



ANNUAL REPORT 2025

Serve proudly,  
act responsibly







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The English-language version of the SAQ Annual Report 2025 does not include the Governance section or parts of the Finance section. For the complete report, please see the French-language version. In the event of discrepancy between the French- and English-language versions of this report, the French-language version shall prevail.

## HIGHLIGHTS

Fiscal years ended March 29, 2025, and March 30, 2024  
(in millions of Canadian dollars and in millions of litres for sales volume)

	2025 (52 weeks)	2024 (53 weeks)	Change (%)
<b>Financial results</b>			
Sales	\$4,042.0	\$4,100.5	(1.4)%
Gross margin	2,019.5	2,031.7	(0.6)
Net expenses	618.7	603.6	2.5
Profit	1,400.8	1,428.1	(1.9)
Comprehensive income	1,399.0	1,424.2	(1.8)
<b>Financial position</b>			
Total assets	\$1,398.9	\$1,308.4	6.9%
Property, plant and equipment and intangible assets	327.0	266.8	22.6
Net working capital	(296.5)	(238.0)	(24.6)
Long-term liabilities	268.4	278.2	(3.5)
Shareholder's equity	32.3	34.1	(5.3)
<b>Sales by network</b>			
Stores and specialized centres	\$3,682.1	\$3,772.5	(2.4)%
Wholesale grocers	359.9	328.0	9.7
Total	\$4,042.0	\$4,100.5	(1.4)%
<b>Net sales by product category</b>			
Wines	\$2,745.7	\$2,790.4	(1.6)%
	161.4 L	166.4 L	(3.0)
Spirits	1,126.5	1,147.4	(1.8)
	29.7 L	31.3 L	(5.1)
Beers, ciders and coolers	169.8	162.7	4.4
	25.3 L	25.3 L	0.0
Total	\$4,042.0	\$4,100.5	(1.4)%
	216.4 L	223.0 L	(3.0)%
<b>Additional financial data</b>			
Government revenue	\$2,608.6	\$2,692.9	(3.1)%

Complementary information will be found in the Finance section beginning on page 33 of this report.

MESSAGE FROM  
THE CHAIR  
OF THE BOARD OF  
DIRECTORS



**“The SAQ's business environment is undergoing a profound transformation. Though this brings its share of challenges, the SAQ has all the resources necessary to take them on.”**

The business environment of the Société des alcools du Québec (SAQ) is undergoing a profound transformation, specifically a global slowdown in alcohol consumption and a marked change in Quebec's demographics, which affects the drinking and shopping habits of the company's customers, all at a time of heightened political tensions. Though this new reality brings its share of challenges, the SAQ has all the resources necessary to stay on top of its game.

Last year, the members of the Board of Directors considered the Management Committee's proposals for responding to this new business reality. The management team is already taking action, and I am convinced it will meet with success in overcoming these challenges.

In short, it was turned toward the future that the Board of Directors carried out its tasks this year. Among other things, we tracked progress on the construction of the Montreal automated distribution centre, kept a close eye on sales and monitored the implementation of the company's cybersecurity program.

I want to thank the members of the Board of Directors for their involvement and discipline. I also want to take advantage of this opportunity to welcome France Desharnais, who joined our Board in July 2024, taking over from Lyne Bouchard, whose valued contribution over the last nine years is much appreciated. I also note the excellent work of the Management Committee and the SAQ teams whose enthusiasm and engagement show us to be a well-performing company that is undergoing a transformation and is also and rightly a source of pride for Quebecers.

A handwritten signature in black ink, appearing to read 'Johanne Brunet', with a stylized flourish at the end.

**Johanne Brunet**  
Chair of the Board of Directors



**MESSAGE FROM  
THE PRESIDENT AND  
CHIEF EXECUTIVE  
OFFICER**



**“Beyond our desire to serve customers proudly, we contribute to the safety net so important to our society by transferring all our profits to the Quebec government.”**

Satisfying each customer while benefiting Quebec society: that is what drives us at the SAQ as a government-owned business corporation.

In recent decades, we have evolved in pace with trends and come to understand what Quebecers expect of us. We have succeeded in becoming an appreciated business. We have helped grow our customers' knowledge about the world of wine and spirits. We have created a common language with Taste Tags. And we have personalized our interactions through our Inspire program.

Though the global context, demographics and changing drinking habits are impacting our business environment, we are taking action and continuing to adapt.

This year we began work on a profound transformation aimed at ensuring we will be able to continue contributing to Quebec. For example, we are rethinking our point-of-sale network and what its future will look like. We also want to offer new solutions, such as SAQ mini agencies, geared to new customers' accessibility needs. We are continuing to develop our offer of low-alcohol products to satisfy customers looking for alternatives. And, in constructing our automated distribution centre, which fully emerged from the ground this year, we are building our future.

What's more, we have done all this while making responsible, sustainable decisions that make us proud. I'm thinking, for example, of our joining forces with the Nordic beverage alcohol monopolies to accelerate change in our industry and reduce our environmental footprint.

Beyond our desire to serve customers proudly, we contribute to the safety net so important to our society. That our contribution extends beyond simply running a business is a source of pride that drives us. I want to thank all my colleagues at the SAQ and our partners who are key to this success every day.

For the third year running, the SAQ will pay a dividend of more than \$1.4 billion to the Quebec treasury. This stable performance only strengthens my conviction that the SAQ is beneficial for Quebec.

I encourage you to read our Annual Report 2025 and see for yourself just how much we accomplished last year—proof of the value that the SAQ provides to Quebec in every aspect of its business.

A handwritten signature in black ink, appearing to read 'Jacques Farcy'. The signature is stylized and fluid.

**Jacques Farcy**  
President and Chief Executive Officer



## MANAGEMENT COMMITTEE

*Left to right:*

**Édith Filion**

Vice-President and  
Chief Financial Officer

**Alexandre Côté**

Vice-President,  
Talent and Employee Experience

**Martine Comtois**

Vice-President, Corporate Affairs  
and Secretary General

**Marie-Hélène Lagacé**

Vice-President, Public Affairs,  
Communications and Social Responsibility

**Isabelle Dufour**

Vice-President,  
Sales Network Operations

**Jacques Farcy**

President and Chief Executive Officer

**Sandrine Bourlet**

Vice-President,  
Marketing and Merchandising

**Martin Lévesque**

Vice-President,  
Operations – Supply Chain

**Luc Bourdeau**

Vice-President,  
Strategic Development – Supply Chain

**Anju Bissessur**

Vice-President,  
Information Technology

## OUR MISSION

The mission of the Société des alcools du Québec (SAQ) is to sell beverage alcohol responsibly throughout Quebec. In fulfilling this mission, the company endeavours to offer a broad range of quality products and provide an unmatched customer experience while also being respectful of communities and the environment and creating value for all Quebecers.

## OUR VISION

### Inspiring Quebecers' pride

- By delivering a memorable, personalized experience to all our customers
- By tapping into our employees' talent and creating an environment in which they can achieve their full potential
- By applying the highest standards of management and performance to give the most back to Quebecers, and
- By placing the public good at the centre of our decision-making

## OUR VALUES

### Passion

We like discovering, tasting and sharing. We like the stories behind the products and those that customers tell us. Our passion for people and what we do pushes us to improve and become the best we can be.

### Collaboration

Because we go further together, collaboration, mutual aid and sharing are at the centre of our daily work. It is the relationships we cultivate—among ourselves and with the rest of the world—that drive us forward.

### Responsibility

Because alcohol is no ordinary product, we are determined to have a positive impact on the world around us. It is this commitment to contribute to the public good that leads us to make enlightened, sustainable and responsible decisions.

### Inclusion

By recognizing everyone's value, we build a welcoming and respectful corporate culture that favours diversity and allows us to think bigger.



**Serve  
proudly...**



Serve proudly...



David Medam  
Cashier-Salesclerk



... by offering an exceptional selection of products

Our broad selection of 16,200 products sold in stores and on SAQ.COM makes our customers happy. Add in our private import offer and the total climbs to some 40,000 products. This assortment of wines, beers, spirits and coolers, the only one of its kind in the world, is a direct result of the close ties we maintain with our 6,026 suppliers in 77 countries.

Satisfying our customers has long been a priority at the SAQ. The high satisfaction ratings we enjoy from our customers shows the effort has paid off.

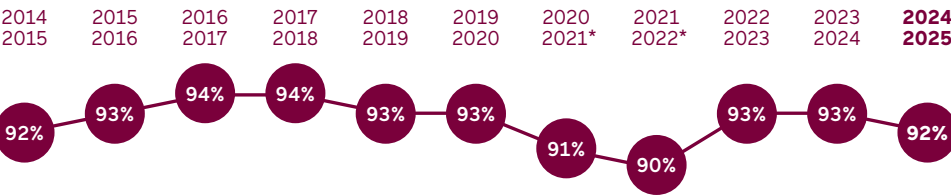
These excellent scores say much about our readiness to listen to customers, place our passion at their service and redouble our efforts to provide them with a rewarding personalized experience. Adopting this approach is all the more important as drinking habits change and expectations of the SAQ evolve.

Satisfaction with the in-store experience

92%

Customer Satisfaction Rate Regarding the In-store Experience

\*years affected by COVID and the related public health measures



## Serve proudly...



### .. by showcasing Quebec products

Quebec products are a great source of pride for us as well as our customers, who want to enjoy them and easily find them in their favourite store. It's no surprise that the September 12th Buy a Quebec Wine day, held in collaboration with the Conseil des vins du Québec, was such a success. To mark the occasion, we dialled up the celebrations with a multi-platform visibility campaign and product tastings in our stores. Customers responded with enthusiasm.

# ON SEPT. 12

# BUY A QUEBEC WINE

a day dedicated to local  
wines—check them out!

[shop](#)



### ... by offering products for every taste

Quebecers' drinking habits are changing and our product offer is evolving to stay aligned with what customers are seeking. This year, we continued expanding our range of low-alcohol, ready-to-drink, Value Pick and organic wine products. As always, the white and red wine categories, which remain our top sellers, were updated to better match customers' tastes.

## Serve proudly...



### ... with a renewed product offer

More products and more accessible products: that's exactly what we delivered last fiscal year when we began selling private import wines by the bottle on SAQ.COM, with the product offer renewed every month. Since January, customers keen on new and exclusive products have been able to put their hands on bottles formerly sold only by the case.



### ... with strategically located, attractive stores

Our 408 SAQ stores and 429 SAQ Agency stores welcome customers across Quebec every day. As always, we make every effort to ensure the stores are at the right place on customers' shopping journey and that each visit customers pay us is enjoyable. To make the experience even more dynamic, we have begun adding the brand boutique concept in several of our stores during key periods of the year. These theme experiences feature striking decorations, tastings of target-brand products, competitions and sometimes even guided activities.

Last year we also invested \$7.9 million in reconfiguring and refreshing our stores so they will continue to be friendly locations where it is a pleasure to get nice advice. We note that the opening hours and days of some 36 of our stores were adapted to better reflect local traffic. Our goal: to be there when it counts while also responsibly managing costs.

# 408

SAQ stores and

# 429

SAQ Agency stores



## Serve proudly...



### ... by adapting our business to customers' needs



“Our customer base is changing. Generation Z, which will soon outnumber the baby-boomer generation in Quebec, has different drinking habits and a greater need for spontaneity. To better meet their expectations, we’ve thought long and hard on how best to address them. In 2025, urban mini agencies will open in a few grocery and convenience stores and sell around 30 SAQ products, including spirits-based coolers, sparklers, still wines and spirits. This new shopping option is yet another way we’re reaching out to our customers.”

**Sandrine Bourlet**  
Vice-President, Marketing and Merchandising

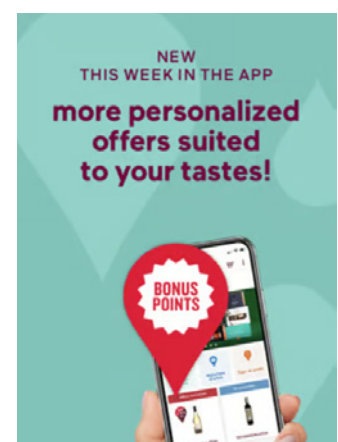
### ... by building a relationship with tomorrow's customers

Last year, we launched our first lighthearted and humorous ad campaign aimed at Generation Z (18 to 28-year-olds). Run exclusively on social media, the campaign featured influences and comprised targeted ads in strategic locations across Quebec. The goal of this initial outreach? To introduce them to our brand and pave the way for the SAQ to eventually become one of their preferred destinations for beverage alcohol and dealcoholized products.

### ... with enticing offers

Earning money-saving points when shopping is great. But receiving personalized product offers, getting advance notice of new arrivals likely to interest you, being invited to prestige events to taste products you're crazy about, being able to view your purchase history and even build favourite product lists are the real advantages of joining the Inspire program.

Last year, our customers were able to enjoy all these benefits in addition to redeeming points worth nearly \$65 million.



## Serve proudly...



... with increasingly  
personalized service



“I like to think that, by listening to our customers, we build a bond of trust and develop a lasting relationship. Our Inspire program is an outstanding personalization tool that gives us better insight into customers’ tastes and helps us reach them wherever they are. The personalization continues in our stores, where teams can guide customers toward the types of products they enjoy and introduce them to new suggestions.”

**Isabelle Dufour**  
Vice-President, Sales Network Operations

**MY**   
**EXTRA**  
**OFFER**

Take advantage of this exclusive offer,  
in-store and online.

### Did you know...

The  
**Inspire**  
program ranked  
sixth in the 2024  
LoyalT Study<sup>1</sup> and  
first in the Engagement  
Index category.

The SAQ  
won  
**4 awards**  
(silver and bronze)  
at the 2024 IDÉA  
competition<sup>2</sup>.

The SAQ came  
seventh in the  
WOW Index<sup>3</sup> for  
the best online  
experience  
with a score of  
**91.7%.**

1. Part of a study carried out by R3 Marketing and Adviso, LoyalT is a ranking of the top customer loyalty programs based on the replies of 10,000 Canadians.
2. The IDÉA competition celebrates the best in creative communications in Quebec. It spotlights local talent in six fields: Craft/Production, Ad Creative, Design, Media, Products and Digital Experiences and Business Results and Strategy.
3. Generated by Leger, the WOW Digital index ranks the customer experience provided by retailers in Canada. In 2025, 298 websites and apps in 27 industries were evaluated on 14 dimensions by 24,000 Canadians.

## Serve proudly...



Michel Charron  
Distribution Clerk



... by relying  
on quality



“At the SAQ, quality is a key part of all our operations. This applies not only to all the products we sell but to our entire supply chain as well. We’re always working to improve shipment quality and ensure the right product ends up in the right place—and that’s true whether it’s for our stores, our SAQ.COM customers or our business customers.”

**Martin Lévesque**  
Vice-President, Operations – Supply Chain

**30,902**

arrivals inspected  
and 9,439 samples  
analyzed in our  
laboratory



Soraya Suarez Chavez  
Laboratory Technician



## Serve proudly...



### ... with a big and talented team



**“Our colleagues across the SAQ are the heart of our company. We recognize their importance and count on their talent by providing a work environment in which they can develop. Because we support them, value their role and provide them with a stimulating, healthy and safe workplace, they end up being our best ambassadors.”**

**Alexandre Côté**

Vice-President, Talent and Employee Experience



**Maryse Leclerc**  
Cashier-Salesclerk

A team of nearly

**7,000**

persons dedicated  
to providing the best  
possible service

### ... with the help of attentive, well-trained and skilled personnel

Our sales team is one of the areas in which the SAQ stands apart from the rest of the retail industry. Highly skilled advisors, our colleagues know our products and how to introduce customers to them because they pay attention to customers' needs and tastes. The key to their success? The continuous training we provide to them. This year, our store teams received training about low-alcohol products, Quebec, Beaujolais, Alsatian, Austrian and New Zealand wines and Quebec distilleries and cider makers.



## Serve proudly...

François St-Pierre  
Floater

CAM to be  
inaugurated in  
**2027**

### ... with a vision for the future

Progress continues to be made on the construction of our Montreal automated centre (CAM), the SAQ's biggest infrastructure project in three decades. Last year, we saw it rise from the ground and take shape. Design of the automated system is complete and our teams are analyzing our processes and methods to adapt them to the future centre. The performance gain will allow us to give customers across Quebec access to all the products sold at the SAQ. The new centre will also let us automate much of the process of preparing case orders for delivery to stores.



... by continuing to move  
the SAQ forward



“Our customers increasingly prize selection and rapidity. Automating the unit order preparation operations at our Montreal distribution centre is key to meeting these needs. Upgrading our facilities will allow us to offer up to 20,000 products on SAQ.COM with expedited delivery. That’s a kind of accessibility we simply can’t provide through our store network because the shelves are nowhere near big enough.”

**Luc Bourdeau**

Vice-President, Strategic Development – Supply Chain

**Act  
responsibly...**



## Act responsibly...



Nearly  
**\$41M**  
a week remitted to  
the Quebec government  
to support the social  
safety net and Quebec  
initiatives

At the SAQ, we have been helping Quebecers explore the world of beverage alcohol since 1921. That we are still around to do so more than 100 years later is because we know how to innovate, transform ourselves, make sound management decisions and fully play our role of responsible corporate citizen by constantly contributing more to Quebec's community life.



## ...by transferring all our profits to the Quebec treasury

For its 2024-2025 fiscal year, the SAQ is remitting a dividend of **\$1.401 billion** to the Quebec government, a significant contribution to the province's finances. Add in the sales tax and specific tax revenues generated and the amount climbs to **\$2.130 billion**, the equivalent of nearly **\$41 million** a week. These funds, which benefit all Quebecers, give us access to health care, among other things, and let our children blossom in a nearby school.

For its part, the amount paid to the federal government in the form of sales taxes, excise taxes and customs duties totals some **\$478 million**.



## Act responsibly...

Anne-Sophie Frégault  
Talent Acquisition Advisor



... by working to remain  
a well-performing  
company for Quebec



“Maintaining the company’s performance is essential for ensuring that our contribution to Quebec is ongoing. By improving our practices and controlling our costs while also meeting the needs of our current and future customers, we create value for Quebec.”

Édith Filion  
Vice-President and Chief Financial Officer

## ... by joining in celebrations in every region

To support Quebec culture, the SAQ is a presence at festivals across the province. Last fiscal year, we provided \$2.9 million in assistance to 54 events and festivals. And to give festivalgoers an even more enjoyable experience, we built three light installations in the form of Inspire balloons and developed a fun quiz to introduce participants to the advantages of the Inspire experience.

The equivalent  
of nearly

**\$5.3M**

in donations and  
sponsorships presented  
to Quebec organizations  
and events





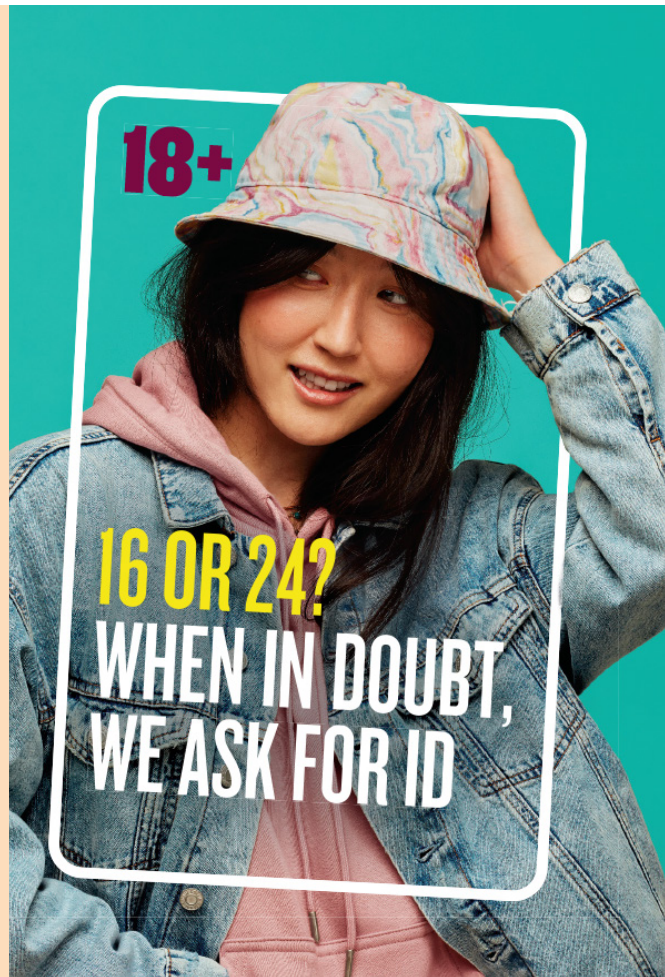
## Act responsibly...



### ... by making responsible sales a priority

Last year, our stores received 789 visits from underage mystery customers. In 95% of the cases, these “customers” specially hired to test our teams were unsuccessful in buying an alcoholic product or taking part in a tasting in our stores. This statistic shows the importance we attach to responsible sales in our sales network. We always make it our duty to refuse to sell to minors, to persons in a state of inebriation or to persons attempting to buy on their behalf.

To raise the Quebec public’s awareness of the importance of making responsible and informed decisions around alcohol use, we contributed \$3.6 million to Éduc’alcool in fiscal 2024-2025.



## \$2.6M

presented to the Food Banks of Quebec network



Martin Munger, Executive Director of Food Banks of Quebec, and Jacques Farcy, President and Chief Executive Officer of the SAQ

### ... by supporting causes we care about

For us, the spirit of sharing also means supporting causes that matter to us. Here are a few figures in support of that claim: the equivalent of \$2.3 million donated to various charities; \$2.6 million presented to Food Banks of Quebec due to the generosity of our customers and involvement of our teams, making us the organization’s main financial contributor; 10 metric tons of vegetables grown on our urban farm by the Cuisine collective Hochelaga-Maisonneuve and given to local families in need; and nearly \$133,000 donated to La Tablée des Chefs.

## Act responsibly...



**Pascal Dumais**  
Store Manager  
**Marie-Josée Roy**  
Operations Coordinator  
**Jessica Nérin**  
Cashier-Salesclerk

### DID YOU KNOW...

The SAQ was a regional finalist for the Grands Prix de la CNEST<sup>1</sup> for having installed

# 103

lifting devices in its sales network



## ... by offering good jobs in healthy and safe workplaces

At the SAQ, we are fortunate to be able to count on the engagement of our teams, many of whom have chosen to spend their entire career with us. Why? Because they feel welcome and respected but also because of the professional development opportunities. We offer hundreds of different careers in healthy, safe and inclusive environments. Last year, in addition to renewing the collective agreement with our store and office colleagues, we paid special attention to initiatives focused on the health and safety of our teams. This included conducting ergonomic analyses and providing training in occupational health and safety, load handling and fork lift operation. We also ran a conclusive exoskeleton pilot project in the SAQ's various distribution centres. The health of our people matters to us!

1. Award recognizing the successful implementation of initiatives aimed at preventing and reducing the risk of industrial accidents and occupational diseases.



