

Preliminary Impact Report

2026

Measuring today.
Acting for tomorrow.
One paw at a time.



Platinum
member



ACCREDITED
BUSINESS
PET SUSTAINABILITY

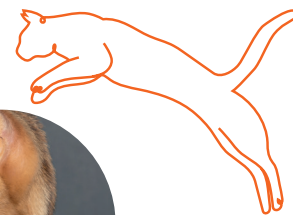
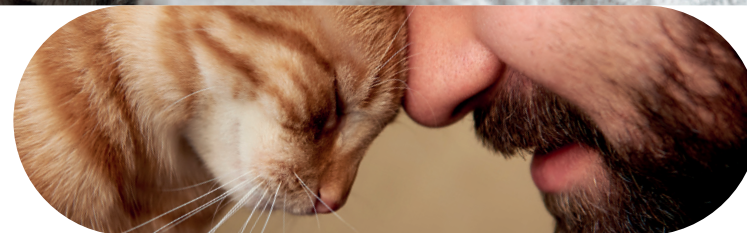
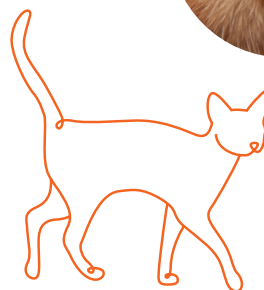


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INTRODUCTION

A Word from Our President



*Turning vision
into action*

Dear readers,

It is with great pride that I present Intersand's first-ever Impact Report.

Building on decades of history, we are marking an important milestone with this report, which reflects our commitment to acting responsibly, transparently and sustainably. Since our beginnings, we have believed that a company's success is measured not only by its performance, but also by its positive contribution to animal welfare, its employees, its communities and the environment.

Today, we affirm our commitment to putting environmental, social and governance (ESG) principles at the heart of our decisions. This is driven by our entire management team and employees, who contribute every day to the evolution of our organization with conviction, integrity and determination.

For my family, and for future generations, it is essential to build a company we can be proud of: a company that creates value while fully living up to its responsibilities. Being a good corporate citizen is an integral part of our vision and guides our actions in the long term.

This first report is a testament to how far we have come, but also to our desire to continue to make progress. I hope it will give you a better understanding of our commitments and the positive impact we want to have, now and in the years to come.

Stéphane Chevigny
Founding President
Intersand

The Past Year at a Glance

Purpose



- **B Corp certification** obtained
- Canada's Best Managed Companies – **Platinum Member**
- **PSC** (Pet Sustainability Coalition) accreditation
- Publication of our **first voluntary impact report**
- Refresh of our **corporate values**

Products



- **Carbon Shield™**: the power of activated charcoal to neutralize odors
- **OdourLock® Lightweight™**: A formula made with 90% upcycled industrial residues
- **OdourLock® maxCare™**: a formula composed of 90% granules that help detect feline urinary issues
- **Eco-design**: recyclable packaging* increased from 89.8% to 95% (w/w) between 2024 and 2025

* where recycling facilities exist

People



- Employee Net Promoter Score (eNPS) of **51.1**
(April 2026 survey)
- **Health and Safety Week** celebrated at all our sites
- More than **14 million steps** and **10,000 km covered** in our annual step competition
- **Enhanced benefits**: RRSP and veterinary coverage

Planet



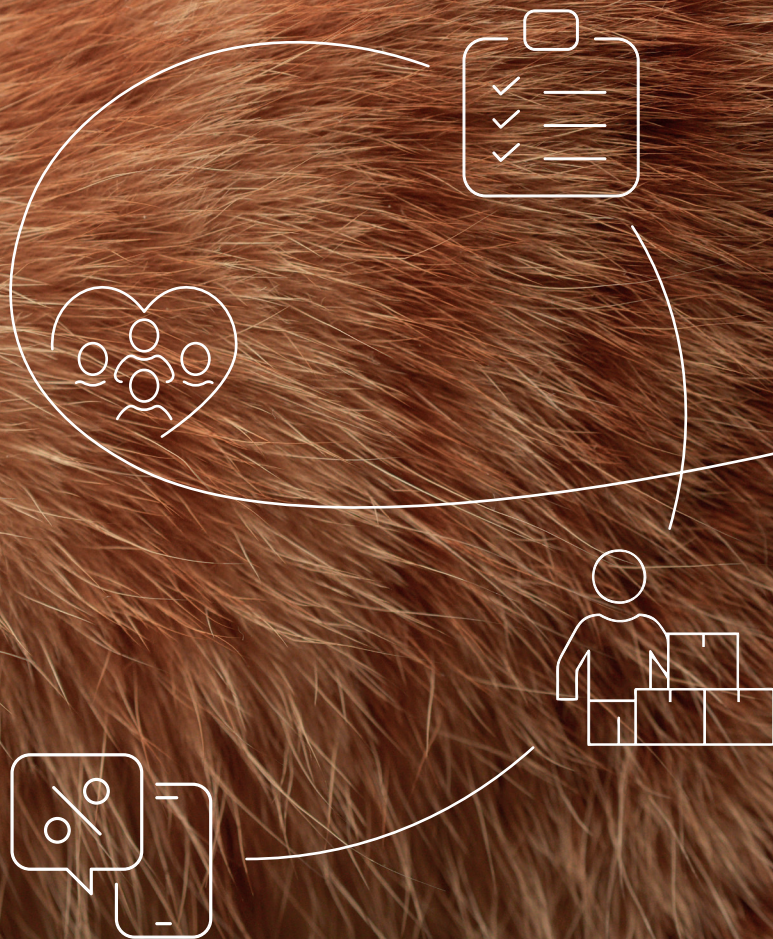
- **99.9% renewable electricity** at all our sites
- First carbon footprint audited and **reduction of our carbon footprint by 13.1%** for Scopes 1, 2 and 3.
(compared to the 2023 base year)
- 84% of our production residues recycled, as part of our **Zero Waste program**

Partners



- **Between 2000 and 3000 cats helped** by our support at local animal shelters (equivalent to 16,380 kg of litter)
- **More than 12 local causes supported**
- **57% of our purchases** are made from suppliers who have completed a self-assessment of their ESG practices.
(by purchase value; suppliers with more than CA\$450,000 in annual purchases)
- **+3.8-point increase in customer Net Promoter Score (NPS)** between 2025 and 2026 (52.2 → 56.0)

Background and scope of the report



This first Intersand Impact Report is part of an entirely voluntary process. It aims to document our performance and our environmental, social and governance commitments, by presenting our indicators, our scope of disclosure and the limits of our data.

Approach and standards

Our analysis is based on a preliminary and voluntary approach, which is inspired by three recognized frameworks: the VSME (Voluntary Sustainability Reporting Standard for non-listed SMEs, published by EFRAG in December 2024), the GRI 2021 Standards for the identification of material issues, and the GHG® Protocol for our carbon footprint. At the heart of the approach, a materiality analysis conducted with our stakeholders made it possible to target the most decisive issues for Intersand, related to *the UN Sustainable Development Goals* (see “Our Philosophy” section). Some data remains limited in terms of availability, quality or reliability, given the maturity of our information systems.

Operational scope

This report excludes sister company Blücare Laboratories as well as three new entities acquired in 2026, not yet integrated into Intersand’s consolidated processes.

Reporting period

The majority of the data comes from 2025. Data for 2024, a year marked by the gradual roll-out of a new ERP across several sites, is heterogeneous and of limited reliability. Our aim to continue to strengthen our data points and process.

WHO WE ARE



Who We are

OUR MISSION

To be the benchmark and supplier of choice for high-performance and innovative solutions in animal hygiene and health, placing our customers at the heart of our priorities, while respecting the highest social, environmental and governance standards.

**Smart care.
Happy animals!**

OUR VISION

A privately owned family business with a world-class vision!

**To be a world-class, trusted partner in
the animal health and hygiene industry.**



Our values



RESPECT

We cultivate an inclusive environment where everyone feels valued and supported. We respect the unique differences and contributions of each employee and partner, while ensuring animal welfare.



INNOVATION

We support the research and implementation of new ideas, initiatives, approaches or solutions to improve our products and the way we work with our employees, customers and partners.



COLLABORATION

We work as a team, communicate transparently and foster harmonious and productive relationships, taking responsibility.



COMMITMENT

We are fully committed to our mission, our company, our customers and the protection of the environment. We strive to create value and positive impact through everything we do.

Our Story



1992

Intersand founded within the family business in Varennes, Quebec, Canada



1999

Relocation of Intersand's operations to Boucherville, Quebec, Canada



2004

Entry into the Asian market and expansion of the Boucherville plant



blücare
lab

2017

Creation of Blücare



2019

Acquisition of Halliburton's CPG and its brands



2020

Launch of Intersand America, in Windsor, Colorado
New headquarters in Boucherville for administrative services



2021

Acquisition of Eco-Solutions, a Canadian litter manufacturer in St-Alexis, Quebec, Canada



2022

Acquisition of VersaPet's manufacturing assets in Etobicoke, Ontario, Canada



2026

Acquisition of Targeted PetCare's litter division, which produces clay, recycled-paper and wheat litters

Our Business Footprint

Production

Gross sales:

US\$146.4M

▼ **279,094**

metric tons

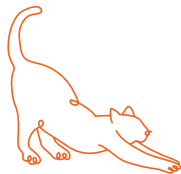
▼ **20,048,008**

Manufactured units

Equivalent to

1,938,000

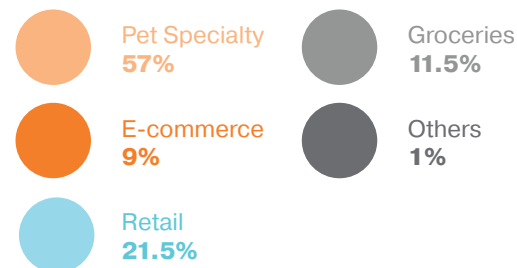
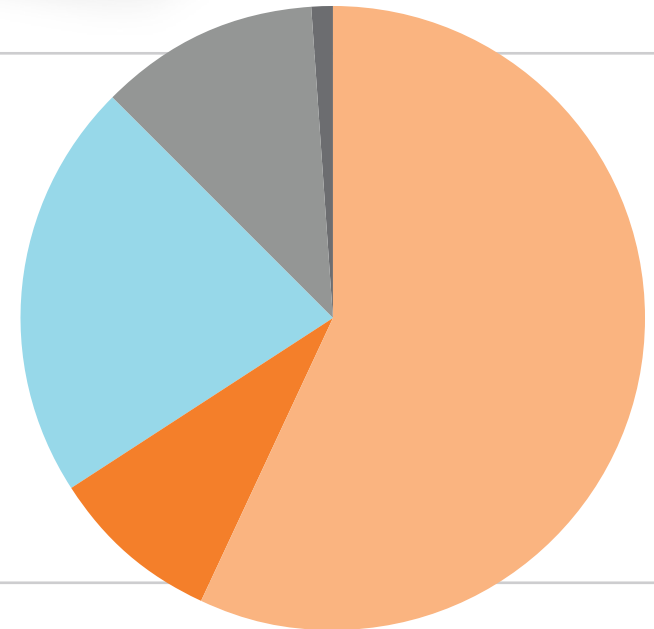
cats served for their annual litter needs*



