

Louis Dreyfus Company Canada ULC

Modern Slavery Report

1. Introduction

As one of the world's leading merchandizers and processors of agricultural commodities, Louis Dreyfus Company seeks to uphold the highest standards of integrity, business ethics and sustainability in our operations. We are guided by international standards such as the Core Conventions of the International Labour Organization, Universal Declaration on Human Rights, UN Declaration on the Rights of Indigenous Peoples, the OECD Guidelines for Multinational Enterprises, the ten Principles of the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights, among others.

This document constitutes the report ("**Report**") made by Louis Dreyfus Company Canada ULC ("**LDC Canada**") pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**") for the financial year ended December 31, 2023 (the "**Reporting Period**"). The Report sets out the steps taken to prevent and reduce the risk that forced labour or child labour is used by LDC Canada, as part of LDC Group (as below defined) in our business or supply chains.

During the Reporting Period, LDC Group continued its commitment to ethical business practices and its work on a modern slavery framework geared toward zero tolerance for all forms of modern slavery, including forced labour, child labour and human trafficking. Our focus was to gain a better understanding of our modern slavery risks and how such risks may be present in our operations and supply chains.

2. Structure and Activities

LDC Canada is a company existing under the *Business Corporations Act* of British Columbia. It is an indirect subsidiary of Louis Dreyfus Company B.V., a privately owned company incorporated in the Netherlands. Louis Dreyfus Company B.V. and its subsidiaries (collectively, the "**LDC Group**") is a global merchant and processor of agricultural goods and is active along the entire value chain including origination, processing, storing, transporting and merchandising. The LDC Group is present in 180 locations across 100 countries and employs approximately 18,000 people worldwide. Since its inception in 1851, the LDC Group's portfolio has grown and, as at the end of the Reporting Period, included Carbon Solutions, Coffee, Cotton, Food & Feed Solutions, Freight, Global Markets, Grains & Oilseeds, Juice, Rice and Sugar.

LDC Canada employs approximately 187 employees in Canada, with its head office in Calgary, Alberta. The primary activity of LDC Canada is originating and processing canola and merchandizing its derivatives (canola oil and canola meal) to the food, feed and energy industries. Canola meal is predominantly used as a protein ingredient in animal feeds and canola oil is used in the food and energy industries. LDC Canada has a canola processing facility in Yorkton, Saskatchewan, which is currently being expanded to double its annual crush capacity. In addition, in February 2024 the company announced the construction of a pea protein isolate production plant dedicated to its Plant Proteins business, at the site of its existing complex in Yorkton.

LDC Canada also leases an elevator in Port Cartier, Quebec, where it provides throughput services to third parties.

3. Supply Chains

LDC Canada procures a range of goods and services to support its canola processing business, as well as the expansion of its industrial complex in Yorkton. During the Reporting Period, LDC Canada procured goods and services from suppliers across a wide range of categories and industry sectors, including the following goods and services:

- canola and other raw agricultural products
- rail and truck transportation services
- building materials
- manufacturing equipment
- electrical equipment
- storage tanks
- control panels, fans, instruments and pumps
- rental equipment
- qualified professional services, including from engineers, surveyors, electricians, contractors

LDC Canada purchases canola primarily from Canadian farmers, and to a lesser extent from other Canadian merchants. Approximately 70% of all of the non-agricultural goods and services procured by LDC Canada during the Reporting Period were from suppliers based in Canada, approximately 20% from suppliers based in the U.S. and approximately 10% from suppliers based in Asia, Europe, and Mexico.

4. Steps Taken During the Reporting Period to Reduce Risks

In general terms, the LDC Group took the following steps during the Reporting Period to identify, prevent and reduce the risk of forced labour and child labour in its business and supply chains, which filtered down through the entire global corporate structure of the LDC Group, including in respect of the activities and supply chains of LDC Canada:

- developed and adopted a global Human & Labor Rights Policy and Supplier Code of Conduct;
- continued to promote our commodity specific policies, including our Code of Conduct for Coffee Suppliers, Palm Sustainability Policy and Soy Sustainability Policy, and continued to support our relevant suppliers in their compliance with these policies;
- continued to support the production and sourcing of certified commodities,
- contracted with a third party, twentyfifty, to conduct a global human and labor rights risk assessment; and
- continued to be an active member of the ILO Child Labour Platform, the United Nations Global Compact, and the World Business Council on Sustainable Development.

Additional details of these actions are contained in this Report.

5. Policies and Due Diligence Processes

In 2023, the LDC Group made headway on its human rights due diligence journey by developing and adopting a global Human & Labor Rights Policy and a global Supplier Code of Conduct, both created by following the United Nations' Guiding Principles on Business and Human Rights and guidelines from the Organisation for Economic Co-operation and Development on Responsible Business Conduct and Human Rights.

The Human & Labor Rights Policy and Supplier Code of Conduct are applicable to the LDC Group, including by LDC Canada.

Human & Labor Rights Policy

In addition to commitments related to issues of forced labour and child labour, the LDC Group's Human & Labor Rights Policy contains provisions related to promoting a safe and healthy work environment, land

rights, anti-discrimination, equality and inclusion and community engagement. With respect to the issue of modern slavery, the Policy contains our commitments on the following topics:

- no forced labour;
- no child labour;
- freedom of association and collective bargaining;
- fair wages; and
- working hours.

