

United Malt Group Statement on Forced Labour, Human Trafficking, and Modern Slavery for Fiscal Year 2023



BACKGROUND

United Malt Group is an international family of maltsters committed to “creating the ingredients that bring people together.” Sustainability is a key strategic priority for our company and we focus on emphasizing safe, efficient, and sustainable practices consistent with our values in our day-to-day operations. Part of that focus means partnering with long-term, strategic suppliers that demonstrate the same values important to our group.

Forced labour, human trafficking, modern slavery, indentured servitude, and other similar conduct¹ (collectively, “forced labour”) remains a serious issue globally. United Malt fully supports national and international efforts to end forced labour and is committed to identifying and appropriately mitigating any such risks that may exist in our value chain. For more information about United Malt’s commitment to sustainability and human rights, please see our [Sustainability Report](#).

This statement is furnished on behalf of United Malt Group Pty Limited (fka United Malt Group Limited) (ABN 61 140 174 1B9) (“UMG”), and its subsidiaries (collectively, “United Malt Group”, “United Malt” “we”, or “our”) pursuant to the *Australian Modern Slavery Act 2018* (Cth) (the “Australian Act”), the *UK Modern Slavery Act 2015* (the “UK Act”) and the *Fighting Against Forced Labour and Child Labour in Supply Chains Act S.C. 2023* (the “Canadian Act”). While United Malt takes a global approach to forced labour compliance, not all consolidated subsidiaries are subject to the particular requirements of the UK Act, the Australia Act, and/or the Canadian Act.

This statement covers the period from October 1, 2022 to September 30, 2023 (the “Reporting Period”). In July 2023, United Malt entered into a scheme of arrangement whereby all of its outstanding shares would be acquired by Malteries Soufflet, a subsidiary of leading European agricultural company InVivo Group. That transaction closed on November 15, 2023. For more information about InVivo and its commitments to sustainability and forced labour compliance, please see the [InVivo Publications](#).

STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

a. Structure

United Malt is a leading commercial maltster. At the end of the Reporting Period UMG and its subsidiaries employed approximately 944 employees across our operating geographies. Our workforce comprises predominantly permanent employees, with a small number of casual or temporary workers. The majority of our staff are located in the United States (343) and Canada (269), with smaller contingents in the United Kingdom (181), Australia (148), and New Zealand (3).

United Malt is committed to a high standard of corporate governance and to fostering a culture of ethical behavior and compliance. A ‘tone from the top’ is critical to the successful establishment of a strong risk and compliance culture. During the Reporting Period, UMG’s commitment to ethical business practices began with its Board of Directors, which was responsible for all corporate governance. The Board was assisted by a series of standing committees, each of which evaluated various elements of strategies, activities, policies, investments, and other programs related to corporate responsibility, sustainability, and

¹ Including, without limitation, “forced labour” and “child labour” as defined in the Canadian Act.

human rights. Those committees set targets, confirmed performance, and provided general oversight for associated work.

During the Reporting Period, UMG's CEO and Executive Leadership Team (ELT) communicated and led efforts to ensure compliance with those risk management frameworks, policies, and processes across United Malt's operating entities on a day-to-day basis, with ELT members each having responsibility for activities appropriate to their functions and businesses. For example, the Chief People Officer was principally responsible for diversity and culture, the Chief Financial Officer was principally responsible for risk management, and the Chief Operating Officer was principally responsible for supply chain operations.

Further detail regarding United Malt's structure and governance can be found in [United Malt's Annual Report and Corporate Governance Statement](#).

b. Activities

United Malt has approximately 1.3Mtpa of malting capacity across 12 processing plants in Canada, the United States of America, Australia and the United Kingdom. United Malt's operating locations create value along the malt supply chain, from barley procurement and handling to malt processing, and sale and distribution of value-added malt and related products. United Malt benefits from having high quality, low operating cost processing assets that are strategically located in premium barley growing regions, allowing it to source high quality barley and access a diverse range of customers.

We maintain long term relationships with a diverse range of growers over multiple growing regions. We contract directly with growers for production acres and planting of specific varieties to meet the needs of our customers. We also contract with merchants for supplies of grain, who have the direct relationship with the farmers.

We have capabilities to store our barley in the right conditions to maintain quality prior to processing. We segregate our barley to preserve its unique identity and key quality attributes to meet our customers' requirements.

Processing plants convert the barley into malt via a process of steeping, germination and kilning. Through these processes we create our range of base and speciality malts for applications in the brewing, distilling and food markets.