*Based on one average 12 kg bag per cat per month



Distribution channels

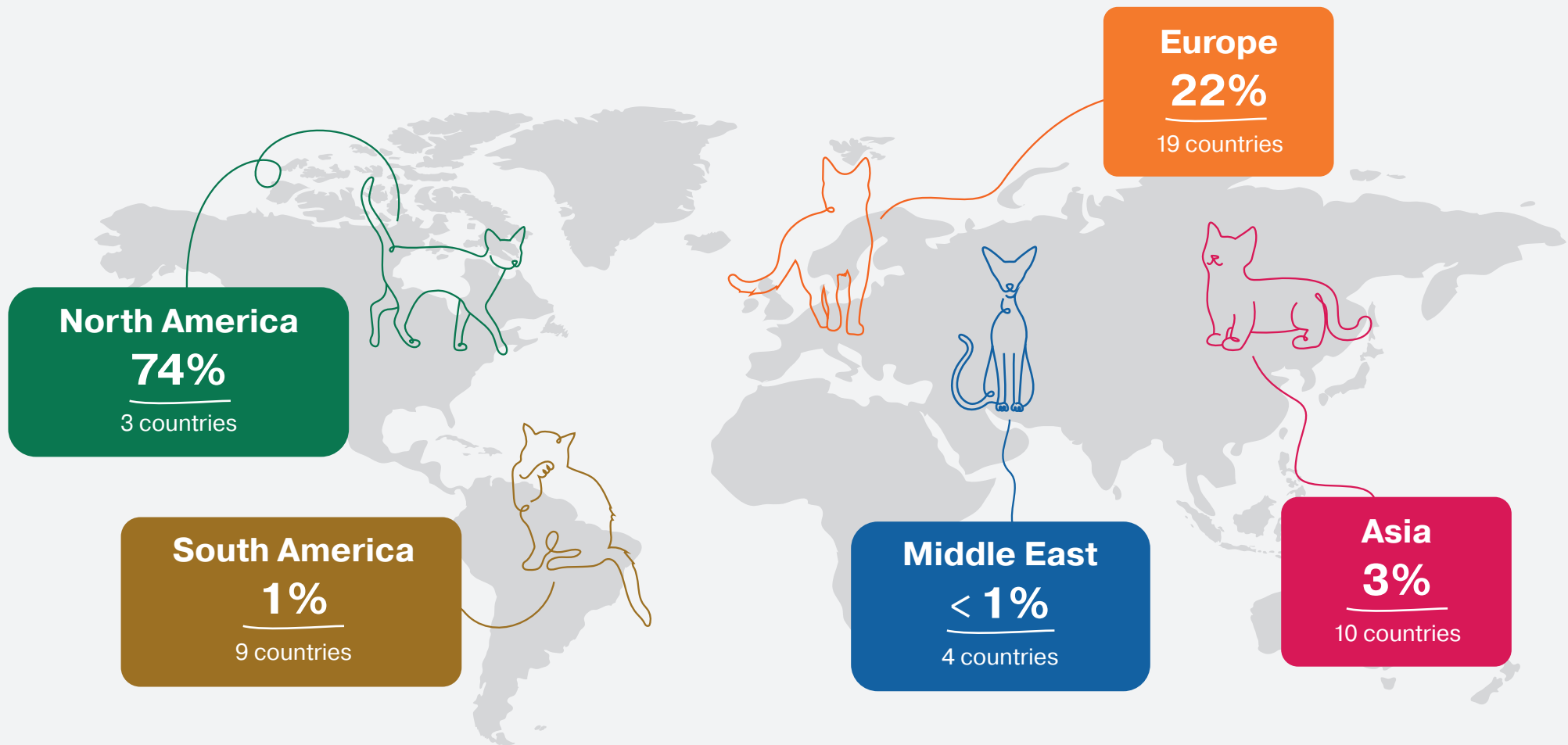


Our operational footprint

-  **Service Center (50 emp.)**
Administration and R&D in Boucherville
-  **Blücare Laboratory (10 emp.)**
1 plant in Boucherville
-  **Intersand Canada – Boucherville (60 emp.)**
2 plants in Boucherville
2 distribution centers
-  **Intersand Canada – St-Alexis (25 emp.)**
1 plant
1 distribution center in Saint-Alexis-de-Montcalm
-  **Intersand Canada – Etobicoke, ON (35 emp.)**
1 plant
1 distribution center (3PL)
-  **Intersand Canada – New Hamburg, ON (55 emp.)** NEW
3 plants
2 distribution centers
-  **Intersand America – Windsor, CO (40 emp.)**
1 plant
1 3PL in Dallas, TX
1 3PL in Denver, CO
-  **Intersand America – Detroit Lakes, MN (15 emp.)** NEW
1 plant
1 3PL in Detroit Lakes, MN
-  **Intersand America – Byron Center, MI (83 emp.)** NEW
1 plant
1 distribution center



Our geographical footprint





Operational efficiency

Upstream transport

7,234,738 km

traveled in 2025

Downstream transport

33,364,920 km

traveled in 2025

Total

40,599,658 km

traveled in 2025, **or**
1,013 times around the Earth

OEE (Overall Equipment Effectiveness)

85.20%

(Overall Equipment Effectiveness, excluding planned downtime)

12.97 u/m

units manufactured per minute across all our plants

25.4% → by truck

13.8% → by rail

60.7% → by ship

0.1% → by plane

Quality Management and Product Safety

Quality

The Quality Assurance team ensures that products are brought to market that are safe for animals and users, comply with regulatory requirements and come from manufacturing processes governed by a quality management system.

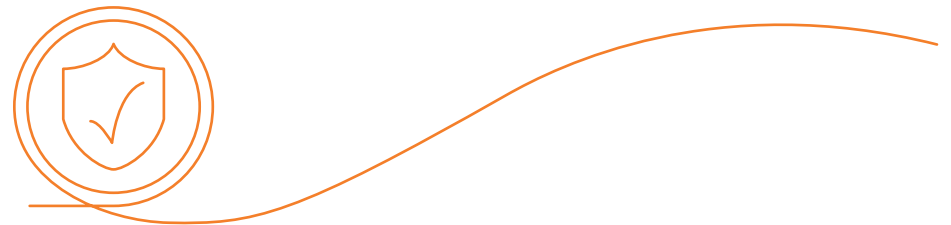
Our team plays a key role in risk reduction and continuous improvement, intervening at every stage of the product lifecycle: sourcing, manufacturing, quality control, distribution and after-sales follow-up. The Quality Assurance team's contribution is based on better control of product characteristics and performance, which allows formulations and processes to be adjusted in order to reduce production waste and energy consumption, among other things.

The actions relate in particular to:

- Rigorous quality control of raw materials, including their environmental compliance and traceability.
- Continuous improvement of our formulations to reduce dust emissions and improve absorption capacity (see p. 56).
- Reduction of non-conformities and discharges, contributing directly to the reduction of production waste (see p.53) .

Product Safety

Animal and consumer safety is a priority for the company. Our raw materials and finished products are tested as part of our quality management system (57.228 quality checks carried out in 2025, see p.53), including monitoring for undesirable substances and a customer complaint management system, aimed at ensuring the compliance and expected performance of the products.



What sets us apart



ACCREDITED PSC

The Pet Sustainability Coalition supports pet industry companies in their environmental and social practices and Intersand has earned the third-party certified recognition of PSC accreditation.



Platinum member

CANADA'S BEST MANAGED COMPANIES – PLATINUM MEMBER

Awarded by Deloitte, which recognizes the quality of the management and strategy of Canadian private companies. Platinum status recognizes several consecutive years of recognition.



B CORP CERTIFIED

Certification that independently assesses the environmental, social and governance performance of a company as a whole.



MOST AUTOMATED PLANTS IN THE INDUSTRY

A high level of automation in our factories, driven by our innovation and continuous improvement of our manufacturing processes.



MATERIALS AND ANIMAL HYGIENE INNOVATION CENTER

Our research and development laboratory, which designs and validates our formulations and evaluates their performance in real conditions of use.



FAMILY BUSINESS

A family business founded and managed by the Chevigny family for nearly 35 years. The involvement of the second generation in the company supports a long-term and continuity-oriented business vision.

A young child with brown hair is looking down at a small green plant sprout. The child's face is partially visible on the right side of the frame. The plant has two large green leaves and a small stem. The background is a soft, out-of-focus green. Two thin orange lines are drawn across the image, one forming a circle around the text and the other curving across the top.

OUR
**SUSTAINABLE
APPROACH**

Our ESG journey

Milestones in our ESG journey

Q2-2022

Launch of a dedicated sustainable innovation team

Q3-2022

First carbon footprint

Q2-2024

1st LCA

Q3-2024

Pet Sustainability Coalition accreditation

Q2-2023

1st ESG Committee

Q3-2023

Double materiality assessment and BNQ 21000 diagnostic

Q3-2025

First voluntary third-party verification of our carbon footprint

Q1-2026

B Corp® Certification

Q3-2026

First voluntary ESG disclosure (this report)

B Corp® in Practice

Being B Corp® certified means that a company meets high environmental, social, and governance (ESG) performance standards, independently verified by the non-profit organization B Lab®.

A simple vision: a high-performance and responsible company

The B Corp® model is based on a key idea: a company must be economically successful AND beneficial to the world (employees, society, environment).

