

Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

May 31, 2026



Message from the CEO

On behalf of Sollio Cooperative Group, I am pleased to present the cooperative's third report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

The purpose of this report is to inform the Minister of Public Safety of the steps our organization is taking to prevent and reduce the risk of forced labour or child labour being used in our activities and supply chains. The report also provides an update on the improvements that could be made to meet industry best practices and adapt our policies and procedures to prevent and reduce this risk.

Founded over 100 years ago, Sollio Cooperative Group is Canada's largest agricultural cooperative with roots in Québec. The organization leverages that collective strength in service of its mission: to help feed people, ensure prosperity for farming families, and create a sustainable future for everyone.

With its fundamental values of honesty, equity, responsibility and solidarity, Sollio remains true to the spirit of its founders. The organization is proud to be a driving force for economic and social development rooted in rural communities thanks to its 15,000 employees, its network of cooperatives, and its three divisions: Sollio Agriculture, BMR, and Olymel.

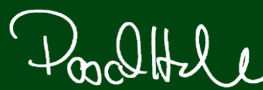
Since 2019, Sollio has taken a structured approach to corporate responsibility that is guided by its mission and grounded by its core values. Central to that approach is a commitment to putting people first and respecting Sollio's cooperative values.

At Sollio Cooperative Group, we apply that approach every day by caring about our stakeholders, valuing local resources, meeting community expectations, and helping to generate collective wealth, all with the aim of creating a sustainable future for everyone.

Forced labour and child labour are a scourge that must be combatted. As the preamble to the Act states, they are forms of modern slavery that violate the basic values of human dignity. They are also contrary to our cooperative values. This law reinforces our responsibility to evaluate and review our policies so as to prevent and mitigate the risks associated with these issues, both in Canada and internationally, in all our activities and supply chains.

This third report provides an update on Sollio Cooperative Group's activities and the steps the organization has taken and plans to take to prevent and reduce the risk of forced labour or child labour being used in its supply chains.

Thank you.



Pascal Houle, FCPA
Chief Executive Officer of Sollio Cooperative Group

Introduction

Sollio Cooperative Group has prepared this third report as required by the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). The Act came into force on January 1, 2024. Due to its business presence and size, Sollio is a reporting entity under the Act.

This report provides an update on the steps Sollio Cooperative Group (“Sollio,” the “group,” or the “cooperative”) has taken to prevent and reduce the risk of forced labour or child labour being used in its supply chains.

This report covers Sollio’s 2024–2025 fiscal year, which ended on October 25, 2025. It was prepared jointly by the organization and 13 of its subsidiaries that are subject to the Act. These entities are presented in the table below, along with a brief description of the main activities of Sollio’s three divisions.

Sollio Cooperative Group entities included in this joint report		
Divisions	Description	Entities
Sollio Agriculture	Distribution and marketing of farm inputs	Entreprise Agricole AMQ S.E.C. Maizex Seeds Inc. Sollio Agriculture Livestock Production - Western Canada Lt
BMR	Distribution and marketing of hardware products and building materials	BMR Group Inc. Groupe L&B S.E.N.C. Les Distributions B.M.B. (1985), s.e.c.
Olymel	Swine farming and pork and poultry processing and marketing	Olymel L.P. ATRAHAN Transformation Inc. Olynorth Farms L.P. Pinty’s Delicious Foods Inc. OlyPork s.e.c. OlyM s.e.c

Steps taken to prevent and reduce the risk of forced labour and child labour

Rooted in rural communities and using its collective strength, Sollio Cooperative Group helps feed people, ensure prosperity for farming families, and create a sustainable future for everyone. That mission guides the cooperative's corporate responsibility strategy.

To meet the challenges it faces, Sollio has adopted numerous sound governance measures over the years. These include an ethics program aimed at creating a healthy, trustworthy business and work environment, a responsible procurement framework policy, an environmental compliance policy with sustainable development goals, an integrated risk management policy to meet the complex demands of an ever-changing world, staff training programs, and many other measures.

These regularly updated measures are part of Sollio's efforts to remain compliant with all applicable laws—including the Fighting Against Forced Labour and Child Labour in Supply Chains Act—and aligned with its own core cooperative values.

