

Les Aliments Consco Inc.

Bill S211 Annual Report – May 31, 2024

Step 1: Identifying information

Questions marked with an asterisk (*) are mandatory.

1. *This report is for which of the following? (Required)

- Entity

2. *Legal name of reporting entity or government institution (Required) LES ALIMENTS CONSCO INC.

3. *Financial reporting year (Required) May 31, 2024

4. *Is this a revised version of a report already submitted this reporting year? (Required)

- No

5. For entities only: Business number(s) (if applicable): NEQ 1178385374

6. For entities only: *Is this a joint report? (Required)

- No

7. For entities only: *Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? (Required)

- No

8. For entities only: *Which of the following categorizations applies to the entity? Select all that apply. (Required)

- Canadian business presence (select all that apply):
 - Has a place of business in Canada
 - Does business in Canada
 - Has assets in Canada

- Meets size-related thresholds (select all that apply):
 - Has at least \$20 million in assets for at least one of its two most recent financial years
 - Has generated at least \$40 million in revenue for at least one of its two most recent financial years

9. For entities only: *Which of the following sectors or industries does the entity operate in? Select all that apply. (Required)

- Agriculture, forestry, fishing and hunting
- Wholesale trade
- Transportation and warehousing

10. For entities only: *In which country is the entity headquartered or principally located? (Required) Canada

10.1 If in Canada: *In which province or territory is the entity headquartered or principally located? (Required) Quebec

Step 2: Annual Report – May 31, 2024

1. *What steps has the entity taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity? Select all that apply. (Required)

- Mapping activities
- Mapping supply chains
- Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- Developing and implementing an action plan for addressing forced labour and/or child labour
- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- Developing and implementing child protection policies and processes
- Monitoring suppliers
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour

2. Please provide additional information describing the steps taken (if applicable) (1,500 character limit).

Consco Foods is committed to continually ensuring ethical, sustainable and responsible sourcing practices within our business. Our procurement and management team sources only from trusted, reputable and long-standing establishments that adhere and have a strong track record of commitment to operating with the most stringent business standards and integrity. Through our due diligence processes, conducted by our quality assurance and procurement teams, we ensure that suppliers maintain and disclose the highest level of business code of conduct and operating ethics. We monitor their disclosures on compliance with applicable legislation, rules and regulations, as well as labor practices, anti-harassment, and human right policies. We review all suppliers code of conduct to ensure they disclose that they shall not use forced or child labor. In addition, we will now require vendors on an annual basis to certify and declare they are compliant with Bill S-211 and do not use forced or child labor. Consco Foods maintains its own policies that it is committed to child protection, fair hiring rights, anti-harassment policies, and unwavering human rights. As well, Consco Foods is committed to excluding non-compliant vendors from our sourcing. We are committed to conduct regular and ongoing due diligence, monitor our vendors, address situations, ensure any breaches have been rectified and/or replace vendors that we are purchasing if they do not adhere to new federal compliance regulations on ensuring ethical practices and responsibly mitigating the risk of child labor in the supply chain.

3. *Which of the following accurately describes the entity's structure? (Required)

- Corporation

4. *Which of the following accurately describes the entity's activities? Select all that apply. (Required)

- Distributing goods
 - in Canada
 - outside Canada
- Importing into Canada goods produced outside Canada

5. Please provide additional information on the entity's structure, activities and supply chains (1,500 character limit).

Consco Foods Inc. was established in 2023 by Ronnie and Michael Cons, specializing in the import and distribution of high-quality fresh and frozen meat products. With over 60 years of experience in the industry, Consco has built a reputation for reliability and excellence and has become the preferred choice the Canadian meat industry.

Consco Foods operates as a leading Canadian meat wholesaler, sourcing top-graded meat products primarily locally from Canada but also globally from countries including the United States, all approved European Union countries, Mexico, Chile, the UK, New Zealand, Australia, Uruguay, and Brazil. Operating from its refrigerated warehouse and head offices in Quebec, products are distributed and sold predominantly within and across Canada.

Consco's facility is federally registered with the Canadian Food Inspection Agency (Registration # S912), reflecting our commitment to meeting the highest standards. As a licensed operator, Consco adheres to a Hazard Analysis Critical Control Point (HACCP) system and fulfill Food Safety Enhancement Program (FSEP) requirements. Moreover, the warehouse includes a Customs bonded section.