What B Corp® Assesses

The certification does not focus on a product, but on the entire company. It assesses five impact areas:

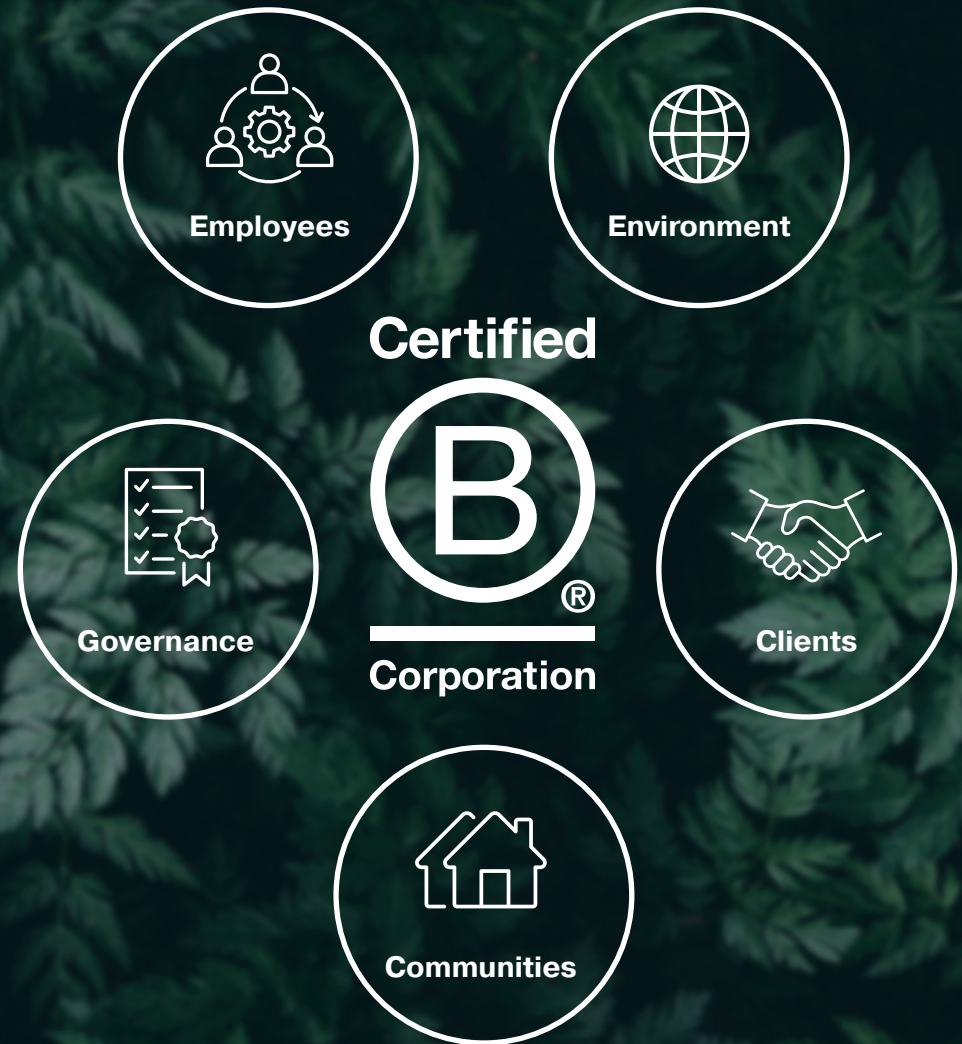
Governance: transparency, ethics, consideration of ESG issues in decisions

Employees: working conditions, health, remuneration

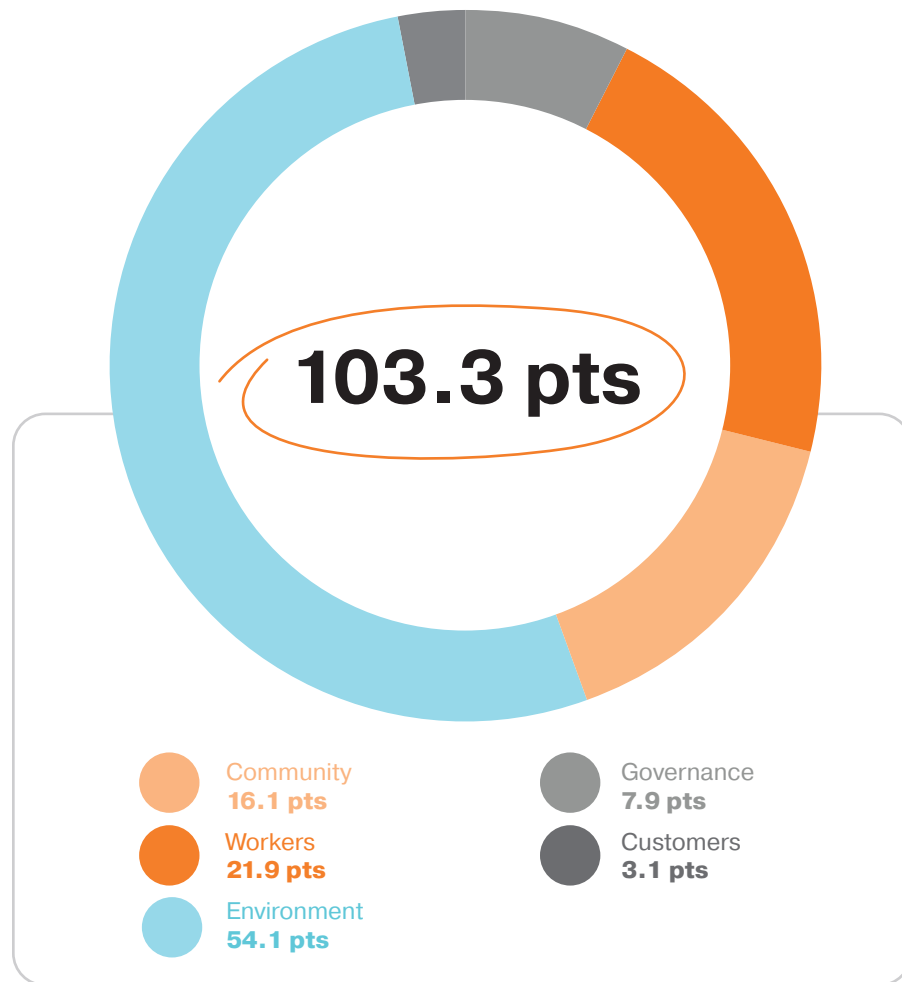
Communities: local impact, suppliers, social commitment

Environment: resource management, emissions, sustainable practices

Customers: quality, responsibility and usefulness of products/services



Our B Corp Score Explained



Our B Impact Assessment score of 103.3, nearly double the median for ordinary businesses, breaks down across the five B Impact Areas as follows.

This certification also highlights two of Intersand's sustainable business models:

- The efficiency of its innovative manufacturing processes based on patented technologies (**Impact Business Model recognized by B Lab**);
- Intersand's ability to generate products that use fewer resources (**Impact Business Model recognized by B Lab**).

« I am extremely proud to have been awarded B Corp® certification. It confirms the strength of our values and business model, while recognizing our leadership role in our industry. This distinction shows that our growth is inseparable from a sustainable future for the generations to come. »

Stéphane Chevigny, Founding President

Our sustainable vision



*At Intersand, sustainability is at the heart of our strategy, and we take concrete action across five key pillars, represented by our “paw” concept. We value our **People** by fostering a healthy, safe, and engaging work environment. We collaborate responsibly with our **Partners**, promoting ethical and transparent practices. We innovate to deliver **Products** that are increasingly absorbent, lighter, and more recyclable, while allowing our **Purpose** to guide every decision toward the creation of economic, social, and environmental value. Finally, we strive to reduce our impact on the **Planet**, particularly through the reduction of our carbon footprint, resource consumption, and waste.*

Our Targets for December 31, 2027

Purpose



- **Republish our Impact Report in spring 2028**, measuring our ESG data annually.
- **Obtain data and set targets** for our three acquired units (IADL, IABC, ICNH).

Products



- **Packaging:** increase the share of theoretically recyclable packaging from **95% to 99%** (% by weight).
- **Innovation:** launch a **second low-impact formulation**, validated by life cycle assessment (LCA), after a first in 2025 (OdourLock® Lightweight).

People



- **Health and Safety:** Reduce our recordable incident rate (TRIR) **from 2.85 in 2025 to 2.00**.
- **Employee satisfaction:** Increase our employee recommendation index (eNPS) **from 51.1 to 55 (+7.6%)**.
- **Skills development:** deliver **2,000 hours of training** by 2027.

Planet



- **Carbon: reduce our carbon intensity (Scopes 1, 2 and 3) by 15%** compared to 2025, after a 12.9% reduction since 2023, and carry out the full GHG assessment of our three new entities.
- **Energy: reduce our energy intensity by 10%**, from 114 MJ/t in 2025 to 103 MJ/t.
- **Waste:** increase our landfill diversion rate from **84.5% to 88% (+4.1 %)** across all our plants.

Partners



- **Customer satisfaction:** Increase our Recommendation Score (NPS) **from 52.2 in 2025 to 60**.
- **Social Engagement: Support more than 3,000 cats locally** through litter donations across all our sites.
- **Responsible sourcing:** increase our supplier assessment rate** **from 57% to 80%** (in value of purchases of raw materials).

**Assessment includes self-assessments (Bill S-211 and ESG) and compliance audits/inspections

Our 2027 action plan

Purpose



- **Measure our ESG data annually** and present the 2026 results to our stakeholders
- **Collect data from the three post-acquisition units** in order to establish appropriate targets.

Products



- **Packaging:** make our laminated bags with handles recyclable, lighten other packaging, assess reusable formats, and increase post-consumer recycled (PCR) content in rigid plastics.
- **Innovation:** operationalize our innovation committee, launch the “3,000 Ideas” program, develop biomass-based formulas and explore alternative minerals.

People



- **Health and safety:** standardize OHS practices, strengthen training, deploy safer equipment, and launch a prevention campaign.
- **Employee satisfaction:** offer quarterly training (mental health and other topics), align employment conditions with the market, organize plant activities based on survey results, and identify the causes of turnover.
- **Skills development:** Deploy tailored development plans, train 75% of managers in best practices, and train all employees.

Planet



- **Carbon:** complete Scope 1,2 and 3 GHG inventories for our three new entities and test double-stacked container transport with lightweight products.
- **Energy:** assess the energy efficiency of older facilities, repair leaks, schedule lighting and ventilation based on actual use, and gradually replace natural gas with electricity.
- **Waste:** characterize residual materials at all plants, train employees in sorting, and find new buyers for our major waste streams.

Partners



- **Customer satisfaction:** optimize inventory, expand training and marketing tools, and implement a CRM for customer requests.
- **Community involvement:** roll out our engagement policy, partner with new local shelters, and diversify donations.
- **Responsible sourcing:** update and deploy our responsible sourcing policy, assess supplier ESG risks, and deepen reviews of high-risk suppliers.



Our ESG Committee

In 2023, Intersand set up a governance structure dedicated to ESG. This first committee's mandate is to promote sustainable and responsible best practices in the company, ensure that ESG targets and action plans are integrated into the strategy and operationalize them in everyday leading actions.

The committee was responsible for leading the B Corp certification process, the ISO 14064 verification of our GHG inventory, and the ESG diagnostic based on the BNQ 21000 standard and the UN SDGs.

The Committee meets monthly to measure, plan, develop, audit and reports annually to the Executive Committee and the Advisory Committee.