We distribute our malt products in a bulk format via rail car, road and containers to major food and beverage producers. In addition, we provide our malts in a smaller format to meet the needs of craft producers. We complement our malt ingredient offering with the provision of the full range of other brewing and distilling ingredients. We provide our customers with products including hops, yeast, adjuncts, flavours and packaging materials, providing the one-stop shop for craft producers.

c. Supply Chains

United Malt prioritises the procurement of barley and aligned supplies from growers, farmer co-operatives or grain merchants in the local regions in which we operate, subject to quality and cost considerations. We procure goods and services across the following primary spend categories:

- Commodities - barley and other cereal grains which are ultimately converted into malt for sale to customers.
- Goods for resale to customers (GFR) - in addition to grains, United Malt sources malt and malt-adjacent products and agrichemicals. These are resold directly to customers.
- Packaging Materials - used to store and distribute our malting products.

- Warehousing & Transport Logistics (including shipping) - where United Malt does not own warehouses in certain locations, barley storage is outsourced to third party warehousing providers. Third party logistics carriers are engaged to transport our products to domestic and international customers.
- Labour hire / contingent labour - to augment our permanent workforce.
- Goods not for resale (GNFR) - to support our business activities, we procure a range of goods and services which are not intended for resale to customers. This includes fixed plant and equipment maintenance services, including consumables, energy & utilities (including water), personal protective equipment (PPE), including clothing and footwear, office-based equipment including IT hardware and systems, furniture, merchandise, office stationery; and support services including cleaning and security services, IT services and professional services.

POLICIES AND STANDARDS TO ADDRESS FORCED LABOUR

United Malt continually evaluates and updates our systems to identify and address risks associated with our business, including those related to forced labour. We approach forced labour risks in our operations and supply chains through our policies, Board oversight, and due diligence and remediation controls.

a. Our Policies and Processes

Code of Conduct - Our Code of Conduct sets out the required minimum standards that we expect of all directors, employees, contractors, suppliers and other third parties with whom we do business. For more information, please see the [Code of Conduct](#).

Third-Party Due Diligence Procedure - Our Third-Party Due Diligence Procedure standardises across our businesses the compliance information we collect from all suppliers, customers, agents and representatives, and the procedures for enhanced due diligence where risks are identified.

Modern Slavery Policy - Our Modern Slavery Policy sets out our commitment to respect human rights as one of our core business values at United Malt. It further defines roles and responsibilities, maintains accountabilities, and establishes a clear action plan to drive continuous improvements in our programme. For more information, please see the [Modern Slavery Policy](#).

Whistleblower Protection Policy - Our Whistleblower Protection Policy provides a safe, accessible and confidential environment for people to raise any concerns without fear of reprisal. United Malt also provides an externally managed channel for reporting suspected wrongdoing confidentially and anonymously if desired which can be accessed through the Company's website. For more information, please see the [Whistleblower Protection Policy](#).

Anti-Bribery and Corruption Policy - Our Anti-Bribery and Corruption Policy expands on the prohibition against bribery and corruption contained in the Code of Conduct and forms part of our Anti-Bribery and Corruption Compliance Programme which provides a framework that raises awareness of anti-bribery and corruption risks, delivers compliance training and promotes ethical business conduct (including practices related to forced labour and human rights risks), maintains systems and procedures for giving, receiving and registering gifts and hospitality, maintains systems and procedures for conducting due diligence on suppliers and other business partners, and investigates any reported suspicions of bribery or corruption involving United Malt. For more information, please see the [Anti-Bribery & Corruption Policy](#).

b. Board Oversight

During the Reporting Period, the Board's Audit and Risk Committee (ARC) received regular reports from management regarding any forced labour issues identified in United Malt's supply chains and oversaw

mitigation strategies including third party due diligence. The ARC provided regular updates to the full Board on any material breaches of our codes, policies and procedures. Such updates addressed a range of focus areas covered by our policy and governance framework, including forced labour matters.

DUE DILIGENCE, MONITORING, AND REMEDIATION CONTROLS

a. Due Diligence

United Malt employs a risk-based approach to identifying, assessing and managing supply chain risks. During the Reporting Period, we focused our due diligence efforts on suppliers and categories where there is a higher potential risk of harm occurring and where we have greater influence to drive change in order to achieve a greater impact on our supply chain.

We undertake supplier due diligence through compliance questionnaires, which includes areas such as ethics, business practices, forced labour risk (including minimum wage and conditions), workplace health and safety, and compliance with other regulations (such as anti-money laundering and tax laws).

Initial due diligence procedures are performed primarily in-house. If high-risk indicators are found, then we utilize specialist risk intelligence agencies such as Navex Global Risk Rate to assist with enhanced due diligence. We do not currently perform site audits of our suppliers specifically relating to forced labour risks; however, through our close relationships with our barley suppliers, we maintain visibility of their practices through our regular farm visits to perform quality checks of the annual barley yields.

b. Monitoring

Per our Modern Slavery Policy, all United Malt personnel are expected to understand and comply with due diligence and risk assessment processes. Moreover, all third parties are required to affirm they have in place or will work towards implementing a robust risk assessment process for their own operations and supply chains to identify and mitigate against risks of corruption, bribery, money laundering, facilitation of tax evasion and forced labour.

