



ANNUAL REPORT ON FORCED LABOUR IN SUPPLY CHAINS  
UNDER BILL S-211

VICTORIAVILLE & CO INC.

FISCAL YEAR ENDED JULY 27, 2024



## Structure, Vision and Values

The origins of Victoriaville & Co. Inc. date back to 1907 and are today a legal person (incorporated under the Quebec Business Corporations Act) with its head office in Victoriaville, Quebec. Since 1948, the company has been working exclusively in the funeral industry. It operates 2 manufacturing plants and 5 distribution centers in Canada, which employ more than 450 employees. The production of wooden caskets is done in Quebec and New Brunswick and the company distributes various funeral and related memorial products.

Victoriaville & Co Inc., a passionate designer and manufacturer of exceptional quality wood funeral products, is dedicated to marketing a complete line of funeral products that allow bereaved families to pay tribute to the life of a loved one.

Among the values that underpin Victoriaville & Co.'s philosophy, three of them occupy a privileged place and reflect the profile sought in candidates interested in joining our ranks. All of our employees share our values of respect, integrity and responsibility. They live them on a daily basis, a guarantee of a good social climate.

These values allow us to position ourselves well in the market and to stand out from the competition. They are applied on a daily basis by all players in the supply chain, whether they are our colleagues, our employees or our loyal customers.

Our tagline, "The Tribute of a Lifetime," reflects not only the importance we place on every gesture we place when designing, assembling or finishing our products, but also our values of respect, integrity and responsibility. For us, it represents the soul of our company.

We are committed to complying with current legislation with the aim of establishing a culture of prevention. Every employee has a duty and commitment to be honest with the company, our customers and our suppliers in the course of their activities and is responsible for complying with the policies, procedures and good business conduct related to the company's operations.



## Business Operations and Supply Chain

Our market covers everything related to the funeral sector, caskets, cremation containers, funeral supplies, urns and other commemorative products. Our products are sold and distributed mainly in North America, which represents more than 95% of our sales. For foreign sales, they are mainly concentrated in Australia and England.

Our needs for raw materials and finished products, both for the manufacture of our wooden caskets and for funeral and memorial products for distribution, come from Canada and imports from foreign countries. Canadian supplies represent 82% of overall needs, 18% come from foreign imports. The United States accounts for 84% of these foreign imports.

Our North American buying categories are wood, particleboard, various hardware, paint and certain funeral products. As for foreign countries, we mainly source funeral products for North American distribution.

In fiscal year 2024, we have a total of 500 active suppliers connected to our supply chain. The majority are in Canada and the United States. Less than 5% of our suppliers come from a foreign country.

## Policies and due diligence processes related to forced or child labor

Victoriaville & Co Inc. has a code of ethics and internal policies that govern our expectations of all our employees in the conduct of our manufacturing and business activities. Upon hiring, each employee receives the necessary information and training to be familiar with this Code of Conduct and our management policies.

As of the end of fiscal year 2024, Victoriaville & Co. Inc.'s management has implemented a new internal policy specific to forced labour and child labour in order to reinforce the importance of internal efforts to eliminate this risk in our supply chain. This policy outlines our expectations of our employees, suppliers and subcontractors.



Management has also implemented a code of conduct for our suppliers, who are required to adhere to the related principles and requirements. This code sets out our expectations and requirements in terms of governance, social level and the environment. We expect our suppliers to demand the same conduct from their partners, suppliers, subcontractors and employees. This code states that no form of forced labour and child labour will be tolerated in our supply chain. The risk of forced labour and child labour in their own supply chain will need to be assessed, and that the necessary measures will be taken to eliminate these practices if they detect them.

In 2024, the procurement department has carried out a mapping of our sources of supply by country and will keep this information updated annually. This document will make it easier for us to target our forced labour risks through our supply chain partners.

## Identifying elements of our operations and supply chains that involve a risk of forced labor or child labor

We believe that the risk of child labour or forced labour in our supply chain is negligible. Our management ensures the application of human resources policies and procedures. Our recruitment policy applied by our Human Resources department ensures that we comply with Quebec and Canadian labour standards.

For our foreign workers, we work in collaboration with Immigration Canada to comply with the standards related to our Canadian operations.

Our company also recognizes the right of association of employees with 68% of our staff who are covered by a collective agreement. We also have a parity committee in place to ensure that the working conditions negotiated with the unions in place are respected, which eliminates any potential risk of forced labour or child labour.