Our 8 Sustainability Ambassadors

Thomas Dubois

Sustainable Innovation
Project Manager

Laurence Lauzon

CRHA, Director of
Human Resources

Jean-François Grenier

Engineer, Director of the
Boucherville and Saint-Alexis-
de-Montcalm plants

Kim Beauregard

Chemist, Director of
Sustainable Innovation

Geneviève Provost

PMP, Director, Project
Management Office and
Corporate Communications

Jean-François Chevigny

Brand Manager

Magalie Sénécal-Jean

Buyer

Francis Robert

Sponsor of the Committee,
Senior Vice President,
Operational Strategies,
Quality and Innovation

Our Executive Team and Board of Directors Committees

Our Executive Team

Stéphane Chevigny

Founding President

Julien Charbonneau

CPA, Executive Vice-President,
Chief Operating Officer

Francis Robert

Engineer, Senior Vice-
President of Operational
Strategies, Quality and
Innovation

Johanne Bélanger

CPA, Vice-President,
Finance and Administration

Martin Girouard

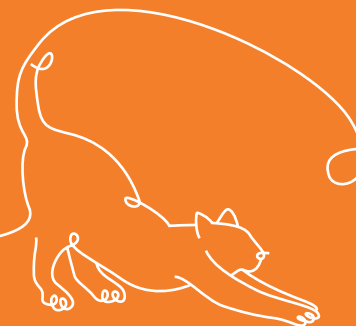
CRIA, Vice-President,
Human Resources

Janie Dubé

Vice President, Marketing

Jonathan Chevigny

CPA, Vice-President, Sales



Our Board Team

Stéphane Chevigny

Administrator

Sylvie Pinsonnault

Director

Gérard Geoffrion

Chair of the Board

Jean Gattuso

Administrator

Jean-François Ouellet

Administrator

Josué Petit

Observer

Our Executive Leadership and Board Teams provide strategic oversight of our ESG initiatives, ensuring alignment with our business objectives and long-term sustainability commitments.

Our ESG Partners

Support & Advice

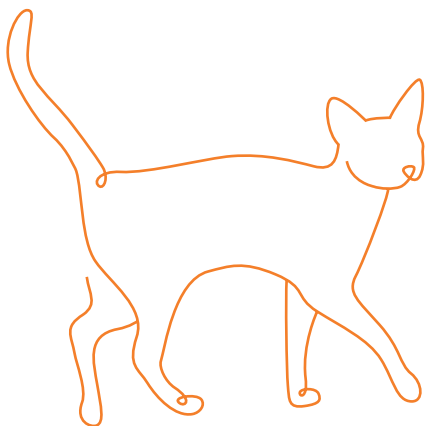
- EcoMarque
- Credo
- Coesio
- Comité 21
- CTTÉI
- i-GES
- Pet Sustainability Coalition

Partners

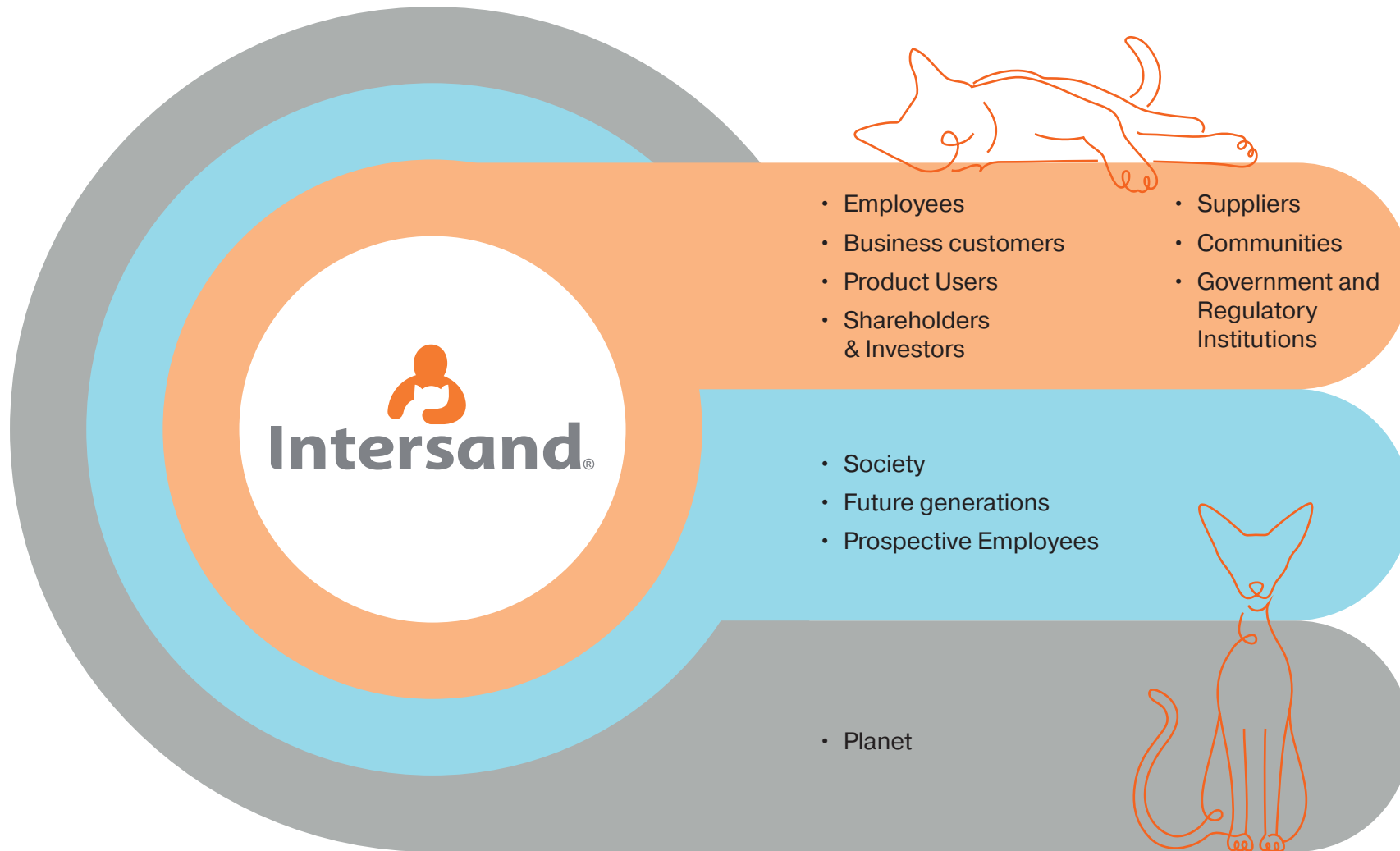
- DEL
- CRIBIQ
- Robic
- Affilia Conseils
- DigiFab
- University of Sherbrooke
- EcoLeader Fund
- Investissement Québec
- Innovation Canada
- Quebec Innovation Council

Certification bodies

- USDA BioPreferred
- B Lab USA & Canada
- Deloitte.
- Pet Sustainability Coalition



Our stakeholders



Our double materiality analysis

The double materiality analysis, initiated in September 2023 by the ESG committee and then improved in April 2025, has helped us prioritize our strategic issues. This approach combines the impact of our activities on society and stakeholders with the risks and opportunities for Intersand itself.

Scope and stakeholders consulted

This analysis covers all of our activities. It was conducted with internal stakeholders, including our employees, our management committee and our executive committee. External stakeholders, including our customers, suppliers and communities, will be integrated in the next cycle.

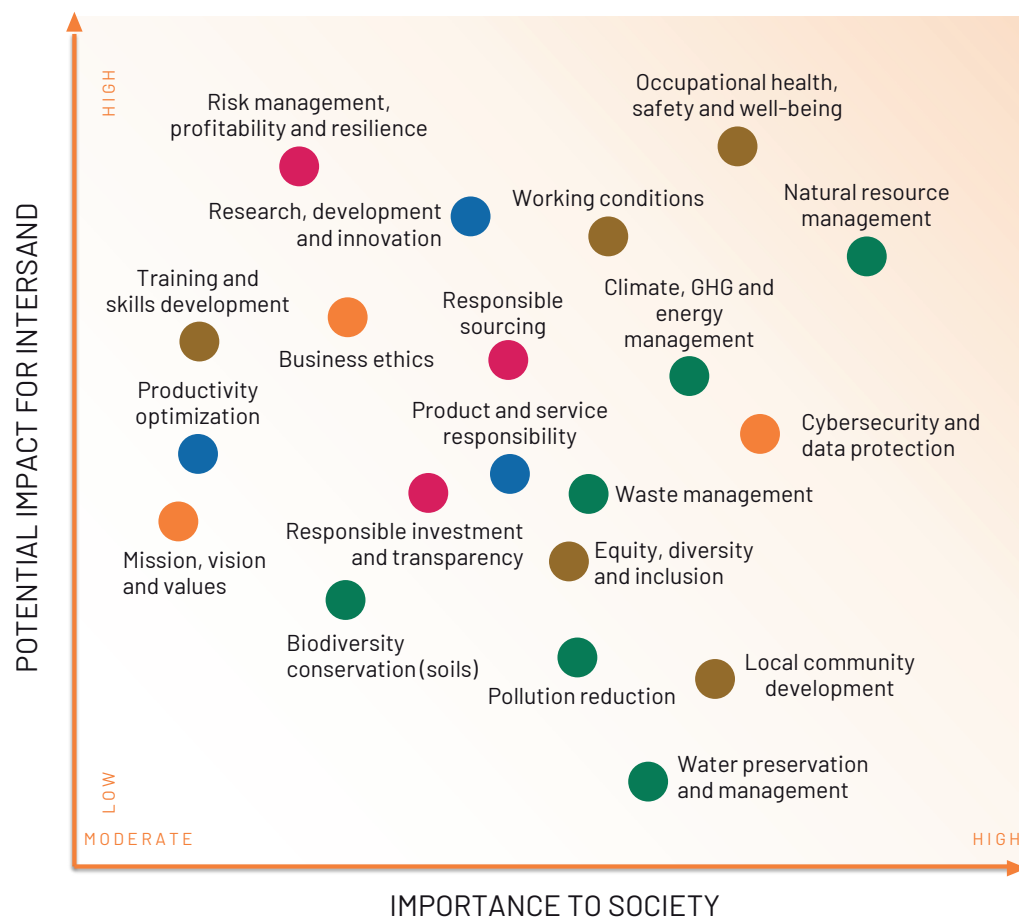
Prioritization of issues

Each issue was assessed according to the extent of its impact on Intersand and on all of our identified stakeholders, and then positioned in our materiality matrix. Prioritization takes into account both short- and long-term time horizons.

Governance and Updating

The results have been reviewed and approved by the Executive Committee. The analysis will be updated in preparation for the next publication of our Impact Report.

Nine priority issues emerged from this process. They are divided into the five axes of our «paw» concept: Purpose, People, Products, Partners and Planet, and serve as the basis for our targets and our 2027 action plan.



