



# Conagra Brands Canada Inc./ Marques Conagra Canada Inc.

## Annual Report Fiscal Year Ended May 28, 2023

This report (the “Report”) has been prepared for and applies to Conagra Brands Canada Inc./Marques Conagra Canada Inc. (the reporting “Entity,” “we,” or “us”) pursuant to Section 11 of the Fighting Against Forced Labor and Child Labor in Supply Chains Act (the “Act”) and outlines the actions we have taken during the fiscal year ended May 28, 2023 to prevent and reduce the risk of unlawful child labor or forced labor occurring in our business.

We are part of a consolidated group of companies owned by Conagra Brands, Inc. (“Conagra” or the “Company” refers to Conagra Brands, Inc. and its subsidiaries including the Entity) and we are committed to preventing the occurrence of unlawful child labor or forced labor in our operations and supply chains. Conagra does not tolerate unlawful child labor, forced labor, or any other form of slavery and expects suppliers to support Conagra’s values and share its commitment to ethical and responsible business practices. Please note that Conagra is also subject to reporting requirements under California’s Transparency in Supply Chains Act.

### **Our Structure and Business**

The Entity is located in Ontario (with extra-provincial registrations in all other Canadian provinces) and has employees and facilities in Ontario (Dresden), British Columbia (Richmond) and Quebec (Boisbriand). As of May 28, 2023, the Entity had approximately 750 employees.

Conagra is headquartered in Chicago, Illinois and is one of North America's leading branded food companies and is a publicly traded entity on the New York Stock Exchange under the symbol CAG. As of May 28, 2023, Conagra had a total of approximately 18,600 employees, primarily in the United States. Additionally,

Conagra had 42 facilities, 38 of which were located in the United States, three of which were located in Canada, and one of which was located in Mexico. In addition, Conagra had warehouses at most of its manufacturing facilities.

Guided by an entrepreneurial spirit, Conagra combines a rich heritage of making great food with a sharpened focus on innovation. Its iconic brands such as Birds Eye<sup>®</sup>, Duncan Hines<sup>®</sup>, Healthy Choice<sup>®</sup>, Marie Callender's<sup>®</sup>, Reddi-wip<sup>®</sup>, and Slim Jim<sup>®</sup>, as well as emerging brands, including Angie's<sup>®</sup> BOOMCHICKAPOP<sup>®</sup>, Duke's<sup>®</sup>, Earth Balance<sup>®</sup>, Gardein<sup>®</sup>, and Frontera<sup>®</sup>, offer choices for every occasion.

## **Our Supply Chains**

During fiscal year 2023, the Entity's supply chain was integrated with Conagra's supply chains.

The Entity imports and sells Conagra products in Canada and also produces Conagra products at its facilities in Canada. All of the Entity's operations and facilities are located in Canada including its production facilities consisting of:

- The Entity's Boisbriand, Quebec plant facility has approximately 200 employees and produces frozen corn dogs and shelf stable sauces. The brands produced at the Quebec plant facility include POGO<sup>®</sup>, LA Choy<sup>®</sup> VH<sup>®</sup>. The Quebec facility also produces private label products.
- The Entity's Dresden, Ontario plant facility has approximately 175 employees and the plant produces canned tomatoes and sauces. The brands produced at the Dresden facility include Hunt's<sup>®</sup>, Manwich<sup>®</sup>, and Aylmer<sup>®</sup>.
- The Entity's Richmond, British Columbia plant facility has more than 200 employees and produces plant-based meat alternatives for the Gardein<sup>®</sup> brand.

Conagra's supply chains are overseen by its Executive Vice President and Chief Supply Chain Officer who reports to its President and Chief Executive Officer.

Conagra uses a variety of raw materials, most of which are commodities. Conagra's products are manufactured in North America, and Conagra sources the significant majority of its ingredients and raw materials from North America. Conagra's purchases of ingredients and raw materials are governed by negotiated supply contracts or purchase order terms and conditions. The main types of goods sourced by Conagra are ingredients and packaging materials for food products.

## Our Policies and Due Diligence Processes

The reporting Entity complies with policies, processes, and internal controls developed and implemented by Conagra to mitigate the risk of unlawful child labor or forced labor in Conagra's operations. Due diligence processes performed during the hiring process include interviewing prospective hires, conducting background checks, and gathering key information, such as proof of identity and age, designed to prevent violations of law and prevent the use of unlawful child labor or forced labor.

