXPECTATIONS

This Code outlines Sofina’s expectations and guidelines with respect to responsible sourcing including our commitments to human rights, health and safety, the environment, regulatory compliance, business ethics, animal care, food safety and quality, and the development of a diverse and sustainable supply chain. We expect our Suppliers to communicate these expectations to Related Parties to uphold the commitments set forth in this Code within their own business operations.

This Code sets out minimum standards that Suppliers must meet and nothing in this Code shall prevent Suppliers from exceeding these standards. Suppliers are also expected to comply with the Governing Terms and with applicable local laws and regulations. Where such requirements conflict, Suppliers are expected to comply with the highest applicable standard.

3. BUSINESS CONDUCT

Conducting business ethically and in compliance with all laws.

COMPLIANCE WITH LAWS

In their relationship with Sofina, Suppliers shall always comply with all applicable international, national, sub-national, regional and local laws, rules, and regulations in force where they operate.

COMPETITION LAW

Anti-competitive behaviours can adversely affect consumers, market efficiency and sustainable growth. Suppliers shall take preventive measures to avoid any anti-competitive behavior (including collusion practices and abuse of dominant positions). In particular, but without limitation, you shall not engage in any of the following practices:

- price-fixing or price control;
- behaviour in restraint of trade or competition; or
- market or customer segmentation in collusion with anyone.

Should any matter or situation of anti-competitive behavior arise in the context of their relationship with Sofina, Suppliers shall immediately disclose them to Sofina.

BRIBERY AND CORRUPTION

Corruption distorts free competition, hinders economic growth, and can lead to negative social and environmental impacts, also associated with inefficient economic decisions, misallocation of investments and undermining the implementation of law.

Suppliers shall commit to respect all applicable anti-corruption and anti-bribery laws where they operate, in their relationship with Sofina and shall take preventive measures to avoid risks of corruption.

GIFTS AND ENTERTAINMENT

Supplier must not give gifts or entertainment that could be, or could be perceived by others to be, an attempt to influence a business decision, create an obligation to do something in return or a personal reward for making a business decision.

Suppliers are required to adhere to the following principles in deciding whether to give a gift or entertainment. Gifts or entertainment given or received should:

- Not be extravagant,
- Be infrequent (e.g. less than twice per year),
- Be related to a reasonable business purpose and primarily benefit Sofina,
- Be consistent with acceptable business practices, given the industry and the geographic location,
- Be permitted by law and the policies of Sofina and Supplier,
- Not reflect or have the potential to reflect poorly on, or embarrass, Sofina,
- Not be indecent, pornographic or otherwise seen as offensive, and
- Not be provided if a tendering process is ongoing involving Supplier.

Suppliers are required to keep a record of the gifts, entertainment or hospitality you provide to Sofina.

CONFLICTS OF INTEREST

In order not to impact business decisions in their relationship with Sofina's procurement employees, all people participating in the decision, and their line management, Suppliers must ensure that they do not have any conflict of interest (involving personal or family links or relationships with Sofina procurement employees), and that they will declare any future potential conflict of interest as it may arise during the business relationship with Sofina. Suppliers shall also ensure that the professional relations are not subject to any personal financial, loans, borrowings, or placement of personal orders. Should any conflicts of interest arise, Suppliers shall immediately disclose them to Sofina.

FRAUD

Supplier shall not engage in fraud, including theft of assets and fraudulent misrepresentation of facts.

CONFIDENTIALITY

Suppliers may not publicize the existence of a business relationship with Sofina or use the name, trademark, logo or other marks of Sofina in any sales, marketing or publicity activities or materials. Suppliers with access to confidential information from Sofina may not disclose the existence of such information without our advance written consent. Confidential information includes, but is not limited to:

- Product formulas and pricing,
- Production technologies and processes,
- Engineering and technical designs,
- Production and supply costs,
- Operating policies, practices, and systems, and
- Customer identification and information.

INFORMATION SECURITY

Suppliers shall ensure that they have sound security practices in place to protect Sofina if they provide digital, online or support services and/or has access to sensitive or confidential information.