Legend: pillars of Intersand's sustainable development plan

People

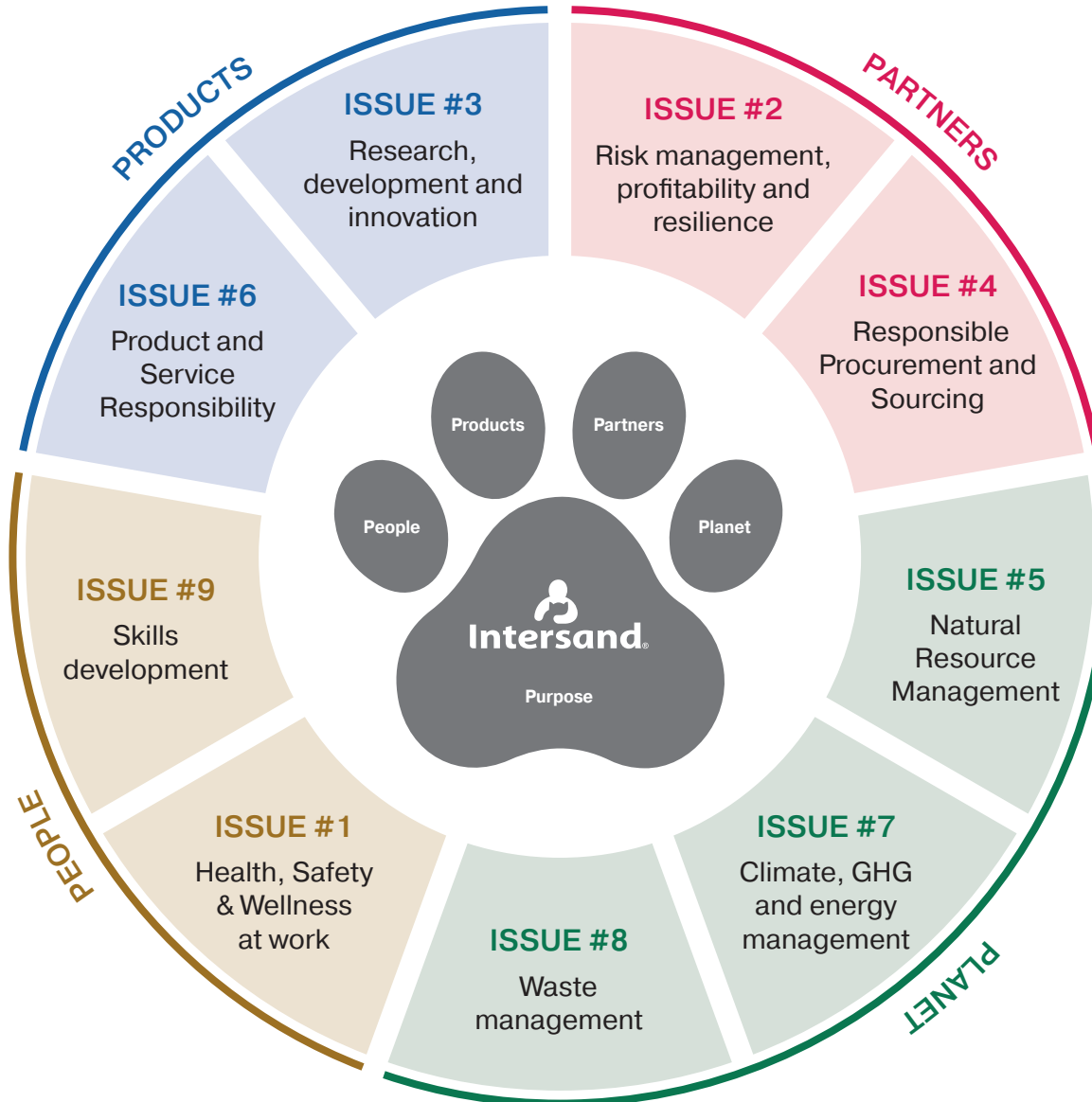
Purpose

Products

Partners

Planet

Our philosophy



Cybersecurity and data privacy



Cybersecurity and cyber risks

94%

of employees trained

Power Consumption

62,357 kWh

due to our computer use*

* Includes our internal servers, power supplies, work computers and network hubs

The protection of personal data and cybersecurity are strategic priorities for our organization. We have put in place measures to meet the requirements of Quebec's Law 25 modernizing legislative provisions relating to the protection of personal information and are implementing robust measures to ensure the confidentiality, integrity and availability of the data of our customers, partners and employees. In the face of constantly evolving threats such as ransomware, phishing and sophisticated cyberattacks, we are continuously investing in our security systems, staff training and information governance, in order to help maintain the trust of all our stakeholders.

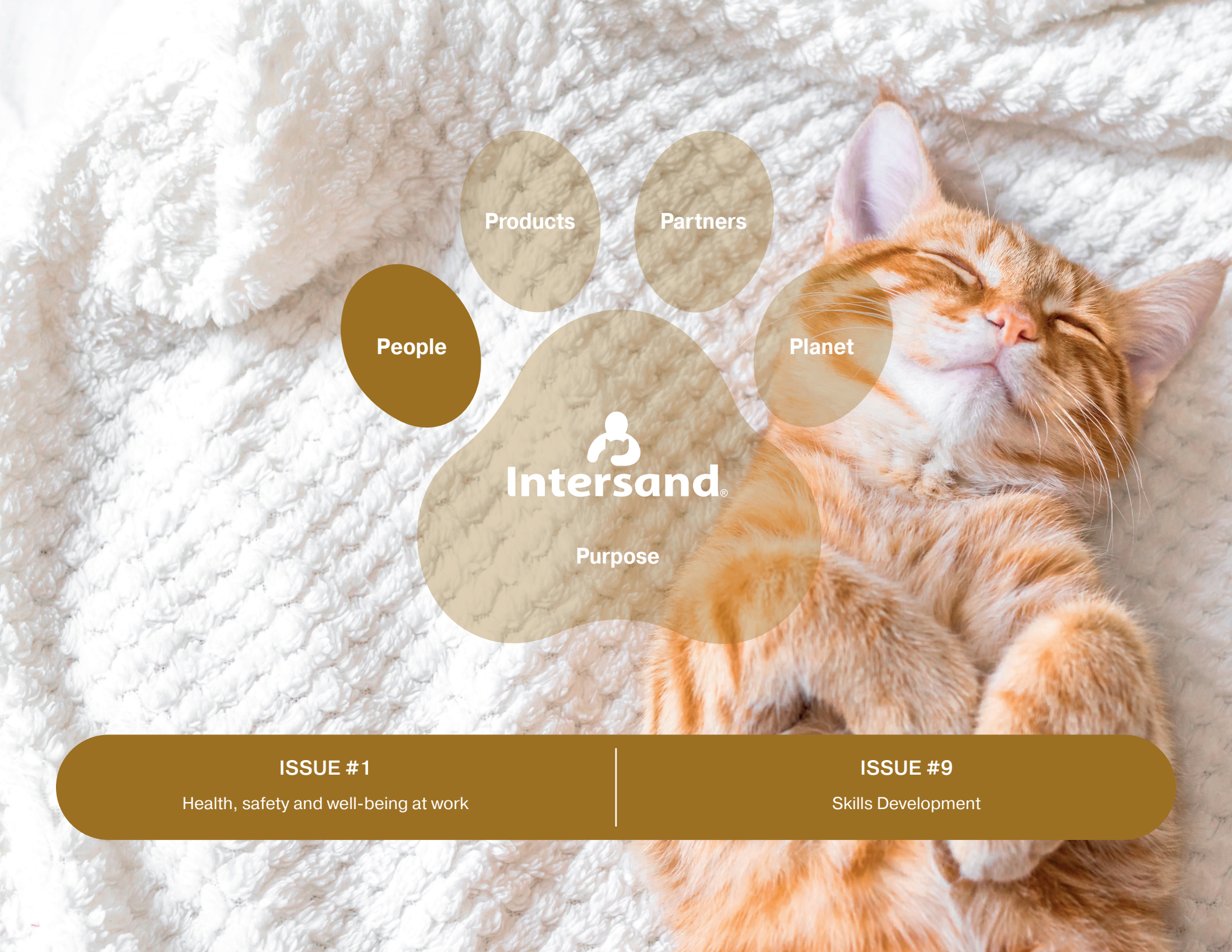
Our program promotes prevention, detection and an incident response plan to support the continuity of our operations. We adjust our program in response to new risks.



**Implementation
of our AI
Acceptable
Use Policy**



**Implementation
of the Policy on
the Protection
of Personal
Information**



ISSUE #1

Health, safety and well-being at work

ISSUE #9

Skills Development

Health, Safety & Wellness at Work

For Intersand, health, safety and well-being at work is a priority material issue, linked to our ESG and organizational performance. We implement structured initiatives to prevent risks and promote a safe work environment: prevention programs, standardization of practices between our sites, continuous training, health and safety inspections and risk identification campaigns. We also support the well-being of our employees in four dimensions: physical, psychological, economic and social, including our training, benefit enhancements for all employees and our mobilization activities.

Our **Occupational Health and Safety (OHS) commitment** is to provide a safe work environment for all employees, contractors and visitors. Our goal is to prevent accidents, injuries and occupational illnesses by relying on industry best practices, standardized across all of our sites, and by aiming to comply with applicable legal requirements.



Number of Health and Safety Inspections

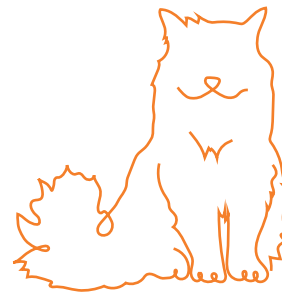
45

completed in 2025

TRIR

2.85 incidents

/ 100.000 hours worked



Target:

2.00

Skills Development

**Number of hours
of training in 2025**

850.5 hrs

in 2025

Managers trained

56%

in best management practices

- **First aid training**
- **Health and Safety Week** (see photo)
- **Earth Week**

* Compiled manually from training certificates; internal training hours are under-captured, so data reliability remains low.