As of May 28, 2023, Conagra's policies (all of which are available on [www.Conagra.com](http://www.Conagra.com)) in relation to unlawful child labor or forced labor included:

- **[Conagra's Code of Conduct](#)** for employees explains policies and guidelines for working at Conagra and it outlines expectations. It provides guidance on how to comply with relevant laws, regulations, and industry standards. The Code of Conduct is maintained by the Ethics and Compliance function within the Legal Department.
- **[Conagra's Code of Conduct for Suppliers](#)** provides guidance on Conagra's expectations for its suppliers, highlighting key laws and regulations, as well as outlining additional requirements that Conagra expects its suppliers to meet. Suppliers must comply with relevant human rights policies throughout Conagra's supply chain including with respect to unlawful child labor or forced or compulsory labor. The Code of Conduct for Suppliers also provides for reporting concerns without fear of retaliation, including reporting anonymously and reporting by third parties based on Conagra's Ethics and Compliance Hotline. The Code of Conduct for Suppliers is managed by the Procurement Department and is embedded in all of Conagra's, and the Entity's purchase orders and master supply agreements. Conagra's Code of Conduct for Suppliers provides that:
  - Suppliers must avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur and seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services by their business relationships, even if they have not contributed to those impacts.
  - Suppliers must ensure that no forced labor, including bonded, indentured, and involuntary prison labor, is used.
  - Proper measures must be taken to promote a workplace free of harassment, harsh treatment, threats of violence, corporal punishment, or other forms of physical coercion.

- Conagra's suppliers and their subcontractors are forbidden from using unlawful child labor in any circumstance.
- Conagra's suppliers must comply with all applicable laws governing the number of maximum work hours, vacation time, leave periods, and holidays.
- Suppliers must provide compensation, including regular wages and overtime hours, and legally mandated benefits, in accordance with all applicable laws and standards.

Throughout fiscal year 2023, Conagra maintained an ethics and compliance hotline program. Conagra's hotline is hosted by a third-party, and it allows anyone (including employees and suppliers) to raise concerns, including concerns related to unlawful child labor or forced labor in its operations or supply chain. Under the hotline program, reporters can submit concerns, including anonymously, without fear of retaliation, through a toll-free phone and/or website. Concerns raised are investigated based on established protocols for assignment, investigation, escalation, and remediation where applicable. The case investigations process is managed by the Ethics and Compliance function within Conagra's Legal Department.

Additionally, Conagra adopted a [Human Rights Policy](#) in August 2023 (fiscal year 2024) which outlines the core standards and expectations set for Conagra employees, candidates for employment, and all other workers over whom Conagra has management control with respect to the fair treatment of its employees in all of Conagra's operations. This policy applies to all locations and situations where Conagra conducts business and prohibits the use of unlawful child labor, forced labor, bonded labor, human trafficking, and slavery-like practices.

Conagra also conducts due diligence and engages in other processes in relation to unlawful child labor or forced labor which, during fiscal year 2023, included:

- In response to news articles regarding the risk of unlawful child labor in food manufacturing operations and supply chains, Conagra examined its hiring activities and engaged with certain suppliers identified based on potential for unlawful child labor or forced labor risks. Conagra offered awareness training to human resources personnel on the risk of unlawful child labor or forced labor in Conagra's operations. Additionally, Conagra's engagement with select suppliers and vendors included discussions regarding their employment practices including verification of identity and age.
- Conagra engaged with its key suppliers through its Supplier Quality team who reviews suppliers' conformance with specific expectations set forth in Conagra's

Supplier Expectations Manual. Conagra conducted due diligence screening that included global standards related to human rights, business ethics, governance, and environmental compliance.

## **Risks of Unlawful Child Labor or Forced Labor in our Business and Supply Chains**

Conagra's senior leadership is responsible for identifying, assessing, and managing Conagra's overall exposure to risk including supply chain risk. Conagra's Enterprise Risk Management (ERM) Committee consists of members of the senior leadership team appointed by Conagra's board of directors and is responsible for:

- Facilitating risk conversations with cross-functional leaders and teams
- Partnering with risk owners to develop risk management action plans targeted to mitigating the drivers of enterprise risks
- Identifying key metrics to objectively assess the risk to Conagra applying both a short-term and long-term perspective
- Informing Conagra's strategic planning based on risks assessments after consideration of action plans and residual risk

Identifying and managing risks of unlawful child labor or forced labor in Conagra's operations is also a responsibility of Conagra's manufacturing and human resources teams. In fiscal year 2023, following media reports regarding the risk of unlawful child labor in food manufacturing operations and supply chains, Conagra's Ethics and Compliance function provided the human resource teams of Conagra (including the Entity) additional training on risks relating to unlawful child labor or forced labor.