Building on the work begun in the last two years, Sollio has continued to assess its business practices in order to identify the risks of forced and child labour being used in its supply chains. Through this process, opportunities to improve a number of internal policies and processes have been identified, with the end goal of making Sollio's practices even more responsible.

Since the 2025 report, the group has:

- **Responsible procurement framework policy**
The policy sets out environmental, social, and economic criteria and is based on the results of a risk and opportunity analysis of each purchasing category that was conducted with the help of a specialized external firm.
- **Developed a responsible procurement guide.**
This guide enables procurement teams to identify ESG-related risks and opportunities associated with spending categories during the pre-contract phase. It also supports the identification of due diligence measures based on best practices (e.g., contract clauses, questions to include in RFPs, required certifications, audits to be done). The rollout of the guide, along with related training, began over the past year.
- **Deployed an internal professional ethics reporting system** across all Sollio divisions.
- **Provided training for managers and employees on procurement teams.** This training on the requirements of the Act was developed in all Sollio divisions. It is intended to raise awareness, clarify responsibilities, and support the adoption of practices aligned with legal obligations. The rollout is underway.

A - Organizational structure, activities, and supply chains

Sollio Cooperative Group

Sollio Cooperative Group is the largest Canadian agricultural cooperative with roots in Québec. It is owned by its more than 110,000 farmer and consumer members across 41 traditional agricultural and consumer cooperatives. These cooperatives are well established in their respective communities and contribute to Sollio's strength and stability. Sollio's role is to help its member cooperatives achieve business success, fulfill their own missions, and strengthen local economies.

The daily tasks of growing, rearing, farming, and processing—and building the economy of tomorrow—have been in Sollio's DNA since 1922. That's just as true for the cooperative's 15,000 employees in Canada.

Sollio Cooperative Group operates through three divisions: Sollio Agriculture, BMR, and Olymel. All three work toward the same goal of ensuring the prosperity and long-term success of the cooperative's members.

Sollio Agriculture

Sollio Agriculture is Sollio Cooperative Group's agribusiness division and a Canadian leader in the agriculture industry. It specializes in supplying farm inputs and providing value-added services that benefit its farmers, cooperatives, and partners. Its business model combines the strength of a local approach with the power of a national presence to deliver innovative products and solutions, promote the adoption of sustainable farming practices, and help local farming families prosper. Sollio Agriculture has a nationwide presence and recorded \$2.56 billion in sales for the 2024–2025 fiscal year.

Sollio Agriculture supplies cooperatives in the Sollio network across Québec and Atlantic Canada, as well as the Agrocentre, Agrico, and Agromart retail networks. It produces and markets Maizex Seeds and F. Ménard animal feed products. With more than 300 sites across Canada (retailers, feed mills, grain elevators, port terminals, poultry farms, hatcheries, and research farms), Sollio Agriculture is Canada's largest agricultural network.

Imports are primarily from the United States, Europe (France, Germany, Belgium, the Netherlands), Asia (China, Malaysia), North Africa (Morocco, Algeria, Egypt), the Middle East (Saudi Arabia), Lithuania, Turkmenistan, Azerbaijan, and Trinidad.

BMR

BMR is Sollio Cooperative Group's retail division. It is Québec's leading distributor and marketer of hardware, renovation, and retail products, and building materials.

BMR has over 275 renovation centres and hardware stores in Québec, Ontario, and the Maritimes. It operates under the BMR, Agrizone, and Potvin & Bouchard banners. The company also holds interests in the Lefebvre & Benoît Group and CDL Sugaring Equipment, while pursuing a range of other initiatives designed to maximize synergies.

BMR's products are sold exclusively in Canada. The group recorded \$968.2 million in sales for the 2024–2025 fiscal year.

In the highly competitive hardware industry, BMR's procurement teams have expanded the development of more than 1,500 private-label products in the past 18 months, resulting in an increase in imports. BMR understands the social issues that can arise from such procurement strategies and is committed to working only with suppliers that meet its standards for human and labour rights. To that end, all new foreign suppliers are required to adhere to a code of conduct that includes clear commitments in these areas.

Olymel

Olymel is Sollio Cooperative Group's food division and a Canadian leader in the production, processing, and distribution of pork and poultry products.