2027 target:

Reach 2,000 recorded training hours
across all employees

Our diversity – in numbers

Total number of employees (including part-time)

202

as of Dec. 31, 2025

Origin

6

employees from 6 different continents

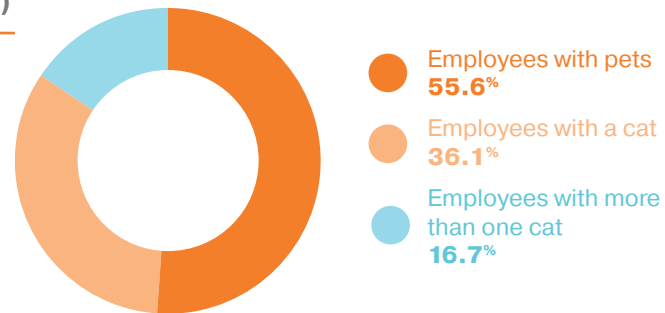
Minority*

41.7% (+28.3% vs. 2024)

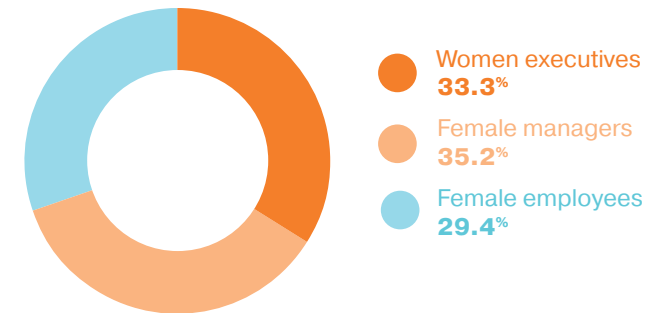
of minority employees

*share of employees who declared themselves members of an underrepresented group, including gender, origin, neurodiversity and disability dimensions. Internal survey, voluntary response.

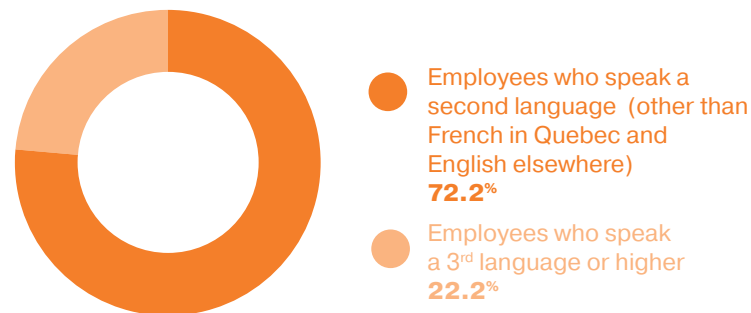
Pets



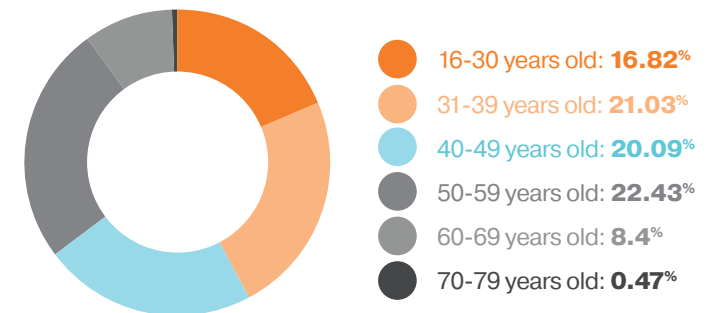
Gender



Languages spoken



Age



Number of different languages spoken by our employees:

21

Employee retention and satisfaction

Team

Total number of employees (including part-time)

202

to 31 Dec 2025

- Full-time employees (FTEs): **198**
- Part-time employees: **0**
- Temporary employees: **3**
- Self-employed: **1**

Number of employees per manager:

4.7

Retention

Voluntary Departure Rate

8.9% in 2025

(-19.3% vs. 2024) – excludes dismissals, retirements and temporary or partial positions

Retention Rate**

51.2% after 3 years

(+5.4% vs. 2024)

Retention Rate**

33.8% after 5 years

(+22.0% vs. 2024)

** including all positions

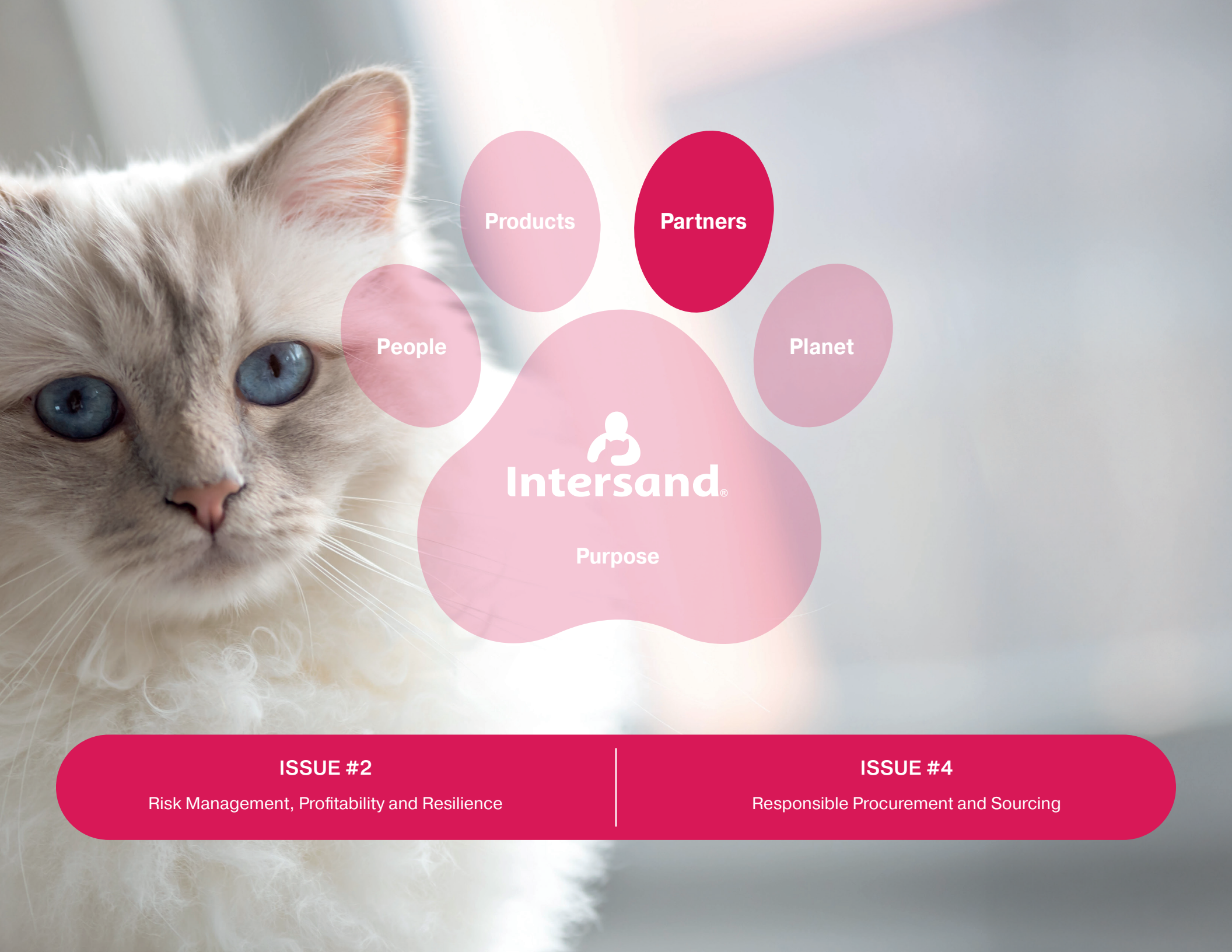


Satisfaction

Employee Net Promoter Score (eNPS)

51.1 ***

***Not measured in 2024; 97.9% of respondents (138 of 141) rated 7/10 or higher.



Purpose

Products

Partners

People

Planet

ISSUE #2

Risk Management, Profitability and Resilience

ISSUE #4

Responsible Procurement and Sourcing

Risk Management, Profitability and Resilience

As a privately held company, Intersand does not disclose detailed profitability information in this report. That said, one thing is certain: thanks to our teams' commitment, sound practices and responsible approach, things are purr-fectly fine. The following measures illustrate its approach to risk management and long-term sustainability.

In 2025:

- 12 internally audited financial statements
- 1 third-party audited consolidated financial statement
- 1 externally reviewed report on forced and child labour in the supply chain
- 1 updated and published Employee Code of Ethics
- 1 updated and published Supplier Code of Conduct
- 1 external institutional investor (Investissement Québec)

But also:

Annualized revenue growth

+ 5%

over 3 years (CAGR, 2023–2025)

Scope 1, 2 and 3 carbon footprint

3 perimeters

verified (2023 baseline)*

(*2023 baseline; reasonable assurance for Scopes 1 and 2, limited assurance for Scope 3)

Responsible Procurement and Sourcing

Suppliers on the same continent as our facilities (North America)

99.8%

(in dollars purchased)

Domestic Procurement

62%

(supplier in the same country as the plant)

Local Procurement

28%

(supplier within 300 km of the plant)

Longest Business Partnership

33 years

Suppliers who have adopted our Supplier Code of Conduct

100%

Supplier assessment rate*

57%

*Suppliers with more than CA\$450K in 2025 spend that completed an ESG and/or forced and child labour self-declaration between September 2025 and May 2026

Customer satisfaction

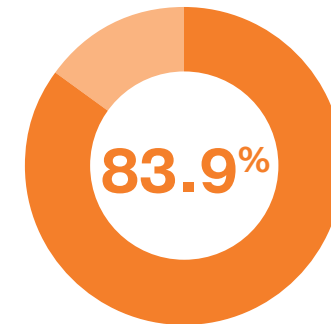
Net Promoter Score 2026



(2027 target: 60 pts)

For context, Net Promoter Score (NPS) is calculated as the percentage Promoters (ratings of 9-10) minus the percentage of Detractors (ratings of 0-6). Any score above 0 is considered positive, indicating that an organization has more promoters than detractors, while scores above 50 are generally considered excellent, and scores above 70 are regarded as world-class.