To ensure appropriate monitoring and oversight, United Malt maintained a Modern Slavery Steering Committee (SteerCo) comprised of leadership representatives from across our operations. The SteerCo was responsible for leading the overarching longer-term strategy and considering and resolving any identified modern slavery related matters of contention. SteerCo was also charged during the Reporting Period to drive progress on agreed undertakings and facilitate internal monitoring and reporting, including reporting of progress to the ARC.

c. Grievances and Remediation

United Malt utilizes Navex Global EthicsPoint to provide an independent, safe and confidential channel for anyone in our value chain to anonymously report concerns, including those related to forced labour. We encourage third parties to utilise our ethics portal in good faith. Our customers, suppliers, stakeholders and members of the communities in which we operate may also report incidents and risks.

Where risks are identified, we commence development of corrective and/or preventative action plans in partnership with suppliers to address observed deficiencies or gaps. Action plans may include requiring suppliers to take steps to uplift policies and procedures, and make improvements to their internal risk due diligence processes, grievance and remedy processes, and may contemplate whether any site-based audits are required.

COLLABORATION AND KNOWLEDGE SHARING

We conducted a review to identify appropriate collaboration opportunities to enable us to play a broader role in our ambitions to support an end to modern slavery and forced labour. During the Reporting Period,

we reviewed potential partnerships which have the ability to drive demonstrable impact through best practice, collective action and shared learning to accelerate the pace of change to end modern slavery.

Beginning in 2021, United Malt engaged with the Investors Against Slavery and Trafficking (IAST) Asia Pacific initiative, an investor-led working group convened to promote effective action among investee companies in the Asia Pacific region to find, fix and prevent forced labour. Since the engagement commenced in 2021, we have had meetings with IAST and have discussed our approach to forced labour, as well as exploring potential opportunities for continuous improvement.

We continued our engagement with IAST and actively contributed to the UNGP principle based multi-stakeholder initiative (MSI) during the first-half of the Reporting Period to learn and exchange information with industry peers and like-minded organisations across different industries, and to contribute towards continuous improvement.

RISKS OF FORCED LABOUR IN OPERATIONS AND SUPPLY CHAINS

a. Risks in our business

Whilst we recognise that United Malt's business activities could have adverse human rights impacts on stakeholders both within and outside the organisation, we consider the forced labour risk in our operations to be low.

Our offices, processing, storage, warehousing and distribution facilities are located across the United States, Canada, the United Kingdom, and Australia, all of which have a low prevalence of modern slavery, according to the Walk Free Global Slavery Index (2023).

Whilst we acknowledge the employment of casual or temporary and manual workers across some of our operating activities presents an inherently higher risk of forced labour, the strong regulatory environments in which we operate, coupled with our robust policy environment including remuneration, a compliance culture, and our forced labour controls framework, mitigates the risk of forced labour occurring within our operations.

b. Risks in our supply chains

We focus our due diligence efforts on expenditure categories where there is a higher potential risk for United Malt subsidiaries to cause, contribute to, or be directly linked to forced labour, and where we have greater influence to drive change.

Commodities - barley and other raw materials/cereals

The most frequently procured raw material in our business is barley. The agricultural industry in certain jurisdictions presents higher inherent risk of forced labour than others.

The production of barley is harvested by our suppliers through a largely mechanised process which is not labour intensive, and therefore does not involve high levels of seasonal workers. Many of the barley farms we engage are operated by a small group of workers, including family-run farms. Furthermore, we predominantly procure our barley and other raw agricultural materials in close proximity to our operating activities, which are all jurisdictions with a strong rule of law and regulatory environments for employee protections. Even so, harvest methods vary by geography and product type, and there may be some risk of forced labour practices. Where we procure through co-operatives or grain merchants, we ensure we are provided with information about the source of the grains through to the farms.

Maritime

United Malt does not own ships or directly employ seafarers. The shipping industry though does form part of the logistical network utilised to supply our customers.

United Malt engages shippers indirectly via shipping brokers in the United Kingdom, and through our relationships with our suppliers and customers to support our operations (inbound) and deliver our products (outbound) domestically and internationally. The global shipping industry has been identified as susceptible to forced labour and human rights risks including the withholding of crew wages, remuneration below the minimum living wages, poor living and working conditions and lack of access to appropriate grievance mechanisms and remedy protocols. The risks of forced labour to seafarers are further exacerbated by the fragmented regulatory oversight between flag states, limited access to domestic employment protections, remote working without means to contact home for long periods of time and the practical limitations of the effective enforcement of basic conditions on-board vessels.

Without adequate contractual arrangements and due diligence, there is a risk that we could contribute to or be directly linked to forced labour practices through the activities of another entity we have a business relationship with.

