

REPORT ON MODERN SLAVERY

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023



Approved by the Board of Directors on May 6, 2024

**AGT Food and Ingredients Inc.
6200 E. Primrose Green Dr.
Regina, Saskatchewan, Canada S4V 3L7**

Report on Modern Slavery

A. About AGT

AGT Food and Ingredients Inc. (“AGT Canada”) is a Saskatchewan, Canada-based global leader in plant-based proteins and value-added processing of pulses, grains, staple foods and ingredients for export and domestic markets.

AGT Canada was founded on the principle “**From Producer to the World**”, buying pulses, grains, oilseeds and specialty crops from farmers around its facilities and offices in Canada, Turkey, the U.S., Australia, South Africa, India, China and Europe and processing and exporting its pulses, milled durum wheat and canola products, pulse ingredient flours, starches, fibres, proteins and extruded products and retail packaged foods to customers in over 120 countries around the world.

AGT Canada is a corporation incorporated under the *Business Corporations Act* (Ontario).

B. Scope of Report

This is AGT Canada’s first report in accordance with Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

This report also serves as the first report for the following direct or indirect wholly-owned Canadian subsidiaries of AGT Canada:

- **Alliance Pulse Processors Inc.**, a corporation incorporated under *The Business Corporations Act, 2021* (Saskatchewan); and
- **AGT Clic Foods Inc.**, a corporation incorporated under the *Canada Business Corporations Act*.

AGT Canada, Alliance Pulse Processors Inc. and AGT Clic Foods Inc. are collectively referred to in this report as the “Reporting Entities”).

The term ‘modern slavery’ as used in this report is intended to include forced labour and child labour as defined in the Act.

“AGT”, ‘us’, ‘we’ or ‘our’ refers to the Reporting Entities and all other AGT Canada controlled subsidiaries and affiliated entities world-wide.

The information set out in this statement is provided as a consolidated description for the Reporting Entities, except where information may be identified as relevant to a specific Reporting Entity within the group.

For each of the Reporting Entities, this report is for the financial year commencing January 1, 2023 and ending December 31, 2023.

C. Governing Body Approval of this Report

This statement was approved by resolution of the board of directors of AGT Canada on May 6, 2024 on its own behalf and as the entity controlling each of the other Reporting Entities, as contemplated by Section 14(b)(ii) of the Act.

D. Steps Taken to Prevent and Reduce Modern Slavery Risk at AGT in Fiscal 2023

AGT recognises that review and assessment of our actions to identify and address our modern slavery risks in our operations and across our supply chain is an ongoing and evolving process that we are committed to continue to build upon.

In fiscal 2023:

- We worked to better understand our reporting obligations under the Act.
- We began the process of reviewing existing policies, procedures and steps taken within AGT related to modern slavery.
- We conducted an initial assessment of modern slavery risks in our operations and supply chains.

E. Structure, Activities and Supply Chain

The following is a summary of AGT's core operations and supply chains:

1. Headquarters and Local Offices:

AGT Canada's head office is located in Regina, Saskatchewan Canada. AGT also has local office facilities in various locations worldwide. These head office and local office facilities provide various management, technology, accounting, legal and other administrative and back-office support services to AGT.

AGT headquarters and local office locations are generally staffed by direct employees of AGT in compliance with applicable employment, human rights and other applicable laws in the jurisdiction of employment. In some cases, independent contractors and external professionals are engaged to provide certain services.

Supply Chain: The supply chain for AGT's headquarters and main office operations include:

- Office consumables
- Office equipment
- Technology (hardware, software and cloud services)
- Service providers who provide services to AGT (e.g. accounting, legal, cleaning, back office support)
- Local office business services (i.e. mail), catering, visitor/caller management, etc.

2. Sourcing/Origination:

AGT operates 40+ production facilities in the centre of the pulse growing regions of Canada, the United States, Turkey, Australia, China and South Africa. AGT's merchandising activities reach producers in these key growing regions and markets all over the world.

AGT does not operate any farms or crop growing operations. AGT contracts with producers for the purchase of such crops for export and domestic sales.