2026 Satisfaction Rate



(2025: 79% - 2027 target: 85%)

Customer satisfaction action plan

- Reduce claims processing times to 7-10 business days (vs. 21 days currently)
- Expand our training and marketing tool offering
- Improve communication and visibility of logistics lead times

Community Involvement



Number of local causes supported by the company

13

since 2024

With a focus on:

- Animal welfare
- Child welfare
- Biodiversity support

Community support initiatives since 2024:

- **Proanima campaign:** 4,560 stray cats helped
- **Leucan Campaign:** annual participation as an affiliated company, plus direct family involvement in Operation Santa Claus (80 children in need).
- **Biodiversity campaign with SOS Planète – June 2026:** 250 kg of clay donated to make seed balls for butterfly-friendly plants





ISSUE #3

Research, development and innovation

ISSUE #6

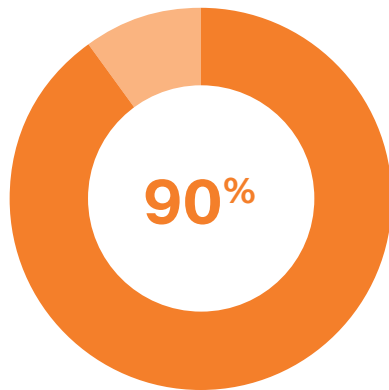
Product and Service Responsibility



Product and Service Responsibility

% of packaging with sorting
or end-of-life instructions:**

**2027 Target
National Brand Packaging**



2025: 76% (52/68 products)

**Number of quality checks
performed per year (2024)**

59 530*

(2025): 57 228

*Large-scale data collection campaign to build a statistical database

Qualified complaint rate

(units covered by qualified complaints
per 1,000,000 units sold)

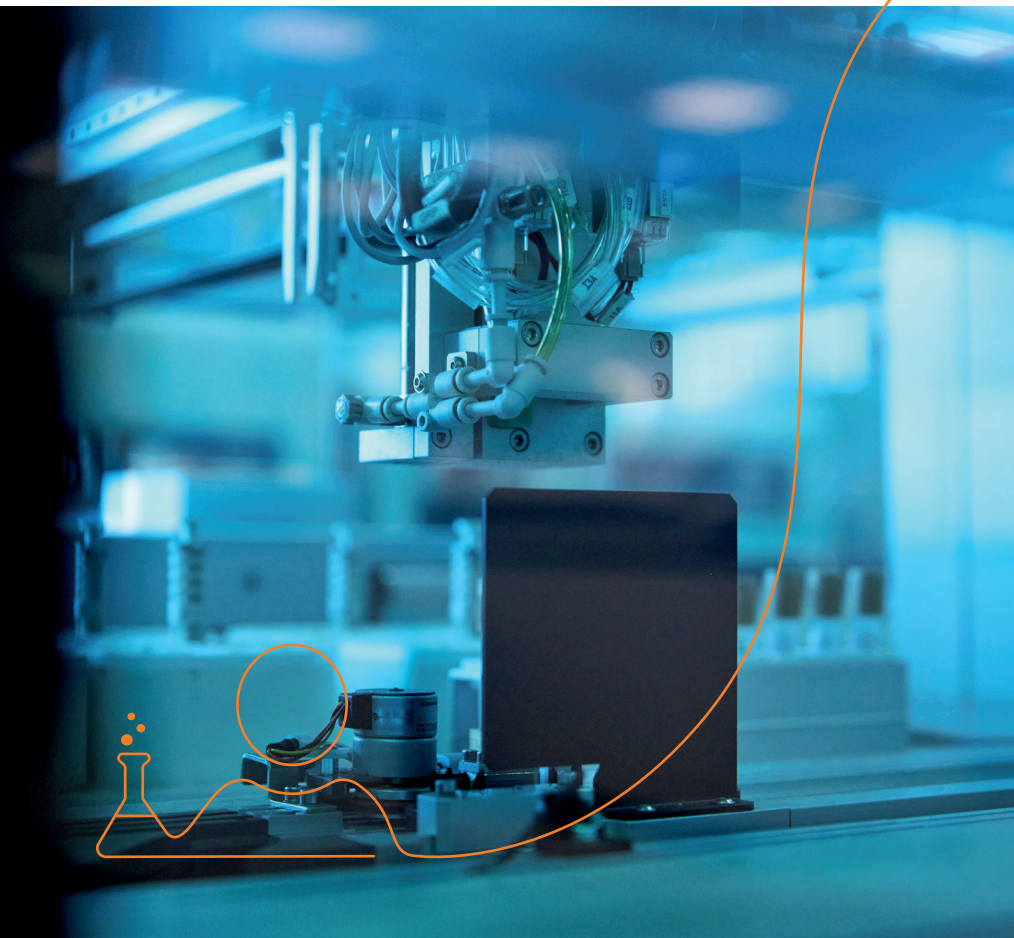
Target 2027

**35 complaints per
1 million units sold**

(2025: 36.5 complaints per 1 million
units sold)

**background: How2Recycle, European instructions (e.g. Triman), national brands

Research, development and innovation



Our research and development team is at the heart of our innovation approach. At the crossroads of materials science, product performance and the reduction of our environmental impact, our laboratory designs hygiene solutions for pets evaluated according to measurable criteria that contribute to animal and human well-being: absorption capacity, odor control, dust emission and reduction of resources used.

We develop and validate next-generation formulations through internal testing protocols, while continuing to identify and qualify alternative raw materials. This approach aims to reduce some of the environmental impacts of our products, measured by life cycle assessment, while maintaining their performance and competitiveness. Our proprietary analysis methods also allow us to evaluate performance in real conditions of use, which supports the validation of our innovations before they are marketed.

In addition, our innovation committee oversees innovation **governance**. It ensures the alignment of projects with the company's strategic and ESG priorities, promotes cross-functional collaboration and prioritizes projects based on their potential to reduce environmental impact and their contribution to product performance. This committee thus contributes to structuring our innovation approach, oriented towards the creation of economic, environmental and social value for the company, its customers and its stakeholders.

- Number of full-time employees dedicated to R&D (2025): **6**
- Hours spent on projects to reduce chemical use in our technologies (2025): **1,989 hours***

In 2024 and 2025, an important patent-pending technology was integrated into our plants, reducing the use of a polymeric ingredient in our Canadian plants by 67%.

*context: including factory implementation by the development engineering team

Our latest innovations

Efficient processes

Patent-pending technology for dust control.

Innovative ingredients

Classic® Carbon Shield™ combines our odor control with the natural power of activated charcoal to lock in bad odors.

Innovative products

OdourLock® maxCare™ is a 5-in-1 litter that includes a sachet of Blücare® granule, a technology that non-invasively detects traces of blood and glucose in cats' urine. OdourLock® maxCare™ contributes to animal welfare by promoting the detection of early symptoms of urinary disease and feline diabetes.

Circular economy

OdourLock® Lightweight™ is made from residues from the paper recycling process. Through years of work, our formulation allows us to recover a low-value by-product and transform it into a lightweight, absorbent, low-dust and effective product for odor control.



◀ NORMAL

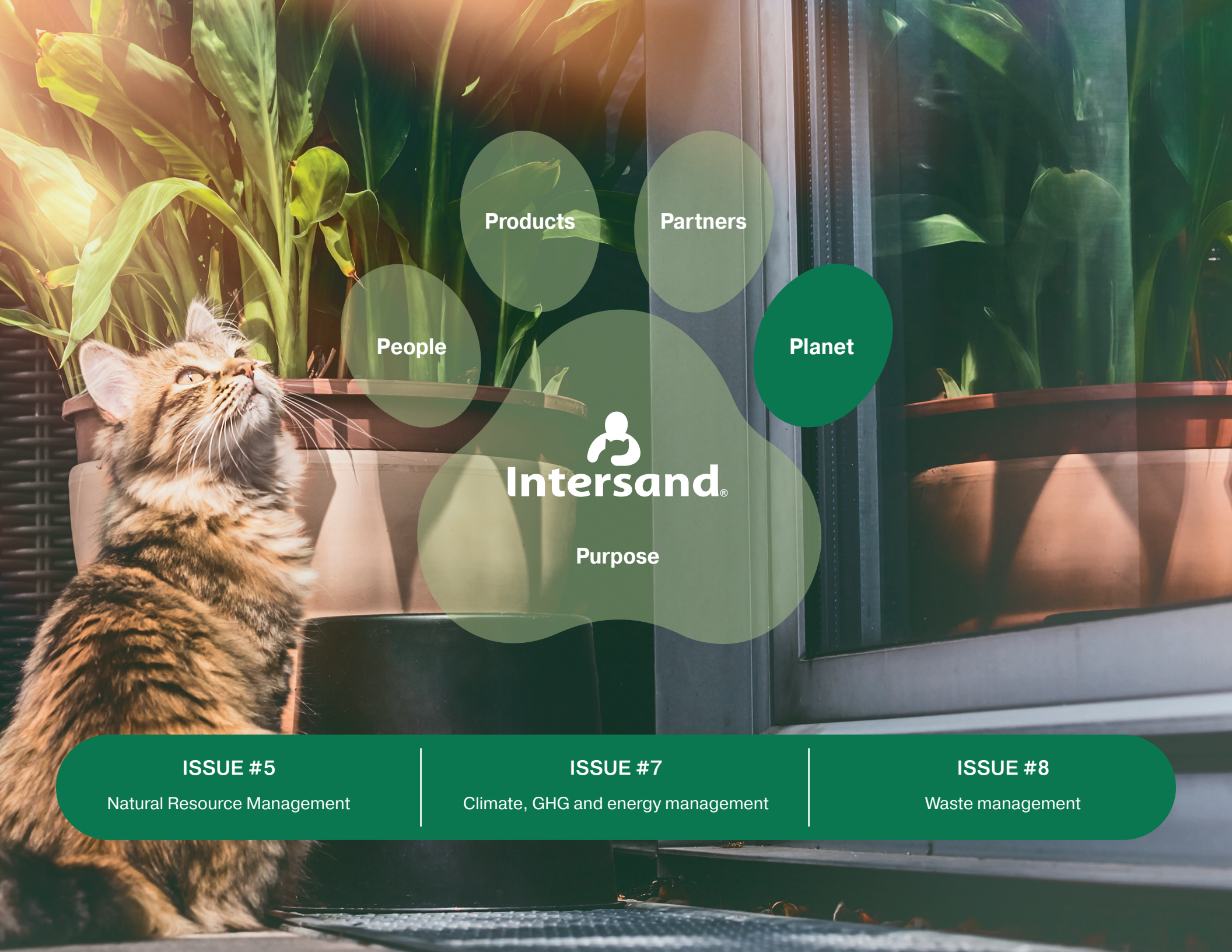


◀ CAUTION



◀ HEALTH ISSUE





Products

Partners

People

Planet



Intersand®

Purpose

ISSUE #5

Natural Resource Management

ISSUE #7

Climate, GHG and energy management

ISSUE #8

Waste management

Natural Resource Management

WATER

Litres of water saved
thanks to our proprietary
processes*

2.02 million

(In 2024)

Water consumption for
the manufacture of
our products in 2025

499,090 L

(-11.3% vs. 2024)

Equivalent to the consumption
of **6.1 Canadians** per year**

Water intensity in 2025

1.81 litres of water per tonne
of products manufactured

*Background: process implemented in our newly acquired factories, saves more than 85.6% of the water formerly consumed to manufacture products of lower or similar quality

**Estimate for perspective. Based on the average Canadian residential consumption of 223 litres of water per person per day in 2021, the most recent national data published by Statistics Canada.

