



[Sanimax Industries Inc.](#)

# 2025 Annual Report

**Fighting Against Forced Labour and Child Labour in Supply  
Chains Act (Canada)**

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## INTRODUCTION

The Canadian government passed its first law concerning modern slavery: Fighting Against Forced Labour and Child Labour in Supply Chains Act (hereinafter the “Act”). Entities subject to this Act must produce an annual report on or before May 31st of each year, the third such report being due on May 31, 2026, indicating notably the risks of modern slavery within their supply chain, and the measures taken to mitigate these risks. This report was therefore prepared by **Sanimax Industries Inc.** (hereinafter « Sanimax ») in accordance with the requirements of the Act for the 2025 financial year ending January 03, 2026.

At Sanimax, we are committed to taking the necessary steps to identify and mitigate the risks associated with forced and child labour in our operations and supply chain. We are committed to continuously improving our due diligence, risk assessment, remediation and training processes.

This report aims to disclose Sanimax’s current status in terms of reducing the risk of child labour in its supply chain, as well as our commitment to respecting human rights. This report will be published annually.

## REPORTING ENTITIES

This report was prepared by Sanimax Industries Inc., on its own behalf and on behalf of the following entities within our Group for the following financial period: December 29, 2024 to January 3, 2026.

- Sanimax Industries Inc.
- Sanimax San Inc.
- Sanimax Montreal Procurement Inc.
- Sanimax LOM Inc.
- Sanimax Ltd.

References in this report to “Sanimax”, “Company”, “we”, “our” and similar terms refer to Sanimax Industries Inc. and its above-listed subsidiaries.

## PREVENTION AND MITIGATION OF THE RISKS OF FORCED LABOUR AND CHILD LABOUR

Sanimax recognizes the fundamental importance of human dignity and equality. We believe that economic growth and social progress go hand in hand and therefore do our utmost to provide a safe working environment. We are committed to protecting human rights in all our activities and business relationships.

In the past financial year, we continued to conduct our business in accordance with our policies promoting the well-being of our employees, and to exercise due diligence in our relationships with our business partners.

We have implemented the following measures to contribute to the fight against forced and child labour:

- familiarized ourselves with the law and its requirements.
- collected information when hiring our workers to ensure that their free will to work is respected, including in the case of immigrant workers we occasionally hire.
- ensured that our Employee Code of Conduct is applied to all our employees.
- entertained discussions regarding the review of our Employee Code of Conduct.
- conducted a survey of our supply chain Codes of Conduct and have prepared a first draft of a Supplier Code of Conduct.
- created an action and continuous improvement plan.
- established a discussion and reflection committee.
- a new, fulltime professional resource has committed to join our management team this year, which position will include oversight of supply chain governance, the responsibility over which will necessarily include forced and child labour considerations.

This report presents a description of these measures and initiatives; it being understood that these are constantly evolving.

## STRUCTURE, COMMERCIAL ACTIVITIES AND SUPPLY CHAIN

### Structure

Founded in 1939, Sanimax is a family-controlled business that has spanned generations and borders. The company, through its operating entities, is active in the rendering industry, enabling the reuse of material that would otherwise be left to decay in landfill sites, thus participating in a circular economy. As such, we are a major supplier of value-added ingredients, as well as a processor of by-products from the agri-food industry.

Sanimax operates through a network of seventeen (17) modern processing sites with a physical presence in the United States, Canada and Colombia. With its roughly two thousand five hundred (2,500) employees, Sanimax serves over twenty-five thousand (25,000) customers.

### Activities

Our facilities are equipped with sophisticated control systems for the production of high-quality protein ingredients sold internationally. Every day we create added value products such as:

- Superior quality tallow
- Choice white grease
- Poultry grease
- Yellow grease
- Blood meal
- Meat and Bone meal
- Feather meal
- Poultry meal
- Hydrolyzed proteins

Our activities can be summed up in three parts:

**Recover : in the first “R” of our business, we:**

- Collect used cooking oils
- Collect inedible meat by-products and other by-products from slaughterhouses and meat processing facilities and operations
- Collect inedible organic residual materials
- Clean grease traps

**Renew : in the second “R” of our business, we:**

- Transform collected materials into value-added products by processing them and maximizing their reuse.

