



MODERN SLAVERY ACT COMPLIANCE POLICY

OBJECTIVES

At Lassonde Industries Inc. (“**Lassonde**”, “**we**”, “**us**”, “**our**” or “**ours**”), we believe in acting as a reputable corporate citizen. We are committed to conducting all of our business activities in a socially responsible and sustainable manner.

As a manufacturer, seller, distributor and importer of goods in Canada, Lassonde must comply with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, ch. 9 (the “**Modern Slavery Act**”). In doing this, Lassonde contributes to Canada’s international commitment to combat forced labour and child labour. This policy sets out our obligations and certain subsidiary’s obligations under the Modern Slavery Act. This policy should be read in conjunction with the Supplier Code of Conduct.

APPLICABILITY AND SCOPE

This policy applies to Lassonde and to each of the entities controlled¹ by Lassonde (the “**Subject Subsidiaries**”) that are listed on a stock exchange in Canada or have a place of business in Canada, do business in Canada or have assets in Canada and, based on their consolidated financial statements, meet at least two of the following conditions for at least one of their two most recent financial years:

- a) have at least \$20 million in assets,
- b) have generated at least \$40 million in revenue,
- c) employ an average of at least 250 employees.

POLICY

Due diligence in supply chains

In the context of our activities, we must ensure that the goods we manufacture, sell, distribute and import do not result from the use of forced labour or child labour. We must continue to conduct due diligence on our suppliers and implement mitigating measures when the risks are high. We must also make sure that our suppliers conduct their own due diligence regarding the use of forced labour or child labour within their own supply chains.

When our due diligence reveals a **high risk** of forced labour or child labour being used, we must take mitigation measures. This might include, without limitation, implementing an accountability system and/or regular verifications of compliance with the Modern Slavery Act.

¹ For the purposes of the Modern Slavery Act, an entity is “controlled” by another entity if it is directly or indirectly controlled by that other entity in any manner. Moreover, an entity that controls another entity is deemed to control any entity that is controlled or deemed to be controlled by the other entity.

When our due diligence detects a **possible breach** of the Modern Slavery Act or any other applicable modern slavery legislation, we must:

- a) immediately notify the Chief Legal Officer and Secretary of Lassonde, who will analyze the situation and make recommendations;
- b) if necessary, conduct any additional verification, including site visits and inspections;
- c) implement corrective measures; and
- d) follow up thereon in a timely manner.

If there is a serious breach involving a supplier and/or no corrective measure is possible or sufficient, we must immediately terminate any contractual relationship with the supplier in question.

In accordance with the Supplier Code of Conduct, each supplier must notify Lassonde immediately if it becomes aware or suspects the use of modern slavery (including, without limitation, forced labour or child labour) in its business operations or supply chains, including the scope and impact of such modern slavery on the supplier's business relationship and contract(s) with Lassonde. Each supplier must immediately notify Lassonde if it or any of its representatives become the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of modern slavery laws (including reporting laws, due diligence laws, criminal laws, etc.).

Training

Compliance with the Modern Slavery Act and this policy is everyone's responsibility. The relevant employees of Lassonde and each of the Subject Subsidiaries must complete any training offered by Lassonde regarding the identification and mitigation of forced labour and child labour risks.

Annual report

Contents of annual report

Every year, Lassonde reports to the Minister of Public Safety and Emergency Preparedness (the "**Minister**") on the actions taken during the previous financial year to prevent and reduce the risk that forced labour or child labour was used at any step of the production of goods, in Canada or elsewhere, or of goods imported into Canada.

The report must also include information about Lassonde and:

- our structure, commercial activities and supply chains;
- our policies and due diligence processes in relation to forced labour and child labour;
- the parts of our business and supply chains that carry a risk of forced labour or child labour being used and the steps we have taken to assess and manage that risk;
- any measures we have taken to remediate any forced labour or child labour;
- any measures we have taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in our business and supply chains;
- the training provided to our employees on forced labour and child labour; and

- how we assess our effectiveness in ensuring that forced labour and child labour are not being used in our business and supply chains.

A joint report may be prepared for Lassonde and each of its Subject Subsidiaries. The name of each entity must appear on the front page of this report.

The Minister also has the discretion to impose specifications on the form and manner in which our reports are to be provided.

Sending and publication of annual report

The annual report must be sent to the Minister by May 31 every year. It must also be sent to each shareholder along with our annual financial statements.

Finally, each report must be made available in a prominent place on our website.

Verification by the Minister

The Minister has substantial investigative powers as regards the administration and enforcement of the Modern Slavery Act. A person designated by the Minister may, for the purpose of verifying compliance with the Modern Slavery Act, enter any place, including the facilities of Lassonde and the Subject Subsidiaries, if they have reasonable grounds to believe there is anything to which the Modern Slavery Act applies or any document relating to the administration of the said act.

The Chief Legal Officer and Secretary of Lassonde and the Vice-President, Innovation, Quality, Sustainability must be promptly informed in the event of a verification by a person designated by the Minister. Those in charge of the place being verified and every person in that place must give all assistance that is reasonably required to enable the designated person to exercise their powers or perform their duties or functions and are to provide any documents, information or access to any data that is reasonably required for that purpose.

APPLICATION AND OVERSIGHT

Corporate governance

The Chief Legal Officer and Secretary of Lassonde is responsible for the administration of this policy, together with the executive committee of Lassonde. Other individuals may be designated from among the Subject Subsidiaries for the purposes of supervising the implementation of this policy.

Reports on compliance with this policy are, whenever necessary, presented to the Governance Committee of Lassonde. **The Governance Committee must, in all circumstances, be informed of any significant breach of this policy and of any termination of a contractual relationship with a supplier relating to this policy.**

Approval and execution of annual reports

Every report prepared in accordance with this policy must be approved by the Board of Directors of Lassonde, upon the recommendation of the Governance Committee, before being sent to the Minister and the shareholders. It must be executed by a member of the Board of Directors of Lassonde.

Reporting breaches

Anyone who witnesses a breach of this policy or of the Modern Slavery Act is strongly encouraged to report such conduct using the contact information below.

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