We prohibit forced labour or child labour in all its forms in all spheres of our manufacturing and administrative operations. Our human resources department, with the support of management, ensures that these rules are respected and followed internally.

Our risk related to forced or child labour is mainly at the level of our direct or first level suppliers related to our supply chain and is non-existent in our operations.



We assess the risk at the level of direct suppliers as minimum because it comes mainly from the United States and Canada. These represent 97% of our overall supply. The laws and standards in these 2 countries are very strict and verification or detection mechanisms are much more present than in some foreign countries.

The following estimates are based on the list of countries at risk of forced labor listed and posted online by the U.S. Department of Labor in 2022. For the portion of direct suppliers at risk, it is estimated that 2% of our overall purchases are based on the country of origin of our purchases that comes from listed countries. For certain types of products, this risk increases with indirect or 2nd tier 2 suppliers that are linked to countries at risk of forced or child labour. Identifying these risks is more complex and difficult given the lack of control and visibility and requires the development of additional verification measures. For our indirect or 2nd level suppliers, it is also estimated that 5% of our total supplies account for the value of these volumes.

Our procurement team works closely with the representatives of these indirect suppliers to ensure compliance with our internal norms and standards as well as the follow-up of rules related to forced labour. Our purchasing managers informally research the reputation, legitimacy and governance of our suppliers through various means at their disposal. Most of our business partners have been established in the industry for several years and are known in our market.

So far we have not received any information from our visits, congresses and associations that suppliers currently in our supply chain have used forced or child labour.

## Measures taken to assess and manage the risk identified in our operations and supply chains

Our procurement department makes sure to do some due diligence when adding new suppliers to our supply chain by seeking external information regarding the validity, quality and reputation of these potential suppliers. In 2024, an additional effort was made to find a new source of North American supply, as evidenced by the increase in this proportion in our overall purchases.

For our established suppliers, an annual review is conducted with stakeholders to review our requirements in terms of quality, service and monitoring of the required internal



standards. In 2024, new, more precise measures on forced labour have been added. The company has implemented a mandatory supplier questionnaire that allows our procurement team to:

- Identify and determine the potential presence of forced and child labour in the supply chain
- Identify mitigation efforts to address the risk of forced labour and child labour
- Foster collaboration between us and our suppliers to address these risks

This questionnaire was implemented in fiscal year 2024 for all our suppliers related to our supply chain and implemented by our purchasing department.

In addition, a contractual clause has been added to our supply contracts in 2024 that stipulates the obligation to comply with our supplier code of conduct and that there will be actions that can potentially be taken against any failure to meet these commitments. We want to make sure that our business partners adhere to and support the fight against forced labour as well as child labour.

## Remedial measures concerning forced labor and child labor

No cases of forced or child labour were detected or identified in fiscal year 2024 in our operations and supply chain. There was therefore no remediation or other measures to be taken.

If such a case were to occur, we would put in place appropriate remedial measures in accordance with international standards.

## Formation

During the fiscal year, the company offers several training sessions to its employees and touch on different aspects of our operations and our processes in place. Upon hiring, each employee receives information related to our code of ethics and our policies in effect. Work to update the Employee Code of Ethics began in fiscal year 2023 and completed in 2024 in



collaboration with our human resources team. This code specifically includes a focus on our vision and expectations under forced labour and child labour. All of our employees must adhere to this code. Our procurement employees must ensure that they follow this code and apply it with our business partners who are also bound by our new supplier code of ethics.

## Evaluation of the effectiveness of measures put in place to ensure the absence of forced or child labor in the supply chain

During the 2024 fiscal year, Victoriaville & Co. Inc. analyzed the status of its operations and supply chain regarding forced labour and child labour in relation to our current policies and procedures. The measures put in place since 2023 provide a basis for future evaluation of its effectiveness.

## Approval and Attestation

"In accordance with the requirements of the Act, and in particular section 11 thereof, I certify that I have reviewed the information contained in the report for the entity or entities listed above. To the best of my knowledge, and after exercising due diligence, I confirm that the information contained in the report is true, accurate and complete in all respects material for the purposes of the Act, for the aforementioned reporting year.»

A handwritten signature in blue ink, appearing to read "Alain Dumont", is written over a horizontal line.

Alain Dumont

President

Date : 30-05-2025

*I have the authority to bind Victoriaville & Co. Inc.*