Group Code of Conduct

The Group Code of Conduct has been formalized to support and guide all employees (and external parties where appropriate) of the LDC Group in applying its guiding principles without compromise to its integrity, and without prejudice to applicable legal requirements, which by definition must govern all of the LDC Group's actions. The Code includes, among other things, the following principles relating to relationships with the communities in which the LDC Group operates:

- Sustainable growth is a central issue for each of us and our families; it is also critical to our long term economic interests.
- We are committed to environmental responsibility and comply pro-actively with relevant legal and regulatory requirements.
- We promote the economic development and improvement of the quality of life of the communities where we operate and support actions to this effect.
- We strongly condemn child or forced labor and pro-actively apply the UN recommendations in this respect.
- We promote relations with providers, business partners and sub-contractors operating under the same values.

Supplier Code of Conduct

The LDC Group strives to build a global supply chain where international standards are implemented. The Supplier Code of Conduct sets out general sustainability principles applicable to all organizations, companies or other entities providing goods and services to any member of the LDC Group, in order to work toward responsible and sustainable value chains and support its suppliers along the way.

On the subjects of labour and human rights, the Supplier Code of Conduct contains principles related to:

- respecting the minimum age for employment and the minimum age of 18 for hazardous work;
- not using or in any way benefiting from forced or compulsory labour;
- providing for equality and no discrimination;
- upholding workers' right to freedom of association and collective bargaining;
- following good labour practices, including providing accurate details of the employment contract in a language the worker understands, not charging recruitment fees, ensuring that working hours are in compliance with applicable laws and agreements, ensuring that overtime is voluntary and not

excessive and compensation workers in accordance with applicable laws and no less than monthly; and

- maintaining an active and transparent dialogue with local communities.

While not currently relevant to LDC Canada's, commodity-specific codes and sourcing policies have been developed by the LDC Group and are complementary to the Supplier Code of Conduct and provide additional implementation guidance, in order to support suppliers' continuous improvement toward sustainable agricultural production and sourcing.

The Supplier Code of Conduct includes information about the channels available for stakeholders to report potential non-compliance with the Code, including the grievance process described below.

Suppliers may be subject to verification of compliance with the requirements of the Supplier Code of Conduct, either directly or via the engagement of third parties.

Grievance Process

The LDC Group has a grievance channel – EthicsPoint – which is available for employees and external stakeholders to report any concerns over possible conduct that may be unethical, non-compliant or otherwise inconsistent with the LDC Group's codes and policies. This channel is hosted by a third-party service provider and all reported concerns are treated confidentially and anonymously, following existing grievance resolution procedures.

The LDC Group does not tolerate retaliation against anyone who, in good faith, raises a concern or participates in a non-compliance investigation.

Membership Organizations

To increase the LDC Group's ability to promote respect for human rights, we collaborate with other actors in the public and private sectors, taking part in several multi-stakeholder initiatives and membership groups.

We are members of the World Business Council for Sustainable Development, the Sustainable Agriculture Initiative Platform and the ILO Child Labour Platform, and signatories of the UN Global Compact.

While not as relevant to LDC Canada, the wider LDC Group is also part of several multi-stakeholder membership groups to address industry-specific human rights risks and impacts in key commodities including coffee, cotton, palm oil, soy and sugar.

Due Diligence Processes

The LDC Group has contracted twentyfifty to conduct a global human and labour rights risk assessment, with a view to determining the group's most salient human and labour rights issues in 2024, as a basis to develop dedicated action plans to prevent and mitigate the most critical adverse impacts. The results of the risk assessment will also allow more exhaustive reporting on this topic from 2024.

6. Identifying and Managing Modern Slavery Risks

Given that LDC Canada's employees are based in Canada, and given the stringent labour and employment laws in this country, LDC Canada considers the risk of forced labour or child labour in our direct operations to be low. However, we recognize that there are parts of our business operations and supply chains which may be at higher risk of being linked to modern slavery through the goods and/or services procured, be it

high risk industries, high risk goods or goods containing components that are high risk goods, or the manufacturing of these goods or procurement of services taking place in high risk countries.

As LDC Canada procures its canola and the majority of its non-agricultural goods and services from vendors based in Canada and the United States, we consider the risk of modern slavery in the first tier of our supply chain to be relatively low. Additional work is required in order to better understand the risks of modern slavery in our supply chains.

7. Remediation Measures

During the Reporting Period, LDC Canada did not identify or receive any reports of forced labour or child labour in our operations or supply chains. As a result, we have not had to take any measures to remediate any forced labour or child labour or to remediate any loss of income to vulnerable families.

8. Training

The LDC Group provides training to all LDC Group permanent employees with email accounts and laptops access, including LDC Canada's employees, in relation to the Group Code of Conduct through compulsory e-learning.

9. Assessing Our Effectiveness

The LDC Group has taken steps to understand the issues and risks of forced labour and child labour and to mitigate those risks. However, LDC Canada has not yet taken any actions to assess the effectiveness of those actions.

10. Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(a) of the Act by the board of directors of Louis Dreyfus Company Canada ULC.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest for and on behalf of the Board of Directors of Louis Dreyfus Company Canada ULC that I have reviewed the information contained in the report for the entity listed above. Based on the knowledge of the Board, having exercised reasonable diligence, I attest for and on behalf of the Board that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Period.

Per:



Name: Brian Conn

Title: President

Date: May 30, 2024