



RESPONSIBLE SOURCING POLICY

PREAMBLE

This **Responsible Sourcing Policy** (the “Policy”) is intended to provide Jefo with a framework that supports its commitment to integrating sustainability criteria into its decision-making processes and purchasing practices. The objective is thus to ensure that our suppliers, as well as the products and services they provide to us, meet quality standards while considering environmental, social, and economic considerations.

1. OBJECTIVES

This Policy aims to establish Jefo’s internal procedures regarding sustainable procurement. It outlines our commitment to responsible procurement while defining the guiding principles, as well as the roles and responsibilities of the relevant stakeholders. These new responsible strategies are implemented in compliance with the applicable legal and regulatory framework.

2. SCOPE

The Policy applies to all procurement-related decisions and actions at Jefo, in order to address social, environmental, and economic issues in a responsible manner.

3. GUIDING PRINCIPLES

The Policy is based on the following guiding principles:

- Integrity → impartiality, honesty, transparency, and rigor
- Equity → equitable business relationships
- Exemplarity → commitment to the highest possible standards and the exercise of our duty to influence
- Collaboration & Participation → promotion of a culture of openness, humility, and transparency
- Accountability & Progressiveness → stakeholder accountability and implementation of a progress plan
- Environmental Sustainability → integration of practices aimed at reducing environmental impact

4. GOVERNANCE

Our responsible procurement system is also structured around four (4) pillars:

- Guidelines of this Responsible Procurement Policy
- Suppliers’ acknowledgment and signing of the Supplier Code of Conduct
- Annual supplier self-assessment questionnaire
- Best procurement management practices described in this Policy

These best practices include:

- Planning and assessing needs
- Managing inventories according to the 4RV (reduce, reuse, recycle, and recover)
- Improving of the procurement process continuously
- Ensuring accountability

The governance of this system is based on clearly defined roles and responsibilities for each involved function, namely the Executive Committee, the ESG Governance Committee, Operations Management, the Responsible Sourcing Manager, buyers, and employees.

5. PROCUREMENT PRACTICES

Jefo is committed to prioritizing suppliers that adopt responsible practices regarding social, environmental, and governance issues and to playing an influential role in encouraging its partners to adopt such practices. To create a positive and evolving environment, Jefo prioritizes collaboration over coercion. Thus, suppliers who do not meet expectations will be encouraged to develop and implement an improvement plan and will then be re-evaluated. However, if the supplier shows no interest in improving, Jefo reserves the right to replace them with a supplier that is more aligned with our expectations.

The sourcing practices underlying this Policy are as follows:

- Quality management: ensuring product quality and strong supplier relationships
- Product safety and health: guaranteeing animal health and safety
- Ethical responsibility: demonstrating exemplary business conduct (preventing conflicts of interest, corruption, and fraud), ensuring data security, and maintaining purchase traceability
- Social responsibility: ensuring psychological well-being
- Environmental responsibility: minimizing the environmental impact of our activities by complying with applicable local laws and adopting sustainable practices
- Economic responsibility: prioritizing local purchases whenever possible

6. REPORTING NON-COMPLIANCE

If a supplier fails to comply with the obligations or principles of the Supplier Code of Conduct, or if an employee fails to comply with this Policy, please notify Jefo.


Reporting

For any questions or comments regarding the interpretation or application of this Policy, you may contact management through the following channels:

- Phone: 450 799-2000
- Email (confidential): audit@jefo.ca

7. EFFECTIVE DATE

This Policy is effective as of (date): June 2025

Signed by:  _____



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SUPPLIER CODE OF CONDUCT

For several years, Jefo has been strengthening its commitment to the responsibility of its operations and business practices to contribute to a just, equitable, and sustainable future for future generations. Jefo recognizes the importance of collaborating with partners who share this commitment and are ready to work together to build resilient supply chains that respect both the planet and its people.

ENFORCEMENT OF THE CODE

Scope of application

This Code of Conduct sets out the expectations of Jefo towards its suppliers.

The term «supplier» refers to any organization, including its representatives, shareholders, affiliates, directors, employees, authorized agents, and subcontractors where applicable, that provides goods or services for Jefo (including Aliment Jefo Inc., Jefo International Inc., Jefo Nutrition Inc., and any other subsidiary).

The term «business relationship» includes any connection or exchange, whether verbal or written, between Jefo and its suppliers, including potential suppliers, without the need for a contractual commitment.

