

2024 Petcurean Report

for

Bill S-211

An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff

This report has been prepared as a requirement of the Government of Canada, in accordance with Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff*. As noted by the Federal Government, the purpose of reporting is not to certify that an entity is “risk-free,” but rather to demonstrate that the entity has taken steps to identify and address risks. The reporting exercise is intended to encourage transparency, not to penalize entities for having identified risks in their activities and supply chains.

Petcurean unequivocally supports this Bill, and as a company we are committed to ensuring any potential exploitative practices via forced and/or child labour are addressed and eradicated from our supply chain.

Identifying information

Questions marked with an asterisk (*) are mandatory.

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

- Entity
- Government institution

2. *Legal name of reporting entity or government institution (Required)

PPN Limited Partnership

3. *Financial reporting year (Required)

FY23 (January 1, 2023 – December 31, 2023)

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

- Yes
- No

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

80383 1494 RC0001 & 73450 7080 RC0001

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

- Yes
- No

6.1 *If yes, identify the legal name of each entity covered by this report. (Required)

PPN Limited Partnership; PCN Topco Holdings Inc. *Note: PPN Limited Partnership is hereafter referred to as "Petcarean" in this report.*

6.2 Identify the business number(s) of each entity covered by this report (if applicable).

PPN Limited Partnership - 80383 1494 RC0001 & PCN Topco Holdings Inc. - 73450 7080 RC0001

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

- Yes
- No

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

- Listed on a stock exchange in Canada
- 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
 - Employs an average of at least 250 employees 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
- Mining, quarrying, and oil and gas extraction

- Utilities
- Construction
- Manufacturing
- Wholesale trade**
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- Other, please specify:

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)

British Columbia

Annual Report

Reporting for entities

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**
- Contracting an external 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
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- 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**
- Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour

- 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
- Developing and implementing anti-forced labour and/or -child labour contractual clauses
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists**
- Auditing suppliers**
- Monitoring suppliers**
- Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- Developing and implementing grievance mechanisms
- Developing and implementing training and awareness materials on forced labour and/or child labour
- Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- 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
- Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks
- Information not available for this reporting period
- Other, please specify:

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

At Petcurean, we have a strong commitment to addressing forced labour and child labour. We have implemented several measures to prevent and minimize the risk of these practices being used in any stage of our pet food production.

1. **Screening:** Manufacturing partners (suppliers) must complete a Sustainability Screening Questionnaire to screen for forced labour and child labour before being considered as a potential partner of Petcurean.
2. **Supplier Code of Conduct:** All major suppliers are required to sign Petcurean's Supplier Code of Conduct. This code ensures that the supplier employs all workers voluntarily and all workers meet the minimum age requirements (age 15 or as specified by local law, whichever is higher).
3. **Sustainability Questionnaire:** Supplier practices are monitored through a follow-up Sustainability Questionnaire to ensure compliance with the Supplier Code of Conduct.
4. **Onsite Audits:** All manufacturing partners undergo an onsite, in-person audit by Petcurean to inspect facilities, observe manufacturing practices, and meet with employees at all levels before becoming a partner.
5. **Ongoing Visits:** Once they become partners, manufacturing partners receive ongoing site visits from Petcurean to ensure continued compliance with standards.
6. **Supply Chain Assessment:** Petcurean has internally assessed all ingredients used in its pet food, reviewing their country of origin to identify and mitigate potential risks in the supply chains.

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

- Trust
- Partnership**
- Other unincorporated organization

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

- Producing goods (including manufacturing, extracting, growing and processing)
 - in Canada
 - outside Canada
- Selling goods**
 - in Canada
 - outside Canada

- Distributing goods
 - in Canada
 - outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing, selling or distributing goods in Canada or outside Canada, or 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).

Petcurean (PPN Limited Partnership), a subsidiary of PCN Topco Holdings Inc., has long-standing relationships with all of its significant suppliers. Petcurean partners with pet food manufacturers in Canada, the USA, and Europe who adhere to the highest production standards. Our Canadian manufacturing partner holds EU, FDA, BRC, GFSI, and CFIA certifications. Our USA partner holds GFSI, BRC, and APHIS certifications. Additionally, our European partner holds GFSI and BRC certifications.

Petcurean works closely with all of our manufacturing partners to carefully assess each and every ingredient supplier before approving them for our pet foods. And we have made a conscious decision to source ingredients as close to our manufacturing plants as possible. This minimizes Petcurean's risk exposure to forced labour and child labour in our ingredient supply chain.