Olymel operates 26 plants and distribution centres across Canada, located in Québec, New Brunswick, Ontario, Saskatchewan, and Alberta. It markets its products primarily under the Olymel, Lafleur, Flamingo, La Fernandière, Pinty's, and Nagano Pork brands. It recorded \$4.9 billion in sales for the 2024–2025 fiscal year.

As part of its operations, Olymel sources primarily within Canada, with all animals raised domestically and the vast majority of its suppliers also based in Canada. To a more limited extent, the company also imports certain products and raw materials from outside Canada, mainly from the United States and, in specific cases, from other countries. These imports remain limited in scope and are carried out in compliance with applicable regulatory requirements and supply chain risk management practices.

B - Policies and due diligence processes

Sollio Cooperative Group has policies and due diligence processes in place to provide a framework for supplier and business partner relationships that helps keep them healthy, harmonious, respectful, and mutually beneficial. Some of Sollio's divisions, particularly BMR and Olymel, have adopted policies and procedures, such as commercial agreements and a supplier code of conduct, to mitigate the risk of forced labour or child labour being used in their supply chains, while others are drawing up roadmaps with the steps they plan to take in the short, medium, and long term to fight against forced labour and child labour.

The following section provides an overview of the steps each Sollio division has taken, is taking, and plans to take to prevent and reduce the risk of forced labour or child labour. Some of these are common to all three Sollio divisions, while others are specific to each division.

Measures common to all divisions

A number of cross-divisional measures have now been or are currently being rolled out across the group, including:

- **Professional ethics reporting system**

As part of their efforts to provide a safe and healthy work environment, Sollio Cooperative Group and its divisions use an external, independent, anonymous, confidential reporting system for professional ethics issues. Employees can use this system to safely and anonymously raise concerns or report unethical behaviour. They can report issues such as violations of the law and raise concerns about health, safety, and the environment.

- **Employee code of conduct**

Sollio Cooperative Group has a code of conduct for its employees. This reference tool sets out the mutual commitments between the organization and its employees, among other things. The tool is designed to support the work of employees, guide their decision-making, and help them express Sollio's values

- **Analysis by purchase category**

This analysis was conducted in collaboration with a specialized external firm. The analysis was designed to:

- Identify the business sectors and product categories for which we need risk profiles;
- Establish standards for purchase policies, commercial agreements, supplier codes of conduct, the risk management model, and training;
- Create a mapping tool that identifies ESG risks and benefits by purchase category, with the risks including (but not limited to) occupational health and safety, human rights, environmental impact, GHG emissions, operational practices, and with the associated benefits including (but not limited to) diversity, equity, and inclusion and economic impacts on local communities;
- Create a responsible procurement guide for each purchase category that lists best practices and includes contractual clauses to be used, relevant certifications to be obtained, and any qualitative information needed to characterize the ESG risks and opportunities of each purchase category, among other things.

- **Responsible procurement framework policy**

Developed by the parent company, it establishes clear guiding principles for all entities within the group, including to:

- Ensure the adoption of responsible procurement practices across the parent company and all three divisions.
- Provide effective guidance for operational due diligence on ethical and reputational issues for suppliers.
- Ensure compliance with applicable laws.
- Ensure the necessary changes are made so that the policy continually reflects the organization's sustainable development priorities and commitments.
- Support other cooperative organizations and do business with them whenever possible.

Sollio Agriculture

- **Strategic suppliers**

Sollio Agriculture aims to develop and maintain strong partnerships with its strategic suppliers. To support this approach, it has implemented a governance structure for supplier management that, among other things, ensures rigorous monitoring of supplier compliance with the requirements of the Act.

- **Procurement Policy**

Sollio Agriculture has already developed a strategic procurement policy. Along with the Supplier Code of Conduct, the policy is expected to come into effect by the end of fiscal year 2026. It explicitly sets out the requirement to respect human rights and the health and safety of individuals, including labour rights related to forced labour and child labour. In addition to the policy, the Supplier Code of Conduct defines expectations regarding responsible business practices for suppliers.

BMR

- **ARENA agreement**

BMR signed an agreement with ARENA, a human rights certification organization, in 2023. The agreement covers some of the products imported by BMR. ARENA has indicated that it plans to extend the certification to other countries.