INTELLECTUAL PROPERTY

Supplier shall respect intellectual property rights of Sofina and others and the transfer of technology and know-how must be done in a manner that protects intellectual property rights, and Sofina's information is to be safeguarded.

SUBCONTRACTING

Suppliers shall not use third-party contractors or any other person or entity for the performance of the obligations you undertake towards Sofina, including, without limitation, the manufacture and/or supply of products or services for/to Sofina,

without our express prior written consent. In situations where said prior written consent is given by Sofina, it is the Supplier's responsibility to ensure that the approved third-party contractors comply with requirements, standards and principles that are, at a minimum, the same as those set forth in this Code or exceed it.

4. ENVIRONMENT

Acting responsibly to protect our environment for future generations.

At Sofina, we take great pride in our commitment to sustainability and continuously improving the environmental impact of our operations and products.

Suppliers must commit to conducting their operations in compliance, at a minimum, with applicable laws and regulations, ensuring they possess necessary permits and registrations, either directly or indirectly through their agents and subcontractors. Suppliers shall seek to foster sustainable practices and induce continuous progress along the whole life cycle of delivered goods or services.

Suppliers shall identify, assess, prevent, mitigate or remediate actual or potential negative environmental impacts in their operations as well as conduct due diligence over their own value chain, including Related Parties.

Suppliers shall develop and implement policies and environmental management systems associated with regular performance evaluation, notably applying the precautionary principle. They shall encourage good practices, including internationally recognized environmental certifications.

Such environmental topics include (but are not limited to):

- The measurement and consequent reduction of Greenhouse Gas (GHG) emissions throughout operations and value chain (Scope 1, Scope 2, and Scope 3 emissions),
- The prevention of any kind of pollutions and spills (notably of chemical and hazardous materials, particles and emissions other than GHG), as well as disturbances such as noise, dust, and odours,
- The protection of Biodiversity along the value chain. It notably includes Biodiversity on operational sites, protected Habitats, as well as oceans ecosystems, and forests or other High Conservation Value Areas (HCVA),
- The appropriate management of water consumption, withdrawal, discharge and related impacts,
- The promotion of eco-design and circularity of packaging, and
- The appropriate management of waste by type and disposal methods, including the transport of hazardous waste.

Suppliers shall promptly support Sofina in its ESG efforts by providing to Sofina information regarding Sofina's environmental efforts, including without limitation (a) relevant emissions information required to assist Sofina in calculating its Scope 3 emissions, and (b) reporting the use of certain ingredients, such as, but not limited to soy, palm oil, and such other ingredients as requested by Sofina.

5. PEOPLE

Enhancing the social wellbeing of workers.

Suppliers are required to uphold the human rights of workers, and to treat them with dignity and respect in accordance with all applicable domestic and international labour standards.

Supplier shall disclose to Sofina all requested information and declarations deemed necessary by Sofina to satisfy its requirements under the *Fighting Against Forced Labour and Child Labour in Supply Chain Act* (Canada).

We encourage all Suppliers to have in policies and procedures in place for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains.

CHILD LABOUR

Suppliers shall support, raise awareness on, and respect the enforcement of the International Bill of Rights, through their operations and in their relationship with agents and subcontractors. They ensure and warrant not to become complicit in any human rights violation.

“*Child labour*” is defined as work that “deprives children of their childhood, their potential and their dignity, and that is harmful to their physical or mental development including by interfering with their education. Specifically, it means types of work that are not permitted for children below the relevant minimum age”. As such, it shall be considered as a human rights abuse.

In accordance with current laws and with the International Labour Organization (ILO) Conventions, Sofina strictly prohibits child labour. Suppliers shall commit to respect the minimum age for admission to employment as defined in ILO Conventions 138 and 182, in the framework and guidance provided by ILO’s International Programme on the Elimination of Child Labour (IPEC).

FORCED OR COMPULSORY LABOUR

Suppliers shall ensure that they do not benefit, either directly or indirectly (through agents and subcontractors), from any form of forced or compulsory labour defined as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.”.