With a strong focus on customer satisfaction and product excellence, Consco Foods ensures that quality products reach our clients. Consco's extensive product range is diverse and includes a high-quality selection of beef, pork, poultry, and specialty meats, all processed and stored in Consco's state-of-the-art refrigerated warehouse. Consco's commitment to quality extends to our ethical sourcing focus and

distribution practices, prioritizing efficient and timely delivery to customers across Canada. As a socially responsible company, they are also committed to sustainability, implementing environmentally friendly practices in Conesco's operations.

6. *Does the entity currently have policies and due diligence processes in place related to forced labour and/or child labour? (Required)

- Yes

6.1 *If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour? Select all that apply. (Required)

- Embedding responsible business conduct into policies and management systems

7. Please provide additional information on the entity's policies and due diligence processes in relation to forced labour and child labour (if applicable) (1,500 character limit).

Conesco is dedicated and committed to upholding these ethical standards and ensuring that our operations mitigate the risk of forced and child labor. We will continue to establish and implement policies and thorough due diligence processes to mitigate the risk of forced labor or child labor in our supply chain.

Our vendors must adhere to ethical animal welfare practices and internationally recognized GFSI and HACCP standards. Vendors obtain these certifications from recognized third party parties, which audit the facilities. Conesco requires annual GFSI certifications from its vendors, which requires annual third party audits and verifications. This process of annual third party verification, can also serve to reduce the risk of unethical labor practices. While the Hazard Analysis Critical Control Points system primarily focuses on food safety and does not specifically address child labor protection. However, adherence to HACCP principles often indicates a commitment to high standards of operation, which could extend to broader ethical considerations such as labor practices.

In addition, while specific child labor protection typically fall under labor law and regulations set by the relevant authorities, we continuously review supplier code of conducts and ethics to that they are committed to and shall comply with these laws. We also continuously look to partner with best in class businesses, so we monitor industry discourse, disclosures and discussions.

8. *Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used? (Required)

- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.

8.1 *If yes, has the entity identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains? Select all that apply. (Required)

- The raw materials or commodities used in its supply chains
- The use of outsourced, contracted or subcontracted labour

9. *Has the entity identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries? Select all that apply. (Required)

- Agriculture, forestry, fishing and hunting
- Wholesale trade

10. Please provide additional information on the parts of the entity's activities and supply chains that carry a risk of forced labor or child labor being used, as well as the steps that the entity has taken to assess and manage that risk (if applicable) (1,500 character limit).

We procure meat processed by large farming and processing companies, primarily sourcing from Canadian companies and major North American corporations that may have international operations. While the majority of our vendors are Canadian, which adheres to very strict and strong labor laws, the international aspect of our supply chain heightens the risk of forced labor or child labor. However, we do not source from the regions with the highest reported prevalence of child labor issues, as per the UNICEF 2023 report.

Given the nature of food products and safety requirements, there is a high level of transparency in our supply chain, which helps mitigate risks. We prioritize the ability to trace the precise origin of the meat and believe that clarity on country of origin, along with increased supply chain transparency, is essential for risk mitigation. For each order and meat we procure, we require a certificate of origin certificate.

To address these risks, Consco employs ongoing due diligence processes and monitors our suppliers to ensure compliance with ethical labor practices. This is vital due to potential risks at the production and farming stages, as well as with large international companies that may engage subcontractors. In regions with less stringent labor laws than Canada, the risk is heightened, especially for a minority of our purchases. We maintain continuous oversight of suppliers' codes of conduct and ethics to ensure adherence to local laws.

11. *Has the entity taken any measures to remediate any forced labour or child labour in its activities and supply chains? (Required)

- Not applicable, we have not identified any forced labour or child labour in our activities and supply chains.

12. Please provide additional information on any measures the entity has taken to remediate any forced labour or child labour (if applicable) (1,500 character limit).

Consco Foods has started to implement several measures to remediate any forced labor or child labor issues in its activities and supply chains. These include:

- **Due diligence process:** The company's ongoing due diligence process requires suppliers to maintain and disclose a business code of conduct and ethics. This includes reviewing their compliance with applicable legislation, rules, and regulations, as well as labor practices, anti-harassment policies, and commitment to human rights.
- **Review of suppliers' code of conduct:** Consco reviews all suppliers' code of conduct to ensure they prohibit forced or child labor.