ARENA is also a member of the Business Social Compliance Initiative (BSCI), an international organization that aims to improve working conditions throughout supply chains. BSCI members and affiliates, including BMR, commit to a code of conduct based on the principles set out by a number of international organizations, including the International Labour Organization and the United Nations (Universal Declaration of Human Rights).

- **The Independant Lumber Dealers Co-operative (ILDC)**

BMR joined the Independent Lumber Dealers Cooperative (ILDC), a buying cooperative, a few years ago. Since December 14, 2023, suppliers that sell their products to ILDC member companies must confirm that their activities comply with the provisions of the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Olymel

- **Responsible procurement and sustainable development**

Olymel relies on a corporate procurement policy that governs all of its purchasing and procurement activities. This policy is designed to promote ethical, responsible, and transparent business practices while integrating environmental, social, and governance (ESG) considerations into decision-making processes. It also sets out supplier risk management mechanisms, including evaluation and performance monitoring.

This policy is part of an integrated sustainable development program rolled out across Olymel's operations, covering food safety, animal welfare, environmental management, worker well-being, and responsible procurement. In this context, Olymel has established a Supplier Code of Conduct that sets clear expectations regarding respect for human rights, occupational health and safety, and compliance with applicable laws and affirms zero tolerance for forced labour and child labour.

This approach also includes mapping ESG risks by purchase category and progressively integrating environmental and social criteria into supplier selection, qualification, and evaluation processes. To date, more than 93% of strategic suppliers have adopted the Supplier Code of Conduct or have an equivalent internal code deemed comparable. All new suppliers must comply with it as a prerequisite for establishing a business relationship, thereby helping to strengthen accountability across the supply chain.

For more information about our ESG efforts, please see the page on [our commitment](#).

- **Foreign worker recruitment**

In response to labour recruitment challenges, Olymel employs temporary foreign workers at certain facilities. To ensure a healthy, safe, and respectful work environment, the company has implemented information-gathering mechanisms governing recruitment, along with control measures designed to confirm the free and informed consent of all recruited workers. A full-time dedicated resource continuously monitors regulatory developments and validates applicable requirements on a daily basis with specialized immigration lawyers. Meetings are also held in workers' countries of origin to support ethical and transparent recruitment practices.

In 2025, training sessions were offered across Canada to inform foreign workers about programs to access permanent residency and the free legal services available to them. Structured follow-up phone calls are conducted during workers' first year of employment to support their professional and personal integration. A grievance resolution mechanism is in place, and a formal policy on the recruitment of foreign workers will be introduced in 2026.

- **Social responsibility audits**

In 2025, Olymel began conducting social responsibility audits through external auditors using the Sedex platform. A Sedex (SMETA) audit is an internationally recognized assessment that covers, among other things, working conditions, health and safety, business ethics, and respect for human rights. This initiative enables Olymel to objectively assess its practices, identify opportunities for improvement, and strengthen the transparency and credibility of its social responsibility commitments with stakeholders. These audits specifically assess risks related to working conditions, forced labour, and child labour within operations and form part of the risk management approach required under the Act, which aims to identify, prevent, and mitigate the risk of modern slavery.

C - Forced labour and child labour risk

Sollio Cooperative Group recognizes that there is an inherent risk of labour exploitation in supply chains in several countries, particularly in the agriculture, food, and retail sectors, at all levels of the supply chain, from production and processing to packaging and shipping. The breadth and diversity of Sollio's supply networks mean that these risks are relevant to Sollio. The organization also recognizes that it has an opportunity to help drive positive change in the communities where it operates.

Sollio Cooperative Group has an integrated risk management policy to identify, assess, and manage the risks associated with the organization's various activities. The policy covers all types of risk, from strategic, operational, and financial risks to those related to human resources, the disclosure of sensitive personal information, the organization's reputation, and regulatory compliance. The policy applies to the parent company and its three divisions (Sollio Agriculture, BMR, and Olymel). It was approved by the Board of Directors and is updated periodically, as needed. In addition, the Audit Committee of Sollio Cooperative Group oversees the implementation of this policy. Every six months, the CEOs of Sollio and of the three divisions report to the Board of Directors on changes in significant risks and on the action plans for their respective organizations. Olymel also has a process in place under which its enterprise risks are reviewed by Olybro's Board of Directors before reporting to Sollio Cooperative Group. This process will be reviewed and enhanced in 2026.