## Act responsibly...



... by continuing to be actively and sustainably involved in our industry and the community



“Our influence in the global industry is undeniable and allows us to actively take part in the fight against climate change by sharing our aims with our partners, be they in product production, packaging or shipping. We also contribute sustainably to society by ensuring that the containers we sell are managed responsibly. We’re working hard to continue having a positive impact and generate value for Quebec.”

**Marie-Hélène Lagacé**

Vice-President, Public Affairs,  
Communications and Social Responsibility



Marilou Blackburn  
Communications Advisor

# 1<sup>st</sup>

North American alcohol monopoly to join the international environmental roadmap

... by creating alliances to drive change

In August 2024, the SAQ became the first North American monopoly to join the International Alcohol Monopolies Environmental Roadmap. This allowed us to work with five Nordic alcohol monopolies and join forces to accelerate change and reduce the environmental impact of our supply chains.

## Act responsibly...



### ... by recognizing our partners' remarkable contribution

This year, we presented a trophy to Dr. Arezki Tagnit-Hamou, director of the Chaire SAQ en valorisation du verre dans les matériaux at the Université de Sherbrooke, in recognition of his remarkable involvement in adding value to recovered glass. Due to his work, which we have supported for 20 years now, glass has been recognized as a cementitious material in United States and Canadian concrete standards since 2018.



### ... by improving how we work in order to decarbonize our operations

In our Strategic Plan 2024–2026, our teams committed to reaching zero greenhouse gas (GHG) emissions by 2040 for the vehicles and buildings we own. It has proved to be a bigger challenge than expected due to the difficulty of acquiring zero-emission vehicles adapted to our heavy transport needs. While continuing to search for solutions that are technically viable for us, we are exploring other ways of reducing our carbon footprint. For example, we carried out energy audits of our buildings to determine their environmental performance and reduce our energy use. We also updated our GHG inventory and improved our calculation methodology last year. Although our GHG emissions rose in fiscal 2024–2025, work continues on various decarbonization projects.



## Act responsibly...



Marcel Lahaie  
Deliveryman



### ... by developing numerous initiatives to improve our environmental footprint

When it comes to the environment, even small gestures count. We constantly review our ways of doing business to improve our performance. Last year, we worked to keep the waste generated by the construction of our Montreal automated distribution centre away from landfill centres. We also obtained *ICI on recycle + attestation* for 10 of our stores in recognition of our teams' commitment to adopting best residual materials prevention and management practices. In cooperation with our suppliers, we also optimized the number of cases per pallet for some of our products, freeing up space in our warehouse, reducing the number of deliveries required and thereby lowering our greenhouse gas emissions.

### ... by putting our shoulder to the wheel to help modernize the Quebec deposit system

Since March 1, 2025, all 100 ml to 2 l plastic beverage containers in Quebec have been redeemable. We supported the rollout of this second phase of the modernization of the deposit system by guiding our teams, partners and customers, ensuring we can all contribute to the success of this shift. We are currently focused on the third phase, which will include the glass bottles we sell. Our objective? To help increase the recovery rate of all containers and facilitate their recycling and transformation.



## Act responsibly...



### ... by protecting the SAQ's assets



“In an increasingly connected society, cybersecurity threats are omnipresent. Protecting our information assets is crucial to guaranteeing our company’s security and survival. At the SAQ, we make this a top priority. To increase our resilience, we invest in advanced security solutions and encourage continuous learning for our teams. This enables us to be constantly on watch and react quickly to new threats.”

**Anju Bissessur**

Vice-President, Information Technology



**Marc-Olivier Rail**

Account Director – New World and the Americas



**Christian Viau**, recently retired

**Pierre-Olivier Lacombe**, Analyst – Information Systems Service Centre

**Denis Castonguay**, Store Manager – Operations and Development

**Gontran Laurendeau**, Information Systems Technician

### ... by acting ethically when handling personal information that is shared with us

Ethically handling the personal information shared with us means not only complying with the law and wisely using the data we hold but also doing everything in our power to protect them. Last year, we continued implementing our cybersecurity program and raising awareness about personal information issues.

## Act responsibly...



... by making decisions  
in the best interests  
of all



“Our information disclosure process and the importance we attach to the SAQ’s governance give us a broad overview of our impact on the environment, people and the economy. This helps us anticipate and manage the risks related to our company while also identifying opportunities that strengthen our commitment and our pride in our actions.”

**Martine Comtois**

Vice-President, Corporate Affairs and Secretary General

### ... by ensuring everyone involved in our business is treated ethically

From sugar cane and grape growing to selling products in our stores, our business activities mobilize thousands of people around the globe. In May 2024, we published our first Report on the Fight Against Forced Labour and Child Labour. The document presents our initial findings and marks an important step in strengthening dialogue with our partners and thinking deeper about the issue. In the medium term, our goal is to put in place a rigorous framework for reducing and preventing the risk of forced labour and child labour in our industry.

### ... by complying with government guidelines and decisions

In recent months, much ink has been spilled over the imposition of customs tariffs by the current U.S. administration. On March 4, 2025, at the Quebec government's request, we removed from our stores and the SAQ.COM website all products originating in the United States and stopped supplying them to agency stores, grocery stores, bars and restaurants across the province. We also ended any importation of U.S. products for resale on the Quebec market. In our stores, we took advantage of this opportunity to feature Quebec products in the freed-up spaces.





# A look at changing drinking habits

**Whether for reasons of health, budget or personal values, an increasing number of our customers are rethinking their relationship with alcohol.**

Here are some of the trends we saw:

## Small formats

An excellent option for those who want to enjoy a good glass of wine without opening a 750 ml bottle, not to mention an easy way to limit your alcohol intake. As the current selection is limited, we're reviewing our offer to provide even more options for customers.

## Coolers

Ready-to-drinks are the perfect solution for those looking to explore new flavours while enjoying products whose alcohol level is lower than that of a traditional wine or spirits.

## Low-alcohol products

Flavourful and festive, low-alcohol products are perfect for celebrating while keeping an eye on your alcohol consumption. Many of our customers who discovered them during "dry month" challenges now seek them out year round.

## Value Pick wines

Known for their quality as well as their affordable price, Value Pick wines are increasingly popular. Our teams are redoubling their efforts to find the best products. Litre sales of the 115 products in this category account for nearly 13% of all still wine sales at the SAQ.

## Organic products

As part of a broader reflection on health and reducing our environmental footprint, organically and biodynamically farmed products are gaining in popularity. At a time when litre sales of wine are declining, organic wines are more than holding their own. That is why we significantly expanded our offer this year.



**Discover our small format products**

We're currently reviewing our selection to offer even more choice to customers

**READY-TO-DRINK  
STYLE**



Accounting for nearly  
**12%**  
of litre sales  
at the SAQ  
(+0.6%)



**ALCOHOL CHECK.**

Litre sales up  
**33%**  
last fiscal year

**discover  
our selection**



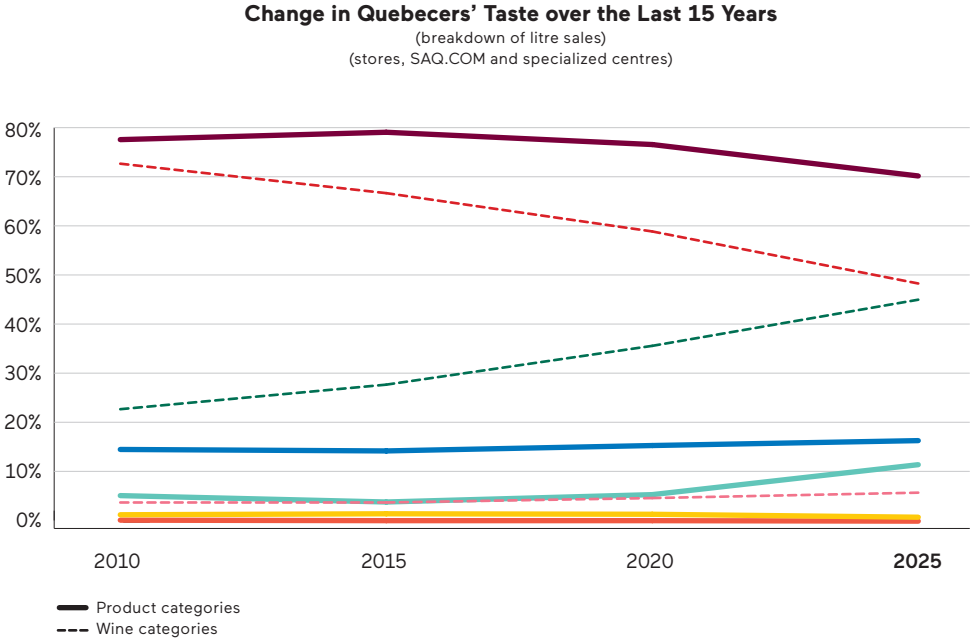
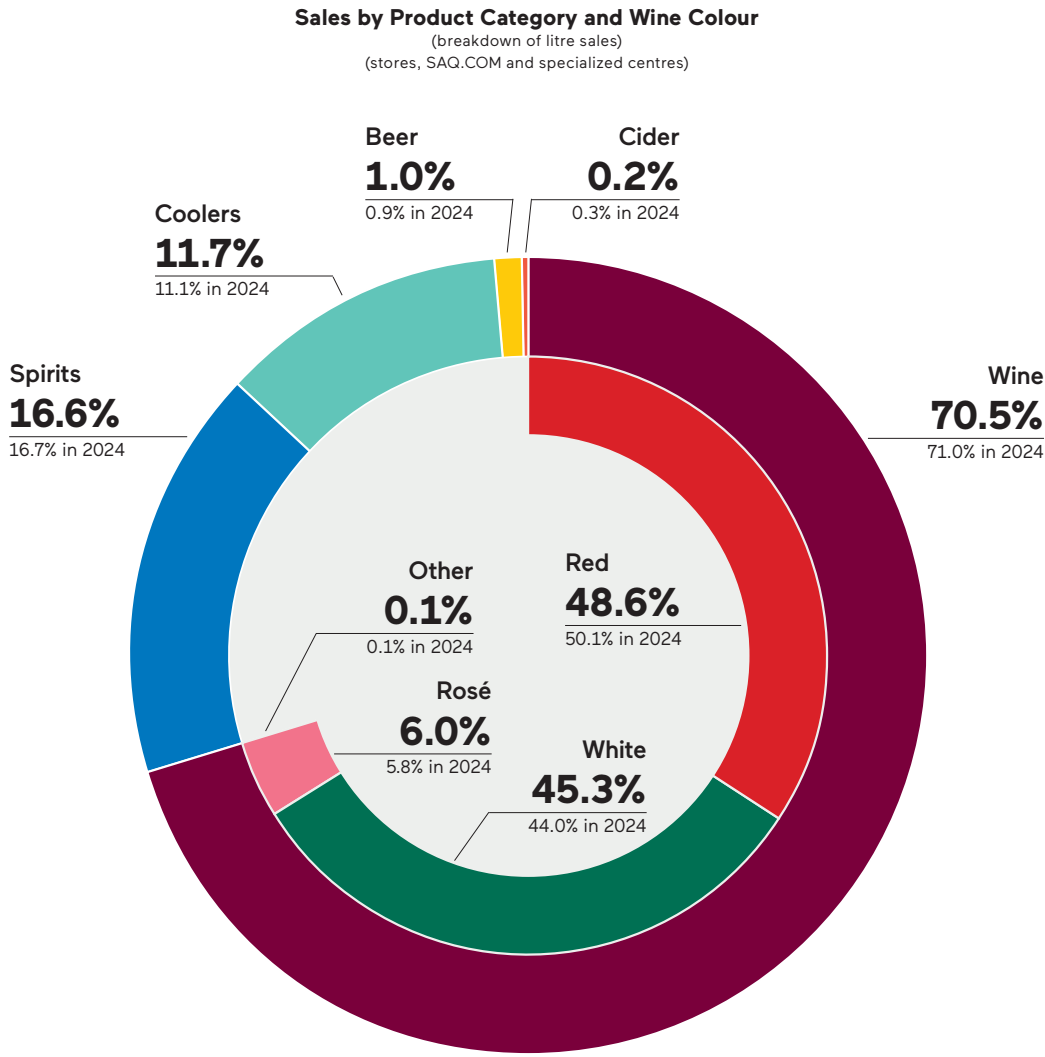
★★★★★  
customers' top ratings

Equivalent to  
nearly  
**13%**  
of still wine litre sales  
at the SAQ

**organic**



Litre sales of  
organic wines up  
**2.7%**  
last fiscal year



# Tequilas continue to charm

Tequila is the only spirits category seeing growth. In response to the growing interest of customers, who appreciate the spirits' subtlety and enjoy tasting it, we introduced more than 50 new products in stores and on SAQ.COM. Interestingly, for the first time since 2019, when it was bumped by the surging popularity of Quebec gins, whisky ranked fourth in spirits sales.



**Sales by Type of Spirits**  
(breakdown of litre sales)  
(stores, SAQ.COM and specialized centres)

	Market share	Change in litre sales <sup>1</sup>
Liqueur	22.8%	(5.7)%
Vodka	22.4%	(1.4)%
Rum	18.7%	(6.9)%
Whisky	13.3%	(4.1)%
Gin	12.7%	(9.0)%
Brandy	4.3%	(8.7)%
Tequila	4.3%	7.2%
Other spirits	1.5%	(23.6)%

1. The fiscal year ended March 29, 2025, had 52 weeks of operation, compared with 53 weeks for the fiscal year ended March 30, 2024.

# Trends on our radar

## Red wines to be served chilled

The growth in white wine and low-alcohol product sales shows us that Quebecers are looking to drink lighter these days, so it's not surprising to see red wines meant to be served chilled gaining in popularity. Made from delicate varieties or using gentle vinification techniques (shorter tank fermentation, so less skin contact) or a mix of red and white varieties, these wines stand out for their freshness, low tannins and lack of barrel ageing. Their unfussy style also fits well with the organic and natural winemaking processes currently in vogue. They can be picked out easily due to their often translucent bottles that show off their light colour. They attract curious customers in search of accessible, friendly and refreshing wines.

## Asian beverages are seducing Quebecers

Fans of Asian cuisine, our curious and interested customers are enthusiastically discovering the traditional beverages of Japan and Korea. Sake, made from rice, is gaining popularity as an accompaniment to fish, vegetarian dishes and other umami-rich foods. Soju, a light and festive spirit, is especially appreciated in its flavoured versions (lychee, yuzu, green grape, etc.). Less strong than classic spirits, it's easy to drink, whether neat or in a cocktail.

# Stability in where wine comes from

The market shares of the various producer countries remain stable once again, with France and Italy continuing to top the list. The biggest change we see this year is the gradual rise of Canadian wines, sales of which now rival those of their Australian counterparts. Since returning to the ranking in 2018, Canadian wines have gained around 0.1 percentage point of market share per year.

Incidentally, hidden behind the Other label, Austrian wines have seen sales grow 12.9%, with a total of 1.8 million litres purchased this year. A trend we are monitoring closely!

**Still Wines by Country of Origin**  
(breakdown of litre sales)  
(stores and specialized centres)

	Market share
France	33.0%
Italy	23.3%
Spain	11.2%
United States	6.0%
Portugal	5.1%
Australia	3.7%
Canada	3.7%
Chile	3.0%
South Africa	2.5%
Argentina	2.1%
Other	6.4%




# Quebec products perform well

Last fiscal year, litre sales of wines bearing the Origine Québec identifier grew steadily due in no small part to the diversification of our offer. Sales were also given a boost in March 2025, when U.S. wines were pulled from our shelves and from SAQ.COM and customers decided to focus on local products instead.

Eaux-de-vie, whiskies and liqueurs bearing the same identifier also continued to attract interest, though their litre sale volumes remain marginal. For their part, Prepared-in-Québec coolers continued their rise.

## Quebec Product Sales by Identifier

(thousands of litres)  
(percentage change in litre sales)  
(stores and specialized centres)

	Wines	Spirits	Beer, cider and coolers	Overall change per identifier <sup>1</sup>
	707.9 L 13.1%	212.7 L 14.0%	540.5 L (1.5)%	7.3%
	5.7 L N/A	1,327.0 L (5.6)%	842.5 L 12.5%	1.0%
	11,245.8 L (1.7)%	9,843.7 L (9.0)%	10,259.4 L 6.8%	(1.6)%
Total change per product category	(0.9)%	(8.3)%	6.8%	(1.1)%

1. The fiscal year ended March 29, 2025, had 52 weeks of operation, compared with 53 weeks for the fiscal year ended March 30, 2024.



find local wines  
to your taste



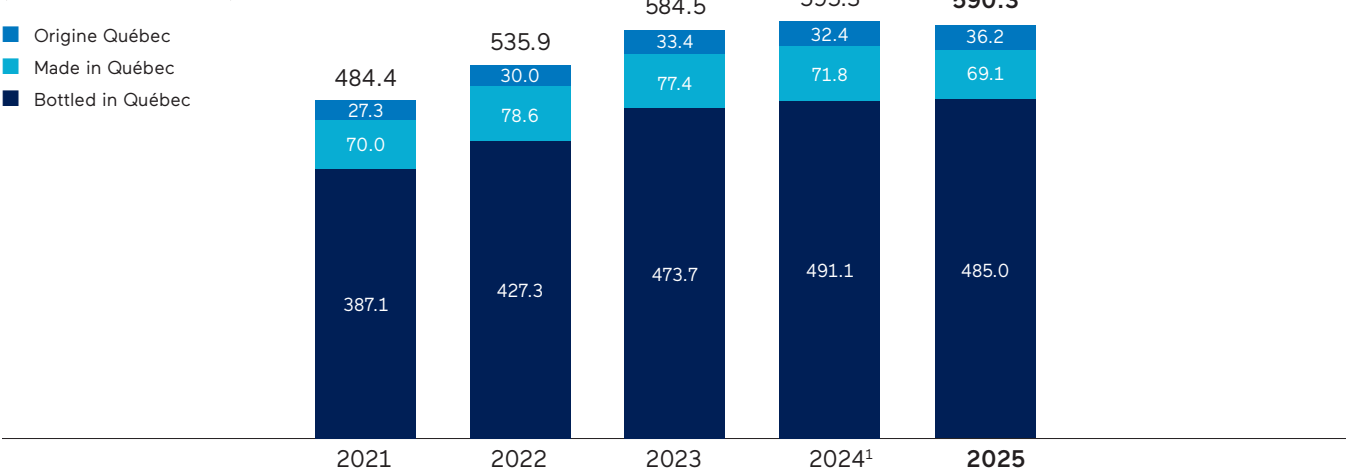
discover



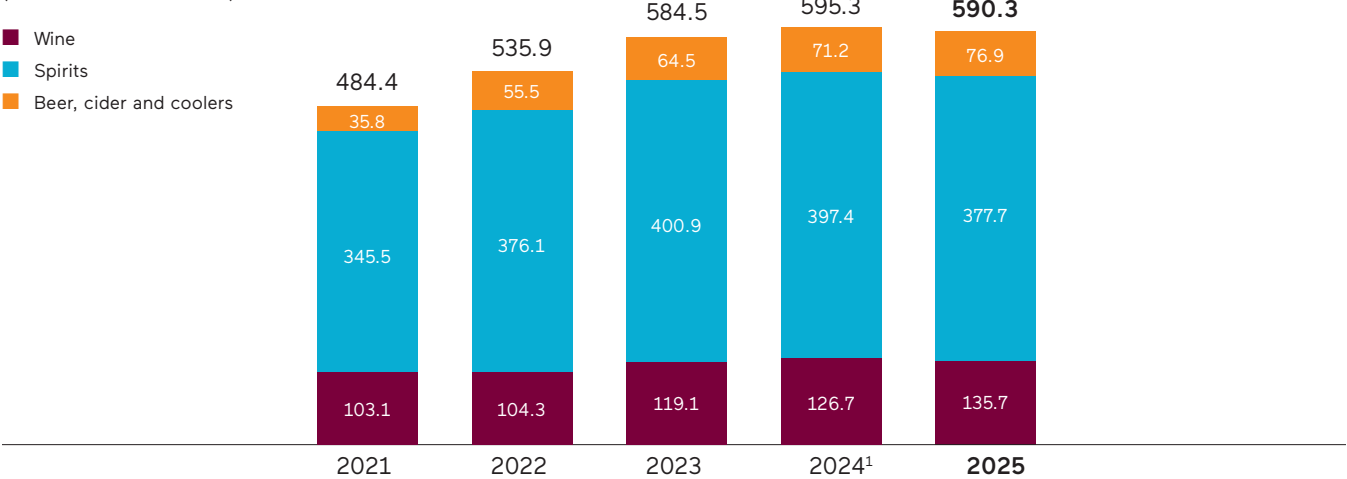
# Change in Quebec product sales



**Change in Quebec Product Sales by Identifier**  
(stores and specialized centres)  
(in millions of Canadian dollars)



**Change in Quebec Product Sales by Product Category**  
(stores and specialized centres)  
(in millions of Canadian dollars)



1. 53-week fiscal year.

# Alcohol Consumption in Canada

## Overview of Alcohol Consumption in Canada<sup>1</sup>

(2023–2024 fiscal year – data published March 7, 2025)  
(Canadian consumption per person aged 15 and over)

	Total		Wine		Beer		Spirits		Cider, coolers and other refreshment beverages		Amount	
	(in litres of absolute alcohol)	Rank	(in litres)	Rank	(in litres)	Rank	(in litres)	Rank	(in litres)	Rank	(in dollars)	Rank
Yukon	11.5	1	13.3	3	86.4	1	10.3	2	26.2	1	1,159.00 \$	2
Northwest Territories	10.8	2	9.0	9	67.3	3	13.6	1	16.3	4	1,403.30 \$	1
Newfoundland and Labrador	8.3	3	8.8	10	78.1	2	7.4	4	9.1	12	1,079.50 \$	3
British Columbia	7.8	4	14.4	2	52.9	12	6.1	6	17.6	2	702.00 \$	11
Quebec	7.8	4	22.3	1	66.2	4	4.2	12	3.1	13	865.70 \$	4
Alberta	7.8	4	10.4	7	55.5	9	7.9	3	15.1	5	729.50 \$	9
Prince Edward Island	7.6	7	10.7	5	60.4	6	5.8	8	17.5	3	656.40 \$	12
Nova Scotia	7.2	8	10.6	6	58.3	7	5.8	8	14.2	8	826.00 \$	5
Manitoba	7.1	9	8.6	11	54.0	11	6.5	5	15.1	5	725.50 \$	10
New Brunswick	6.9	10	10.2	8	62.8	5	4.8	11	13.0	10	744.80 \$	8
Ontario	6.8	11	12.1	4	54.4	10	5.0	10	11.1	11	762.10 \$	6
Saskatchewan	6.6	12	7.2	12	52.3	13	5.9	7	15.1	5	630.60 \$	13
Nunavut	4.7	13	4.8	13	55.7	8	1.3	13	13.3	9	745.80 \$	7
Canada	7.3		14.1		57.5		5.5		11.1		774.10 \$	

## Canadian Consumption per Person Aged 15 and Older<sup>1</sup> from 2014 to 2024

(total per inhabitant, in litres of absolute alcohol)

	2013–2014	2014–2015	2015–2016	2016–2017	2017–2018	2018–2019	2019–2020	2020–2021	2021–2022	2022–2023	2023–2024
Quebec	8.5	8.3	8.3	8.4	8.5	8.4	8.5	8.4	8.4	8.3	7.8
Canada	8.0	8.0	8.1	8.2	8.2	8.0	8.1	8.3	8.1	7.8	7.3

1. Source: Statistics Canada

# 2025 Finance



The SAQ's mission is to sell a wide range of high-quality beverage alcohol products responsibly throughout Quebec. To that end, it imports, stores, distributes, retails and sells a wide variety of such beverage alcohol products.