**Return : in the third “R” of our business, we provide feedstock for:**

- Livestock nutrition
- Insect feed for sustainable organic waste management
- Pet nutrition
- Oleochemical uses
- Renewable diesel refining

## Supply Chain

Sanimax works with suppliers, consultants and business partners with whom we enjoy long-standing relationships. Our main suppliers and partners come from the agri-food industry.

As part of its Canadian operations, Sanimax sources by-products from several players in the Canadian agri-food chain, including farms, slaughterhouses, grocery stores, restaurants and -food processors. We collect deadstock at the farm, as well as meat and animal by-products, organic materials and used cooking oils from a variety of sources. These raw materials come from quick-service restaurant networks, grocery store chains, as well as from small neighborhood enterprises.

In order to process all the material recovered from its suppliers, Sanimax has had to equip itself with specialized equipment, including conveyors, separators, centrifuges, presses and dryers. This equipment is sourced mainly from Canadian, American and European suppliers. Sanimax sources its equipment mainly from internationally recognized equipment suppliers, most of whom operate in jurisdictions with regulations governing the monitoring of working conditions in the supply chain.

## Policies and Due Diligence Process

### Ethics, Environment and Governance

Sanimax has an Employee Code of Conduct that defines the standards of behavior expected of our employees, officers and directors. It covers several ethical principles that guide the company in its day-to-day operations, such as dignity, respect and compliance with laws and standards. The Code of Conduct thus encourages and requires that our employees, officers and directors comply with legal, statutory, contractual and other obligations, and instills in them the duty to protect the interests of their suppliers, customers and stakeholders, by adhering to and respecting the highest standards of ethical behavior. The Code of Conduct is not static, but a living document that evolves over time.

Our employees, directors and officers must certify annually that they have read and understood the Code of Conduct.

Training on the Code of Conduct is provided upon hiring, and at every 2-year anniversary of employment. The training process is deployed and monitored through our integrated training system.

### Voluntary and confidential declaration process

We have a sophisticated “whistleblower” program and anonymous reporting platform in place that allows employees and external parties to share their concerns with us securely. It offers a confidential way to ask questions, express concerns or report unethical behavior, such as discrimination, harassment, fraud or other human rights violations. This public platform is available to all our employees as well as our customers, suppliers and partners. Complaints received are escalated directly to senior management and the results of the program are presented to our Board of Directors annually. In the event a given function within the group is involved in a complaint that might raise a concern of conflict, complaint management is turned over to the Secretary to the Board of Directors and General Counsel who in turns then reports directly to the Chairperson of the Board of Directors Governance Committee.

### Our Corporate Social Responsibility

Since the company was founded over 85 years ago, its mission is to build a greener future for generations to come. This mission enables us to place respect for human rights and ethics at the heart of our decisions. Our activities are an integral part of the circular economy, give new life to over two million tonnes of organic by-products every year. Since our approach is based on making every effort to transform all of the materials we reclaim, we are constantly investing in our operations to make our practices and facilities increasingly eco-friendly. We are constantly looking for new ways, better ways, both large and small, to make our business as sustainable as possible. Here are just a few examples applied to our facilities <sup>1</sup> :

- At our Lévis plant, we developed a biofiltration process in partnership with the Centre de Recherche Industriel du Québec (Quebec Industrial Research Centre) that treats the air

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<sup>1</sup> <https://sanimax.com/fr/engagement/environnement/>

emissions we release into the atmosphere. In addition to offering exceptional purification efficiency for surrounding communities and improved operational efficiencies, this new technology helps renew a number of different by-products, including concrete residues that would otherwise be destined for landfill.