Forced labour in prisons, human trafficking for the purpose of forced labour, coercion and harassment in employment, forced labour linked to unpaid or indentured services or exploitative labour contract systems or debt-induced, are strictly prohibited. Suppliers shall perform risk assessment and due diligence to prevent forced or compulsory labour, as well as human trafficking and slavery.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Suppliers shall ensure the right of their workers to form, join and run their own associative organizations without prior authorization or interference by Suppliers. Suppliers shall also, where applicable, set the conditions and ensure collective bargaining for their employees and workers for determining working conditions and terms of employment or for regulating relations between employers and workers.

WORKING CONDITIONS AND SOCIAL DIALOGUE

Good working conditions and a genuine social dialogue contribute to generate a positive and sustainable working environment, with efficiency impact on business and minimizing operational disruption. They also contribute to set the conditions for employees’ attraction, retention and development through training on additional skills, internal promotion and optimized career path.

Suppliers shall comply with applicable labour laws and conduct their relationship with their employees and workers within locally appropriate institutional and legal frameworks. Terms of employment shall be freely agreed and well documented.

- **Wages:** Suppliers shall comply with applicable wage laws and abide by local minimum wages rules. When local minimum wage rules are absent, Suppliers should propose compensations and wages considering that they should meet employees’ essential and basic needs as well as dignity.
- **Working time:** Suppliers shall comply with applicable laws concerning working time (including maximum hours and overtime), rest periods, holidays, disciplinary and dismissal practices and legally protected leaves of absence.
- **Workplace environment:** Suppliers shall comply with applicable laws, concerning the quality of the workplace environment, and all applicable mandatory benefits provided by local and industry laws or regulations.
- **Social dialogue:** Suppliers shall ensure adequate labour management and regular consultation practices with employees and their representatives and communicate any significant operational change that could substantially affect them. In particular and where applicable, they provide appropriate conditions for collective bargaining regulating relations between employers and workers.

DIVERSITY, EQUITY AND INCLUSION

We are strongly committed to diversity, equity, and inclusion in every aspect of our work. We believe that our differences make us stronger and better, and the workforce in our operations represent a diverse and broad spectrum of Canadians.

The best ideas come from teams with a wide range of backgrounds and experiences working together effectively to harness the creative power and ingenuity of diversity.

Through equity and inclusion, we strive to champion all voices and ensure each member of our team is empowered to contribute fully with their unique skills, experiences, and perspectives.

Diversity, equal treatments and opportunities, and the promotion of inclusion generate significant benefits for organizations, employees, and society in general.

Suppliers set equal treatments, benefits, training, promotion opportunities and information access to all their employees regardless of gender, age, ethnicity, caste, geographical origin, religion, sexual orientation, civil state or social situation, mental or physical disabilities, or any other personal specificity. Any difference in individual working conditions and treatments shall only be based on employee's skills or local applicable laws and regulations.

HEALTH AND SAFETY

Suppliers shall endeavour to provide healthy and safe working conditions to their workers, in compliance with applicable laws and regulations. They shall commit to the prevention of physical and mental harm, work-related illnesses and injuries, through the identification of hazard, the development and implementation of policies and a management system associated with regular performance evaluation. Good practices also include the consultation and engagement of employees into the development of such programs, as well as employees' related training. Worker participation in such health and safety policies and programs, as well as derived data, shall not be used in Suppliers' decisions regarding employment, engagement, or favorable or unfavorable treatments of workers.

6. CARE OF ANIMALS

Protecting the welfare of animals in our operations and at our partner farms.

Sofina is fully committed to the principles of sustainability and animal welfare. We continuously strive to maintain the highest standards of care for the animals in our supply chain, and we work closely with industry stakeholders to promote responsible practices. Our dedication to animal care extends from farm to plant, and we hold our employees and partners accountable for upholding these essential principles of animal welfare.