## ACCOUNTABILITY REPORT

### Financial results

Fiscal years ended the last Saturday in March  
(in millions of Canadian dollars)

	2025		2024 (53 weeks)		2023		2022 <sup>1</sup>	
	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast <sup>2</sup>
Sales	4,042.0	4,114.0	4,100.5	4,155.0	4,047.5	3,911.0	3,854.1	3,658.0
Gross margin	2,019.5	2,064.0	2,031.7	2,089.0	2,039.6	1,966.0	1,934.0	1,842.0
Net expenses <sup>3</sup>	618.7	627.0	603.6	630.0	613.5	606.0	584.0	560.0
Net income	1,400.8	1,437.0	1,428.1	1,459.0	1,426.1	1,360.0	1,350.0	1,282.0
Comprehensive income	1,399.0	1,437.0	1,424.2	1,459.0	1,425.7	1,360.0	1,349.9	1,282.0

- Operations in the 2022 fiscal year were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.
- The forecasts are prepared at the beginning of the calendar year for use by the Quebec government in preparing its budget. The forecasts for the 2022 fiscal year did not take into account all the impacts of the pandemic.
- Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income).

### Investments in property, plant and equipment and intangible assets

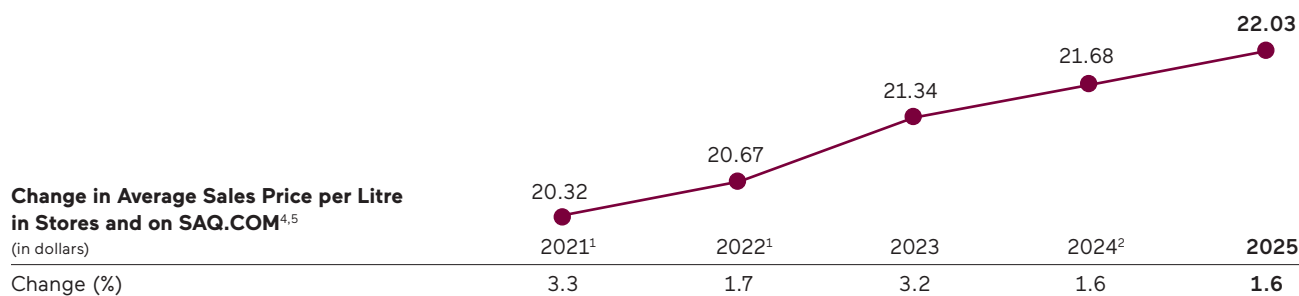
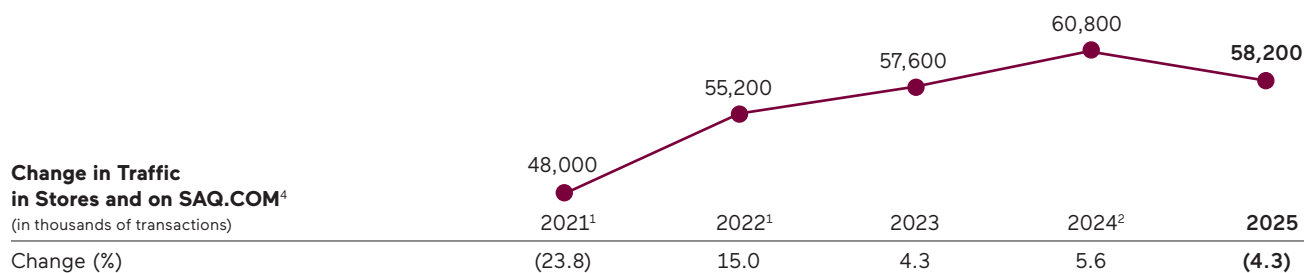
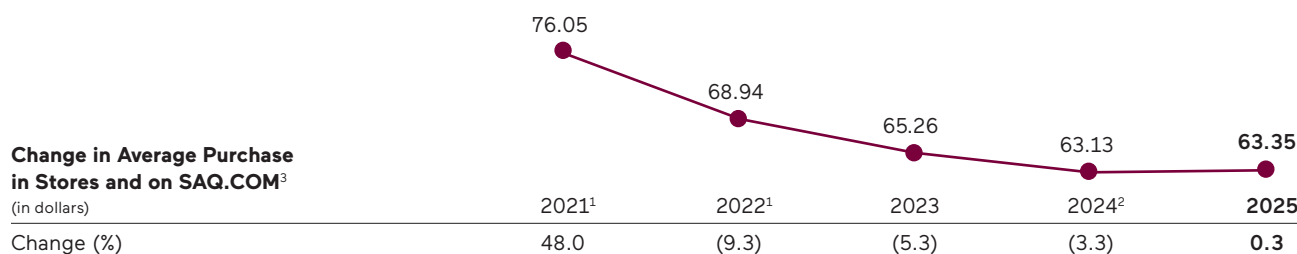
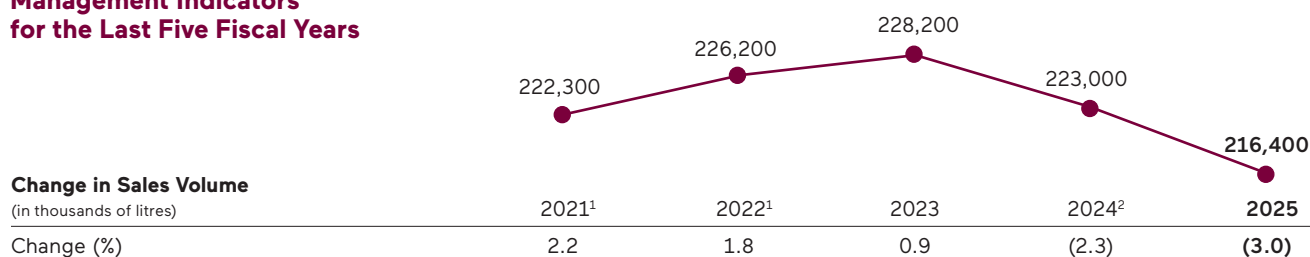
Fiscal years ended the last Saturday in March  
(in thousands of Canadian dollars)

	2025	2024 (53 weeks)	2023	2022
Capital projects – Distribution and administrative centres	46,605.1	11,668.4	8,015.8	3,378.2
Store network	7,903.0	9,258.6	10,999.5	7,023.1
Information systems development	15,215.5	18,701.5	11,670.1	10,610.7
Rolling stock and mobile equipment	9,330.6	6,099.6	5,294.9	3,574.8
Specific equipment	9,746.7	37,111.6	6,455.9	698.9
Total	88,800.9	82,839.7	42,436.2	25,285.7



## COMMERCIAL DATA

### Management Indicators for the Last Five Fiscal Years



- Operations in the 2021 and 2022 fiscal years were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.
- 53-week fiscal year.
- Average expenditure by consumers (including sales taxes).
- Consumers.
- Excluding sales taxes.

PERFORMANCE DATA

**Background**

In accordance with the *Act Respecting the Governance of State-Owned Enterprises*, which requires the SAQ Board of Directors to adopt “measures to assess the effectiveness and performance of the enterprise, including benchmarking against similar enterprises,” the SAQ has prepared a corporate dashboard that includes a series of indicators making it possible to track the organization’s effectiveness and performance.

**Fiscal 2024–2025 highlights**

Changes in consumer behaviours and an economy that was less dynamic than expected affected demand for alcoholic beverages as well as several of the SAQ dashboard indicators. Despite the less favourable context, rollout of the SAQ’s commercial, operational and social-responsibility strategies enabled it to reach or exceed the targets for 14 out of 29 of its dashboard indicators at the end of the fiscal year.

## SAQ Dashboard Indicators

Includes the 16 indicators from the 2024–2026 Strategic Plan

	Actual 2025 (52 weeks)	Targets 2025 (52 weeks)	Actual 2024 (53 weeks)
<b>Help shape the SAQ of tomorrow</b>			
<b>Frequency rate:</b> Number of time-loss accidental events per 200,000 hours worked	6.1	5.2	6.6
<b>Employee pride index:</b> Average overall score out of 10	6.3	7.3	7.0
Representation rate of employees from underrepresented groups	11.4%	9.0%	11.0%
Employee turnover rate	2.1%	≤ 5.9%	2.4%
<b>Deliver a personalized experience to our customers</b>			
Customer satisfaction rate	92%	92%	93%
Sales (millions of dollars)	\$4,042	\$4,184	\$4,101
<b>Discovery pillar:</b> Rate of customer agreement with the discovery promise	71%	68%	65%
<b>Accessibility pillar:</b> Rate of customer agreement with the accessibility promise	81%	79%	79%
<b>Choice pillar:</b> Rate of customer agreement with the product choice promise	80%	81%	81%
<b>Price pillar:</b> Rate of customer agreement with the fair price promise	57%	56%	53%
Sales to holders of liquor permits (millions of dollars) <sup>1</sup>	\$480	\$485	\$495
Traffic growth <sup>2</sup>	(4.3)%	1.1%	5.6%
Average purchase per transaction <sup>2,3</sup>	\$63.35	\$64.22	\$63.13
Average price per bottle <sup>2,3</sup>	\$17.38	\$17.95	\$17.38
Sales per square foot	\$2,778	\$2,858	\$2,834
Ratio of SAQ.COM sales to consumer sales	3.6%	3.4%	3.4%
<b>Make a sustainable contribution to society and reach the objective of zero emissions by 2040</b>			
Profit (millions of dollars)	\$1,401	\$1,469	\$1,428
<b>Social responsibility pillar:</b> Rate of customer agreement with the social responsibility promise	65%	72%	67%
Ratio of net expenses to sales <sup>4</sup>	15.3%	15.2%	14.7%
Annual technological application upgrade target	19.2%	12.5%	15.6%
Sales refusal rate for underage mystery customers	95%	95%	96%
Rate of reduction of GHG emissions compared with reference year 2021–2022 (scopes 1 and 2) <sup>5</sup>	11.1%	(7.0)%	(0.4)%
Sales growth of Quebec products <sup>6,7</sup>	(0.8)%	2.0%	1.9%
Ratio of units sold to hours worked	40.0	39.0	39.2
Ratio of total operational costs to sales	13.4%	13.2%	13.0%
Number of weeks of inventory in warehouses	6.9	7.8	7.6
Number of weeks of inventory in stores	3.9	4.0	3.5
Cases shipped per hour worked in distribution and delivery centres	23.9	23.5	23.3
Ratio of gross margin to sales <sup>4</sup>	50.0%	50.3%	49.5%

1. Sales to holders of liquor permits include in-store sales, sales in specialized centres and sales of private-import products.

2. In-store and SAQ.COM consumers.

3. Average expenditure by consumers (including sales taxes).

4. The SAQ's results for these indicators compare with results from the comparable group of 8 liquor boards in Canada, the U.S., Finland, Sweden and Norway. Based on the financial results for fiscal 2023–2024, two medians were calculated to assess the SAQ's performance in relation to that of its peers:

- Median ratio of net expenses to sales: 14.7%; and
- Median ratio of gross margin to sales: 37.7%.

The complete results of the most recent triennial benchmarking exercise are on page 121 of the French-language version of this annual report.

5. GHG emissions for Scope 1 (the SAQ's direct emissions) and Scope 2 (indirect emissions related to the SAQ's electricity consumption).

6. This indicator measures growth in sales to consumers and to SAQ Agency stores.

7. Includes Origine Québec, Made in Québec and Bottled in Québec products.

Some comparable figures have been reclassified.

## FINANCIAL REVIEW

**This financial report reviews the operations of the Société des alcools du Québec (SAQ) for the fiscal year ended March 29, 2025, and its financial position as at that date. Note that the fiscal year ended March 29, 2025, comprised 52 weeks of operation, compared with 53 weeks during the fiscal year ended March 30, 2024. This report should be read in conjunction with the financial statements and related notes found in the French-language version of the report. The information contained in this analysis includes all significant events that have occurred up to May 22, 2025.**

### Overview of results

The SAQ reported net income of \$1.401 billion for the fiscal year ended March 29, 2025, a decrease of \$27.3 million or 1.9% from the prior fiscal year. The entire amount was remitted in the form of a dividend to the company's sole shareholder, the Ministre des Finances du Québec. Government revenues from operations, in the form of excise taxes, customs duties, consumption taxes and the dividend, stood at \$2.609 billion.

### Sales

Sales were \$4.042 billion in fiscal 2024–2025, compared with \$4.101 billion in the preceding fiscal year, a decrease of \$58.5 million or 1.4%. Volume sales were 216.4 million litres, as opposed to 223 million litres in fiscal 2023–2024, a decrease of 6.6 million litres or 3%. Note that these results were recorded in fiscal 2024–2025, which comprised one less week of operation than did fiscal 2023–2024.

#### By sales network

Sales in the store and specialized centre network amounted to \$3.682 billion, versus \$3.773 billion in the preceding fiscal year, a decrease of \$90.4 million or 2.4%. Volume sales for this network decreased by 8.7 million litres or 4.6% to 178.8 million litres, compared with 187.5 million litres for the preceding fiscal year. In this network, this downward trend has been observed for the past two years.<sup>1</sup> Online sales, meanwhile, rose by \$2.7 million or 2.6% to \$107.3 million, as opposed to \$104.6 million in fiscal 2023–2024. They account for 3.6% of consumer sales.

The value of consumers' average shopping cart was \$63.35 during the fiscal year, compared with \$63.13 for fiscal 2023–2024, an increase of 0.3%. Overall, the average per-litre sales price to consumers increased to \$22.03, versus \$21.68 for the previous fiscal year.

In addition, sales in the wholesale grocer network stood at \$359.9 million as opposed to \$328 million for the preceding fiscal year, an increase of \$31.9 million or 9.7%. Volume sales were 37.6 million litres, compared with 35.5 million litres in fiscal 2023–2024, an increase of 2.1 million litres or 5.9%. It should be noted that the SAQ acts as a wholesaler to the Quebec grocery and convenience store network, meaning sales made in this network do not necessarily correspond to the sales these establishments made to consumers.

#### By product category

Wine sales in fiscal 2024–2025 totalled \$2.746 billion, compared with \$2.790 billion in the preceding fiscal year, a decrease of \$44.7 million or 1.6%. Volume sales in this category declined by 5 million litres or 3% to 161.4 million litres, versus 166.4 million litres for fiscal 2023–2024. Wine sales in the store and specialized centre network were down by \$75.4 million or 3% from the preceding fiscal year. Volume sales of wine in this network totalled 126.1 million litres, a decrease of 7 million litres or 5.3% versus the prior fiscal year.

Sales of spirits totalled \$1.127 billion, compared with \$1.147 billion in fiscal 2023–2024, a reduction of \$20.9 million or 1.8%. The corresponding volume sales stood at 29.7 million litres, as opposed to 31.3 million litres for the preceding fiscal year, lower by 1.6 million litres or 5.1%.

Sales of cooler rose by \$7 million or 5.1% to \$145.6 million, versus \$138.6 million in the preceding fiscal year. Volume sales were up by 0.2 million litres or 0.9% to 23 million litres, compared with 22.8 million litres in fiscal 2023–2024.

Lastly, the beer, cider and related products category posted sales of \$24.2 million, compared with \$24.1 million for fiscal 2023–2024, a rise of \$0.1 million or 0.4%. Volume sales, meanwhile, totalled 2.3 million litres, compared with 2.5 million litres in the preceding fiscal year, a decrease of 0.2 million litres or 8%.

1. Information reported on the basis of comparable fiscal years.



## Cost of sales and gross margin

The cost of sales includes acquisition costs, freight costs for shipment to distribution centres and various points of sale and the related customs duties and excise taxes. In fiscal 2024–2025, the cost of sales stood at \$2.023 billion, compared with \$2.069 billion for the preceding fiscal year. This resulted in a gross margin of \$2.020 billion, compared with \$2.032 billion in fiscal 2023–2024, a decline of \$12.2 million or 0.6%.

In percentage terms, the gross margin was 50%, versus 49.5% for the preceding fiscal year. The improvement is attributable in particular to the more modest depreciation of the Canadian dollar against the euro and the reduction of the discount in the SAQ Dépôt stores.

## Net expenses

Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income).

Defined thus, net expenses totalled \$618.7 million, an increase of \$15.1 million or 2.5% from the \$603.6 million recorded in fiscal 2023–2024. Expressed as a percentage of sales, the ratio of net expenses was 15.3%, up from 14.7% for the preceding fiscal year.

Employee compensation, which is the SAQ's largest net expense category, was \$442.5 million, compared with \$438 million during fiscal 2023–2024, an increase of \$4.5 million or 1%. Expressed as a percentage of sales, employee compensation amounted to 10.9%, versus 10.7% for the preceding fiscal year.

Building occupancy expenses, the second-largest net expense category, were \$98.3 million, up \$1.2 million or 1.2% from the \$97.1 million posted in fiscal 2023–2024.

Expenses for equipment use and supplies totalled \$40.6 million, compared with \$42.9 million in the preceding fiscal year, a decline of \$2.3 million or 5.4%.

Delivery and communications expenses amounted to \$3.7 million, up \$0.4 million or 12.1% from the preceding fiscal year.

Lastly, other charges totalled \$33.6 million, compared with \$22.3 million for fiscal 2023–2024, an increase of \$11.3 million or 50.7%. This results from a \$9.4 million increase in curbside recycling costs in fiscal 2024–2025.

## Net income and comprehensive income

For the fiscal year ended March 29, 2025, the SAQ reported net income of \$1.401 billion, compared with \$1.428 billion for the preceding fiscal year, down \$27.3 million or 1.9%. Net income amounted to 34.7% of sales, as opposed to 34.8% in fiscal 2023–2024.

Comprehensive income, meanwhile, declined by \$25.2 million, totalling \$1.399 billion in fiscal 2024–2025.

## Government revenues

As a government corporation, the SAQ pays substantial amounts to both levels of government in the form of consumption taxes, excise taxes, customs duties and its net income from operations, remitted in the form of a dividend. In fiscal 2024–2025, these government revenues stood at \$2.609 billion, compared with \$2.693 billion in fiscal 2023–2024, corresponding to a decrease of \$84.3 million or 3.1%. This change results from the lower amounts of consumption taxes, specific tax, excise taxes and customs duties collected as well as the lower net income. Fully \$27.6 million of that reduction was due to the federal goods and services tax (GST) break.

### Government Revenues from Operations

(in millions of dollars)

	2025 (52 weeks)	2024 (53 weeks)
<b>Government of Quebec</b>		
Declared dividend	1,400.8	1,428.1
Provincial sales tax	431.9	439.1
Specific tax	272.1	280.4
Specific permit holder tax	25.4	26.8
	<b>2,130.2</b>	<b>2,174.4</b>
<b>Government of Canada</b>		
Excise taxes and customs duties	290.0	298.5
Goods and services tax	188.4	220.0
	<b>478.4</b>	<b>518.5</b>
<b>Total</b>	<b>2,608.6</b>	<b>2,692.9</b>

The amounts owed to the Quebec treasury totalled \$2.130 billion, a decrease of \$44.2 million or 2% from the \$2.174 billion remitted the preceding fiscal year.

The amounts owed to the Government of Canada were \$478.4 million, a decrease of \$40.1 million or 7.7%. The GST break accounted for \$27.6 million of that lower amount.

## Investments

Investments since the start of the fiscal year amounted to \$88.8 million, including \$54.5 million for construction of the Montreal automated distribution centre (CAM) and improvements to retail and administrative facilities. Another \$15.2 million was invested in information systems development, while \$19.1 million was spent on purchases of automated equipment required for the CAM and on upgrades to rolling stock and equipment.

## Financial position

As at March 29, 2025, the SAQ had total assets of \$1.399 billion, compared with \$1.308 billion as at March 30, 2024, an increase of \$90.5 million. Since the start of the 2024–2025 fiscal year, the cash position has increased by \$22 million. Deposits and prepaid expenses increased by \$11 million and the value of inventories rose by \$8.8 million. Trade and other accounts receivable increased by \$1.7 million. Non-current assets grew by \$47 million, an increase resulting mainly from acquisitions of property, plant and equipment, offset in part by a decrease in right-of-use assets.

Current liabilities stood at \$1.098 billion at the end of fiscal 2024–2025, up \$102.1 million from the \$996.1 million recorded at the end of the preceding fiscal year. This change is explained primarily by a \$61.6 million increase in accounts payable as well as \$38 million in taxes and government duties payable. In addition, there was a \$19.7 million rise in the dividend payable. These increases were offset in part by a \$15.4 million in reserves. Lastly, non-current liabilities dropped by \$9.8 million, attributable mainly to a decline in capital lease obligations.

## Cash flows

Cash flows related to operating activities increased \$37 million from the preceding fiscal year to \$1.521 billion. This rise is mainly due to a \$65.8 million change in non-cash working capital items, offset in part by the \$27.3 million decrease in net income.

The company's investment activities resulted in a cash outflow of \$66.5 million during the fiscal year, \$71.8 million more than in fiscal 2023–2024. This is mainly attributable to the \$75 million net change in guaranteed investments.

Financing activities required \$1.433 billion in cash in fiscal 2024–2025, compared with \$1.554 billion in the preceding fiscal year. This difference is mainly due to the \$120 million decrease in the dividend paid to the shareholder.

In fiscal 2024–2025, SAQ activities required \$21.9 million in cash, resulting in a cash balance of \$144.9 million as at March 29, 2025, compared with the preceding fiscal year, which required \$64.3 million in cash and for which the cash balance was \$122.9 million.

## Financing of operations

The SAQ manages the financing of its operations within certain limits set by the Quebec government and by the SAQ Board of Directors, as specified in Note 20 to its financial statements. As dividend advances are paid periodically to its shareholder, the *Ministre des Finances du Québec*, the SAQ relies on external sources to finance its operations. Consequently, the company is authorized to take out short-term loans up to a maximum amount outstanding of \$600 million (\$300 million as at March 30, 2024). The company had no borrowings outstanding as at March 29, 2025 or as at March 30, 2024.

Financing of the SAQ's money market activities resulted in net financial income of \$6 million, versus \$7.5 million in the preceding fiscal year. This change is due to a decrease in the average net surplus for treasury activities in fiscal 2024–2025.