Natural Resource Management

CIRCULAR ECONOMY

Eco-design

- **67%** reduction in additives from our dust suppressant technology at equal performance*
- **95%w/w** primary packaging recyclable**

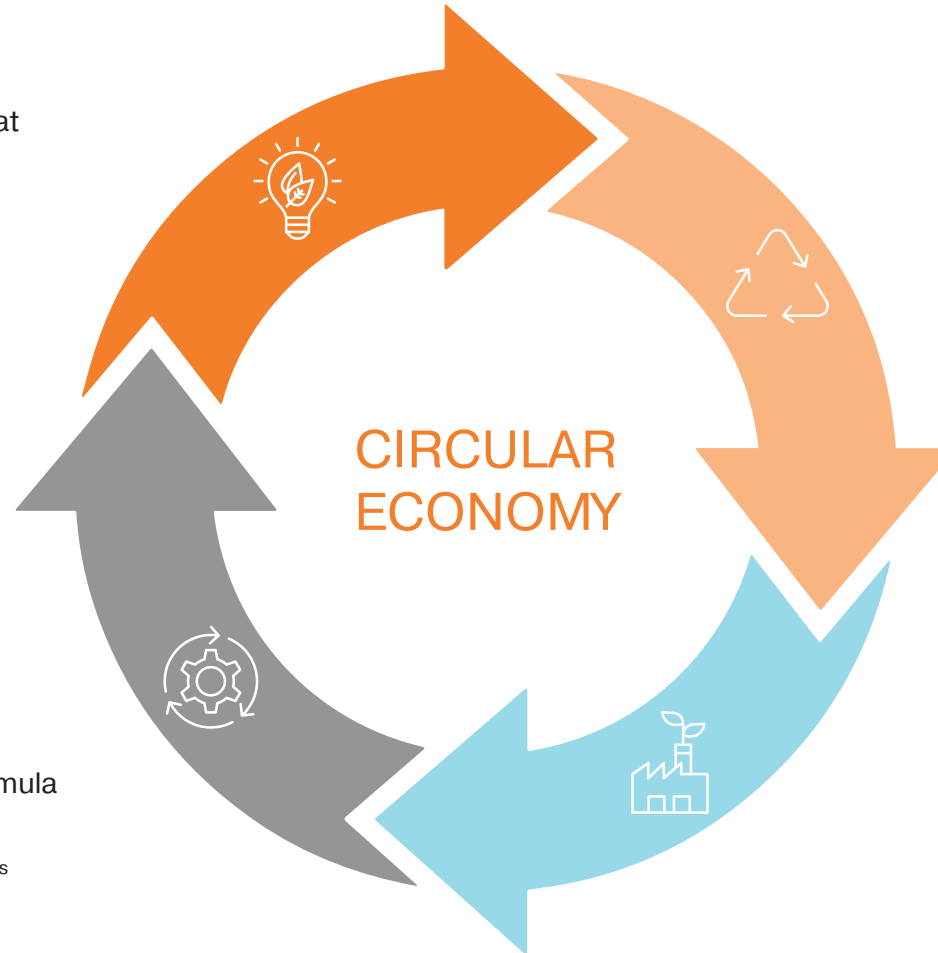
*compared to our previous formulation

**where facilities permit

Usage - Extend the lifespan

Our Ultra Premium OdourLock® formula lasts **40% longer***

*source: LCA compared to the average of clumping litters available on the North American market



Production - Recycling

- More than **99%** of non-compliant production batches recycled
- **99%w/w** of our clay dust repurposed by local buyers
- **38.47%w/w** of our pallets in a deposit-return system

Industrial symbiosis

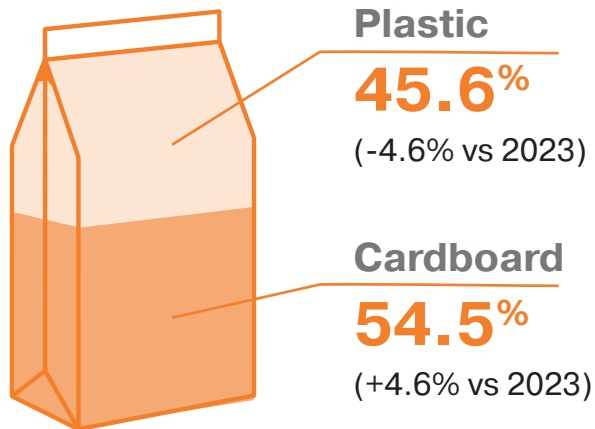
Thanks to strategic partnerships with local suppliers and buyers, we upcycle **more than a hundred tonnes of corn cob residues, paper recycling residues** and non-compliant packaging each year into new uses.

Natural Resource Management

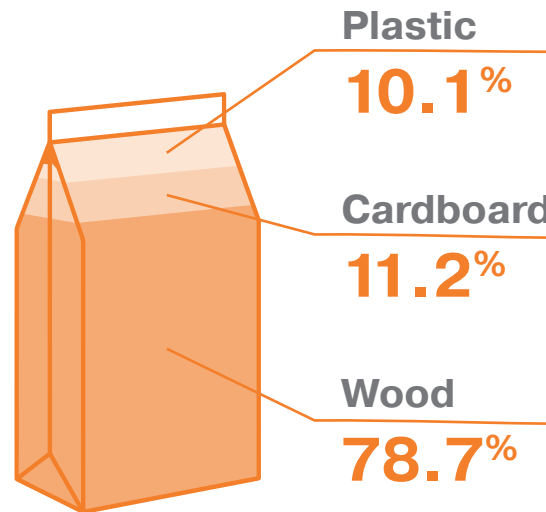
PACKAGING

Composition

Composition of our primary packaging
(% of total weight sold)



Composition of our complete packaging
(% of total weight sold)



Packaging intensity

Average primary packaging weight as a % of contents

0.99%

(no significant change since 2024)

% Average Weight of Complete Package Over Contents

5.39%

(no significant change since 2024)

*Includes primary, secondary and tertiary packaging, up to the pallet and weather-protection film

Climate, GHG and Energy Management

RENEWABLE ENERGY

Direct energy use*

Total energy → **31 607 GJ** (+10.5% vs 2024)

Electricity → **15 150 GJ** (+1.7% vs 2024)

Natural gas → **16 457 GJ** (+20% vs 2024)

Gasoline → **916 L** (- 21.31% vs 2024)

*Scope 1 and 2; changes vs. 2024

Electrification Initiatives

Electric cars for local employee transport

2

Electrically powered forklifts

100%

Energy intensity

114 MJ/metric tonne produced

(+20% vs 2024 and +1.1% vs 2023)

Renewable energy**

Renewable energy → **15 223 GJ** (+1.8% vs 2024)

Share of total energy → **48%** in 2025

Renewable electricity → **99.9%**

**Background: In Quebec, Intersand's facilities are powered by an electricity grid that is approximately 99.6% renewable (Canada Energy Regulator, 2023), and the natural gas used on-site contains approximately 0.5% renewable natural gas (Énergir 2025). In Etobicoke, electricity is 100% covered by renewable energy certificates (RECs) and natural gas has no renewable content; in Colorado, electricity is also 100% covered by RECs and no natural gas is used. The residual greenhouse gas emissions related to our electricity are offset by carbon credits, making our electricity supply carbon neutral.

Climate, GHG and Energy Management

CARBON FOOTPRINT



Carbon intensity

- Scope 1 → **0.0031 tCO₂e/t** (+30.08% vs 2024)
- Scope 2 → **0.0024 tCO₂e/t** (+13.19% vs 2024)
- Scope 3 → **0.44 tCO₂e/t** (-12.9% vs 2023*)

Manufacturing GHG intensity (Scopes 1–3)

6.17 kg CO₂e per 12 kg bag

(average bag weight)

Carbon footprint

2023**

- Scope 1 → **652.2**
- Scope 2*** → **603.2**
- Scope 3 → **140840.1**

2025****

- 587.9** (-9.9%)
- 660.1** (+9.4%)
- 122843.3** (-12.8%)

*2024 data not available due to low data quality during the gradual roll-out of a new ERP across all our sites

**Inventory verified under the GHG Protocol by an independent firm, with reasonable assurance for Scopes 1 and 2 and limited assurance for Scope 3.

***Before offsets

****Improved downstream transportation GHG calculation methodology in 2025 compared to 2023

Waste management

PACKAGING REDUCTION INITIATIVES

Eco-design

% of our packaging that has been the subject of an ecodesign initiative

9%

(2024: 37%)

Recycled Content

PCR content rate for hard plastic packaging

2% weight/weight

(+100% vs 2024)*

*12% of our pails contain 25% PCR

Recyclability

Recyclability rate** of primary packaging

95%

(+5.6% vs 2024)

**where facilities permit

% of FSC-certified paper and board packaging

73%

(+5.8% vs 2024)



Waste Management

ZERO WASTE PROGRAM



Rate of waste landfilled
per ton of products
manufactured

0.18%

(vs 0.17% in 2024)

Total mass of waste
generated by our
plants (2025)

3217

metric tons

By Material Type:

Wood → **0.5%**

Plastics → **6.4%**

Organic → **9.0%**

Metallic → **0.4%**

Minerals → **81.5%**

Other* → **2.2%**

*including IT, R&D, paper and cardboard

Landfill diversion
rate (2025)

84.5%

(+3,2% vs 2024)

**According to the following
5R methods:**

Refuse → **0%**

Reduce → **2%**
(PCR level in some packaging)

Reuse → **0.3%**

Recover → **77.1%**

Recycle → **5.1 %**
(municipal collection)

**Number of
Material Flow Cost
Accounting (MFCA):**

2 plants

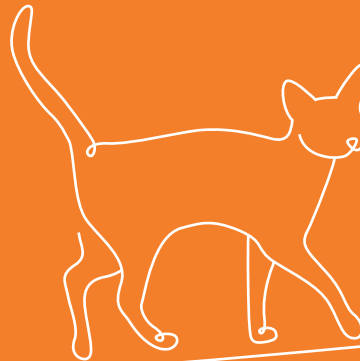
A Look Forward

At Intersand, we believe that environmental, social and governance performance starts with a clear understanding of what really matters. Our materiality approach guides us towards the issues that have the most impact on our employees, our partners, our communities and our environment.

Taking action means being willing to start somewhere and to measure ourselves. Every initiative, no matter how small, can contribute to incremental improvement. By moving forward step by step, by taking action for tomorrow, we are laying the foundations for measurable progress, as presented in this report.

It is in this spirit that Intersand aspires not only to progress, but also to inspire. By sharing our commitments and evolving our ways of doing things, we hope to positively influence our industry and participate in the emergence of ever higher standards.

Because in the end, every paw counts and together, they can help change our business practices over time.



*Measuring today. Acting for tomorrow.
One paw at a time.*

For more information:

[About Us | Intersand](#)

[Intersand - Certified B Corporation - B Lab](#)

[SMEs and Sustainability Reporting | EFRAG](#)

[GRI - Universal Standards](#)

[THE 17 GOALS | Sustainable Development](#)