Our commitment to responsible sourcing extends to ensuring that animals are treated with utmost care and respect throughout our supply chain. We conduct regular animal welfare audits across much of our network of suppliers, ensuring that ethical practices are at the core of our sourcing processes. Upholding the highest animal welfare standards is not only a moral commitment but also a vital aspect of our promise to conduct our business with the utmost integrity.

Suppliers of animal-based products, across all relevant species and geographies, shall commit to conducting their operations in compliance with applicable local and international laws and regulations as well as not to be responsible of any acts of animal cruelty, either directly or indirectly through their agents and subcontractors.

They shall support the internationally recognized Five Freedoms for animal welfare and ensure they are observed and preserved for all animals in their value chains. According to the World Organization for Animal Health (WOAH), developed in 1965, and widely recognized, the Five Freedoms describe society's expectations for the conditions animals should experience when under human control, namely:

- Freedom from hunger, malnutrition and thirst
- Freedom from fear and distress
- Freedom from heat stress or physical discomfort
- Freedom from pain, injury and disease
- Freedom to express normal patterns of behaviour.
- More precisely, they shall pay special attention to the following practices in farming systems and downstream stages:
- Avoidance of close confinement and intensive systems for livestock,
- Provision of effective species-specific environmental enrichment,
- Avoidance of products from farm animals subject to genetic engineering and cloning and/or their progeny or descendants
- Avoidance of growth promoting substances,
- Avoidance of antibiotics for prophylactic use,
- Avoidance of routine mutilations (tail docking, dehorning, disbudding)

- without pain management),
- Avoidance of situations where animals are not subjected to pre-slaughter stunning, and
- Long distance live transportation.

TRAINING OF TRANSPORTERS (DRIVERS)

All transporters must be trained and knowledgeable about the basics of poultry/pig handling and animal welfare. All drivers delivering live animals for Sofina must be certified under Certified Livestock Transport – Canadian Livestock Transporters (CLT) Program and the Transport Quality Assurance (TQA). Transporters must provide a letter of guarantee for trained personnel to Sofina, with training records available upon request; proof of training must also be provided or made accessible upon Sofina’s request.

TRANSFER OF CARE

Transfer of Care is an important aspect of animal welfare and biosecurity at our facilities, and we aim to ensure that the animals experience a smooth transition with minimal disruptions to their health and comfort. It involves coordination and communication among several stakeholders, such as hatcheries, farms, and processing facilities, to ensure a seamless transfer process.

During the Transfer of Care, Supplier shall ensure that proper protocols are followed in alignment with Health of Animal Regulations (HAR) Part XII Section 153 Transfer of Care and Safe Food for Canadian Regulations (SFCR) to maintain the health, safety, and welfare of the animals. This includes handling, transportation, and the provision of appropriate environmental conditions to minimize stress and ensure the animals’ continued well-being.

7. FOOD SAFETY AND QUALITY

Ensuring that we offer nutritious food and protect consumers.

Our commitment to providing safe, quality products is uncompromising. That is why our Quality Assurance and Food Safety policies and programs meet or exceed the Canadian Food Inspection Agency’s (CFIA) requirements. We continually look for ways to improve our processes and standards.

At Sofina, we are deeply committed to responsible sourcing. Our dedication to sourcing from trusted suppliers reflects our unwavering commitment to the well-being of our customers and communities.

Suppliers shall commit to conducting their operations in compliance, at a minimum, with applicable laws and regulations concerning food quality and safety of delivered products or services, either directly or indirectly through their agents and subcontractors.

All Suppliers who supply raw material, packaging and ingredients, Suppliers shall develop and implement policies and food quality and safety management systems associated with regular performance evaluation, on the reference method HACCP (Hazard Analysis Critical Control Point), in each of the following life cycle stages:

- Development of product concept,
- Research and development,
- Certification procedures,
- Manufacturing and production,
- Storage, distribution, and supply, and
- Potential disposal, reuse, donations or recycling.

8. RESPONSIBLE SOURCING

Nurturing quality, ensuring integrity.

At Sofina, we are deeply committed to responsible sourcing. Our dedication to sourcing from trusted suppliers reflects our unwavering commitment to the well-being of our customers and communities.