Interest under lease obligations totalled \$6 million, versus \$5.9 million in the preceding fiscal year. Net interest related to liabilities and assets arising from employee benefit plans remained stable at \$1.3 million.

## Future standards, amendments and interpretations

### Accounting standards published but not yet in force

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 – *Presentation and Disclosure in the Financial Statements*, which replaces IAS 1 – *Presentation of Financial Statements*. IFRS 18 sets out the presentation and disclosure requirements for general purpose financial statements to ensure that the information they contain is relevant and faithfully represents an entity's assets, liabilities, share capital, income and expenses.

IFRS 18 will be effective for annual periods beginning on or after January 1, 2027, but early adoption is permitted. The company is in the process of assessing the impact of these amendments on its financial statements.

On the date that publication of these financial statements was authorized, new standards, amendments and interpretations of existing standards had been published but were not yet in force. The SAQ did not adopt them in advance but plans to adopt them as they come into effect. They are not expected to have a significant impact on the company's financial statements.

## Disclosure controls and procedures

The SAQ's disclosure controls and procedures, under the supervision of the President and Chief Executive Officer and of the Vice-President and Chief Financial Officer, are designed to provide reasonable assurance that significant information about the company is communicated to management in a timely manner.

An evaluation of the design and effectiveness of these controls and procedures was performed on March 29, 2025, under management's supervision and with its participation. Based on this evaluation, the President and Chief Executive Officer and the Vice-President and Chief Financial Officer concluded that the controls and procedures are properly designed and are operating effectively.

## Internal control over financial reporting

The SAQ's internal control over financial reporting is designed to provide reasonable assurance that the financial information is reliable and that the financial statements were prepared, for financial reporting purposes, in accordance with IFRS Accounting Standards.

Company management, including the President and Chief Executive Officer and the Vice-President and Chief Financial Officer, has evaluated the effectiveness of the internal controls over financial reporting using the framework and criteria set out in the Treadway Commission document *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations (COSO 2013). Based on this evaluation, management concluded that, as at March 29, 2025, the internal controls over financial reporting are properly designed and are effective in providing reasonable assurance as to the reliability of the financial information and the presentation of the SAQ's financial statements in accordance with IFRS Accounting Standards.

## Risk and uncertainties

SAQ management follows best practices in risk management, having implemented an organization-wide risk management framework that is incorporated into its day-to-day activities. This ongoing process is used to mitigate certain risks to which the SAQ is exposed in the normal course of business and which could have an impact on its operating results, financial position or cash flows. Support for attainment of business objectives and for decision-making are additional benefits of the process.

To provide a common reference framework, SAQ management collaborated with the Board of Directors to adopt an integrated risk management policy. The policy describes the SAQ's approach and strategy for managing corporate risks and establishes a formal structure for the process. This structured and effective integrated risk management approach allows risks to be identified, assessed, managed and monitored in order to avoid situations of change or uncertainty and to take action when such situations arise by deploying appropriate measures to minimize their impact. The process is accompanied by surveillance of the internal and external environment and supplemented by information from across the organization, along with key risk indicators enabling more diligent monitoring of risk conditions.

In addition to the financial risks outlined in Note 23 to the financial statements, the SAQ is exposed to business risks, which are the focus of special attention. The most significant of these are described below.

### **Market, competition and performance**

Beverage alcohol sales are dependent on, among other things, the strength of the Quebec economy and consumers' disposable income. An extended economic slowdown in Quebec could have an adverse impact on the sale of products offered by the SAQ and, consequently, on the company's performance. The company must also contend with demographic factors related to the market it serves and evolving consumption trends. Due to the aging population and changing consumer behaviours, including, among young customer groups and cultural communities, the decline in demand for beverage alcohol in Quebec, a trend already apparent, could accelerate in the coming years. To limit the impact of a possible downturn, the company constantly studies consumer shopping habits and trends in order to adapt its business strategies and provide an integrated shopping experience aligned with customers' needs.

The company operates in a regulated market, and pressure could be applied to amend regulations, which could have an adverse effect on sales. In addition, growing demand for alternative products on the market, such as cannabis and alternative non-alcoholic or malt-based products, could dampen demand for the exclusive products sold by the company.

This context of decreasing growth could affect the company's ability to achieve efficiency gains. Nevertheless, the SAQ is constantly on the lookout for innovations that will drive process optimization and allow it to maintain operational efficiency. For example, it has begun construction of a new facility that will automate some of the operations at its Montreal distribution centre to address customer needs, improve its operating chain productivity and mitigate the impacts of labour shortages.

### **Procurement and shipping**

The products sold at the SAQ come from around the world. Product prices are influenced by supply and demand and are subject to disruptions that may affect supply chains. When seeking products to sell, the SAQ is in competition with other buyers on global markets. Meanwhile, supply is often unable to keep up with demand, making some products difficult to obtain. Over the years, the SAQ has built solid relationships with its suppliers, allowing it to mitigate this risk. The SAQ is also dependent on marine carriers and their lead times and freight costs. The company has adopted a procurement strategy designed to minimize the risk of stockouts in its stores.

### **Attraction, retention and labour relations**

To carry out its business activities, the SAQ employs close to 7,000 people in its stores, distribution centres and administrative centres. The company's ability to retain those employees and attract new ones constitutes a risk that could interfere with the organization's activities, given the labour shortage resulting from demographic change and a resilient job market. Various initiatives making it easier to attract and retain personnel provide the company with a way to mitigate the risk and maintain its service offering.

A majority of staff in the company's stores and distribution centres and of its administrative personnel is unionized. Collective bargaining may result in pressure tactics, work stoppages or slowdowns, which in turn could adversely affect the company's operations. The organization remains committed to maintaining positive labour relations.

### **Product quality control**

With a catalogue of nearly 40,000 products from more than 6,000 suppliers around the globe, the SAQ must ensure that the quality of the products it sells is beyond reproach. It achieves a high standard of product quality control via its ISO 9001- and ISO 17025-certified laboratory. Various measures are also in place to ensure compliance with Health Canada regulations.



### Technology environment and information security

As part of its operations, the SAQ has warehouses and a large network of stores and specialized centres that rely on an extensive information technology infrastructure. The continuity of the company's operations could be interrupted if its information systems were to become unavailable for an extended period.

The SAQ is also aware of the risks related to the security of its information systems. The company has implemented robust controls and contingency plans to maintain the continuity of its operations and is constantly evaluating its protective measures to ensure the security and integrity of its data.

Lastly, the SAQ makes sure to protect the personal information of individuals associated with it, in compliance with the Quebec government's Law 25 and its provisions safeguarding Quebecers' privacy.

### Social responsibility

Society has high expectations of the SAQ with regard to its environmental, social and economic responsibilities. Failing to meet its obligations could expose the company to criticism, reprimands, demands and even lawsuits.

Social responsibility is one of the SAQ's key concerns, as can be seen in the central place it has been accorded in the company's successive strategic plans. Employee health and safety, responsible sales, glass recycling and climate change are very real concerns, not only for the SAQ but for society as a whole, and sustained efforts are made to reach ambitious goals. Indeed, the SAQ Strategic Plan 2024-2026 includes a commitment to achieve zero greenhouse gas (GHG) emissions for all of the company's vehicles and buildings by 2040, in accordance with government guidelines.

The SAQ also plays an active role in community life by contributing to the economic and social well-being of Quebec society, be it through the company's Donations and Sponsorships Program, its campaign in support of Food Banks of Quebec or contributions—in combination with those of its employees—to the Entraide fundraising campaign. The SAQ is also fully engaged, across all of its operations, in promoting Quebec-sourced and responsible procurement.

### Outlook

The market in which the SAQ operates is in a downturn, which may well persist in fiscal 2025-2026. Demand for beverage alcohol is down, owing notably to changing buying habits and demographic factors. These factors will have an effect on sales growth. Accordingly, the SAQ will continue to deploy initiatives to address the market context as well as the trend toward lower volumes.

Fiscal 2025-2026 will be the final year of implementation of the SAQ's 2024-2026 Strategic Plan. To achieve the plan's objectives, the company will focus on initiatives related to the deployment of its sales strategy, the transformation of its operations and rigorous expense management. It will also be continuing its retail evolution in order to offer all its customers a personalized experience via connected advisors and a simplified buying process, both in-store and online. The SAQ will also be introducing mini agencies in urban locations to address customers' accessibility and convenience needs.

In addition, to improve customer satisfaction as well as its productivity, the SAQ will pursue implementation of its order picking and preparation automation project; the Montreal automated distribution centre (CAM), now in its final phases of construction, will be inaugurated in fiscal 2027-2028.

<b>Sales by Network</b> (in millions of Canadian dollars)	<b>2025</b>	<b>2024</b> (53 weeks)	<b>2023</b>	<b>2022<sup>1</sup></b>	<b>2021<sup>1</sup></b>
Stores and specialized centres	<b>3,682.1</b>	3,772.5	3,683.5	3,507.7	3,197.9
Wholesale grocers	<b>359.9</b>	328.0	364.0	346.4	392.3
<b>Total</b>	<b>4,042.0</b>	4,100.5	4,047.5	3,854.1	3,590.2

<b>Sales by Product Category</b> (in millions of Canadian dollars)	<b>2025</b>	<b>2024</b> (53 weeks)	<b>2023</b>	<b>2022<sup>1</sup></b>	<b>2021<sup>1</sup></b>
Wine	<b>2,745.7</b>	2,790.4	2,767.4	2,674.2	2,535.7
Spirits	<b>1,126.5</b>	1,147.4	1,125.5	1,037.4	949.3
Beer, cider and coolers	<b>169.8</b>	162.7	154.6	142.5	105.2
<b>Total</b>	<b>4,042.0</b>	4,100.5	4,047.5	3,854.1	3,590.2

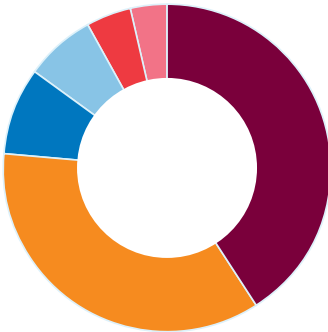
<b>Financial Results</b> (in millions of Canadian dollars)	<b>2025</b>	<b>2024</b> (53 weeks)	<b>2023</b>	<b>2022<sup>1</sup></b>	<b>2021<sup>1</sup></b>
Sales	<b>4,042.0</b>	4,100.5	4,047.5	3,854.1	3,590.2
Cost of sales	<b>2,022.5</b>	2,068.8	2,007.9	1,920.1	1,786.4
Net expenses <sup>2</sup>	<b>618.7</b>	603.6	613.5	584.0	584.7
Net income	<b>1,400.8</b>	1,428.1	1,426.1	1,350.0	1,219.1
Comprehensive income	<b>1,399.0</b>	1,424.2	1,425.7	1,349.9	1,217.7

<b>Government Revenues from Operations</b> (in millions of Canadian dollars)	<b>2025</b>	<b>2024</b> (53 weeks)	<b>2023</b>	<b>2022<sup>1</sup></b>	<b>2021<sup>1</sup></b>
Declared dividend	<b>1,400.8</b>	1,428.1	1,426.1	1,350.0	1,219.1
Taxes and duties	<b>1,207.8</b>	1,264.8	1,270.4	1,231.0	1,186.8
<b>Total</b>	<b>2,608.6</b>	2,692.9	2,696.5	2,581.0	2,405.9

<b>Asset Mix</b> (in millions of Canadian dollars)	<b>2025</b>	<b>2024</b> (53 weeks)	<b>2023</b>	<b>2022<sup>1</sup></b>	<b>2021<sup>1</sup></b>
Inventories	<b>567.3</b>	558.5	579.2	541.1	473.9
Property, plant and equipment and intangible assets	<b>327.0</b>	266.8	212.4	201.4	204.3
Other assets	<b>504.6</b>	483.1	645.8	700.4	684.2
<b>Total</b>	<b>1,398.9</b>	1,308.4	1,437.4	1,442.9	1,362.4

- Operations in the 2021 and 2022 fiscal years were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.
- Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income).

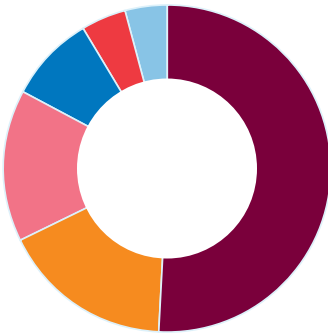
BREAKDOWN OF THE SALES PRICE



**Imported Wine,<sup>1</sup> 750 ml Format**  
(in dollars and percentages)  
March 29, 2025

● Markup <sup>2</sup>	<b>\$6.35</b>
● Supplier price, in Canadian dollars, including shipping	<b>5.11</b>
● Provincial sales tax	<b>1.30</b>
● Specific tax paid to the Government of Quebec	<b>1.05</b>
● Federal goods and services tax	<b>0.65</b>
● Excise taxes and customs duties paid to the Government of Canada	<b>0.54</b>
Retail price (per bottle)	<b>\$15.00</b>

- 1. Continuous replenishment products.
- 2. The markup covers selling, merchandising, distribution and administrative expenses and generates net income.



**Local Spirits, 750 ml Format**  
(in dollars and percentages)  
March 29, 2025

● Markup <sup>1</sup>	<b>\$13.38</b>
● Supplier price, in Canadian dollars, including shipping	<b>4.11</b>
● Excise taxes and customs duties paid to the Government of Canada	<b>4.07</b>
● Provincial sales tax	<b>2.26</b>
● Federal goods and services tax	<b>1.13</b>
● Specific tax paid to the Government of Quebec	<b>1.05</b>
Retail price (per bottle)	<b>\$26.00</b>

- 1. The markup covers selling, merchandising, distribution and administrative expenses and generates net income.

## QUARTERLY RESULTS

Fiscal years ended March 29, 2025, and March 30, 2024  
(unaudited figures)

2025

	Fiscal year 52	Q4 12	Q3 16	Q2 12	Q1 12
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### Financial results

(in millions of Canadian dollars)

Sales	\$4,042.0	\$781.6	\$1,410.3	\$946.7	\$903.4
Gross margin	2,019.5	396.8	703.8	474.2	444.7
Net expenses <sup>1</sup>	618.7	154.5	189.7	136.4	138.1
Net income	1,400.8	242.3	514.1	337.8	306.6
Comprehensive income	1,399.0	240.5	514.1	337.8	306.6
Dividend paid	1,381.1	423.0	380.0	204.1	374.0

### Sales by network

(in millions of Canadian dollars)

#### Stores and specialized centres

Consumers – Stores	\$2,905.7	\$547.8	\$1,027.6	\$688.8	\$641.5
Consumers – SAQ.COM	107.3	21.0	43.3	19.9	23.1
Consumers	3,013.0	568.8	1,070.9	708.7	664.6
Permit holders	480.2	90.8	151.5	116.3	121.6
Agency stores and other customers	188.9	35.3	60.4	49.4	43.8
	3,682.1	694.9	1,282.8	874.4	830.0

Wholesale grocers	359.9	86.7	127.5	72.3	73.4
Total	\$4,042.0	\$781.6	\$1,410.3	\$946.7	\$903.4

### Sales Volume by network

(in millions of litres)

#### Stores and specialized centres

Consumers – Stores	144.8 L	26.7 L	47.9 L	36.6 L	33.6 L
Consumers – SAQ.COM	3.2	0.7	1.1	0.7	0.7
Consumers	148.0	27.4	49.0	37.3	34.3
Permit holders	18.4	3.5	5.7	4.6	4.6
Agency stores and other customers	12.4	2.2	3.8	3.4	3.0
	178.8	33.1	58.5	45.3	41.9

Wholesale grocers	37.6	9.2	13.2	7.5	7.7
Total	216.4 L	42.3 L	71.7 L	52.8 L	49.6 L

### Sales Volume by product category

(in millions of litres)

Wine	161.4 L	32.6 L	55.6 L	37.3 L	35.9 L
Spirits	29.7	5.7	10.3	7.1	6.6
Beer, cider and coolers	25.3	4.0	5.8	8.4	7.1
Total	216.4 L	42.3 L	71.7 L	52.8 L	49.6 L

1. Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income).

Some comparable figures have been reclassified.



Fiscal years ended March 29, 2025, and March 30, 2024  
(unaudited figures)

2024  
(53 weeks)

	Fiscal year 53	Q4 13	Q3 16	Q2 12	Q1 12
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## Financial results

(in millions of Canadian dollars)

Sales	\$4,100.5	\$838.2	\$1,414.1	\$945.7	\$902.5
Gross margin	2,031.7	423.1	703.9	470.8	433.9
Net expenses <sup>1</sup>	603.6	155.3	181.2	134.5	132.6
Net income	1,428.1	267.8	522.7	336.3	301.3
Comprehensive income	1,424.2	263.9	522.7	336.3	301.3
Dividend paid	1,501.1	445.0	390.0	277.1	389.0

## Sales by network

(in millions of Canadian dollars)

Stores and specialized centres					
Consumers – Stores	\$2,986.8	\$616.2	\$1,031.3	\$690.8	\$648.5
Consumers – SAQ.COM	104.6	19.1	44.6	18.5	22.4
Consumers	3,091.4	635.3	1,075.9	709.3	670.9
Permit holders	495.4	95.5	154.7	120.6	124.6
Agency stores and other customers	185.7	37.2	59.1	48.2	41.2
	3,772.5	768.0	1,289.7	878.1	836.7
Wholesale grocers	328.0	70.2	124.4	67.6	65.8
Total	\$4,100.5	\$838.2	\$1,414.1	\$945.7	\$902.5

## Sales Volume by network

(in millions of litres)

Stores and specialized centres					
Consumers – Stores	152.8 L	30.8 L	49.7 L	37.7 L	34.6 L
Consumers – SAQ.COM	2.9	0.6	1.0	0.6	0.7
Consumers	155.7	31.4	50.7	38.3	35.3
Permit holders	19.4	3.7	6.0	4.9	4.8
Agency stores and other customers	12.4	2.3	3.7	3.4	3.0
	187.5	37.4	60.4	46.6	43.1
Wholesale grocers	35.5	7.9	13.2	7.2	7.2
Total	223.0 L	45.3 L	73.6 L	53.8 L	50.3 L

## Sales Volume by product category

(in millions of litres)

Wine	166.4 L	34.6 L	57.2 L	38.1 L	36.5 L
Spirits	31.3	6.5	10.7	7.3	6.8
Beer, cider and coolers	25.3	4.2	5.7	8.4	7.0
Total	223.0 L	45.3 L	73.6 L	53.8 L	50.3 L

1. Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income).

Some comparable figures have been reclassified.

## 10-YEAR HISTORICAL REVIEW

Fiscal years ended the last Saturday in March  
(unaudited figures)

2025

2024  
(53 weeks)

2023

### Financial results

(in millions of Canadian dollars)

Sales	\$4,042.0	\$4,100.5	\$4,047.5
Gross margin	2,019.5	2,031.7	2,039.6
Net expenses <sup>2,3</sup>	618.7	603.6	613.5
Net income <sup>2</sup>	1,400.8	1,428.1	1,426.1
Comprehensive income	1,399.0	1,424.2	1,425.7

### Financial position

(in millions of Canadian dollars)

Total assets <sup>3</sup>	\$1,398.9	\$1,308.4	\$1,437.4
Property, plant and equipment and intangible assets	327.0	266.8	212.4
Net working capital <sup>3</sup>	(296.5)	(238.0)	(182.9)
Long-term liabilities <sup>3</sup>	268.4	278.2	300.0
Shareholder's equity	32.3	34.1	38.1

### Cash flows

(in millions of Canadian dollars)

Cash flows related to operating activities	\$1,521.0	\$1,484.0	\$1,445.0
Acquisitions of property, plant and equipment and intangible assets	66.7	69.7	43.5
Dividend paid	1,381.1	1,501.1	1,418.0

1. Operations in the 2021 and 2022 fiscal years were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.
2. Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income), and the share of net income from an equity-accounted interest that ended in 2018.
3. Reflecting the adoption of IFRS 16 Leases, on March 31, 2019.

Some comparable figures have been reclassified.

2022 <sup>1</sup>	2021 <sup>1</sup>	2020	2019	2018 (53 weeks)	2017	2016
\$3,854.1	\$3,590.2	\$3,488.7	\$3,293.9	\$3,251.7	\$3,122.6	\$3,073.6
1,934.0	1,803.8	1,762.0	1,670.8	1,652.9	1,654.1	1,637.8
584.0	584.7	536.5	524.9	539.2	568.4	570.8
1,350.0	1,219.1	1,225.5	1,145.9	1,113.7	1,085.7	1,067.0
1,349.9	1,217.7	1,225.7	1,144.5	1,113.6	1,085.4	1,067.1
\$1,442.9	\$1,362.4	\$1,283.7	\$913.8	\$813.1	\$827.7	\$779.8
201.4	204.3	196.0	193.8	201.9	222.4	241.5
(175.6)	(176.9)	(168.2)	(118.4)	(129.6)	(150.8)	(164.1)
293.5	288.0	289.5	35.8	33.0	32.4	36.3
38.5	38.5	39.9	39.7	41.1	41.2	41.5
\$1,429.9	\$1,269.1	\$1,353.8	\$1,228.2	\$1,095.5	\$1,135.4	\$1,157.1
24.1	31.2	32.5	17.9	23.4	22.3	33.7
1,354.1	1,191.5	1,171.9	1,126.7	1,097.7	1,097.0	1,038.7

For the footnotes, see p. 48.

Fiscal years ended the last Saturday in March  
(unaudited figures)

2025

2024  
(53 weeks)

2023

## Sales by network

(in millions of Canadian dollars and in millions of litres)

Stores and specialized centres			
Consumers – Stores	\$2,905.7 144.8 L	\$2,986.8 152.8 L	\$2,918.3 152.1 L
Consumers – SAQ.COM	107.3 3.2 L	104.6 2.9 L	93.3 2.8 L
	3,013.0 148.0 L	3,091.4 155.7 L	3,011.6 154.9 L
Permit holders	480.2 18.4 L	495.4 19.4 L	498.0 19.9 L
Agency stores and other customers	188.9 12.4 L	185.7 12.4 L	173.9 12.0 L
	3,682.1 178.8 L	3,772.5 187.5 L	3,683.5 186.8 L
Wholesale grocers	359.9 37.6 L	328.0 35.5 L	364.0 41.4 L
Total	\$4,042.0 216.4 L	\$4,100.5 223.0 L	\$4,047.5 228.2 L

## Sales by product category

(in millions of Canadian dollars and in millions of litres)

Wine	\$2,745.7 161.4 L	\$2,790.4 166.4 L	\$2,767.4 172.1 L
Spirits	1,126.5 29.7 L	1,147.4 31.3 L	1,125.5 31.7 L
Beer, cider and coolers	169.8 25.3 L	162.7 25.3 L	154.6 24.4 L
Total	\$4,042.0 216.4 L	\$4,100.5 223.0 L	\$4,047.5 228.2 L

1. Operations in the 2021 and 2022 fiscal years were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.

Some comparable figures have been reclassified.