AGT may also acquire product from third party grain traders.

Supply Chain: The supply chain for AGT's sourcing/origination business includes:

- Pulse, grain and oilseed products purchased from growers and traders
- Agents and distributors who provide professional services
- Service providers who deliver services to our origination business to facilitate payments to growers, payment paperwork and other administrative matters

3. Processing and Food Manufacturing:

AGT's state-of-the-art production facilities feature production lines for cleaning, sizing, splitting, colour-sorting and packaging a full line of lentil, chickpea, pea, bean and canary seed products. Facilities also feature production lines for the production of durum wheat semolina, pasta, rice and bulgur wheat, including the largest-capacity pasta production line in the world and the largest bulgur wheat production facility in Turkey.

AGT also owns and operates leading edge plant-based food product manufacturing facilities in Canada and the US.

AGT processing and food manufacturing facilities are generally staffed by direct employees of AGT in compliance with all applicable employment, human rights and other applicable laws in the jurisdiction of employment. In some cases, independent contractors are engaged to provide certain services.

Supply Chain: The supply chain for AGT's processing and food manufacturing business includes:

- Providers of materials, packaging, machinery, technology and services to construct and operate plants and equipment
- Providers of ingredients (if not sourced from AGT itself), packaging and other food manufacturing inputs

4. Transportation and Logistics

AGT was founded on the principle of "*From Producer to the World*", bringing locally-grown pulses to private importers, international development agencies and clients in all geographic regions. Key to AGT's ability to deliver on this principle is its deep transportation and logistics experience, infrastructure and networks. This includes ownership and operation of short-line railways in the Canadian province of Saskatchewan and a port facility in Ontario.

AGT owned and operated transportation and logistics assets are generally staffed by direct employees of AGT in compliance with all applicable employment, human rights and other applicable laws in the jurisdiction of employment. In some cases, independent contractors are engaged to provide certain services.

AGT's transportation and logistics operation also includes a broad network of third parties including agents, brokers, transport companies, warehousing and port/terminal services.

Supply Chain: The supply chain for AGT's transportation and logistics business includes:

- Logistic and freight providers, including road, rail and sea transport
- Stevedoring and port terminal service providers
- Container loading, unloading and packing services providers;
- Shipping brokers and other agents

F. General Policy Statements

Modern slavery is a serious global issue and can take many forms including forced labour, child labour, slavery, human trafficking, debt bondage and other exploitative practices.

AGT is fully committed to ethical and compliant sourcing and has zero tolerance towards modern slavery within our supply chain.

Slavery and human trafficking are abuses of a person's freedoms and rights. We are totally opposed to such abuses in our direct operations, our indirect operations and our supply chain as a whole.

G. Risks of modern slavery practices within operations and supply chains

AGT recognises that modern slavery risks may be inherent and more pronounced in certain industries, business sectors and geographies.

H. Assessment of Modern Slavery Risk in AGT's Operations and Supply Chain

AGT is aware that typical agricultural supply chains and the vast number of suppliers involved can include products associated with human rights related risks including modern slavery.

It is AGT's initial assessment that risk of modern slavery in its operations and supply chain generally does not carry a material risk, but AGT is aware that there may be some elevated risk of modern slavery in higher risk jurisdictions, of which AGT may not be immediately aware.

Specific risk areas identified by AGT include the following:

- Labour used by farms and other producers growing pulses and other crops in higher risk jurisdictions which are sold to AGT, of which AGT may not be immediately aware.
- Labour used in the global commodity trade including sea, rail and truck transport (and related services) and the potential for human trafficking to take place in connection within global commodity trading, of which AGT may not be immediately aware.

AGT intends to review existing practices with a view to enhancing and expanding their use where appropriate using a risk-based approach.