POULTRY, PORK, AND BEEF

To uphold our promise of uncompromising quality and safety, all Suppliers of poultry, pork or beef are required to adhere to the Global Food Safety Initiative (GFSI) standards. In addition, all Suppliers must obtain certifications from GFSI Standards, the British Retail Consortium Global Standard, the Safe Quality Food, the Food Safety System Certification Scheme, or have passed a Sofina audit to guarantee the highest levels of safety and quality for our poultry and pork products.

FISH

Sustainability is at the heart of our fish sourcing practices. All Suppliers of fish must be certified by the Marine Stewardship Council (MSC) in order to ensure that the fish they supply come from well managed and sustainable fisheries.

9. COMPLIANCE

AUDIT/INSPECTION

Sofina reserves the right to investigate and audit at any time your compliance with this Code. In this regard, you shall assist with any such investigation and audit and provide access to any information reasonably requested. If remediation is required, you shall implement a corrective action plan and timeline to resolve the nonconformity effectively and promptly. Where applicable, we also reserve the right to terminate our relationship at our sole discretion should you fail to comply with the provisions of this Code or any requested remedial action plan.

MONITORING COMPLIANCE

Suppliers shall monitor compliance of their operations with the terms of this Code and all Governing Terms. Further, Suppliers shall monitor Related Parties' compliance with the terms of this Code and immediately disclose any known violations to Sofina.

While the requirements in this Code are the responsibility of Supplier, Sofina may verify Supplier compliance with this Code through a variety of tools:

- Suppliers' self-evaluation,
- Ongoing improvement programs, and
- Audits by Sofina or a Supplier designated by Sofina.

Sofina expects cooperation and transparency during the compliance monitoring process. Specifically, we expect you to encourage and facilitate any communication with workers required for audits and not to take any retaliatory action whatsoever against workers who take part in this process. Sofina personnel or a supplier designated by Sofina may regularly visit facilities, to monitor progress with improvement programs.

Should a Supplier fail to comply with this Code, Sofina reserves the right to require corrective action. If a Supplier fails to implement corrective action or fails to comply with this Code, Sofina may, in its sole discretion and without any further obligation to Suppliers, suspend or terminate, in whole or in part, its relationship with Supplier.

Sofina acknowledges that some Code infringements that are identified may take time to resolve. If appropriate and practicable in the circumstances, we will work with Suppliers to accommodate reasonable time frames that allow Suppliers to make improvements in their operations to correct such infringements. We will seek to maintain relationships with Suppliers that demonstrate their commitment to this Code by, among other things, promptly responding to, and resolving, our concerns. However, violations of this Code may sometimes warrant an immediate resolution, failing which termination of our relationship may be required. In particular, we have ZERO TOLERANCE for:

- Child labour,
- Forced labour,
- An environment that incites or encourages any form of coercion and harassment,
- Any major health and safety deficiency posing immediate danger to life or risk of serious injury,
- Any major environmental deficiency posing serious and immediate harm to the environment or the community,
- Any form of animal cruelty, and
- Any form of bribery.

REPORTING

You are responsible for the prompt reporting of actual or suspected violations of this Code, including any applicable laws, to our internal auditors at the following email address: ESG@sofinafoods.com. This includes violations by any employee, agent or third-party contractor acting on behalf of either you or Sofina. Such reporting will remain confidential.

SOFINA DISCRETION

Sofina reserves to right to amend or delete this Code at any time at its sole and absolute discretion without notice.

Sofina Foods Inc. is committed to providing accessible employment practices that are in compliance with any and all applicable employee accessibility legislation, including but not limited to the Accessibility for Ontarians with Disabilities Act ('AODA'). Employees are asked to make their needs/requirements, for the purpose of accommodation, known to Human Resources when they have questions about this Code.

APPROVERS	Title
Ben Bourret	Senior Vice-President, Sourcing and Procurement
Roland Deschamps	Vice-President, Legal Affairs and ESG

Version	Date	Summary of Changes
V1.0	January 1, 2025	First Version