2022 <sup>1</sup>	2021 <sup>1</sup>	2020	2019	2018 (53 weeks)	2017	2016
<hr/>						
\$2,935.7 158.6 L	\$2,834.5 154.6 L	\$2,528.3 143.3 L	\$2,345.0 135.6 L	\$2,328.7 138.1 L	\$2,238.8 126.6 L	\$2,236.0 126.3 L
106.4 3.4 L	96.9 3.8 L	42.0 1.4 L	35.6 1.2 L	30.3 1.1 L	19.8 0.7 L	14.7 0.6 L
3,042.1 162.0 L	2,931.4 158.4 L	2,570.3 144.7 L	2,380.6 136.8 L	2,359.0 139.2 L	2,258.6 127.3 L	2,250.7 126.9 L
302.8 12.5 L	101.9 4.6 L	423.8 19.6 L	428.7 20.3 L	418.7 20.4 L	390.1 19.5 L	370.4 19.1 L
162.8 11.8 L	164.6 12.1 L	143.1 10.3 L	137.7 9.9 L	131.3 9.4 L	127.9 8.9 L	125.1 9.1 L
3,507.7 186.3 L	3,197.9 175.1 L	3,137.2 174.6 L	2,947.0 167.0 L	2,909.0 169.0 L	2,776.6 155.7 L	2,746.2 155.1 L
346.4 39.9 L	392.3 47.2 L	351.5 42.9 L	346.9 41.7 L	342.7 41.3 L	346.0 42.3 L	327.4 41.0 L
\$3,854.1 226.2 L	\$3,590.2 222.3 L	\$3,488.7 217.5 L	\$3,293.9 208.7 L	\$3,251.7 210.3 L	\$3,122.6 198.0 L	\$3,073.6 196.1 L
<hr/>						
\$2,674.2 172.9 L	\$2,535.7 176.6 L	\$2,503.8 174.8 L	\$2,393.8 169.6 L	\$2,387.9 173.1 L	\$2,320.1 163.8 L	\$2,300.9 162.9 L
1,037.4 30.2 L	949.3 28.2 L	890.8 27.3 L	816.6 25.5 L	787.3 25.1 L	726.9 23.7 L	697.7 23.0 L
142.5 23.1 L	105.2 17.5 L	94.1 15.4 L	83.5 13.6 L	76.5 12.1 L	75.6 10.5 L	75.0 10.2 L
\$3,854.1 226.2 L	\$3,590.2 222.3 L	\$3,488.7 217.5 L	\$3,293.9 208.7 L	\$3,251.7 210.3 L	\$3,122.6 198.0 L	\$3,073.6 196.1 L
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For the footnotes, see p. 50.

Fiscal years ended the last Saturday in March  
(unaudited figures)

2025

2024  
(53 weeks)

2023

## Net expenses<sup>2</sup>

(in millions of Canadian dollars)

Employee compensation <sup>3</sup>	\$442.5	\$438.0	\$440.8
Building occupancy expenses <sup>3,4</sup>	98.3	97.1	94.6
Equipment use and supply expenses <sup>4,5</sup>	40.6	42.9	44.7
Freight out and communications	3.7	3.3	3.7
Other expenses <sup>5,6</sup>	33.6	22.3	29.7
<b>Total</b>	<b>\$618.7</b>	<b>\$603.6</b>	<b>\$613.5</b>

## Operating ratios

(as a percentage of sales)

Gross margin	50.0%	49.5%	50.4%
Net income <sup>5</sup>	34.7%	34.8%	35.2%
Net expenses <sup>2,5</sup>	15.3%	14.7%	15.2%

## Other information

(at fiscal year-end)

Number of employees <sup>7</sup>	5,341	5,403	5,609
Number of stores	408	410	410
Number of SAQ Agency stores	429	423	428
Number of products offered for sale <sup>8</sup>	16,200	16,200	15,500

## Surface area of business premises

(in thousands of square feet)

Stores	1,899.4	1,907.6	1,909.1
Distribution centres and warehouses	1,461.4	1,461.4	1,477.2

- Operations in the 2021 and 2022 fiscal years were impacted by the COVID-19 pandemic. These impacts had financial repercussions on the breakdown of sales to the various customer segments, on the related gross margin and on net expenses.
- Net expenses consist of selling, marketing, distribution and administrative expenses, from which advertising, promotional and miscellaneous revenues are deducted. They also include net financial charges (income) and the share of net income from an equity-accounted interest that ended in 2018.
- Employee compensation includes payroll, employee benefits, pension plan-related costs and other employee benefit-related charges.
- Including amortization expenses and the amortization of right-of-use assets.
- Reflecting the adoption of IFRS 16 *Leases*, on March 31, 2019.
- Other expenses include an IFRS 16 *Leases*-related interest expense of \$6 million for fiscal 2025.
- The number of employees is determined on a full-time basis.
- Number of products offered for sale during the fiscal year (excluding private imports).

Some comparable figures have been reclassified.

2022 <sup>1</sup>	2021 <sup>1</sup>	2020	2019	2018 (53 weeks)	2017	2016
\$413.0	\$409.9	\$383.4	\$371.7	\$380.9	\$392.3	\$388.2
94.5	96.7	95.1	96.5	99.2	98.6	97.8
36.9	38.9	35.3	39.8	42.1	48.8	47.6
4.0	5.3	3.4	3.2	2.8	7.0	7.5
35.6	33.9	19.3	13.7	14.2	21.7	29.7
\$584.0	\$584.7	\$536.5	\$524.9	\$539.2	\$568.4	\$570.8
50.2%	50.2%	50.5%	50.7%	50.8%	53.0%	53.3%
35.0%	34.0%	35.1%	34.8%	34.2%	34.8%	34.7%
15.2%	16.3%	15.4%	15.9%	16.6%	18.2%	18.6%
5,584	5,517	5,169	5,044	5,159	5,277	5,456
410	409	410	409	407	405	406
426	429	426	428	432	436	438
15,900	15,800	15,700	14,350	13,300	13,200	13,500
1,916.5	1,934.1	1,947.8	1,952.0	1,947.8	1,969.7	1,980.2
1,477.2	1,477.2	1,477.2	1,477.2	1,464.4	1,464.4	1,464.4

For the footnotes, see p. 52.

# Corporate Social Responsibility Report



# 2024-2025 Report on Implementation of the Sustainability Action Plan 2023-2028

## Introduction

At the SAQ, we believe that we contribute to the well-being and pride of Quebecers by becoming involved in the community, providing safe and healthy workplaces for our employees and endeavouring to limit the environmental consequences of our activities. With that conviction in mind, during the past fiscal year we stepped up our efforts, large and small, to steer the SAQ toward a more sustainable business model.

In the following pages we present an overview of our achievements, guided by our Sustainability Action Plan 2023-2028, complemented by firm commitments such as our joining the International Alcohol Monopolies Environmental Roadmap, whereby each signatory entity affirms its commitment to being a change agent in the beverage alcohol sector, implementing sustainable solutions throughout its supply chain while inspiring its customers to make responsible choices.

A further achievement enabling us to increase dialogue with our partners is the publication in May 2024 of our first Report on the Fight Against Forced Labour and Child Labour, which explains our approach in this regard. Our objective is to work closely with our partners so that together, we can help protect the well-being of the communities involved in the beverage alcohol trade, wherever they may be in our supply chain.

Furthermore, to ensure that our environmental claims are fair, accurate and compliant with the new regulatory provisions on misleading environmental claims, we have revisited our processes both for our communications and for supplier-provided information on the labels of products we market. We have also raised awareness among the teams involved, our key partners and our suppliers of the importance we ascribe to the quality of our environmental claims.

This report should be read in conjunction with the Review of Activities presented elsewhere in this Annual Report, and with the ESG (environmental, social and governance) reporting provided with reference to the GRI (Global Reporting Initiative) Standards to ensure a comprehensive overview of our initiatives.

## The four priorities of our Sustainability Action Plan:

**Offer  
responsible  
products**

**Reduce our  
environmental  
footprint**

**Support our  
community**

**Do things  
better**



**Offer  
responsible  
products**



**ACTION 1**

**Expand the offer of products packaged  
in eco-responsible containers<sup>1</sup>**

Vanessa Giasson, Cashier-Salesclerk

Indicator	2024-2025 target	Result	Target achievement
Percentage of continuous-replenishment products packaged in eco-responsible containers	49%	55%	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Expanding our supplier requirements so that all glass-bottled, continuous-replenishment regular and specialty still wines retailing for \$30 or less must be in lightweight glass containers, and the weight of bottles of continuous-replenishment regular and specialty sparkling wines retailing for \$200 or less must not exceed the authorized limit of 835 g; <ul style="list-style-type: none"> <li>• 90% lightweight-glass compliance rate achieved for the products concerned; and</li> </ul> </li> <li>- Producing and distributing two Sous le bouchon podcasts about eco-responsible containers.</li> </ul>			

1. A container that meets the SAQ's lightweight glass requirements or a recyclable alternative container whose carbon footprint is less than that of a traditional glass container based on the results of the container life cycle carried out by the Centre international de référence sur l'analyse du cycle de vie et la transition durable (CIRAIG) in fiscal 2021-2022.

**Offer  
responsible  
products**



**ACTION 2**

**Expand the offer of  
eco-responsible-certified products<sup>2</sup>**

Indicator	2024-2025 target	Result	Target achievement
Annual increase in the number of eco-responsible-certified products offered	5%	9%	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Maintaining demand for products certified organic and other certifications across the assortment plan; and</li> <li>- Raising awareness of eco-responsible certifications among suppliers and associations.</li> </ul>			

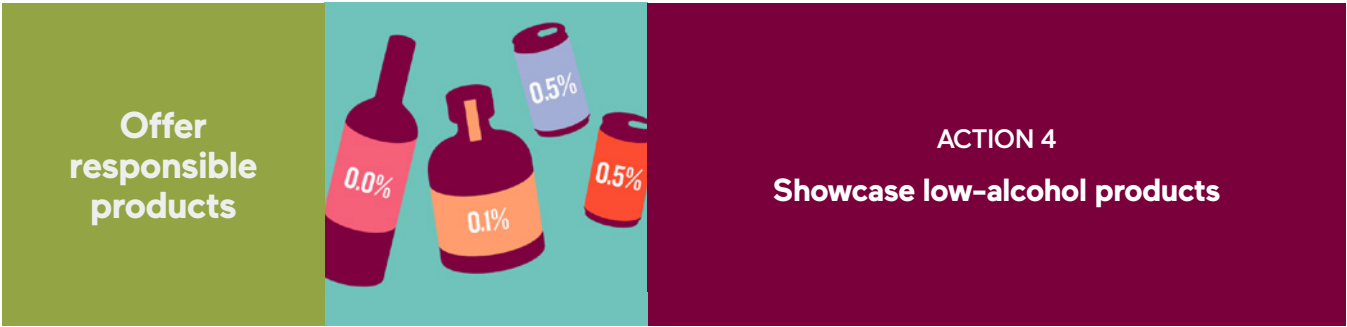
2. Organically or biodynamically farmed products that have been granted a seal from a certification program recognized by the Canadian Food Inspection Agency (CFIA) under the Canada Organic Regime. Also included are products made using sustainable production practices (integrated farming, environmental management and socially responsible and equitable practices) certified by a body recognized by the SAQ. The SAQ currently recognizes some 40 certifications used by the beverage alcohol industry.



Indicator	2024-2025 target	Result	Target achievement
Annual growth in sales of eco-responsible-certified products, in litres	2%	3%	ACHIEVED
<b>Summary of activities completed during the fiscal year:</b> <ul style="list-style-type: none"> <li>- Spotlighting eco-responsible products in stores and across all communications channels, including on social platforms and on SAQ.COM;</li> <li>- Producing and distributing a Sous le bouchon podcast episode featuring Miguel Torres, a winemaker committed to climate action; and</li> <li>- Updating the Bottle Labelling and Packaging Guide to clarify the SAQ's expectations of suppliers regarding the new provisions of the <i>Competition Act</i> relative to environmental claims.</li> </ul>			
Annual growth in Quebec product sales, in dollars <sup>3</sup>	2%	(0.8)%	NOT ACHIEVED
<b>Explanation as to why the target was not achieved:</b> <p>Quebec products are still appreciated by our customer groups and continue to attract interest. That said, dollar sales of these products declined slightly in 2024-2025, a development attributable largely to the fact that the most recent fiscal year comprised one less week of operations than the preceding one. Comparing litre sales, we note increased sales for products with the Origine Québec and Made in Québec identifiers. The Bottled in Québec category, for its part, posted a 1.1% decrease in litre sales.</p> <b>Summary of activities completed during the fiscal year:</b> <ul style="list-style-type: none"> <li>- Spotlighting Quebec products via several visibility campaigns in our newsletters, on SAQ.COM and in stores;</li> <li>- Promoting local bottling by showcasing one of our bestselling wines (Kim Crawford Sauvignon Blanc), which has made the transition to the Bottled in Québec category;</li> <li>- Completing the rollout of the new floor plan that increases the shelf space available for Quebec products and ensures prime positioning along the customer path in all stores;</li> <li>- Training select staff on Quebec wineries and cider makers, so they could acquire first-hand knowledge of the daily activities of local producers and discover more about their craft;</li> <li>- Organizing tours for 60 staff members to a distillery in their region, so they could learn more about categories of spirits, the distilling process and the reality of Quebec-based spirits producers;</li> <li>- Supporting Quebec producer associations through a range of sponsorships<sup>4</sup>;</li> <li>- Producing an Inspire event promoting a Quebec winegrower and their products;</li> <li>- Linking the purchase of Quebec products to two of our three Food Banks of Quebec campaigns: 1 Quebec product = 1 food-bank meal;</li> <li>- Producing and distributing two Sous le bouchon podcasts featuring Quebec producers "Quebec cider: when life gives you apples..." and "Handing down the winery from dad to daughter";</li> <li>- Running a visibility campaign to publicize the Conseil des vins du Québec's efforts to celebrate the September 12<sup>th</sup> Buy a Quebec Wine theme day; and</li> <li>- Reviewing the placement of Quebec products in stores following the Quebec government's March 2025 request to remove U.S. products from the SAQ's shelves.</li> </ul>			

3. This indicator measures the change in sales in the store network, on SAQ.COM and to SAQ Agency stores for products qualifying for one of the three identifiers Origine Québec, Made in Québec and Bottled in Québec.

4. For example, SAQ Bistros at SAQ-sponsored festivals and sponsorships that include product donations are required to offer a minimum of 40% products with the Origine Québec identifier and one wine with the Origine Québec identifier.



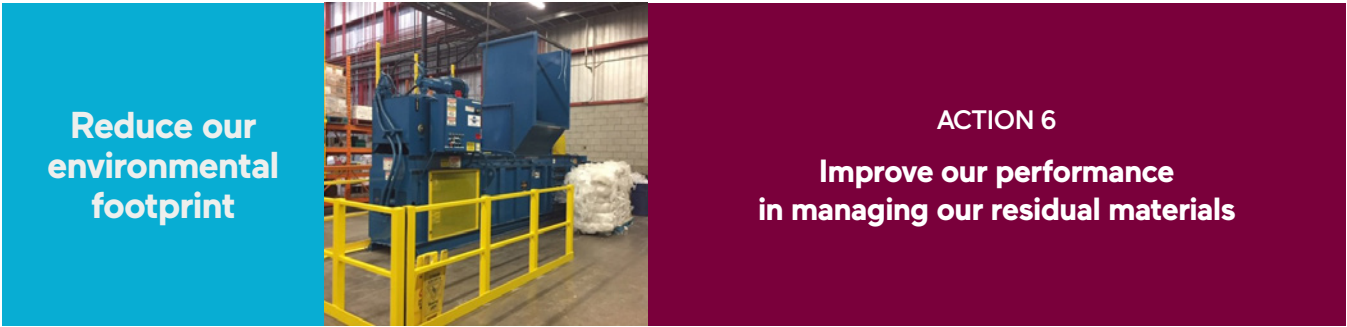
Indicator	2024-2025 target	Result	Target achievement
Annual growth in sales of low-alcohol products, in litres	10%	37.1%	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"><li>- Implementing several initiatives aimed at showcasing low-alcohol products (floor plan, shelving, tastings, etc.);</li><li>- Introducing 34 new low-alcohol products;</li><li>- Running a major campaign that aims to position the SAQ as a destination for low-alcohol products; and</li><li>- Implementing a strategy for in-store promotion of low-alcohol products.</li></ul>			



Joël Charland, Deliveryman

Indicator	2024-2025 target	Result	Target achievement
GHG reduction rate compared with fiscal 2021-2022	(7)%	11%	NOT ACHIEVED
<p><b>Explanation of why the target was not achieved:</b></p> <p>Our teams are committed to achieving zero GHG emissions by 2040 for the vehicles and buildings we own. The challenge has proved more substantial than anticipated, especially due to the difficulty of acquiring zero-emission vehicles suitable for our heavy-transport requirements, the addition of new transport operations previously conducted by third parties and GHG emissions from construction of the Montreal automated distribution centre (CAM). While continuing to seek technology solutions that are viable for us, we are exploring other ways to reduce our carbon footprint.</p> <p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Updating our GHG inventory for fiscal 2024-2025 (Scope 1 and 2 emissions) and adding Scope 3 emissions to the inventory;</li> <li>- Developing various GHG emissions reduction projects, including commissioning two light electric vehicles and retrofitting HVAC equipment in certain buildings;</li> <li>- Monitoring technology developments in electric, renewable natural gas and hydrogen-powered tractors;</li> <li>- Optimizing the internal ordering process in order to combine deliveries to stores and customer groups served by our vehicle fleet (CPP parcels);</li> <li>- Implementing various measures designed to optimize our delivery routes; and</li> <li>- Analyzing our report on the energy efficiency of the SAQ administrative buildings in Montreal and Quebec City and enhancement of our decarbonization action plans.</li> </ul>			

5. Scope 1 and 2 emissions are those over which the SAQ has complete operational and financial control, i.e. the vehicles and buildings it owns. The targets are based on the greenhouse gas inventory for fiscal 2021-2022.



Indicator	2024-2025 target	Result	Target achievement
Increase in the average diversion rate of residual materials from our distribution centres for recycling and conversion purposes <sup>6</sup>	N/A <sup>7</sup>	N/A	NON APPLICABLE
<b>Summary of activities completed during the fiscal year:</b> <ul style="list-style-type: none"> <li>- Reclaiming 1.5 metric tons of wood by the Centre de formation en entreprise et récupération (CFER) Mgr-Parent, enabling young people aged 15 to 21 to develop the skills necessary to access the job market;</li> <li>- Setting up a working table for at-source reduction of tertiary packaging from suppliers transiting through our warehouses;</li> <li>- Introducing initiatives designed to improve sorting at source and reduction at source of residual materials in the SAQ's cafeterias (awareness campaign, contest, updating of sorting posters, reduction in the number of single-use containers available, supply of reusable containers, introduction of catering service with reusable containers, etc.);</li> <li>- Implementing a new process to end the destruction of private-import products that come in damaged bottles but are fit for consumption; and</li> <li>- Obtaining Clé verte Platinum certification for the diesel mechanical shops at our distribution centres in Montreal (CDM) and Quebec City (CDQ).</li> </ul>			
Number of stores certified annually by the ICI on recycle + program	9	10	ACHIEVED
<b>Summary of activities completed during the fiscal year:</b> <ul style="list-style-type: none"> <li>- Sending outdate in-store mobile devices to reclamation following a system upgrade;</li> <li>- Publishing the updated internal procedure for residual materials management in stores and staff training;</li> <li>- Obtaining ICI on recycle + certification by 10 of our stores and training ambassadors to boost engagement among store staff;</li> <li>- Optimizing plastic wrap sorting in four more stores to improve short-chain reclamation;</li> <li>- Equipping two stores in our network with cardboard presses to facilitate recovery and recycling of the material;</li> <li>- Introducing a system for mercury bulb and battery recovery throughout the store network; and</li> <li>- Taking part in the implementation of Phase 2 of the deposit system reform, managed by the Quebec Beverage Container Recycling Association (QBCRA), involving plastic and steel beverage containers (information for customers, price adjustments to account for the deposit amounts and staff awareness).</li> </ul>			

6. Rate obtained from residual materials characterization in our distribution centres. Characterization will be conducted in fiscal 2025-2026 and 2027-2028 to calculate the increase in the average rate of diversion to recycling and reclamation.

7. No target was set in 2024-2025 since there was no residual materials characterization during that fiscal year.





Indicator	2024-2025 target	Result	Target achievement
Annual diversion rate of construction, renovation and demolition (CRD) waste for recycling purposes	52%	55,7% <sup>8</sup>	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Implementing our store redesign and renovation projects in compliance with the four responsible design criteria (use of recycled and Forest Stewardship Council [FSC]-certified wood, energy-efficient lighting, reuse of existing fixtures and, where possible, incorporation of glass powder in our infrastructures);</li> <li>- Tightening our at-source sorting requirements for contractors performing renovation work in stores for which the SAQ holds leases to ensure that 75% of CRD waste is directed to recycling; and</li> <li>- Introducing a new residual materials management requirement in all tender documents for construction and renovation projects in the company's administrative buildings and distribution centres.</li> </ul>			

8. This result corresponds to the rate of diversion of CRD waste to recycling for store network redesign and renovation projects with budgets in excess of \$200,000.



