

Title: Compliance Report for Bill S-211

Reporting Entity: Alimentiv Inc.

Business Number: 833909849RC0002

Reporting Date: May 30, 2024

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Address: 100 Dundas Street Suite 200, London, Ontario, Canada N6A 5B6

To: The Minister of Public Safety

Executive Summary

This report outlines Alimentiv Inc.'s ("Alimentiv") compliance with Bill S-211, the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act").

Alimentiv has a place of business in Canada and meets the reporting obligations under the Act based on its annual revenue and number of employees, specifically:

- I. Annual revenue exceeding \$40 million; and
- II. Employment of over 250 people.

This report details the Alimentiv's efforts to identify, prevent, and mitigate the risks of forced labour and child labour within its supply chain operations and business engagements. Significant achievements include the implementation of a Due-Diligence questionnaire, data gathering from Request for Information ("RFI") and Request for Proposal ("RFP") documents, policy developments and implications, training programs, and ongoing supply chain process improvements. This report demonstrates our commitment to ethical practices and continuous improvement in our corporate and clinical research operations.

After thorough criteria review, Alimentiv confirms that the Company is not subject to reporting requirements under supply chain legislation in other jurisdictions, such as the UK's Modern Slavery Act 2015, Australia's Modern Slavery Act 2018, and California's Transparency in Supply Chains Act.

Alimentiv is dedicated to upholding human rights and ethical standards in its corporate and clinical research operations. This report covers Alimentiv's compliance efforts for the financial reporting year from January 2023 to December 2023, showcasing its dedication to addressing forced and child labour within its supply chain and to other business engagements as necessary.

A) Structure, Activities and Supply Chains

Alimentiv is a corporation formed by Articles of Amalgamation under the Canadian Business Corporations Act. Its sole shareholder is Alimentiv Holdings Inc. and it has three wholly-owned subsidiaries, Alimentiv (US) Inc. located in the United States, Alimentiv B.V. located in the Netherlands and Alimentiv Pty. Ltd. located in Australia. Neither the parent company nor the subsidiaries of Alimentiv are required to file this report.

Alimentiv is a leading clinical research organization and a recognized expert in inflammatory bowel disease and clinical trial design. Alimentiv has approximately 550 employees. With operations spanning multiple countries, the supply chain includes vendors and service providers essential for clinical trial management, from laboratory services to data management. Regarding data management activities, Alimentiv delivers clinical trial services and on behalf of Alimentiv's clients, acts as a broker of record. As such Alimentiv imports biological samples, medical test kits and technological devices for medical imaging. Alimentiv, being in the service industry, lacks a conventional supply chain structure, as it does not engage in the procurement or handling of raw materials or production-related items. Instead, its inventory primarily comprises pre-manufactured goods as Alimentiv does not undertake any manufacturing processes.

Alimentiv expects that its business partnerships adhere strictly to ethical practices for child or forced labour. Through contractual agreements, Alimentiv enforces adherence to Alimentiv's Supplier Code of Conduct, ensuring the integrity and safety of its corporate and clinical research operations.

B) Policies and Due Diligence Process

Policies:

Alimentiv has established a comprehensive Human Rights Policy that explicitly prohibits forced labour and child labour. This policy is integrated into our Supplier Code of Conduct, which all suppliers must adhere to.

Due Diligence:

Alimentiv applies a due diligence process that is currently focused on developing an inventory to assess potential forced labour and child labour risks in our supply chains. Alimentiv considers due diligence questionnaires through supplier self-assessment as a preventive action and risk mitigation strategy.

Regarding the Governance Structure, Alimentiv's Environment, Social and Governance ("ESG") initiatives, led by the ESG Working Group, oversee the implementation and future monitoring of

Bill S-211 compliance. Representatives from legal, vendor management, procurement, and other operational departments are involved.

C) Forced Labour and Child Labour Risks

In this report, Alimentiv would like to emphasize that the risk of forced, or child labour is generally lower in the clinical research organization (“CRO”) industry given the required industrial experience and business know-how. It is believed that the following points will provide a clear perspective on the nature of the business that Alimentiv operates to support Alimentiv’s answers provided in the online questionnaire. The work involved in clinical research, including clinical trials, data management, and regulatory compliance, is specialized and technical. It involves handling sensitive information and adhering to strict protocols, which cannot be effectively performed by untrained or coerced individuals.