- Our Lévis plant is equipped with state-of-the-art equipment that helps eliminate the risk of bovine spongiform encephalopathy (BSE or more commonly “mad cow disease”) propagating within our food chain. A biomass boiler removes the infectious prions via high intensity incineration. The treatment of resulting flue gases generates significant quantities of ash, which are only then sent to landfill. To improve our environmental performance, we upgraded our facilities to make them compatible with the use of sodium sesquicarbonate (or Trona). These changes have significantly reduced the quantity of ash we produce during this process.
- Our Montreal plant has set up a project to recover heat loss from our operating systems and reuse it as a source of energy. This process reduces the plant's greenhouse gas (GHG) emissions by 10%.

## RISK ASSESSMENT & MANAGEMENT, EFFICIENCY

Sanimax conducts its business activities in several Canadian provinces. These provinces offer an established regulatory framework with regard to workers' rights and their health and safety at work. As a result, the risk of forced or child labour in Sanimax's day-to-day operations in Canada is very low.

Sanimax has a risk management system based on occupational health and safety parameters, but this does not currently include specific risks related to the Act.

Sanimax has not identified any risks of forced or child labour directly with its suppliers, who are mainly based in North America.

Given the diversity of our raw material and equipment suppliers, supply chains vary significantly. In some cases, we have visibility of the product's country or region of origin. In the case of the animal and organic matter, we collect from Canadian suppliers which provides us with a large degree of assuredness, but we are not always able to confirm in every instance where each of our suppliers are sourcing from.

## REMEDATION MEASURES AND REMEDIATION OF LOSS OF REVENUE

During the reporting period, Sanimax received no complaints relating to forced or child labour in its operations or supply chain. As a result, we have not put in place any remedial measures or compensation for the loss of family income resulting from forced or child labour.

## EMPLOYEE TRAINING

Currently, all our employees must undergo training on the Sanimax Employee Code of Conduct, upon hiring and every two (2) years thereafter during their employment.

Training all Sanimax employees on the Code of Conduct is an essential step that brings many benefits to the organization:

- **Uniformity of Standards:** By training all its employees, Sanimax ensures that everyone understands and adheres to the same standards of conduct. This creates a consistent corporate culture and strengthens the organization's identity.
- Training makes employees aware of the company's rules and values. They are better informed about what is expected of them in terms of integrity, ethics and professional behavior. This reduces the risk of violations and inappropriate behavior.
- Employees feel more confident when they know what the company expects of them. They know how to act in different situations and are better prepared to make ethical decisions. Mutual trust between the organization and its employees is strengthened.
- **Reducing disputes:** Solid training on the Code of Conduct can prevent internal conflicts and disputes. Employees are less likely to find themselves in problematic situations. This protects the company's image and avoids what can be unpleasant disputes.
- When all employees undergo the same training, it fosters a sense of belonging and commitment to the organization.

In short, Employee Code of Conduct training contributes to a positive corporate culture, legal compliance and sustainable success for Sanimax.

## EFFICIENCY EVALUATION

Sanimax has not yet put in place a formal process to assess the effectiveness of its approach to preventing and mitigating the risks of forced and child labour in its supply chain. However, discussions have been held on the topic.

The update of our yearly report is reviewed every year by our Governance Committee and Board of Directors.

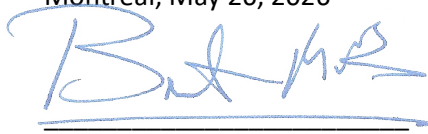
## APPROVAL AND ATTESTATION

### Board of Directors Declaration

The Board of Directors of SANIMAX INDUSTRIES INC. approves this Report in accordance with subparagraph 11(4)(b)(i) of the Act. Pursuant to the requirements of the Act, and in particular section 11 thereof, we, the undersigned, certify that we have reviewed the contents of this joint report for specified entities.

To the best of our knowledge and having exercised due diligence, we certify that the contents of this joint report are true, accurate and complete in all material respects, for the purposes of the Act, for the above-mentioned reporting period.

Montreal, May 26, 2026



Brent Muir, Secretary to the Board of Directors

I have the authority to engage Sanimax Industries Inc., Sanimax San Inc., Sanimax Procurement Montreal Inc., Sanimax LOM Inc., Sanimax Ltd.