Hugo Labrosse, Foreperson, Montreal distribution centre

Indicator	2024-2025 target	Result	Target achievement
Rate of accident events with time-loss injuries <sup>9</sup>	5.2	6.1	NOT ACHIEVED
<p><b>Explanation of why the target was not achieved:</b></p> <p>Although we did not achieve the 2024-2025 target, our occupational health and safety (OHS) efforts allowed us to maintain results demonstrating overall improvement in this area over time: the results reported for the fiscal year just ended are the second-best in the past 10 years. Our target was established in fiscal 2022-2023, when we recorded our best results to date. That being so, we are pursuing our efforts and constantly striving to improve, because employee health and safety is a priority. Compared with the preceding fiscal year, the total number of accident events with time-loss injuries decreased to 243 from 280, a reduction of 13.2%. We also recorded an 8.4% reduction in the rate of such events.</p> <p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Arranging visits to stores and warehouses by members of the senior executive team and managers responsible for OHS to strengthen OHS culture and ensure a healthy and safe work environment for all staff;</li> <li>- Implementing a new electronic form for monitoring safe load handling in stores to ensure feedback to the observed staff members, identifying and compiling obstacles to proper application of OHS standards and adapting our training and procedures accordingly;</li> <li>- Launching a training session on the bottle's journey for store staff, developed jointly with the SEMB labour union and aimed at educating employees on the best OHS practices in the company's various work zones;</li> <li>- Introducing personalized action plans aimed at stepping up prevention in sectors and stores with more than two accidents with time-loss injuries or with accident frequency above the target rate;</li> <li>- Involving OHS managers and ambassadors in daily risk management;</li> <li>- Providing the store network with eight new lifting devices (three overhead cranes and five jib cranes), reducing the effort required to move product cases;</li> <li>- Inspecting cardboard compactors in the sales network and updating training on the safe use of this equipment;</li> <li>- Introducing an observation form for forklift operators in SAQ Dépôt stores to ensure feedback to the observed staff members;</li> <li>- Conducting an ergonomic analysis of load handling in SAQ Dépôt stores and identifying best practices to be extended to all stores by members of the OHS working tables;</li> <li>- Completing OHS training for sales network staff;</li> <li>- Introducing monthly meetings with supply chain teams to discuss OHS issues, raise awareness of the importance of prevention and highlight their roles in applying best practices;</li> <li>- Reviewing the coaching process for on-the-job training teams for new team members in our distribution centres;</li> <li>- Expanding the exoskeleton<sup>10</sup> pilot project in the SAQ distribution centres;</li> <li>- Increasing the presence of SAQ managers on distribution centre floors to improve assessment of the OHS hazards encountered by teams and to intervene with team members;</li> <li>- Completing safe load handling training for evening-shift teams in our store network;</li> <li>- Updating the dedicated training for instructors and for forklift operators;</li> <li>- Continuing the activities of the company's OHS working tables;</li> <li>- Continuing joint identification of psychosocial hazards in various parts of the organization to better understand and prevent workplace health issues;</li> <li>- Concluding activities aimed at promotion employee wellness; and</li> <li>- Implementing the SAQ health and wellness working committee's targeted initiatives to promote overall health, including promotion of healthy eating habits, incorporation of fitness activities and suicide prevention.</li> </ul>			

9. Rate of accident events with time-loss injuries: calculated based on 200,000 hours worked.

10. Exoskeleton: a mechanical support structure that augments the structure of the human skeleton to assist in performing an arduous or repetitive task.



Manuel Bourque, Distribution Agent

Indicator	2024-2025 target	Result	Target achievement
Representation rate of employees from diverse backgrounds	9%	11% <sup>11</sup>	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Defining priority areas of action and developing an initial equity, diversity and inclusion (EDI) action plan;</li> <li>- Improving the EDI Dashboard to increase our understanding of the organization's diversity profile;</li> <li>- Incorporating the EDI perspective into the updated policy to promote civility and prevent harassment and violence in the workplace;</li> <li>- Adding the sense-of-belonging metric to the employee experience survey;</li> <li>- Incorporating parameters enabling collection and analysis of diversity and inclusion indicators in the new recruitment management information system;</li> <li>- Selecting new organizations for job posting distribution to expand recruitment and reach a more diverse pool of candidates;</li> <li>- Revising the wording of job postings to make them more accessible and inclusive;</li> <li>- Incorporating inclusion-related content in certain training courses such as the seasonal store staff recruitment workshop to ensure the process is more inclusive and promote fair and inclusive onboarding;</li> <li>- Providing various types of coaching for departments and work teams aimed at developing inclusive behaviours;</li> <li>- Creating and co-leading an inclusive leadership workshop for cohorts of our management succession program;</li> <li>- Incorporating EDI content into mandatory training capsules for managers and staff to promote civility and prevent harassment and violence in the workplace;</li> <li>- Creating the <i>On ouvre la discussion</i> (Starting the conversation) program to raise awareness and promote a healthy and respectful workplace; and</li> <li>- Highlighting key EDI moments to raise awareness and promote a culture of inclusivity (e.g. International Women's Day, International Day Against Homophobia, Biphobia and Transphobia, Black History Month, Pride Month, Québec Week for People with Disabilities).</li> </ul>			

11. Percentage of employees from underrepresented groups, based on voluntary self-identification by staff.



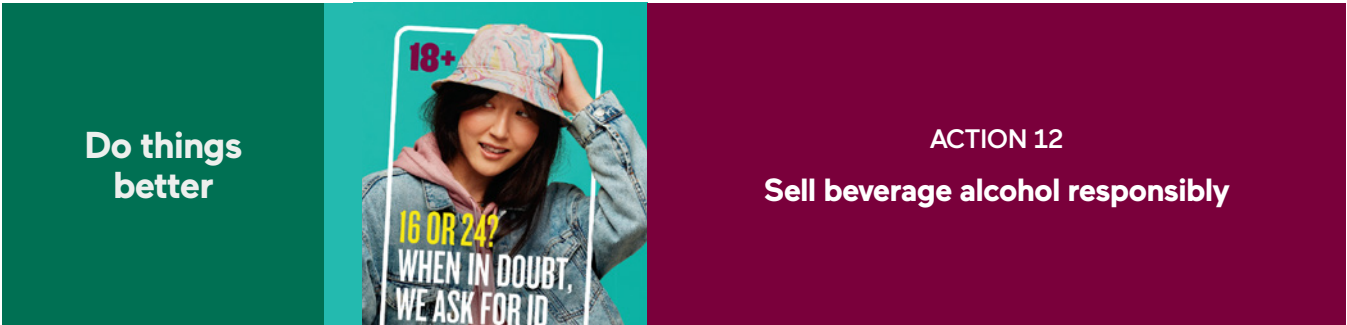
Linda Bouchard, Media Officer

Indicator	2024-2025 target	Result	Target achievement
Employee pride index <sup>12</sup>	7.3	6.3	NOT ACHIEVED
<p><b>Explanation of why the target was not achieved:</b></p> <p>Ensuring that our employees are engaged and develop pride in the company they work for is a constant challenge. While efforts to nurture employee pride are ongoing, the index being down by 1 point should also be seen in the context of collective bargaining, which affected 70% of the survey respondents, and the pressure tactics that were ongoing while the questionnaire was administered. That employees would echo their demands in a survey on their experience at the SAQ was to be expected.</p> <p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Holding training sessions, talks and tastings, development pathways and workshops for managers, employees enrolled in the emerging-generation program and the various promotion-track positions in our sales network;</li> <li>- Holding employee meetings during the fiscal year, including at the yearly and mid-year launches, to share the corporate vision and common objectives;</li> <li>- Organizing activities designed to enhance the employee experience (e.g. barbecue, holiday meals, Christmas market);</li> <li>- Conducting an independent, anonymous satisfaction survey, which resulted in an engagement index score of 7.1/10 and a pride index score of 6.3/10;</li> <li>- Improving the onboarding plan for seasonal store staff and warehouse staff;</li> <li>- Posting on social media accounts about inspiring projects and distributing a video profile of the warehouse employee position;</li> <li>- Carrying out networking, community of practice and co-development activities for some cohorts of the management succession program;</li> <li>- Continuing the training sessions in benevolent leadership and authentic communication for managers;</li> <li>- Revising and upgrading the sales management, district management and store management roles to focus on trust and accountability;</li> <li>- Revising the performance management process to add appraisal of the incumbent's encouragement of in-depth discussions between managers and their team members on their career goals, achievements and efforts for all non-unionized staff and administrative centre professionals covered by this process;</li> <li>- Holding the annual Millésime recognition event, which has celebrated the outstanding contributions of 63 staff members;</li> <li>- Holding an open house day for team members at the Montreal distribution centre;</li> <li>- Producing and distributing a Sous le bouchon podcast spotlighting the position of SAQ wine advisor;</li> <li>- Setting up the <i>Connais-tu ta SAQ ?</i> ("Do you know the SAQ?") workshops, designed to better equip senior managers, managers and professionals and promote synergies across divisions (also made available as archived content for all SAQ staff); and</li> <li>- Renewing the collective agreement between the SAQ and the SEMB, the union representing store and office employees.</li> </ul>			

12. Overall average rating on a scale of 10.




Indicator	2024-2025 target	Result	Target achievement
Annual funding remitted to organizations working in the food assistance field	\$2.5M	\$2.6M	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Holding three in-store fundraising campaigns benefiting the Food Banks of Quebec network;</li> <li>- Maintaining our partnership with the Cuisine collective Hochelaga-Maisonneuve (CCHM) community kitchen, including \$50,000 in financial support in 2024-2025 and the loan of land for a vegetable garden and greenhouse;</li> <li>- Growing in the SAQ vegetable garden and in partnership with the CCHM, 10 metric tons of fresh fruit, vegetables and herbs for, among others, needy members of the Hochelaga-Maisonneuve community; and</li> <li>- Providing financial support totalling nearly \$133,000 to <i>La Tablee des Chefs</i> and donating to them 2,914 servings of surplus food from our Montreal distribution centre cafeteria.</li> </ul>			



Indicator	2024-2025 target	Result	Target achievement
Refusal rate of attempted purchases by underage mystery customers	95%	95%	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Remitting \$3.6 million to Éduc'alcool to support its awareness and education activities;</li> <li>- Conducting 789 in-store visits by underage mystery customers in the SAQ retail network;</li> <li>- Taking part in multiple forums and meetings on the subject of responsible consumption, including the Science et industrie event organized by Éduc'alcool, the Table interministérielle en dépendance (interdepartmental table on addiction) co-ordinated by the Ministère de la Santé et des Services sociaux and meetings of the Canadian Association of Liquor Jurisdictions;</li> <li>- Training all new employees in sales ethics and providing refresher training sessions; and</li> <li>- Carrying out a three-phase sales ethics campaign via the SAQ's various communications channels.</li> </ul>			



## Do things better



### ACTION 13

## Redouble the integration of sustainability principles into the core of our business model

Indicator	2024-2025 target	Result	Target achievement
Percentage of structuring initiatives that have undergone a sustainability assessment <sup>13</sup>	58%	100% <sup>14</sup>	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Incorporating sustainability assessment (SA) in the processes of the SAQ's Bureau de réalisation des initiatives stratégiques (strategic initiatives implementation office) and continually analyzing projects' eligibility for SA; and</li> <li>- Updating the SAQ's SA analysis of its Montreal automated distribution centre (CAM) project.</li> </ul>			

13. SA is used to analyze the structuring projects submitted to our project management office and at the various steps of the strategic planning process.
14. The initiatives considered in calculation of the result are the projects stemming from the Strategic Plan 2024-2026 that were scheduled to be implemented in fiscal 2024-2025.

## Do things better



### ACTION 14

## Increase our responsible acquisition of goods and services

Dovi Nyaku, Technician, Corporate Affairs and Secretary General

Indicator	2024-2025 target	Result	Target achievement
Percentage of acquisitions that incorporate responsible content	25%	78% <sup>15</sup>	ACHIEVED
<p><b>Summary of activities completed during the fiscal year:</b></p> <ul style="list-style-type: none"> <li>- Tracking the responsible procurement indicators for procurement packages worth \$25,000 or more.</li> </ul>			

15. The result corresponds to the percentage of contracts worth \$25,000 or more that meet the conditions of at least one of the 21 Quebec government responsible-procurement indicators. In fiscal 2024-2025, this corresponded to 135 of the 173 contracts awarded by the SAQ. Expressed in terms of purchase volume, 77.3% of acquisition amounts met the conditions of at least one of the 21 responsible-procurement indicators; i.e. \$120.9 million of the \$156.4 million awarded.



Indicator	2024-2025 target	Result	Target achievement
Sustainable sponsorships as a percentage of total sponsorships <sup>16</sup>	55%	94% <sup>17</sup>	ACHIEVED
<b>Summary of activities completed during the fiscal year:</b> <ul style="list-style-type: none"> <li>- Expanding application of eco-conditions to all events sponsored by the SAQ and to fundraising activities receiving donations of \$25,000 or more from the company; and</li> <li>- Of the 70 targeted organizations to which we made donations or granted sponsorships, 94% met all the eco-conditions set by the SAQ.</li> </ul>			

16. Donations to organizations of more than \$25,000 and sponsorships granted to a recipient or recipients that meet all the eco-conditions of the SAQ Donations and Sponsorship Policy.

17. Result based on promoters' declarations when submitting their sponsorship requests.

# GRI

## Content Index



In fiscal 2023–2024, the SAQ began a voluntary ESG (environmental, social and governance) reporting process with reference to the GRI (Global Reporting Initiative) Standards.<sup>1</sup> This exercise in transparency is aimed at providing an overview of our sustainability practices and at clearly, precisely communicating our initiatives and activities. We also see it as a tool enabling us to adopt a more holistic view of our impacts, manage the risks inherent to our business and inspire the transformative evolution of the SAQ, as teams are already at work on the Strategic Plan 2027–2030.




During the past year, we began analyzing appropriate ESG topics to ensure that the aspects we have decided to disclose correspond to our stakeholders' expectations. We also produced a high-level snapshot of our operations, illustrating the journey of beverage alcohol products marketed by the SAQ (see p. 86). It describes our main stakeholders and provides an outline of the impacts of our activities.

### Statement of use






The SAQ has reported the information cited in this GRI Content Index for the period March 31, 2024, to March 29, 2025, with reference to the GRI Standards.






### GRI 1 standard used

GRI 1: Foundation 2021






-  Fully disclosed as required by the GRI Standards
-  Partially disclosed (missing at least one required indicator)
-  Not disclosed






1. The Global Reporting Initiative is an independent international organization that helps organizations report on and take responsibility for the impacts of their activities by providing them with a common language for communicating their performance.




<b>GRI 2: General Disclosures 2021</b>	
<b>2-1</b> <b>Organizational details</b> 	<p><b>Name of the organization:</b> Société des alcools du Québec</p> <p><b>Nature of ownership and legal form:</b> The Société des alcools du Québec (SAQ) is a government corporation. Its sole shareholder is the Ministre des Finances du Québec (Canada). It was constituted under the <i>Act Respecting the Société des alcools du Québec</i> (CQLR, c. S-13). The mandate of the SAQ is to sell beverage alcohol products responsibly.</p> <p><b>Location of headquarters:</b> 750, rue Tellier, Montreal, Quebec, Canada</p> <p><b>Location of operations:</b> The SAQ markets beverage alcohol products in Quebec, Canada only. The products it sells originate from 6,026 suppliers in 77 countries.</p> <p>For more information, see p. 54 of the <a href="#">French version of our 2025 Annual Report</a>.</p>
<b>2-2</b> <b>Entities included in the organization's sustainability reporting</b> 	<p>Our ESG disclosure report concerns our own activities only.</p> <p>On June 12, 2018, the sale of cannabis was incorporated into the mandate of the SAQ, which fulfils that mission through the Société québécoise du cannabis (SQDC), a business corporation with headquarters at 7355, rue Notre-Dame Est, Montreal, Quebec, Canada. The SQDC is considered to be an affiliate company. Consequently, that entity's accounts are not consolidated with those of the SAQ.</p> <p>Financial statements are audited and submitted annually to the National Assembly of Quebec.</p> <p>For more information, see p. 54 of the <a href="#">French version of our 2025 Annual Report</a>.</p>
<b>2-3</b> <b>Reporting period, frequency and contact point</b> 	<p>The SAQ is committed to progressively improving its ESG disclosure practices and reporting annually.</p> <p>The period covered by this report is identical to that of the fiscal year. For 2025, the Annual Report and ESG Disclosure Report cover the period March 31, 2024, to March 29, 2025.</p> <p>These reports are made public annually during the first week of June.</p> <p>For more details about the information presented in these reports, please contact our <a href="#">Customer Relations Centre</a>.</p>
<b>2-4</b> <b>Restatements of information</b> 	<p><b>Information in 305-1, 305-2 and 305-3 disclosures in 2023-2024</b></p> <p>Employing the financial control approach for the SAQ's greenhouse gas (GHG) emissions accounting, the emissions from diesel consumption by a truck not owned by the SAQ have been reclassified from Scope 1 and Scope 2 to Scope 3 in the GHG inventory for fiscal 2023-2024. While the company's final carbon footprint remains the same, this reclassification results in a change in the quantities of emissions disclosed in the different categories, namely, the transfer of some 210 metric tons of CO<sub>2</sub> equivalent from Scope 1 and Scope 2 to Scope 3 for fiscal 2023-2024.</p>
<b>2-5</b> <b>External assurance</b> 	<p>We are committed to producing reliable, comprehensive non-financial information.</p> <p>Unlike financial information, which is disclosed in accordance with IFRS Accounting Standards, non-financial information is not subject to external audit. It is, however, subjected to a thorough internal process that aims to validate the robustness of the data used, then reviewed and approved by the most senior authorities in the company, i.e. the Board of Directors and the Management Committee.</p>




<p><b>2-6</b> <b>Activities, value chain and other business relationships</b></p> 	<p><b>Area of activity</b> The SAQ's mission is to sell a broad range of high-quality beverage alcohol products throughout Quebec, products it imports, stores, distributes, market and retails.</p> <p><b>Value chain</b> To carry out its mandate, the SAQ operates 408 stores located throughout Quebec, also sells its products in 429 Agency stores and acts as a wholesaler to authorized distributors. Its customer base also includes restaurateurs, bar operators and hotel operators that hold permits for the sale of alcohol in Quebec.</p> <p>To meet the needs of its various customer groups, the SAQ markets some 40,000 products from 6,026 suppliers in 77 countries. The majority are imported to Quebec via maritime routes and redistributed by truck to its stores.</p> <p>For more information, see <a href="#">Path travelled by products sold at the SAQ</a> at the end of this section.</p>
<p><b>2-7</b> <b>Employees</b></p> 	<p>The SAQ has 6,978 employees corresponding to 5,341 full-time equivalents. Of that number, 45% are women. All SAQ employees work in Quebec in one of our 408 stores, in one of our three distribution centres or in one of our administrative offices in Montreal and Quebec City.</p> <p>Personnel data disclosed are a snapshot as at the last day of the fiscal year. The number of employees fluctuates seasonally, as the year-end Holidays approach, and over the summer, coinciding with the vacation period.</p> <p>For more information, see p. 117 of the French-language version of our 2025 Annual Report.</p>
<p><b>2-8</b> <b>Workers who are not employees</b></p> 	<p>In 2014, the Quebec government enacted the <i>Act Respecting Workforce Management and Control Within Government Departments, Public Sector Bodies and Networks and State-Owned Enterprises</i>. The purpose of this legislation is "to strengthen workforce management and control mechanisms within public bodies," including through measures for workforce planning as well as monitoring of staff and service contracts. To that end, the SAQ must disclose in its annual reports certain information about service contracts awarded that are worth \$25,000 or more.</p> <p>In 2024-2025, the SAQ awarded 45 service contracts worth a total of \$18.3 million to legal persons and one service contract in the amount of \$170,000 to an individual.</p> <p>Service contracts enable the SAQ to meet needs for which it does not have the required skills internally. The most commonly retained services involve project development (notably in information technology) and security services.</p> <p>For more information, see p. 117 of the French-language version of our 2025 Annual Report.</p>
<p><b>2-9</b> <b>Governance structure and composition</b></p> 	<p>The <i>Act Respecting the Société des alcools du Québec</i> stipulates that the company is administered by a Board of Directors comprising nine to 15 members, including the Chair of the Board and the President and Chief Executive Officer. As at March 29, 2025, the Board of Directors consisted of 13 members appointed by the government, including eight men and five women.</p> <p>The Board of Directors ensures that the company's business is managed in accordance with the laws and regulations that govern it and that the company's managers take the necessary steps to meet the goals arising from its mission. To that end, the Board, together with management, examines the proposals, scenarios and strategic orientations that inform the SAQ's actions and development.</p> <p>Our governance structure and the various Board of Directors committees are explained in the Governance section on pp. 97-99 of the French-language version of our Annual Report.</p>
<p><b>2-10</b> <b>Nomination and selection of the highest governance body</b></p> 	<p>The SAQ Board of Directors establishes a skills and experience profile that is relevant and advisable for the Board and its members. The members are appointed by the Quebec government.</p> <p>The company seeks to ensure that all members of the Board, except for the President and CEO, are qualified as independent directors and that the regions and the cultural diversity of Quebec society are properly represented. The Board aims for gender parity, and its members include one person from a diverse background and one aged 35 or under.</p> <p>For information about all of the required qualifications, see Desired profile of board members at <a href="https://www.saq.com/en/governance">SAQ.COM/en/governance</a>.</p>







<p><b>2-11</b> <b>Chair of the highest governance body</b></p> 	<p>The Chair of the Board of Directors is appointed by the Quebec government and is not a member of the SAQ Management Committee.</p>
<p><b>2-12</b> <b>Role of the highest governance body in overseeing the management of impacts</b></p> 	<p>The Governance, Ethics and Communications Committee (GECC) of the Board of Directors is responsible for stimulating discussion and analyzing topics related to corporate social responsibility (CSR). It oversees implementation of initiatives and reviews the reporting produced by the SAQ. The GECC recommends approval of sustainability plans and reports by the Board of Directors.</p> <p>The Management Committee, meanwhile, develops the CSR strategy and sees to it that companywide CSR objectives are properly understood and incorporated into the business objectives of the company's various divisions. It submits quarterly reports to the GECC on topical subjects. The Management Committee is also one of the bodies that maintains connections with stakeholders to identify and manage the organization's impacts on the economy, the environment and individuals.</p> <p>For information on social responsibility governance at the SAQ, see p. 6 of the Sustainability Action Plan 2023-2028.</p>
<p><b>2-13</b> <b>Delegation of responsibility for managing impacts</b></p> 	<p>The SAQ Board entrusts the development of social responsibility guidelines to the Vice-President, Public Affairs, Communications and Social Responsibility (VP, PAC-CSR). She is responsible for developing and recommending her vision to the Management Committee, which approves it and in turn submits it to the GECC, which reviews and comments on it and recommends its adoption to the Board. The VP, PAC-CSR is also responsible for stimulating SAQ employees' engagement with shared objectives and reporting on company progress to the Management Committee and the GECC. Social responsibility advances, challenges and relevant topics are presented to the GECC every quarter.</p>
<p><b>2-14</b> <b>Role of the highest governance body in sustainability reporting</b></p> 	<p>The SAQ Board regularly discusses social responsibility initiatives and challenges. The GECC oversees implementation of initiatives and reviews the reporting produced by the SAQ. It recommends approval of sustainability plans and reports by the Board of Directors. The VP, PAC-CSR reports to the Board on implementation of the Sustainability Action Plan. Our annual report discloses efforts deployed in terms of social responsibility.</p> <p>An analysis of the relevant topics will be conducted in 2025-2026 and approved by the GECC.</p>
<p><b>2-15</b> <b>Conflicts of interest</b></p> 	<p>All the members of the Board of Directors are required to adhere to the Directors' Code of Ethics and Professional Conduct and also pledge to comply with the ethics and conduct principles enshrined in law. All directors also sign a declaration of interests so as to avoid actual or potential conflicts of pecuniary or associative interest as well as such conflicts on the part of their immediate family members. The SAQ Secretary General also ensures that issues are raised proactively.</p> <p>The content of the SAQ Directors' Code of Ethics and Professional Conduct is available in the About Us section of the SAQ.COM website.</p>