First, clinical research requires a highly skilled and educated workforce, including doctors, scientists, data analysts, and regulatory experts. These roles typically require advanced degrees and specialized training, which child labour or forced labour are not likely to have.

Second, the CRO industry is heavily regulated by, including but not limited to, national and international bodies such as Health Canada, the FDA (“Food and Drug Administration”), EMA (“European Medicines Agency”), and ICH (“International Council for Harmonization”). These regulations include strict guidelines on ethical practices and labour standards.

Third, in terms of ethical Standards and codes of conduct, CROs and their clients (pharmaceutical and biotechnology companies) adhere to rigorous ethical standards and codes of conduct that explicitly prohibit child and forced labour. These standards are included in Alimentiv’s contractual agreements and can be enforced through regular audits and compliance checks.

It is also important to point out that the reputation of Alimentiv is crucial because our ultimate purpose is to transform human health. Alimentiv is aware that any association with unethical labour practices could severely damage its reputation and result in legal consequences, loss of business and exclusion from industry collaborations. Thus, Alimentiv is highly motivated to ensure compliance with ethical labour practices.

In addition, many professionals in the CRO industry are members of professional associations that require adherence to ethical standards. Certifications and continuing education requirements further ensure that workers are qualified and committed to ethical practices.

Lastly, Alimentiv’s clinical research often involves international collaboration and oversight, making it low risk for unethical labour practices to go unnoticed. International stakeholders demand high ethical standards and transparency.

In summary, by nature, the CRO industry relies on a highly educated, professional, and regulated workforce, reducing the risk of employing forced or child labour. In this part, Alimentiv has emphasized the nature of the business with relation to filling out the online questionnaire.

Findings:

To date we have not identified certain regions, services, or products with higher risks of forced labour and child labour due to the nature of Alimentiv's business.

D) Remediation Measures

Supplier Engagement:

Alimentiv engages with suppliers through regular communication and requires them to complete self-assessment questionnaires regarding their business and ethical business conduct practices.

Corrective Actions:

When non-compliance is identified, Alimentiv will implement corrective action plans, if needed. Suppliers must address issues within a specified timeframe to ensure compliance.

Growth of ESG Involvement:

Alimentiv has taken numerous steps to grow our ESG involvement. They include:

- An annual EcoVadis submission (received bronze medal in 2024)
- Annual submission to the Carbon Disclosure Project (CDP)
- Finalized our first materiality assessment in Q1 2024
- Will be pledging our commitment to the Science Based Targets initiative (SBTi) in June 2024

E) Remediation of loss of Income

The risk of forced labour or child labour within Alimentiv's activities and supply chains was not identified, and therefore, no payments have been allocated to address this concern. Despite not identifying the specific risk, Alimentiv understands the importance of supporting vulnerable families who may be affected by any measures taken to eliminate the use of forced labour or child labour.

F) Training

Employee Training:

All Alimentiv employees undergo mandatory training in identifying and preventing forced labour and child labour through an internal training system.

Supplier Training:

Alimentiv provides its Supplier Code of Conduct to suppliers to help them understand and comply with our ethical standards including, but not limited to, preventing forced labour and child labour.

G) Assessing Effectiveness

Monitoring Mechanisms:

Alimentiv's monitoring mechanisms include reviews of supplier performance during the RFI and/or RFP process, feedback from third parties such as ESG questionnaires or sponsor auditors, and direct reports from employees and whistleblowers.

Stakeholder Engagement:

Alimentiv actively engages with stakeholders, including employees, suppliers, and customers, to discuss our compliance efforts and gather feedback for continuous improvement.

H) Challenges and Future Actions

Challenges:

Challenges include varying levels of awareness and compliance among international suppliers and the complexity of monitoring extended supply chains.

Future Actions:

Alimentiv believes that an ethical business approach is not a one-time action and always is evolving. Alimentiv commits to implementing robust risk assessment tools and expand training programs.

Alimentiv also explores partnerships with industry organizations to share best practices and improve overall industry standards.

I) Approval and Attestation:

This report was approved by the board of directors of Alimentiv Inc. on May 29, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full name: Pierre Gaudreault

Title: Chief Executive Officer

Date: 

Signature: Pierre Gaudreault (May 30, 2024 11:42 GMT+1)

I have authority to bind Alimentiv Inc.