Managing the risks of unlawful child labor or forced labor in Conagra's supply chain is the responsibility of Conagra's procurement teams who communicate Conagra's policies prohibiting the use of unlawful child labor or forced or compulsory labor in Conagra's supply chain (contained in its Code of Conduct for Suppliers). Due diligence is conducted on Conagra's key suppliers applying global standards related to human rights, business ethics, and governance compliance. Conagra's dedicated procurement staff also has periodic touchpoints with these suppliers. Key suppliers identified for Conagra's supplier of excellence program are assessed annually for risks through a review of publicly available information including

policies, reports, and commitments. This annual assessment is supplemented by quarterly performance discussions and risk analyses.

Conagra's commitment to human rights has for many years been embodied in Conagra's Code of Conduct and its underlying principles that require compliance with all applicable laws and respect for internationally recognized human rights in the countries in which we operate. In fiscal year 2024, Conagra adopted a stand-alone Human Rights Policy to further highlight this commitment. The Code of Conduct also provides for reporting concerns without fear of retaliation, including reporting anonymously and reporting by third parties based on Conagra's Ethics and Compliance Hotline. In addition, in fiscal year 2023, Conagra:

- offered awareness training to human resources personnel on the risk of unlawful child labor or forced labor in Conagra's operations; and
- engaged with select suppliers and vendors regarding unlawful child labor and their employment practices.

### **Measures Taken to Remediate Unlawful Child Labor or Forced Labor**

To date, we have not identified any instances of unlawful child labor or forced labor in our supply chains and therefore have not enacted any remediation measures.

### **Remediation of any Loss of Income to the Most Vulnerable Families that Result from any Measures taken to Eliminate the Use of Unlawful Child Labor or Forced Labor in our Activities or Supply Chains**

To date, we have not identified any instances of loss of income that resulted from our measures to eliminate the use of unlawful child labor or forced labor in our supply chains.

### **Employee Training**

Conagra requires all employees to annually complete training on, and certify to, the Code of Conduct which includes guidance on how to report concerns about suspected violations of policy or law through multiple channels including Conagra's Ethics and Compliance Hotline. The fiscal year 2023 training was delivered either through a third-party learning management system managed in-house or in a live classroom setting and completion of the training was tracked through electronic systems.

In fiscal year 2023, following media reports regarding the risk of unlawful child labor in food manufacturing operations, Conagra provided additional targeted awareness training to human resources personnel on the risk of forced labor and unlawful child labor in its operations.

For future years, Conagra plans to incorporate training on the risks of unlawful child labor or forced labor into its mandatory annual Code of Conduct employee training plan starting with all salaried employees in fiscal year 2024. Additionally, Conagra has contracted with a global leader service provider to expand Conagra's training on the risks of unlawful child labor or forced labor into its mandatory annual Code of Conduct employee training plan for all employees, including non-salaried employees in fiscal year 2024.

### **Measuring Our Effectiveness**

Conagra, through its Supplier Quality and Risk teams, conducts periodic audits of contract manufacturers and, more broadly across all suppliers, utilizes third-party controversy monitoring to assess supplier performance including compliance with Conagra's policies relating to unlawful child labor or forced labor.

Conagra also maintains a hotline program that allows employees and third parties to report concerns including concerns about unlawful child labor or forced labor in its operations or supply chain. Conagra investigates all concerns reported to Conagra's Ethics and Compliance Hotline. To assess the effectiveness of its hotline program, Conagra tracks the number and types of concerns and the actions taken as a result of the concerns raised through the program. Additionally, Conagra's Ethics and Compliance function monitors hotline trends against benchmarking data.

Conagra's Ethics and Compliance function provides data and other information to Human Resources, management's Compliance Committee, other members of senior leadership, and the Board's Audit / Finance Committee on a regular basis on the reports received and actions taken as a result of the concerns raised. Conagra's Ethics and Compliance function also provides quarterly reports to Conagra's external auditor, KPMG.

Each report provided by Conagra's Ethics and Compliance function contains year-over-year data and trends to help identify any outliers. In addition, Conagra's Ethics and Compliance function utilizes an annual Global and Compliance Benchmark Report provided by a global leader third-party hotline provider as a benchmark for hotline data and trends.

Conagra's Ethics and Compliance function is responsible for ensuring that Conagra's hotline reporting and investigation protocols are functioning as intended and that concerns are investigated, addressed, and communicated, as appropriate. Conagra's Ethics and Compliance function reports at least annually to management's compliance committee and the Board's Audit / Finance Committee on its protocols and the effectiveness of the program.

## **Disclaimers**

This Report does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities.

## **Board approval**

The Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Conagra Brands Canada Inc./Marques Conagra Canada Inc.

In my capacity as a Director of Conagra Brands Canada Inc./Marques Conagra Canada Inc., and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

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

***Frank A. Cianchetti***

**Director**

**May 23, 2024**

**I have authority to bind Conagra Brands Canada Inc./Marques Conagra Canada Inc.**