<p><b>2-16</b> <b>Communication of critical concerns</b></p> 	<p>The Internal Audit Department exercises its activities under the authority of the Audit Committee. The internal audit director, as the person assigned responsibility for management of ethics and integrity, receives and processes complaints; she also reports periodically to the GECC.</p> <p>Pursuant to a legislative amendment, public bodies such as the SAQ are no longer required to receive and process disclosures of wrongdoings, which are now handled by the Public Protector of Quebec, who in turn reports on them to the National Assembly.</p> <p>That said, the SAQ still provides employees, customers and business partners with an impartial, confidential hotline for complaints or contractual conflicts. Should these include any disclosures of wrongdoings, it forwards them to the Public Protector.</p> <p>None of the cases reported via the whistle-blowing channel during the period prior to the legislative amendment, i.e. before November 29, 2024, was categorized as serious.</p> <p>See the section on accountability under the <i>Act to Facilitate the Disclosure of Wrongdoings Relating to Public Bodies</i> on p. 118 of the French-language version of our 2025 Annual Report.</p>
<p><b>2-17</b> <b>Collective knowledge of the highest governance body</b></p> 	<p>To ensure that the members of the GECC and the Board have the necessary knowledge to make informed decisions on sustainability issues, the members of the senior management team make sure to draw up a comprehensive overview, including detailed contextual information, of the issues requiring their approval.</p> <p>In addition, every three years, as part of the strategic planning process, a facts base is compiled, providing a detailed, in-depth analysis of sustainability issues. The members of the GECC have access to it at all times.</p>
<p><b>2-18</b> <b>Evaluation of the performance of the highest governance body</b></p> 	<p>Pursuant to its terms of reference, the GECC establishes and submits to the directors, on a yearly basis, criteria for evaluating the performance of the Board of Directors and its Chair as well as the committees and their chairs, including self-evaluation by directors and their peers. The GECC also conducts a yearly analysis of the results of the evaluation of the Board and its committees, the results of which are submitted to the Board for formal approval.</p> <p>Following the evaluation, a report is submitted to the GECC and the Board. The Board members then discuss what changes should be made based on the weaknesses/areas for improvement observed.</p>
<p><b>2-19</b> <b>Remuneration policies</b></p> 	<p><b>Compensation of directors</b> Compensation of the SAQ Board members is regulated by a government decree. It considers three variables: basic compensation, attendance at Board meetings and additional compensation granted to committee chairs. Detailed information about the compensation of directors is available on p. 114 of the French-language version of our Annual Report.</p> <p><b>Compensation of senior managers</b> Detailed information about the Senior Executive Compensation Policy is available on pp. 115-116 of the French-language version of our Annual Report.</p>
<p><b>2-22</b> <b>Statement on sustainable development strategy</b></p> 	<p>See the statement by the President and Chief Executive Officer of the SAQ on the importance of social responsibility on p. 3 of our Sustainability Action Plan 2023-2028.</p>



<p><b>2-23</b> <b>Policy commitments</b></p> 	<p>As a government corporation, the SAQ must comply with the local and international political commitments of the governments of Quebec and Canada regarding responsible business conduct, and with all applicable legislation and regulations. As such, it adheres to all international declarations on human rights and complies with the guiding principles of the United Nations and the International Labour Organization, among others.</p> <p>To make sure its partners and suppliers are also aware of and adhere to these commitments, the SAQ makes available its Supplier Code of Conduct. When they agree to the terms and conditions for doing business with the SAQ, our suppliers undertake to comply with our official policies and codes and expressly acknowledge having read and understood them.</p> <p>Furthermore, in accordance with the requirements of the <i>Fighting Against Forced Labour and Child Labour in Supply Chains Act</i>, the SAQ files an annual Report on the Fight Against Forced Labour and Child Labour, in which it reports on the risks related to its supply chain and on its due diligence to ensure increasingly effective prevention and reduction of the risks of forced labour and child labour.</p> <p>See the section <a href="#">Putting ethics at the heart of our business relationships</a> of the SAQ.COM website as well as our 2025 <a href="#">Report on the Fight Against Forced Labour and Child Labour</a>.</p>
<p><b>2-24</b> <b>Embedding policy commitments</b></p> 	<p>The SAQ complies strictly with its policy commitments regarding responsible business conduct, in both its operating activities and its business relationships. Its activities are subject to a wide range of international and national legislation, covering both commercial aspects and working conditions for its employees. To ensure that its employees and partners act in accordance with its policy commitments, the company makes available, on its intranet, on SAQ.COM and on its supplier-dedicated website, codes of ethics along with several policies, procedures and directives that set out the behaviour expected of its stakeholders. This documentation is shared with its teams, and the people in charge are clearly identified. The SAQ also makes sure to communicate effectively with its business partners through weekly newsletters, twice-yearly meetings, appointments and personalized correspondence where necessary. Training is available according to needs and topics and is dispensed to the target audience.</p>
<p><b>2-25</b> <b>Processes to remediate negative impacts</b></p> 	<p>Being mindful of the specific nature of the products we market and the exemplary community role that the SAQ must play as a corporate citizen, we make sure that we sell responsibly. We also promote the products that we sell responsibly, in a manner that does not encourage consumption. In stores, our teams apply stringent sales ethics, refusing to sell to minors, to people who are clearly intoxicated or to people attempting to purchase alcohol for them. To ensure that our employees have the skills to apply the strictest standards in this respect, we provide them with training upon hiring as well as refresher courses, and we provide coaching to our store management personnel to ensure that they become guides in the process. During fiscal 2024-2025, underage mystery customers in our stores were prevented from buying or tasting alcohol products in 95% of cases.</p> <p>We also believe that it is essential to raise Quebecers' awareness of the importance of making responsible, informed decisions about their alcohol consumption. Echoing our commitment to that awareness-raising, we collected and remitted nearly \$3.6 million to Éduc'alcool in 2024-2025 to support its awareness and education efforts.</p> <p>The SAQ also has an Ethics Committee that, among other things, ensures that suppliers and their products are not offensive to our customers' gender identity, sexual orientation, religion or ethnocultural origin. It also makes sure that suppliers are not involved in or responsible for inappropriate actions, that no product conveys a message contrary to the values of the company, and that dissemination of inappropriate imagery that incites consumerism or is attractive to customers aged under 18 is avoided.</p> <p>New this year, in keeping with our due diligence approach to the fight against forced labour and child labour, we have expanded the terms of reference of the Ethics Committee to include human rights. As such, all potential cases or concerns must be brought to the attention of the Ethics Committee so that an assessment can be made and recommendations for action issued.</p>





<p><b>2-26</b> <b>Mechanisms for seeking advice and raising concerns</b></p> 	<p>The SAQ's <a href="#">Code of Ethics and Conduct for Employees</a> and its <a href="#">Supplier Code of Conduct</a> are available at all times on SAQ.COM for consultation by employees and partners. If in doubt about a decision to make or an action to initiate, our stakeholders are urged to contact the Secretary General for guidance. Contact information for the latter is provided on the last page of each document. In addition, wrongful acts involving the SAQ, its employees or its partners may be reported at any time and completely confidentially to the Public Protector or to an impartial third party. The contact information for the <a href="#">confidential hotline</a> is easily accessible via our intranet and on SAQ.COM.</p>
<p><b>2-28</b> <b>Association memberships</b></p> 	<p>The SAQ's senior executives are involved on behalf of the company in the following associations and on the boards of directors of the following organizations:</p> <ul style="list-style-type: none"> <li>- <b>The Quebec Beverage Container Recycling Association</b>, which is responsible for the development, implementation, funding and management of Quebec's modernized deposit system, in line with the principle of extended producer responsibility;</li> <li>- <b>Food Banks of Quebec</b>, the mission of which is to support its network of food banks by pooling and increasing resources and expertise to ensure access to nutritious foodstuff by vulnerable populations throughout the province;</li> <li>- <b>The Retail Council of Canada</b>, which advances the interests of Canadian retailers;</li> <li>- <b>The Retail Council of Quebec</b>, whose mission is to represent, promote and enhance the retail sector in the province so as to develop resources to foster the advancement of its members and the industry in general;</li> <li>- <b>Éco Entreprises Québec</b>, which represents producers that market packaged products, containers and printed material regarding their responsibilities to fund curbside recycling;</li> <li>- <b>Écotech Québec</b>, the mission of which is to accelerate the development, commercialization and use of innovative clean technologies from Quebec; and</li> <li>- <b>The International Alcohol Monopolies Environmental Roadmap</b>, each signatory to which is committed to being a change agent in the beverage alcohol sector, implementing sustainable solutions for the products it markets while inspiring its customers to make responsible choices.</li> </ul>
<p><b>2-29</b> <b>Approach to stakeholder engagement</b></p> 	<p>As a government-owned business corporation, the SAQ is part of a vast and complex ecosystem. There are high expectations placed on it, both socially and commercially. As such, it strives to create value and inspire pride in Quebecers.</p> <p>The company has a number of stakeholders with whom it maintains close and ongoing ties, while others are engaged on a more occasional basis.</p> <p><b>Following are the SAQ's key stakeholders:</b></p> <p>Shareholder and representatives of various governments, municipalities, employees and labour unions, business partners (agents and suppliers, landlords, transporters), customers, sector-based associations, the media and the Quebec public and other partners (sponsored organizations, the Food Banks of Quebec, Éco Entreprises Québec, the Québec Beverage Container Recycling Association [QBCRA], etc.).</p> <p>Each stakeholder has a dedicated contact within the company. Be it our corporate affairs, customer service, real estate, business intelligence, marketing and merchandising, public affairs or management teams, our goal with each stakeholder is the same: establish a durable trust-based relationship to foster collaboration and generate positive benefits on both sides. This requires a mutual understanding of expectations and concerns, and proactive, transparent engagement with our stakeholders.</p> <p>Depending on needs and context, the company can engage with its stakeholders in various ways: individual or quarterly meetings, e-mail, newsletters, surveys, focus groups, annual events, in-store meetings, social media, etc.</p>



<p><b>2-30</b> <b>Collective bargaining agreements</b></p> 	<p>SAQ employees belong to different labour unions depending on the nature of their work:</p> <ul style="list-style-type: none"> <li>- The <b>Syndicat des employé(e)s de magasins et de bureaux de la Société des alcools du Québec</b>, with 4,859 members (70%), most of whom work in the company's stores;</li> <li>- The <b>Syndicat des travailleurs et travailleuses de la Société des alcools du Québec</b>, with 959 members (14%), most of whom work in the company's distribution centres; and</li> <li>- The <b>Syndicat du personnel technique et professionnel de la Société des alcools du Québec</b>, with 505 members (7%), most of whom work in the company's administrative centres.</li> </ul> <p>The SAQ has 655 non-unionized managers and employees (9%) who are not covered by any collective agreement. Their working conditions are described in a manual of working conditions for executives, store managers and non-unionized personnel, available via the intranet. That manual sets out policies for sound management and fair treatment of employees and covers the following aspects: compensation, performance management, professional development, social leave, vacations, work schedules, group insurance, the employee assistance program, the pension plan and management policies (e.g. harassment, travel expenses, dress code).</p>
<p><b>GRI 3: Material Topics 2021</b></p>	
<p><b>3-1</b> <b>Process to determine material topics</b></p> 	<p>In 2023–2024, the SAQ conducted an analysis of the GRI disclosures with a view to identifying the information available in accordance with the GRI standards. The company prioritized certain disclosures and also conducted a benchmarking exercise with similar entities to determine which disclosures were essential for the current year. To improve the consideration of material topics and comply with the requirements of the GRI Standards, the SAQ began a materiality analysis in fiscal 2024–2025 so as to determine which topics are essential for the organization and its stakeholders and to specify the disclosures about which it intends to report.</p>
<p><b>3-2</b> <b>List of material topics</b></p>   <p><b>3-3</b> <b>Management of material topics</b></p> 	<p>Given that a materiality analysis is currently being conducted, the SAQ has not determined its list of material topics. An initial prioritization of GRI disclosures was, however, conducted in 2023–2024. The prioritized disclosures are those presented in this GRI Content Index.</p>






<b>GRI 200: Economic Series</b>	
<b>201-1</b> <b>Direct economic value generated and distributed</b> 	<p>At the SAQ, the direct economic value generated and distributed corresponds to the company's profit. For fiscal 2024-2025, that profit was \$1.401 billion.</p> <p><b>Direct economic value</b> The direct economic value corresponds to sales. In 2024-2025, the SAQ's sales were \$4.042 billion.</p> <p><b>Economic value distributed</b> Operating costs:  <ul style="list-style-type: none"> <li>- Employee wages and benefits: \$443 million (for further information, see note 7 on p. 65 of the French-language version of our Annual Report); and</li> <li>- Payments to providers of capital (dividend): \$1.401 billion.</li> </ul> <p>Amounts remitted to governments:  <ul style="list-style-type: none"> <li>- Including amounts paid to both levels of government, Société des alcools du Québec operations generated \$2.609 billion in government revenues.</li> </ul> <p>Community investments:  <ul style="list-style-type: none"> <li>- The SAQ supported close to 250 events and organizations through donations and sponsorships totalling almost \$5.3 million.</li> </ul> <p><b>Economic value retained</b> Economic value retained corresponds to net undistributed profit. For 2024-2025, this amount was \$15.2 million.</p> <p>See the statement of changes in equity on p. 51 of the French-language version of our Annual Report for further information.</p> </p></p></p>
<b>201-3</b> <b>Defined benefit plan obligations and other pension plans</b> 	<p>All SAQ employees contribute to a pension plan managed by Retraite Québec, a government organization.</p> <p>See Note 18 on p. 74 of the French-language version of our Annual Report for full details.</p>
<b>203-1</b> <b>Infrastructure investments and services supported</b> 	<p>The SAQ makes donations in the areas of food assistance, health, education, arts and culture and the environment. It also plays a social role, supporting projects that have positive community impact. The company's contributions take the form of either direct financial support or donations of products as part of fundraising activities. In 2024-2025, the SAQ remitted close to \$5.3 million to some 250 organizations.</p> <p>See our <a href="#">Donations and Sponsorships Policy</a> for information about areas supported.</p>
<b>203-2</b> <b>Significant indirect economic impacts</b> 	<p>Our ecosystem is a large, structuring beverage alcohol industry that provides the local Quebec economy with a large number of quality jobs, include our approximately 7,000 positions, and generates substantial economic benefits each year for Quebec's regions, this in addition to the annual dividend paid entirely to the Ministre des Finances du Québec, which for fiscal 2024-2025 amounted to \$1.401 billion. The SAQ's stores, located everywhere in Quebec, contributed to the local economy in every region of the province. We work closely with 6,026 suppliers of beverage alcohol in 77 countries; Quebec-based agents who represent those suppliers from all over the world; restaurant owners; Quebec-based producers, who are developing an increasingly robust industry by offering quality products; the grocery and convenience store network, which includes some 8,000 additional points of sale for customers; the local bottling industry, which bottles wines sold in grocery stores; and the many professionals engaged in product connoisseurship and tasting, such as columnists, sommeliers and mixologists. In addition to the beverage alcohol industry, an entire ecosystem of goods and services suppliers (e.g. carriers, port services, consultants) also benefits from the SAQ's activities. We are thus part of a structured industry that is vital to the local economy.</p>



<p><b>204-1</b> <b>Proportion of spending on local suppliers</b></p> 	<p><b>Procurement of products</b></p> <p>Sales of Quebec products (Bottled in Québec, Made in Québec and Origine Québec) account for 16% of sales in the store and specialized centre network (19.6% of volume in litres).</p> <p>Moreover, these sales decreased slightly (sales of \$590.3 million / (0.8)% or 35 million litres / (1.1)% in 2024-2025, compared with the preceding fiscal year. Of note, sales of products with the Origine Québec and Made in Québec identifiers are growing.</p> <p><b>Purchases of goods and services</b></p> <p>Since November 2023, the Government of Quebec's Stratégie gouvernementale des marchés publics (public procurement strategy) has encouraged public bodies to give preference to procurement within Quebec and to regionalization based on defined criteria for contracts valued at less than the public tendering threshold, with the exception of real estate leases. For the SAQ, that threshold is set at \$627,200. Whenever possible, the SAQ must now give preference to companies in the region covered by a contract and issue a call for tenders to qualified bidders in that region. For goods and services procurement and construction contracts, companies bidding on contracts must also give preference to goods sourced in Quebec and to workers residing in Quebec.</p> <p>In 2024-2025, the SAQ awarded more than \$10.8 million in Quebec-based procurement contracts. This represented 47% of the acquisition amounts for new contracts awarded under the \$627,200 threshold.</p> <p>The SAQ's major sites of operations include its administrative centre, its distribution centres and its sales network.</p>
<p><b>GRI 300: Environmental series</b></p>	
<p><b>301-3</b> <b>Reclaimed products and their packaging materials</b></p> 	<p>Various materials are used for the shipping and handling of products to the SAQ's distribution centres. These are primarily plastic wrap for palletizing, cardboard and wood. The SAQ also uses plastic wrap for palletization of products bound for its store network. Given that the SAQ has not performed residual materials characterization for all of its activities, it is currently not possible to calculate reclamation rates for these materials. The company has, however, introduced various measures to maximize recovery and reclamation of these materials, including use of a dedicated plastic wrap press at the Montreal distribution centre and implementation of a project with a supplier for recovery of plastic wrap in selected stores to make plastic bags for use as recyclable material recovery receptacles. Cardboard presses at the Montreal distribution centre and at selected stores enable transfer of baled cardboard for reclamation. Stores not equipped with presses can avail themselves of cardboard recovery service provided by an external provider. Wood generated, meanwhile, is sent for recycling. A pilot project was also set up in 2024-2025 with the Centre de formation en entreprise et récupération (CFER) Mgr-Parent, which enabled reclamation of 1.5 metric tons of wood.</p> <p>Éco Entreprises Québec and the Quebec Beverage Container Recycling Association (QBCRA) are responsible for recovery and reclamation of the containers and packaging marketed by the SAQ. They are the Government of Quebec-designated management bodies for management of, respectively, the curbside recycling and deposit systems whereby SAQ containers and packaging are recovered and sent for reclamation. The SAQ does not have recent, specific data on the recovery and reclamation of these containers and packaging.</p>





<p><b>302-1</b> <b>Energy consumption within the organization</b></p> 	<p>In 2024–2025, the SAQ consumed a total of 221,497,153 megajoules of energy. That quantity included the consumption of:</p> <ul style="list-style-type: none"> <li>– 126,990,860 megajoules of fuel from non-renewable sources (natural gas, diesel, gasoline); and</li> <li>– 94,506,293 megajoules (26,251,748 kWh) of hydroelectricity.</li> </ul> <p>Although steps are being taken to evaluate the procurement of fuels from renewable sources, for the moment the SAQ is not using any such fuels.</p> <p>The SAQ's energy consumption comes from its fleet of 76 heavy trucks and 16 light vehicles used to transport merchandise and ensure the organization's operations and from its real estate assets, consisting of eight buildings, including three stores that it owns. The SAQ does not procure external cooling or steam sources and does not sell any energy.</p> <p>In calculating its energy consumption from various sources, the SAQ took account of all energy bills from its suppliers and, to a lesser extent, used estimates for its back-up equipment. In the interest of consistency with other government bodies, the conversion factors used to establish consumption in joules are those in the emission factor conversion table published by the Quebec Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs in 2019.</p>
<p><b>305-1</b> <b>Direct (Scope 1) GHG emissions</b></p> 	<p>According to the SAQ's 2024–2025 greenhouse gas (GHG) inventory, direct (Scope 1) GHG emissions were 7,993 metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e). The inventory includes all GHGs (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC) emitted by the SAQ.</p> <p>The SAQ's GHG inventory was conducted using the GHG Protocol Scope 1, Scope 2 and Scope 3 Inventory Guidance. The chosen emissions consolidation methodology is the financial control approach. The GHG Global Warming Potentials are taken from the IPCC Sixth Assessment Report (AR6). The inventory was subjected to internal review. The baseline year used for the SAQ's strategic reduction targets and reduction efforts accounted for is 2021–2022.</p>
<p><b>305-2</b> <b>Indirect (Scope 2) GHG emissions</b></p> 	<p>According to the SAQ's 2024–2025 GHG inventory, indirect (Scope 2) GHG emissions were 44 tCO<sub>2</sub>e. These emissions are entirely related to hydroelectricity consumption. They were calculated using data from the National inventory report: Greenhouse gas sources and sinks in Canada (Part 3).</p> <p>The SAQ's GHG inventory presents data in metric tons of carbon dioxide equivalent, but includes all GHGs (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC) emitted indirectly by the company.</p> <p>For information about the consolidation method, standards, methodologies and assumptions used to account for GHG emissions other than those described above, see the last paragraph of the description of disclosure 305-1 Direct (Scope 1) GHG emissions.</p>
<p><b>305-3</b> <b>Other indirect (Scope 3) GHG emissions</b></p> 	<p>In 2024–2025, the SAQ finalized development of its GHG inventory such that it henceforth includes other indirect (Scope 3) GHG emissions. These emissions were 266,890 tCO<sub>2</sub>e.</p> <p>The categories and activities considered in the calculation of other indirect GHG emissions correspond to the priority categories determined by CDP (formerly the Carbon Disclosure Project):</p> <ul style="list-style-type: none"> <li>– Category 1: Purchased goods and services: 240,253 tCO<sub>2</sub>e;</li> <li>– Category 4: Upstream transportation and distribution: 23,820 tCO<sub>2</sub>e;</li> <li>– Category 8: Upstream leased assets: 1,742 tCO<sub>2</sub>e;</li> <li>– Category 9: Downstream transportation and distribution: 1,075 tCO<sub>2</sub>e.</li> </ul>
<p><b>305-5</b> <b>Reduction of GHG emissions</b></p> 	<p>In 2023–2024, the SAQ developed various projects aimed at reducing its GHG emissions, including commissioning of two light electric vehicles, retrofitting of HVAC equipment in certain buildings, optimization of the internal ordering process and of optimization of delivery routes. At this stage in the projects' development, it has not been possible to record the emissions reductions associated with their implementation. The SAQ is developing the necessary metrics to monitor the GHG reductions in question.</p> <p>For information about the consolidation method, standards, methodologies and assumptions used to account for GHG emissions other than those described above, see the last paragraph of the description of disclosure 305-1 Direct (Scope 1) GHG emissions.</p>






