

Cover Page

Title: Report on the Act to Enact the Fighting Against Forced Labour and Child Labour in Supply Chains
May 31, 2026

Context

Sprucedale Agromart Limited Inc. produces its report in accordance with the Act to Enact the Fighting Against Forced Labour and Child Labour in Supply Chains (the "Law"). The Act came into force on January 1, 2024.

Sprucedale Agromart Limited Inc. is a "reporting entity" within the meaning of the Act, as it meets the criteria relating to commercial presence and size.

The purpose of this report is therefore to present the measures taken by Sprucedale Agromart Limited Inc. to prevent and reduce the risks of forced labour and child labour in its supply chains, and to outline those that have been or will be implemented.

This report covers Sprucedale Agromart Limited Inc. fiscal year 2024-2025.

a- Due Diligence Policies & Processes

Sprucedale Agromart Limited's due diligence policies and processes are designed to provide a framework for relations with its suppliers and business partners, with the aim of maintaining healthy, harmonious, respectful, and mutually beneficial relationships.

The following section lists the measures already in place to prevent and reduce the risks of forced and child labour, as well as those that have been or will be taken.

- *Employee code of conduct* – Sprucedale Agromart Limited has implemented a code of conduct for its employees. This is a reference tool that includes mutual commitments between the organization and its employees. This tool aims to facilitate employees' work, guide their decision-making and support the expression of its values.

Other measures will be developed in the short and medium term, including :

- *Responsible and cooperative purchasing framework policy* - One of the action plans considered by Sprucedale Agromart Limited's Corporate Responsibility policy is to develop and deploy a responsible and cooperative purchasing framework policy. This policy will bring together the principles and guidelines that will guide in the evaluation and selection of products and suppliers. This policy, which will be developed by our Joint Venture Partner (Sollio Agriculture) should provide guidance and serve as a reference for entities where Sollio has a majority share in the development of procurement policies.
- *Supplier code of conduct* – Sprucedale Agromart Limited will adopt Sollio Agriculture's supplier code of conduct, once completed - with reference to forced labour and child labour. This code will apply to both Canadian and foreign suppliers.

- *Strategic suppliers* – Sprucedale Agromart Limited's approach is to develop partnerships with its strategic suppliers.
- *Procurement Policy* – Sprucedale Agromart Limited is working with Sollio Agriculture to develop a Strategic Procurement Policy. This policy is scheduled to come into effect by the end of 2024. Although this policy explicitly mentions the need to respect human and labour rights, it will be enhanced to specify, in the supplier code of conduct, that human and labour rights include forced and child labour.

b- Risk or Forced Labour & Child Labour

Sprucedale Agromart Limited Inc. is aware that there is an inherent risk of labour exploitation in supply chains in several countries, particularly in the agricultural, food and retail sectors, at all levels of the supply chain, from production and processing to packaging and transport. The diversity and breadth of Sprucedale Agromart Limited Inc. supply network means that these risks are of concern. Sprucedale Agromart Limited and its Joint Venture Partner (Sollio Agriculture) understand that they can contribute to positive change in the communities in which they operate.

c- Remedial Measures

Sprucedale Agromart Limited will enforce similar remedial measures in place at Sollio Agriculture that enable the cooperative to identify cases of forced or child labour. However, in order to systematize the risk identification and assessment process, Sollio Agriculture will draw up a roadmap aimed at listing the potential risks of forced labour or child labour that the organization may face. This roadmap will include, where appropriate, remedial measures should any cases of forced or child labour be identified.

d- Compensation for Loss of Earnings

No remediation measures for loss of income have been put in place at this time, as the mechanisms for accurately identifying cases of forced or child labour are not currently in place. The roadmap to be drawn up will include, if appropriate, measures to remedy the loss of income of the most vulnerable families caused by any action the cooperative might take to eliminate the use of forced or child labour at one of its suppliers.

e- Evaluation of Effectiveness

Mechanisms to combat forced labour and child labour within Sprucedale Agromart Limited and Sollio Agriculture are still under development. As a result, there are as yet no effectiveness evaluation measures in place for these initiatives.

The roadmap to be developed will include the establishment of an effectiveness evaluation mechanism to monitor and measure progress in the fight against forced and child labour within the cooperative.

Certification

This report has been approved by the Board of Directors of Sprucedale Agromart Limited Inc.

In accordance with the requirements of the Act, and in particular section 11 thereof, I certify that I have examined the information contained in the report for the entity or entities listed above. To the best of my

knowledge, and having exercised due diligence, I confirm that the information contained in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year referred to above.

Rob Helm

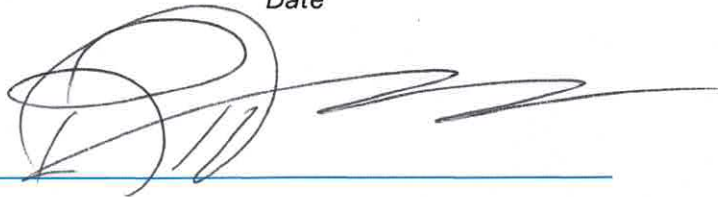
Name

General Manager

Title

April 15, 2024

Date



Signature

I have the power to bind Sprucedale Agromart Limited