Petcurean purchases its dry food packaging directly from packaging suppliers. Petcurean's wet food packaging is purchased by its wet food manufacturing partner, on Petcurean's behalf. Once the pet food is manufactured, Petcurean sells its pet food to distributors in Canada, the USA, and other countries worldwide. These distributors then sell Petcurean's food to retailers, making it available to consumers in over 35 countries globally.

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

- Yes
- No

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
- Identifying and assessing adverse impacts in operations, supply chains and business relationships
- Ceasing, preventing or mitigating adverse impacts
- Tracking implementation and results
- Communicating how impacts are addressed
- Providing for or cooperating in remediation when appropriate

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).

Petcurean takes ongoing steps to prevent child labor and forced labor practices both among its suppliers and its own employees.

As noted above, to become a Petcurean partner, all major suppliers must undergo initial screening for forced labour and child labour practices, sign the Petcurean Supplier Code of Conduct, and complete a follow-up questionnaire. Additionally, all suppliers are subject to in-person audits before and after becoming a Petcurean partner.

In addition, Petcurean also takes steps to ensure there is no forced labour and child labour within its own employees. All of Petcurean's policies are aligned to the employment standards within the provinces/states in which we operate in Canada and the USA. Petcurean is committed to employing individuals who are authorized to work in the United States or Canada and who comply with applicable immigration and employment laws. As a condition of employment, every individual must provide satisfactory evidence of his or her identity and legal authority to work in the United States or Canada. We confirm SIN and SSN for all new hires, and based on our job description qualifications we look for candidates who have additional education (beyond high school education). Based on these factors, we have not and do not plan to hire anyone below the employment standards age threshold.

To mitigate forced labour, the Employee acknowledges that they have read and understood Petcurean's Employment Agreement and acknowledges that they have had the opportunity to seek legal advice about the Agreement.

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 identified risks to the best of our knowledge and will continue to strive to identify emerging risks.
- Yes, we have started the process of identifying risks, but there are still gaps in our assessments.
- No, we have not started the process of identifying risks.

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 sector or industry it operates in
- The types of products it produces, sells, distributes or imports
- The locations of its activities, operations or factories
- The types of products it sources
- The raw materials or commodities used in its supply chains**
- Tier one (direct) suppliers
- Tier two suppliers
- Tier three suppliers
- Suppliers further down the supply chain than tier three**
- The use of outsourced, contracted or subcontracted labour
- The use of migrant labour
- The use of forced labour
- The use of child labour
- None of the above
- Other, please specify

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**
- Mining, quarrying, and oil and gas extraction
- Utilities
- Construction
- Manufacturing
- Wholesale trade
- Retail trade
- Transportation and warehousing
- Information and cultural industries
- Finance and insurance
- Real estate and rental and leasing
- Professional, scientific and technical services
- Management of companies and enterprises
- Administrative and support, waste management and remediation services
- Educational services
- Health care and social assistance
- Arts, entertainment and recreation
- Accommodation and food services
- Other services (except public administration)
- Public administration
- None of the above
- Other, please specify

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

Petcurean conducted a comprehensive assessment of every one of the ingredients used in its pet food to identify any ingredients that carry a risk of forced labour or child labour. In its assessment, Petcurean utilized multiple sources including: 1) U.S. Department of Labor's "List of Goods Produced by Child Labor or Forced Labor"; 2) World Vision Canada's "Supply Chain Risk Report 2023"; 3) International Labour Organization's "List of countries by child labour rate"; and 4) the Global Slavery Index.

The assessment revealed that a maximum of 1.5% of Petcurean ingredients (representing less than 1% of the total ingredient tonnage) have a risk of forced labour or child labour when sourced from countries identified as 'at risk' for those specific ingredients. These 'at risk' countries in Petcurean's supply chain are among the bottom 60 countries of the International Labour Organization's "List of countries by child labour rate". Whenever possible though, Petcurean strives to source those identified ingredients from countries that are not considered 'at risk' for child labour or forced labour.

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

- Yes, we have taken remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- 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).

N/A per the answer to question #11

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)

- Yes, we have taken substantial remediation measures and will continue to identify and address any gaps in our response.
- Yes, we have taken some remediation measures, but there are gaps in our response that still need to be addressed.
- No, we have not taken any remediation measures.
- 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). –

N/A per the answer to question #13

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

- Yes
- No

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).

N/A per the answer to question #15

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
- No

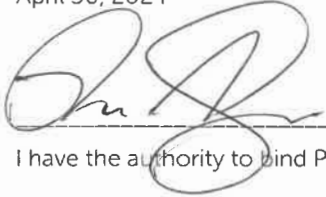
Attestation

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 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.

Rick van Schagen

President

April 30, 2024



I have the authority to bind PPN Limited Partnership and PCN Topco Holdings Inc.