<p><b>305-6</b> <b>Emissions of</b> <b>ozone-depleting</b> <b>substances (ODS)</b></p> 	<p>The SAQ does not produce, import or export any ozone-depleting substances (ODS).</p>
<p><b>306-2</b> <b>Management</b> <b>of significant</b> <b>waste-related</b> <b>impacts</b></p> 	<p><b>Responsibility for products marketed</b> Because the SAQ markets substantial quantities of glass bottles and seeks to minimize its environmental footprint, it encourages its partners to think about eco-design, responsible containers and reducing overpackaging and supports initiatives aimed at improving glass recovery and recycling. In addition, to encourage the recovery and transformation of the products it puts on the market, the company contributes to the funding of selective collection (curbside recycling) and to the expansion of the deposit system in collaboration with the Quebec Beverage Container Recovery Association, the management body designated by the government to implement this major social project.</p> <p>For more information about the SAQ's achievements, see p. 126 of the French-language version of our Annual Report.</p> <p><b>Waste management in operations</b> With a view to improving its business practices to enable responsible production and consumption, the SAQ applies a number of residual-materials prevention and management initiatives. During fiscal 2024-2025, the company implemented a number of projects in line with a circular economy approach.</p> <p>For more information, see Action 6 of our report on the Sustainability Action Plan 2023-2028, on p. 129 of this annual report.</p> <p>Management of the residual materials generated by the SAQ is exclusively handled by third parties. Where management is not handled by a municipal body (e.g. curbside recycling operated by a municipality) or by a party managing a store's lease, the company works with suppliers who comply with the regulations and laws in effect and hold the permits, certificates, licences and authorizations required to conduct their operations. Our contracts include an obligation to provide proof to that effect and require our suppliers to prioritize waste reclamation and to limit disposal. Note that the amounts of residual materials generated (disclosure 306-3) that are sent for reclamation (disclosure 306-4) and elimination (disclosure 306-5) do not include residual materials generated by construction, renovation or demolition work in the SAQ's stores, administrative centres and distribution centres. Although the SAQ requires that contractors favour reclamation of residual materials in those cases, these amounts have not been accounted for because they are non-recurring projects. There are various processes in place at the SAQ to collect and monitor data on residual materials prevention and management. Private suppliers contracted to recover and manage residual materials at our distribution and administrative centres provide monthly reports with details of invoicing, the quantities of residual materials recovered and the reclamation method used. When this information is not available or when third parties are not under contract with the company (e.g. pickup by a municipal body or contract under the responsibility of a property manager), we establish the quantities of residual materials using estimates based on assumptions as to the volume of operations.</p> <p>At set intervals, the SAQ also conducts characterization studies for the various buildings it owns, so as to better assess the performance of at-source sorting, refine its data and better target measures to be implemented for residual material prevention and management. Taken together, this information is used to compile the quantities of residual materials generated, sent for recycling or reclamation and disposed of and to better define strategies for waste prevention and management.</p>



<p><b>306-3</b> <b>Waste generated</b></p> 	<p>Residual materials generated in 2024-2025: 12,393 metric tons</p> <ul style="list-style-type: none"><li>- Recyclable materials: 6,895 metric tons;</li><li>- Dry materials: 1,514 metric tons;</li><li>- Organic materials: 160 metric tons;</li><li>- Ultimate waste: 3,824 metric tons; and</li><li>- Hazardous materials: data not available.</li></ul> <p>For information about the processes for collection and monitoring of data on residual materials prevention and management, see the last paragraph of the description of disclosure 306-2 Management of significant waste-related impacts.</p>
<p><b>306-4</b> <b>Waste diverted from disposal</b></p> 	<ul style="list-style-type: none"><li>- Non-hazardous materials sent for reclamation (recycling): 8,518 metric tons; and</li><li>- Hazardous materials sent for reclamation: data not available.</li></ul> <p>All residual materials recovered for reclamation are processed off-site by suppliers.</p> <p>For information about the processes for collection and monitoring of data on residual materials prevention and management, see the last paragraph of the description of disclosure 306-2 Management of significant waste-related impacts.</p>
<p><b>306-5</b> <b>Waste directed to disposal</b></p> 	<ul style="list-style-type: none"><li>- Non-hazardous materials sent for elimination (landfill): 3,875 metric tons; and</li><li>- Hazardous materials sent to elimination: no data available.</li></ul> <p>All residual materials recovered for elimination are processed off-site by suppliers.</p> <p>For information about the processes for collection and monitoring of data on residual materials prevention and management, see the last paragraph of the description of disclosure 306-2 Management of significant waste-related impacts.</p>








<p><b>308-1</b> <b>New suppliers that were screened using environmental criteria</b></p> 	<p><b>Procurement of products</b></p> <p>The SAQ has instituted various directives that require its suppliers to bottle their products using lightweight glass, eliminate overpackaging and ensure compliance with the federal Single-use Plastics Prohibition Regulations. Likewise, the annual assortment plan in which the SAQ publishes its product needs states, among other things, its requirements with respect to lightweight glass, overpackaging, etc.</p> <p>For its selection of new alcohol products, the SAQ uses an evaluation matrix that includes environmental criteria. All bidders are asked to list the following:</p> <ul style="list-style-type: none"> <li>- Weight of container;</li> <li>- Materials used;</li> <li>- Whether the product is bottled locally;</li> <li>- Organic certifications; and</li> <li>- Responsible practices certifications.</li> </ul> <p>Bidders are therefore asked to declare their environmental practices when submitting an offer to the SAQ. When a product is selected, our laboratory performs chemical analyses and validates the documentary evidence of the certifications submitted with the offer. To be considered organic, products distributed by the SAQ must comply with Quebec and Canadian laws and regulations. Suppliers are required to provide a certificate attesting to their products' organic status, and to have their labels approved by their certification body before shipping their goods. In 2024-2025, 17% of new products selected by our teams and for which supply samples were analyzed by the Quality Management department were certified organic in compliance with standards in effect.</p> <p><b>Purchases of goods and services</b></p> <p>The Government of Quebec adopted the <i>Stratégie gouvernementale des marchés publics</i> (public procurement strategy, or SGMP) in 2022 and the <i>Stratégie gouvernementale de développement durable</i> (sustainable development strategy, SGDD) in 2023, confirming that it prioritizes responsible procurement. Pursuant to this, the SAQ began applying the government's responsible-procurement indicators to new contracts worth more than \$25,000 so as to better monitor the progress of our responsible-procurement practices and assist the government in doing the same for all public organizations.</p> <p>As a result, all new SAQ contracts in excess of \$25,000 are considered with regard to the 10 environmental-dimension responsible procurement indicators introduced by the Government of Quebec. In 2024-2025, 53.2% of new contracts awarded (92 out of a total of 173), including, henceforth, those for transportation, met the conditions of at least one of the 10 environmental-dimension responsible procurement indicators.</p>
<p><b>GRI 400: Social series</b></p>	
<p><b>403-1</b> <b>Occupational health and safety management system</b></p> 	<p>As a government corporation, the SAQ complies with all of the occupational health and safety (OHS) laws and regulations applicable in Quebec with respect to all of its staff. In addition, because the health and safety of its teams is a priority, it invests time and effort in prevention and in implementation of best practices. The company has created joint committees with the members of its unions, working tables for its Sales division and all areas of its supply chain, as well as governance and extensive reporting in this respect. Where required, employees have access to OHS procedures, personal protective equipment and training. Joint inspections, risk analyses and action plans for all areas are also implemented annually.</p> <p>In 2020-2021, Quebec's occupational health and safety regime was modernized to encompass the concepts of psychosocial risks and protection against spousal and family violence. In 2023-2024, the SAQ initiated a process to identify psychosocial risks, which continued in 2024-2025. This process aims at highlighting the risk factors with a potential impact on the health of employees and preparing for the implementation of reduction and prevention strategies.</p> <p>To learn more, see the <a href="#">Workplace well-being</a> section of the SAQ.COM website.</p>

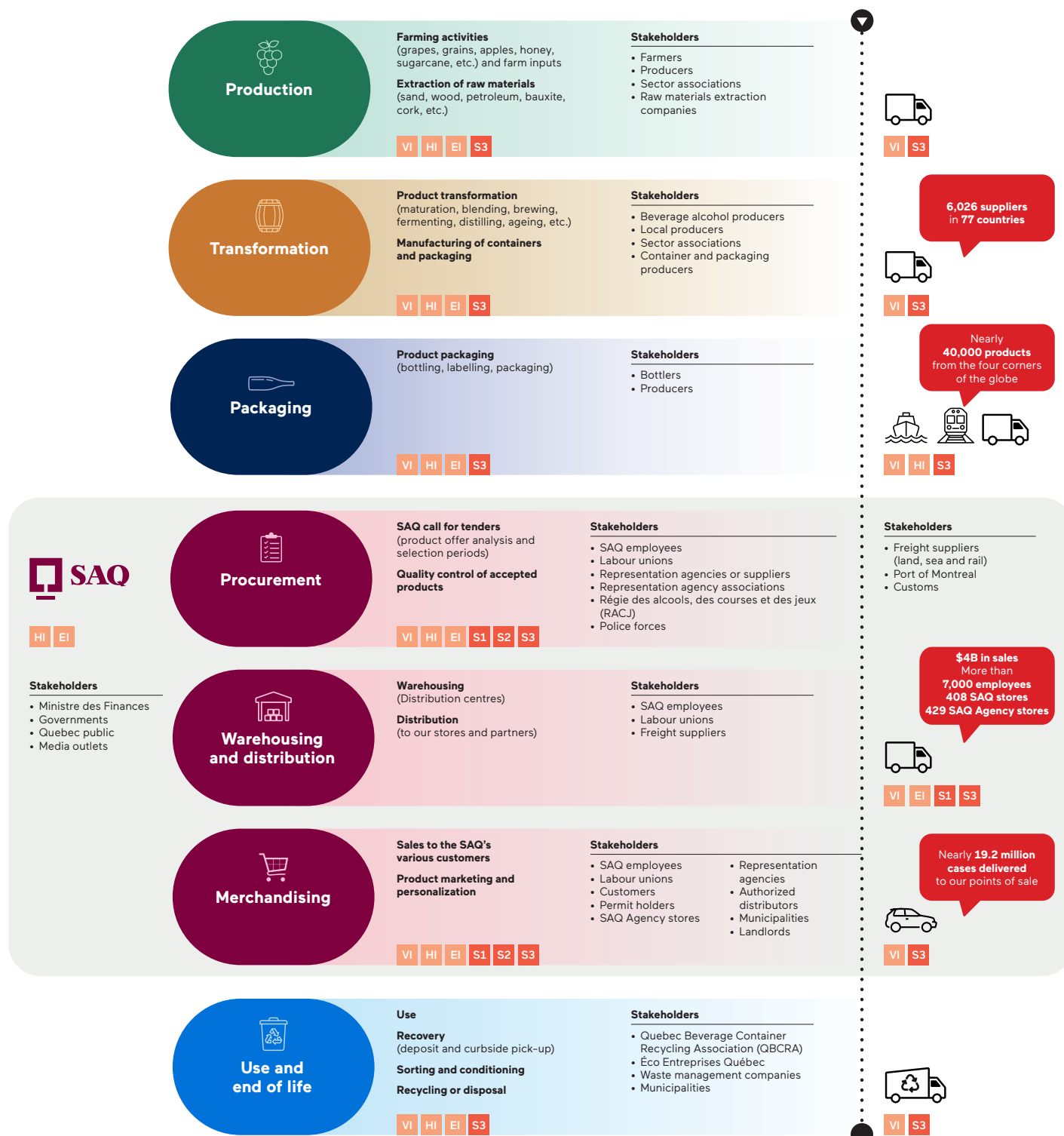
<p><b>403-2</b> <b>Hazard identification, risk assessment, incident investigation</b></p> 	<p>The purpose of the SAQ's procedure for identifying hazards and assessing and controlling risks is to define the mechanism for identifying health and safety hazards for any person exposed to the dangers and risks generated by the company's activities. It also serves to specify roles and responsibilities, assess the level of risk associated with hazards, prioritize elimination, reduction and control of identified hazards and risks, implement suitable prevention mechanisms, verify the effectiveness of measures and meet legal and other applicable requirements.</p> <p>Managers, employees and the teams dedicated to and trained in occupational health and safety (OHS) work together to identify potential risks based on the nature of tasks performed, the equipment used and the various work environments. The Accidental Event Investigation and Analysis (AEIA) system and sectoral OHS tables are used to identify issues and prioritize preventive measures and actions to be taken to reduce accident risks. This process is periodically reviewed to account for changes in the nature of tasks performed, the equipment used and the different work environments.</p> <p>Employees are required to report any OHS-related event using the AEIA system and the sectoral tables. Managers are required to document events and take action to ensure that corrective measures are implemented, as necessary.</p> <p>Employees are required to know and apply OHS procedures, rules and guidelines. By law, if someone believes that a work situation is likely to result in a work-related accident or occupational disease, they may refuse to work. In such situations, a process is initiated to document and analyze the estimated risks.</p>
<p><b>403-3</b> <b>Occupational health services</b></p> 	<p>The SAQ's Occupational Health and Safety office is the unit that handles all OHS-related cases and collaborates with the Quebec government's Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST). The health office is tasked with a range of mandates, including OHS, work attendance management (e.g. disability case management) and health and wellness. A team of OHS consultants, dedicated to the sales network and operations (supply chain), supports managers and their teams on OHS risk prevention and defining solutions adapted to the issues encountered. Among other things, this team is tasked with ensuring compliance with the <i>Act Respecting Occupational Health and Safety</i> and recommending initiatives focusing on prevention of risks and accident events, with an eye to ensuring safe work environments. Its role is to promote an OHS culture that emphasizes individual and collective responsibility in day-to-day operations.</p> <p>A team of first responders is reachable at all times via a direct line and available to intervene should an incident occur. The health office can easily be reached via an e-mail address provided to all employees. The OHS team is available at all times to intervene in an emergency.</p>
<p><b>403-4</b> <b>Worker participation, consultation and communication on occupational health and safety</b></p> 	<p>The SAQ has implemented several methods for involving its employees in OHS matters. OHS working tables enable the various parties involved to discuss and consult on OHS issues and on measures to be implemented to reduce risks in the work environments. These tables comprise managers, employees, prevention representatives and OHS consultants. Downtime is also scheduled to enable direct discussions with supply chain personnel, notably on the subject of OHS. These breaks also provide opportunities to raise staff awareness of best practices in OHS.</p>
<p><b>403-5</b> <b>Worker training on occupational health and safety</b></p> 	<p>The SAQ is required to provide OHS training to its employees and is committed to doing so to facilitate their workplace integration. While some training is dispensed by employees performing duties similar to those of trainees (e.g. training on safe load handling, safe use of equipment and rolling stock), other training is provided by OHS consultants (e.g. training on accident investigation, lockout procedures, the Workplace Hazardous Materials Information System (WHMIS) or contractual instructors (e.g.: training on work at height, the use of lifting platforms, electric arc hazards, electrical safety, first aid in the workplace). The SAQ has implemented a monitoring system to ensure that employee training is up-to-date, as required by regulations.</p>

<p><b>403-6</b> <b>Promotion of worker health</b></p> 	<p>The SAQ provides all members of its personnel with various services and resources to promote their health and well-being. They include:</p> <ul style="list-style-type: none"> <li>- An employee and family assistance program, offering free, confidential and round-the-clock access to professional resources in areas ranging from physical, social and financial wellness to healthy lifestyle habits;</li> <li>- A free, confidential and round-the-clock telemedicine service for employees eligible for a group insurance plan and members of their families;</li> <li>- A mutual care and support network; and</li> <li>- Other resources provided free of charge, which the company promotes via its internal communications channels and that cover subjects such as mental health, tobacco use, nutrition, physical activity and healthy lifestyle habits.</li> </ul> <p>In addition, 57% of staff members are eligible for a group insurance plan guaranteeing access to health services.</p> <p>The SAQ also has a workplace health and safety action plan, the status of which is monitored by a dedicated working committee. Employees also benefit from the work of a workplace harassment prevention committee.</p>
<p><b>403-8</b> <b>Workers covered by an occupational health and safety management system</b></p> 	<p>The SAQ complies with all of the occupational health and safety laws and regulations applicable in Quebec with respect to all of its staff. Its 6,978 employees are covered by the OHS system. Workers who are not employees but who work on our premises (e.g. consultants, contractual workers, housekeeping, audio-visual) must comply with our OHS rules, but coverage is provided by their employer in the event of an accident.</p> <p>The SAQ's OHS system may undergo an internal audit if concerns are raised.</p>
<p><b>403-9</b> <b>Work-related injuries</b></p> 	<p>During fiscal 2024-2025, the SAQ had an accident rate of 6.1 per 200,000 hours worked. The most common accidents reported involved load handling:</p> <ul style="list-style-type: none"> <li>- Number of work-related accidents resulting in fatalities: 0;</li> <li>- Number of work-related accidents with serious consequences (excluding fatalities): 0; and</li> <li>- Number of recordable work-related accidents: 243.</li> </ul> <p>As required by law, workers who are not employed by the SAQ but whose work or workplace is controlled by the organization must report any accidents to their employer.</p> <p>The methods used by the SAQ to identify potential hazards are explained in item 403-2 above.</p>
<p><b>403-10</b> <b>Work-related ill health</b></p> 	<p>The SAQ does not distinguish between occupational illnesses and work-related accidents. The two types of event are accounted for together and included in the frequency rate of time-loss injuries, explained in item 403-9 Work-related injuries.</p>
<p><b>404-1</b> <b>Average hours of training per year per employee</b></p> 	<p>In Quebec, the <i>Act to Promote Workforce Skills Development and Recognition</i> requires companies with a payroll of \$2 million or more to invest the equivalent of 1% or more of that payroll in training activities aimed at skills development for their personnel. The number of hours of training must be declared annually. During the 2024 calendar year, the SAQ invested a total of \$5.4 million in training for its staff. The company provided an average of more than 12 hours of training per employee.</p>

<p><b>404-3</b> <b>Percentage of employees receiving regular performance and career development reviews</b></p> 	<p>Executives, senior managers, non-unionized staff and employees affiliated with the Syndicat du personnel technique et professionnel de la SAQ benefit from a contribution appraisal process. This approach is based on recognition and valuing of employees' strengths, actions, efforts and results in performing their roles and responsibilities as well as the added value they contribute to the SAQ. It is also an opportunity to initiate constructive discussions on development. As part of this process, 1,206 people (17.3% of SAQ employees) had the opportunity to meet their manager at least twice during fiscal 2024-2025. These meetings also allowed them to discuss their career opportunities and development within the organization with their managers.</p>
<p><b>405-1</b> <b>Diversity of governance bodies and employees</b></p> 	<p>The SAQ has committed to building an ever more welcoming and respectful corporate culture that recognizes the contributions of all employees and nurtures their sense of shared identity. It values diversity in its workplaces and is mindful of the need to be representative of Quebec society.</p> <p>To get an accurate portrait of its employee makeup and in accordance with the <i>Act Respecting Equal Access to Employment in Public Bodies</i>, the company must collect, using a voluntary self-identification process, data on representation of the following groups: women, Indigenous people (First Nations, Inuit and Métis in Canada), people from visible minorities (non-white and non-Indigenous), people from ethnic minorities (whose mother tongue is neither French nor English and who are not Indigenous or members of a visible minority) and people with disabilities, as defined in the <i>Act to Secure Handicapped Persons in the Exercise of Their Rights With a View to Achieving Social, School and Workplace Integration</i>.</p> <p>The distribution of individuals within the organization is as follows:</p> <p><b>Management Committee – 10 members</b></p> <ul style="list-style-type: none"> <li>- 6 women (60%)</li> <li>- 0 people aged under 30 (0%)</li> <li>- 4 people aged 30 to 50 (40%)</li> <li>- 6 people aged over 50 (60%)</li> <li>- 1 person with a diversity background (10%)</li> </ul> <p><b>Senior managers in the company – 587 employees</b></p> <ul style="list-style-type: none"> <li>- 269 women (46%)</li> <li>- 24 people aged under 30 (4%)</li> <li>- 419 people aged 30 to 50 (71%)</li> <li>- 144 people aged over 50 (25%)</li> <li>- 59 people with a diversity background (10%)</li> </ul> <p><b>Office professionals – 625 employees</b></p> <ul style="list-style-type: none"> <li>- 347 women (56%)</li> <li>- 42 people aged under 30 (7%)</li> <li>- 367 people aged 30 to 50 (59%)</li> <li>- 216 people aged over 50 (34%)</li> <li>- 94 people with a diversity background (15%)</li> </ul> <p><b>Supply chain staff – 959 employees</b></p> <ul style="list-style-type: none"> <li>- 53 women (6%)</li> <li>- 151 people aged under 30 (16%)</li> <li>- 566 people aged 30 to 50 (59%)</li> <li>- 242 people aged over 50 (25%)</li> <li>- 170 people with a diversity background (18%)</li> </ul> <p><b>Sales network staff – 4,797 employees</b></p> <ul style="list-style-type: none"> <li>- 2,445 women (51%)</li> <li>- 1,460 people aged under 30 (30%)</li> <li>- 1,801 people aged 30 to 50 (38%)</li> <li>- 1,536 people aged over 50 (32%)</li> <li>- 472 people with a diversity background (10%)</li> </ul>

<p><b>408-1</b> <b>Operations and suppliers at significant risk for incidents of child labour</b></p> 	<p>Since the 2023-2024 fiscal year, pursuant to federal legislation, the SAQ has reported annually on the fight against forced labour and child labour in its supply chain, detailing the initiatives it has implemented in this regard. The report identifies supply-chain activities considered to be at risk, and describes remediation measures.</p> <p>The 2025 Report on the Fight Against Forced Labour and Child Labour is available in the <a href="#">Publications</a> section of the SAQ.COM website.</p>
<p><b>409-1</b> <b>Operations and suppliers at significant risk for incidents of forced or compulsory labour</b></p> 	
<p><b>414-1</b> <b>New suppliers that were screened using social criteria</b></p> 	<p><b>Procurement of products</b></p> <p>The SAQ uses an evaluation matrix to select new alcohol products, which for the moment does not contain any specific social assessment criteria. It does, however, take into consideration certain responsible practices certifications, which may include such criteria. Given that context, we cannot at present determine the proportion of new products assessed using social criteria.</p> <p><b>Purchases of goods and services</b></p> <p>The Quebec government adopted the <i>Stratégie gouvernementale des marchés publics</i> (public procurement strategy, or SGMP) in 2022 and the <i>Stratégie gouvernementale de développement durable</i> (sustainable development strategy, SGDD) in 2023, confirming that it prioritizes responsible procurement. Pursuant to this, the SAQ began applying the government's responsible-procurement indicators to new contracts worth more than \$25,000 so as to better monitor the progress of our responsible-procurement practices and assist the Quebec government in doing the same for all of public organizations.</p> <p>As a result, all new contracts in excess of \$25,000 are considered with regard to the six social-dimension responsible procurement indicators. In 2024-2025, 16.2% of new contracts awarded (28 out of a total of 173), including, henceforth, those for transportation, met the conditions of at least one of the six social-dimension responsible-procurement indicators.</p>
<p><b>415-1</b> <b>Political contributions</b></p> 	<p>The SAQ does not make any political contributions. Its sole shareholder is the Ministre des Finances du Québec, to which all of its profits are remitted.</p>
<p><b>418-1</b> <b>Substantiated complaints concerning breaches of customer privacy and losses of customer data</b></p> 	<p>The SAQ has always been committed to managing personal information with the utmost respect for confidentiality and to complying with the rules established in the <i>Act Respecting Access to Documents Held By Public Bodies and the Protection of Personal Information</i>.</p> <p>During fiscal 2024-2025, the SAQ did not report any incidents involving a risk of serious harm to the Commission d'accès à l'information du Québec, the organization that regulates privacy protection in Quebec.</p>

## Path travelled by products sold at the SAQ





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