In addition, there are a number of general AGT policies and controls that further help to address modern slavery include:

- **Code of Conduct:** AGT's Code of Conduct addresses a number of core ethics and compliance matters and is required to be reviewed and acknowledged by all employees annually. Topics addressed by AGT's Code of Conduct include (among others):
 - Compliance with laws
 - Anti-bribery and corruption
 - Safety, Health and Environment
 - Work Environment
 - Conflicts of Interest
- **Global Trade Compliance:** AGT's trading activities are subject to its global trade compliance manual to ensure compliance with international sanctions and know-your-client requirements.
- **Whistleblower Program:** AGT has in place a robust global whistleblower program allowing anonymous reporting of complaints without threat of recourse. AGT provides an anonymous, multi-lingual, externally administered hotline for anyone to ask questions and report ethical concerns, including alleged human rights violations. These allegations are taken seriously and are investigated, as appropriate, by independent internal and external resources.
- **Workplace Health and Safety Programs:** AGT is committed to providing a workplace that protects and promotes the health and safety of its employees - wherever in the world they may be located – in accordance with all applicable employment laws and standards. Workplace health and safety is a core part of AGT's business.
- **Workplace Violence and Harassment Prevention Policy:** AGT recognizes the dignity and worth of every person and wishes to provide for equal rights and opportunities for our employees. Every employee has a right to equal treatment without discrimination and to be free from harassment in the workplace, because of race, ancestry, place or origin, colour, ethnic origin, citizenship, religion, creed, sex, sexual orientation, marital status, family status, handicap or pregnancy or any other reason prohibited by law.
- **Ethical Audits and Related Training:** For certain of its Canadian and US facilities, AGT has undergone SEDEX "Sedex Members Ethical Trade Audits (SMETA). These audits address a number of factors directly relevant to modern slavery issues. For employees of the SMETA certified facilities, training is required on the ETI Base Code. The ETI (Ethical Trading Initiative) Base Code is founded on the conventions of the International Labor Organization (ILO) and is an internationally recognized code of good labor practice.

AGT expects our third-party service providers and vendors in its supply chain to share core values that are consistent with our Code of Conduct, to act with integrity in their business activities and to comply with all applicable laws.

AGT has identified opportunities to review and update its policies and procedures respecting modern slavery. AGT expects to begin this process in 2024.

Important components are this pending review are expected to include:

- Adopting an updated Modern Slavery Policy document that applies to AGT's global operations.

- Development of questionnaires and certifications related to modern slavery to be completed by AGT subsidiaries globally.
- Reviewing and updating, where appropriate, AGT's existing training to relevant staff on modern slavery issues and AGT's expectations of staff in helping to mitigate risk of modern slavery in our operations and supply chains.
- Updating producer/vendor/supply contracts to include, where appropriate, clear contractual obligations on suppliers with respect to modern slavery.

I. Measures Taken to Remediate any Modern Slavery

AGT has not identified any previous instances of known modern slavery practices in its operations or supply chains.

If, at any stage, we identify modern slavery within our operations or supply chain, we will conduct all necessary investigations and promptly take appropriate steps in response, including assessing options to address any adverse impacts in line with our values, policies and procedures. This will include, where applicable, engaging with the relevant supplier and, in some circumstances (including where appropriate remedial action is not taken by such supplier) terminating its contract.

J. Assessment of Effectiveness

We will periodically review the effectiveness of our relevant internal policies and procedures on modern slavery and how these policies and procedures have been implemented across our operations. Such periodic reviews will help ensure that internal policies and procedures remain updated and relevant vis-à-vis current business practices and risks.

K. Training

As noted elsewhere in this report, for employees of AGT's SMETA certified facilities, training is required on the ETI Base Code. The ETI (Ethical Trading Initiative) Base Code is founded on the conventions of the International Labor Organization (ILO) and is an internationally recognized code of good labor practice.

AGT intends to review and update, where appropriate, AGT's training to relevant staff on modern slavery issues and AGT's expectations of staff in helping to mitigate risk of modern slavery in our operations and supply chain.

L. Attestation

This statement was approved by resolution of the board of directors of AGT Food and Ingredients Inc. on May 6, 2024 on its own behalf and as the entity controlling each of the other Reporting Entities, as contemplated by Section 14(b)(ii) 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 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.

Full name: Murad Al-Katib
Title: President and CEO
Date: May 6, 2024



I have the authority to bind **AGT Food and Ingredients Inc.**