Suppliers' Commitments

By engaging in business relationships with Jefo, suppliers commit to:

- Sign the Code upon request.
- Ensure compliance with the standards and principles of this Code and implement appropriate management mechanisms within their organization.
- Communicate the Code to employees involved in business relationships.
- Take the necessary measures to address any non-compliance.
- Share this Code with all their subcontractors, including authorized agents and other business partners.

This Code is in addition to applicable laws and regulations. Accordingly, in all their activities, suppliers must comply with the laws and regulations in force in Canada and Québec, including all applicable international legal standards, if these are not incompatible with the laws of the supplier's country, except for the standards set out in the Universal Declaration of Human Rights, which shall remain applicable. When the jurisdiction of Québec or Canada applies, the supplier must fully comply with the applicable laws of Québec and Canada.

1. PRODUCT SAFETY

Jefo's suppliers must comply with Jefo's quality and regulatory certification standards regarding food safety, handling, preparation, packaging, and distribution. This includes ensuring the safety of products and services in accordance with the regulations of the countries in which they are used. Measures must be taken at every stage (production, packaging, storage, distribution) to prevent product alteration and contamination. Goods must be safe and suitable for their intended use. Suppliers must promptly inform Jefo of any situation that may affect product safety, whether or not the products have already been delivered.

2. ETHICAL RESPONSIBILITY

Ethics is a fundamental component of the Code of Conduct. It goes beyond laws and regulations, relying on principles of natural justice. In their business relationships with Jefo, suppliers must act with professionalism, integrity, and honesty at all times, ensuring the preservation of Jefo's integrity and reputation.

Conflict of Interest

Any conflict of interest, as well as any situation that could create a conflict of interest affecting the impartiality of Jefo's personnel in the business relationship, must be disclosed to Jefo without delay as soon as it becomes known.

Collusion and Corruption

All acts of collusion and participation in acts of collusion, conspiracies, price-fixing agreements or arrangements with other suppliers, or any practice intended to or resulting in reduced competition, as well as any arrangement that could disrupt the proper conduct of the business relationship between Jefo and its suppliers, are strictly prohibited. The same applies to all forms of passive and active corruption, extortion, bribery, personal gain, bid rigging, influence peddling, insider information abuse, embezzlement, and falsification. Jefo expects the supplier to uphold these same standards within its own organization.

Involvement in Criminal Organization Activities

The supplier agrees not to associate with or participate, directly or indirectly, in the activities of a criminal organization. Such activities include, but are not limited to, money laundering, trafficking of illicit substances, and the handling of proceeds of crime. The supplier must also actively combat all forms of corruption, including extortion and bribery.

False or Misleading Statements

Any false, deceptive, or misleading statement is also prohibited in the context of the relationship between the parties, including during a payment request, a qualification call, a call for tenders, or any other similar process.

Gifts, Donations, and Invitations

No goods, favors, services, advantages, invitations, or gifts that could be considered a potential source of conflict of interest may be accepted by Jefo personnel. Gifts, meals, travel, and favors may not be offered by suppliers, regardless of their nature or context. Furthermore, suppliers must refrain from responding to any solicitation from Jefo employees for donations or contributions to external or third-party causes and organizations.

Business Relations

Suppliers must be honest, professional, and fair in their business dealings with Jefo, accurately representing their ability to meet all obligations and commitments.

Hiring of Jefo Employees

Suppliers must avoid any action that could compromise the ability of current or former Jefo employees to fulfill their legal or contractual obligations to the company, including the Jefo Employee Code of Ethics and Conduct, the provisions of which remain applicable after the end of their employment.

Respect

Suppliers must treat Jefo's customers, employees, and partners with courtesy and fairness in all interactions, regardless of their form.

Intellectual Property

Suppliers must respect Jefo's intellectual property, whether registered or not. Suppliers may not, without Jefo's written consent, reproduce, copy, publish, transmit, communicate, or use in any way Jefo's materials, information, trademarks, or any other intellectual property. Suppliers must not create or distribute any commercial advertising that could give the impression it originates from Jefo.

Cybersecurity and Data Privacy

Suppliers must ensure they have the necessary resources to identify, prevent, and mitigate any risks related to cybersecurity and data privacy that could impact their operations and expose Jefo (e.g., data breaches, ransomware, malware, etc.). Suppliers must protect Jefo's confidential information in their possession or to which they have access by applying best practices and Jefo's policies. Confidentiality covers all non-public information related to Jefo, its clients, and its employees. Suppliers may use this information only while performing their duties and may not disclose it to third parties without Jefo's prior consent. These obligations apply throughout the duration of the business relationship and remain in effect after the end of contractual commitments or until such information becomes public.