- **Maintenance of own policies:** Consco is in the process of finalizing its own policies that are committed to child protection, fair hiring rights, anti-harassment policies, and unwavering human rights. Non-compliant vendors are excluded from sourcing.
- **Regular and ongoing due diligence and monitoring of sources:** Consco is committed to conducting regular and ongoing due diligence, monitoring vendors, addressing situations, ensuring any breaches are rectified, and/or replacing vendors that do not adhere to new federal compliance regulations and the highest level of standards.
- **Adherence to internationally recognized standards:** Vendors must adhere to internationally recognized HACCP standards, which indicate a commitment to high standards of operation.
- **Review of supplier compliance:** Consco continuously reviews supplier code of conducts and ethics to ensure compliance with child labor protection laws and regulations.
- **Partnering with best-in-class businesses:** Consco partners with best-in-class businesses, monitoring industry discourse, disclosure, and discussions to ensure ethical practices.

Overall, Consco Foods is dedicated to maintaining ethical standards and ensuring that its operations are free from forced labor or child labor. The company continues to establish policies and processes to prevent and address any instances of forced labor or child labor in its supply chain.

13. *Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains? (Required)

- Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

14. Please provide additional information on any measures the entity has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains (if applicable) (1,500 character limit).

While we have not identified any instances in our activities or supply chains, at Consco, we pride ourselves on our commitment to giving back to our community and our country. We ensure that our employees are well compensated, offered social benefits, and provided with ample opportunities for growth. Consco upholds fair hiring practices and implements anti-harassment and discrimination policies, along with providing living wages to support family prosperity. Furthermore, we prioritize and remain committed to employee health and safety, ensuring a safe working environment and minimizing workplace hazards.

Additionally, we contribute to charitable causes in our community, supporting local underprivileged and vulnerable communities. We are also exploring avenues to offer food donations to support local food banks and paid volunteer hours to our employees to encourage them to volunteer in local organizations.

15. *Does the entity currently provide training to employees on forced labour and/or child labour? (Required)

- Yes

15.1 *If yes, is the training mandatory? (Required)

- Yes, the training is mandatory for employees making contracting or purchasing decisions.

16. Please provide additional information on the training the entity provides to employees on forced labour and child labour (if applicable). (1,500 character limit).

Consco Foods is committed to ethical and responsible sourcing practices. We ensure our procurement and management team sources only from trusted establishments adhering to high standards. Our due diligence process, conducted by our quality assurance and procurements teams, requires suppliers to maintain and disclose a business code of conduct and ethics, including compliance with labor practices, harassment policies, and human rights commitments. We review all suppliers' codes of conduct to ensure they prohibit forced or child labor. Additionally, we have implemented policies that include fair hiring practices, anti-harassment policies, and support for human rights. We exclude non-compliant vendors from our sourcing. We conduct regular due diligence, monitor our vendors, and are committed to address and replace non-compliant vendors. Our commitment to ethical and sustainable practices and mitigating child labor risks is unwavering.

17. *Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Required)

- Yes

17.1 *If yes, what method does the entity use to assess its effectiveness? Select all that apply. (Required)

- Setting up a regular review or audit of the organization's policies and procedures related to forced labour and child labour

18. Please provide additional information on how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains (if applicable). (1,500 character limit).

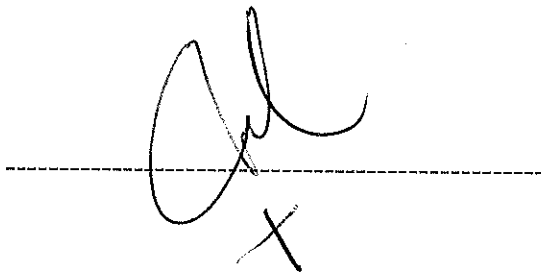
Consco Foods assesses its effectiveness in preventing forced labor and child labor through various measures. Consco is in the process of forming an internal ESG committee, to conduct regular and ongoing assessments of our supply chain to ensure compliance with ethical labor practices. We review our suppliers' code of conduct and ethics to verify that they prohibit forced and child labor. Additionally, we monitor industry discourse and participate in discussions to stay informed about best practices and emerging issues related to labor rights. We also engage with stakeholders, including employees, suppliers, and industry experts, to gather feedback and improve our practices continuously. Our commitment to transparency and accountability drives us to assess and enhance our efforts continually.

Signed Attestation:

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 entity or 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.

- Ronald Cons
- President
- May 31, 2024

I have the authority to bind Les Aliments Consco Inc.



A handwritten signature in black ink is written over a horizontal dashed line. The signature is stylized and appears to be 'R. Cons'. Below the signature, there is a small 'X' mark.