Packaging

We procure a large volume of soft and rigid plastic packaging, used to store and distribute our malting products. We recognise there is a higher inherent risk of forced labour practices associated to the bulk manufacturing of packaging products, which rely upon an extended, complex and opaque supply chain often with numerous social and environmental impacts.

Labour hire/contingent labour/outsourced (i.e. cleaning)

Cleaning and security services carry a higher risk of forced labour, including in Canada, the United States, the United Kingdom, and Australia, due to the low-skill and low-pay nature of roles which often attract migrant workers.

Without adequate contractual arrangements and due diligence there is a risk that we could contribute to or be directly linked to forced labour practices through our arrangements with suppliers providing cleaning and/or security services at our malting assets, warehousing and distribution sites and our offices.

REMEDATION MEASURES TAKEN

We did not identify any incidents of forced labour within the Reporting Period, and therefore did not conduct any remediation activities within FY23. We have not identified instances where vulnerable families have experienced loss of income and as such, have taken no measures in this area.

TRAINING

United Malt offers role-based training that includes forced labour risk factors associated with different industries, supplier categories and geographies, as well as appropriate remediation protocols where instances of forced labour are identified. The training also included modules on how to determine and evaluate risks in new suppliers-

United Malt's Human Resources teams in each geography oversee and assign training to relevant individuals. We have delivered general forced labour awareness training to all of our employees. These sessions explained forced labour typologies, how it may be present across our business, and how to identify and appropriately escalate any signs that forced labour may be occurring within our operations and supply chains. Ongoing training reinforces United Malt's commitment to do our part to identify, assess, and mitigate risks of forced labour within our operations and supply chains.

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ASSESSING EFFECTIVENESS

United Malt continuously seeks to improve our approach to evaluating working conditions in our supply chain, and with our suppliers to enhance their own capabilities. When alerted to violations of United Malt policies, expectations, and values, we investigate and, where appropriate, collaborate with applicable stakeholders to remediate the situation. Where opportunities for improvement are identified, we seek to improve our systems to address in order to prevent future occurrences.

United Malt believes that our approach and practices effectively mitigated risks of forced labour in our direct value chain during the Reporting Period.

CONSULTATION

United Malt consulted with group entities in preparing this statement. Consultation was achieved during the Reporting Period through the work of the cross-functional SteerCo and through regular reporting to the ARC, as detailed elsewhere in this statement.

CONCLUSION & ATTESTATIONS

United Malt fully supports national and international efforts to end forced labour and will continue to collaborate with industry experts, partners, associations, stakeholders, and other organizations to understand, evaluate, and address matters related to forced labour. We also continue to expand our work with other industry peers, NGOs, and organizations to increase respect for human rights and accelerate positive change in the countries where we and our suppliers operate. We look forward to expanding our efforts and impact as part of the InVivo Group.

For purposes of the Australian Act, this statement is made by the reporting entities United Malt Group Pty Limited, Australia Malt Holdco Pty Ltd, Australia Malt Finco Pty Ltd, Barrett Burston Malting Co Pty Ltd, and their owned and controlled subsidiaries. This statement constitutes the modern slavery statement for those companies for the financial year ending September 30, 2023. This statement has been approved by the Board of Directors of United Malt Group Pty Limited, being the ultimate parent and principal governing body of the reporting entities during the Reporting Period, and is signed by the undersigned, a director of that entity, on March 28, 2024 :



Philip Robinson, Director

For the purposes of the UK Act, this statement is made by Bairds Malt Limited, a tiered subsidiary of United Malt Group Pty Limited, on behalf of its owned and controlled subsidiaries. The statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for those companies for the financial year ending September 30, 2023. This statement has been approved by the Board of Directors of United Malt Group Pty Limited, being the ultimate parent and principal governing body of the reporting entities during the Reporting Period, and is signed by the undersigned, a director of Bairds Malt Limited, on 10/4/24 :



Richard Broadbent, Director

For the purposes of the Canadian Act, this report is made by United Malt Group Pty Limited, United Malt (Canada) Holdings UK Limited, and Canada Malting Co. Ltd. Canada Malting Co. Ltd. is a wholly owned subsidiary of United Malt (Canada) Holdings UK Limited, a United Kingdom corporation. United Malt (Canada) Holdings UK Limited is a wholly owned subsidiary of United Malt Group Pty Limited, an Australian corporation. This statement has been approved by the Board of Directors of United Malt Group Pty Limited, being the ultimate parent and principal governing body of the reporting entities during the Reporting Period, and is signed by the undersigned, a director of Canada Malting Co. Ltd. on April 10, 2024.

In accordance with the requirements of the Canadian Act, and in particular Section 11(4)(b)(ii) 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 Canadian Act, for the reporting year listed above.



Dale Paul, Director