3 - SOCIAL RESPONSIBILITY

Human Rights

Suppliers must ensure that their personnel are treated fairly and equitably, without distinction based on gender, race, color, origin, political or other opinions, sexual orientation, religion, or any other grounds for discrimination. They must foster a work environment free from harassment, intimidation, or abuse. Suppliers must comply with human rights legislation and international standards, including the Universal Declaration of Human Rights.

Suppliers must support and respect internationally recognized human rights and ensure their operations are not complicit in any human rights violations. Forced labor is strictly prohibited, and suppliers must ensure that no one is made to work against their will, including through forced labor, servitude (including debt bondage), slavery, or human trafficking-related exploitation.

Suppliers must not permit the employment of individuals who are below the legal minimum working age under applicable laws. Furthermore, youth employment must not interfere with access to education—whether by forcing them to leave school or by burdening them with work that is too heavy or long to balance with their education, and appropriate protective measures must be in place.

Labor Relations

Suppliers must comply with the maximum working hours as defined by local legislation or International Labour Organization (ILO) standards, giving priority to the standard that offers the greatest protection to employees. They must also ensure decent compensation, at least equal to the local minimum wage, enabling employees to meet their basic needs. Furthermore, suppliers must respect employees' rights to form or join associations of their choice, such as trade unions, to engage in collective bargaining and to peacefully assemble, as well as respect their right not to join such associations.

Occupational Health and Safety

Suppliers must implement occupational health and safety standards in compliance with applicable laws and regulations to ensure safe and healthy working conditions for all their employees. They must take appropriate measures to prevent work-related injuries and accidents. No project or worksite should compromise workers' health and safety without providing the necessary skills and equipment to mitigate such risks. Psychological well-being (mental health) must also be considered and adequately addressed to manage existing psychological risks.

4 - ENVIRONMENTAL RESPONSIBILITY

Suppliers must comply with environmental laws, regulations, and standards applicable in the country where they operate, and strive to reduce the environmental impact of their activities and products.

Respect for Natural Ecosystems

Suppliers must adopt biodiversity-friendly practices by minimizing the impact of their activities on local ecosystems. They are also required to protect natural habitats and ensure their operations do not contribute to biodiversity loss.

Energy, Greenhouse Gas Emissions, and Climate Change

Suppliers are encouraged to conduct an inventory of greenhouse gas emissions generated by their activities for Scopes 1, 2, and ideally Scope 3. They are also encouraged to identify opportunities to reduce GHG emissions to contribute to collective efforts to mitigate climate change. Suppliers are encouraged to implement energy efficiency measures and to prioritize the use of renewable energy sources such as hydroelectricity, solar, or wind power.

Water Management

Suppliers are encouraged to implement policies or mechanisms aimed at reducing water consumption, ensuring proper treatment of wastewater, and more broadly, contributing to responsible water management within their region.

Management of Resources and Residual Materials

Suppliers must implement residual materials management practices aimed at reducing, recycling, and reusing waste in compliance with environmental standards. They must also ensure that waste is disposed of responsibly, thereby minimizing the environmental impact of their activities. Jefo recommends applying the 5R approach (refuse, reduce, reuse, recycle, recover) to support a circular economy dynamic.

Hazardous Substances

Suppliers must ensure the safe use and compliance of hazardous substances used by guaranteeing their safe storage, handling, and transportation. They are also encouraged to apply the principle of substitution. Emergency procedures must be established to prevent any risk of contamination or accidents related to these substances.

5 - COMPLIANCE MEASURES

Audit

Jefo reserves the right to verify whether its suppliers, agents, and subcontractors comply with the Code. Jefo or an external party designated by Jefo may also conduct an audit to assess compliance with this Code, including, but not limited to, site visits and the review of relevant records from suppliers, agents, and subcontractors.

Sanctions

Any breach of the Code may result in sanctions imposed by Jefo, ranging from a simple warning to a formal notice requiring the supplier to rectify the violation. Sanctions may include disqualification, rejection of one or more supplier proposals, conditional awarding of contracts, or the cancellation or termination of a contract in the event of supplier misconduct. Jefo reserves the right to apply these measures at its sole discretion.

Reporting

To report any concerns or violations related to the Code:

- Internal Audit Service (JEFO): 450-799-2000
- Mail: audit@jefo.ca



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