In its analysis, Sollio's risk management team identified several risks related to forced labour and child labour. They are addressed in the group's responsible procurement policy, which is currently under development.

These risks include:

- The risk of forced labour in Sollio's facilities (plants, farms, hatcheries, distribution centres, and remote offices)
- The risk associated with hiring foreign workers to work in Sollio facilities, whether the hiring is done by the group's business entities themselves or by recruitment agencies
- The risk of forced labour or child labour being used by Sollio's Canadian suppliers
- The risk of forced labour or child labour being used by Sollio's foreign suppliers, particularly in the most at-risk countries

The risk level and risk trend have been established for each of these risks, and action plans are being developed to mitigate them. These plans may include steps to reduce the risk of forced labour or child labour, a training program for employees and managers (particularly those who make contracting and purchasing decisions), and tools to assess the effectiveness of the steps the cooperative is considering.

Sollio's three divisions have drawn up a roadmap with the steps they plan to take in the short, medium, and long term to fight against forced labour and child labour in their activities and supply chains. The main actions on the roadmap are to:

- Develop a mapping mechanism and identify the suppliers representing the largest share of procurement spending by dollar volume.
- Continue efforts to collect information on worker recruitment and implement internal controls.
- Roll out the responsible procurement guide.
- Continue integrating risks related to forced labour and child labour into the organization's integrated risk management system.
- Continue rolling out training.

That said, given the policies and measures already in place within Sollio's divisions to identify the use of forced labour or child labour, the long-standing business relationships with many of its suppliers, and the experience and work ethic of its managers, Sollio believes, based on its best judgment, that the risk of forced labour or child labour in its activities and supply chains in Canada and abroad is:

- Low for BMR and Olymel, since those two divisions distribute their goods exclusively or almost exclusively in Canada and import relatively few or no products from abroad
- Moderate for Sollio Agriculture, which operates primarily in the more vulnerable agriculture sector and has business relationships in a number of countries around the world

D - Remediation measures

No remediation measures have been taken, since the mechanisms to identify cases of forced labour or child labour are not currently in place.

E - Remediation of loss of income

No measures have been taken to remediate any loss of income, since the mechanisms to accurately identify cases of forced labour or child labour are not currently in place. As a result, no loss of income for vulnerable families arising from measures taken to eliminate the use of forced labour or child labour in our operations and supply chains has been identified.

F - Employee training on forced labour and child labour

As part of its ongoing efforts, Sollio Cooperative Group will continue working to integrate the specific requirements needed to ensure compliance with the Bill. To this end, the development of a training and awareness program for targeted employees is planned as a medium-term initiative within its training programs.

In addition, a training module entitled Fighting Against Forced Labour and Child Labour in Supply Chains was developed in 2025 and is currently being rolled out to key stakeholders across the supply chain. This tool is intended to enhance understanding of these issues, equip targeted employees and managers to identify, prevent, and report situations of concern, and raise awareness among all teams about the importance of adopting responsible practices in line with our cooperative's values.

In addition, customized training for procurement teams is currently being deployed to support the implementation of the procurement guide.

Some of Sollio's divisions already hold information sessions for new employees. These sessions cover topics such as the company's history, mission, and values, the occupational health and safety rules that apply to their place of work, and the assistance and integration programs available in their area.

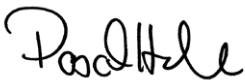
G - Effectiveness assessment

Sollio Cooperative Group is in the process of developing mechanisms for fighting against forced labour and child labour within the organization. Consequently, it does not yet have tools and processes in place to measure the effectiveness of its efforts. The roadmap will include an effectiveness assessment tool for monitoring and measuring progress in the fight against forced labour and child labour within the cooperative.

Approval and attestation

This report has been approved by the Boards of Directors of Sollio Cooperative Group and Olybro.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, in my capacity as Chief Executive Officer, certify that I have reviewed the information contained in this report on behalf of the governing body of the entities mentioned above. To the best of my knowledge and having exercised due diligence, I certify that the information contained in this report is true, accurate, and complete in all material respects for the purposes of the Act, for the reporting year covered by this report. I have authority to bind Sollio Cooperative Group.



Pascal Houle, FCPA
Chief Executive Officer of Sollio Cooperative Group

May 31, 2026



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