



Joint Report of PHI Canada Holding Corp., Post Consumer Brands Canada, Inc. and Post Foods Canada Inc. under Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act

May 28, 2024

1. INTRODUCTION

Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”) requires certain entities and government institutions to submit, and make publicly available, an annual report to the Minister of Public Safety and Emergency Preparedness by May 31 of each year. Reports must detail the steps taken during 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. To that end, the following is the fiscal year 2023 (October 1, 2022 to September 30, 2023) joint annual report under the Act for PHI Canada Holding Corp., a Delaware corporation (“PHI Canada Holding”), Post Consumer Brands Canada, Inc., a British Columbia corporation (“PCB Canada”), and Post Foods Canada Inc., a British Columbia corporation (“PF Canada” and, collectively with PHI Canada Holding and PCB Canada, “Post Canada”). PHI Canada Holding is filing this joint report on behalf of itself and its two wholly-owned subsidiaries, PCB Canada and PF Canada. Any references to “we”, “us” or “our” herein should be construed as a reference to Post Canada.

2. STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Overview, Operational Scope and Structure of Post Canada

PHI Canada Holding

PHI Canada Holding is a holding company incorporated under the laws of the State of Delaware, and manufactures branded and private label ready-to-eat (“RTE”) cereals for the Canadian market. PHI Canada Holding has one wholly-owned subsidiary, PCB Canada.

PCB Canada

PCB Canada is a holding company incorporated under the laws of British Columbia, and manufactures branded and private label RTE cereals for the Canadian market. PCB Canada has one wholly-owned subsidiary, PF Canada.

PF Canada

PF Canada, the operating entity of Post Canada, is headquartered in Toronto, Ontario, with two manufacturing sites in Canada located in Cobourg, Ontario and Niagara Falls, Ontario. The plant in Niagara Falls is one of the longest operating cereal plants within the Post (as defined below) portfolio and produces approximately 43 million pounds of cereal each year, including *Post*® Shredded Wheat cereal, *Shreddies*® cereal, *Great Grains*® cereal, *Post Raisin Bran* cereal and *Post Bran Flakes* cereal. The plant has also been zero-waste-to-landfill since 2018. The plant in Cobourg has operated in the community for 46 years and

produces approximately 26 million pounds of cereal each year, including popular brands such as *Weetabix*®, *Alpen*® and *Barbara's*®.

Relationship Between Post Canada and Post Holdings

PHI Canada Holding, PCB Canada and PF Canada are wholly-owned subsidiaries of Post Holdings, Inc., a Missouri corporation (“Post” or “Post Holdings”). Post Holdings is a consumer packaged goods holding company with businesses operating in the center-of-the store, refrigerated, foodservice and food ingredient categories. Post’s companies also market convenient nutrition and private brand foods and beverages. Post sits at the center of a hub-and-spoke ecosystem and provides governance oversight, capital allocation and shared corporate services across its enterprise. Post’s businesses are responsible for driving operating results and developing and executing the strategies specific to each company. Post and its consolidated subsidiaries had 11,430 employees as of November 1, 2023, of which 9,790 are in the United States (the “U.S.”), 1,080 are in the United Kingdom (the “U.K.”), 420 are in Canada and 140 are located in other jurisdictions. In fiscal year 2023, Post had 52 global manufacturing locations with four in Canada, 45 in the U.S. and three in the U.K. Post Holdings, or its subsidiaries, also have similar modern slavery reporting obligations in the U.K. and the State of California.

Post, and its subsidiaries (including Post Canada), are committed to conducting business ethically, responsibly and in accordance with applicable laws and regulations. Post’s commitment includes a comprehensive, enterprise-wide Code of Conduct, which applies to all employees and provides guidance to govern the way we work, the way we behave and the way we interact throughout our day-to-day operations. The Code of Conduct includes a zero-tolerance policy for the use of child labour, forced labour or human trafficking practices and an expectation, along with Post’s Supplier Code of Conduct and Human Rights Position that also apply to us, that our business partners, including suppliers, consultants, contractors and subcontractors, embrace Post’s (and our) standards and expectations.

Post’s Corporate Compliance and Ethics program, which we participate in, focuses on three primary intentions: prevention, detection and deterrence of potential violations. The compliance program, as well as the related policies and procedures, are designed to promote transparency, open discussion and reporting of issues, both internally and externally. To encourage open and honest communication throughout our organization, our employees have access to an employee speak-up line, which is operated by a third-party provider, is available twenty-four hours a day, seven days a week in multiple languages and allows for anonymous reports. Employees are encouraged to promptly report ethical concerns, which are reviewed, investigated and managed, as needed, by the Global Ethics and Compliance department at Post.

Post believes, as do we, that integrating environmental, social and governance (ESG) considerations into our business activities is key to creating long-term value for Post’s shareholders and other stakeholders. To facilitate integration of ESG considerations, and monitor effectiveness across the enterprise, Post has two groups of key internal stakeholders: (i) an ESG Steering Committee that is comprised of senior leaders from across the company, the mission of which is to steer Post’s ESG direction by leading the development of its ESG strategy and recommending goals, policies, practices and disclosures that align with such strategy and (ii) an ESG Operations Council comprised of technical influencers from each of its businesses, including PCB Canada, the mission of which is to implement its ESG strategy by providing operational perspectives, aligning on technical elements of implementing its ESG program, sharing best practices and technical expertise between its businesses and ensuring an effective flow of ESG information throughout

the company. For more information on Post's (and our) approach to ESG and sustainability, including Post's (and our) four responsibility pillars (sourcing, operations, product and social), visit: www.postholdings.com/responsibility.

3. ACTIVITIES AND SUPPLY CHAINS

As a holding company, Post's procurement was historically managed by its individual businesses but has been largely centralized by Post in recent years. Our approach to supply chain and responsible sourcing is led by Post's Chief Procurement Officer, with the help of functional leaders for ingredient and commodity risk management, packaging, contract manufacturing, corporate purchasing and indirect procurement. This provides a comprehensive perspective on our supply chain, enhanced traceability from source to market and competitive advantages. We consider suppliers important business partners, and we expect our suppliers to share our high standard of business ethics and act in a socially, environmentally and economically responsible manner. The Post procurement team also collaborates with other relevant functions, such as compliance and ethics and ESG/sustainability, to define supplier requirements and monitor social, ethical and environmental risks and performance using analytical tools, direct engagement (e.g., surveys, audits and meetings) and third-party due diligence assessments.

The raw materials used by our business for producing, selling and distributing products in and outside of Canada are purchased from local, regional and international suppliers and include ingredients and packaging materials. The principal ingredients used by our business are wheat, oats, rice, corn, other grain products, vegetable oils, dairy- and vegetable-based proteins, sugar and other sweeteners, fruit, nuts, animal proteins and fats. The principal packaging materials used by our business are folding cartons, corrugated boxes, flexible and rigid plastic film, trays and containers, plastic lined cartonboard, large format bags and steel cans and lids. Collectively, for Post Holdings and all of its subsidiaries, approximately 90% of the supplier facilities where ingredients and packaging materials are sourced from are located in North America and Europe, 7% are located in Asia, 2% are located in South America and 1% are from other regions.

In addition, our manufacturing and distribution operations source natural gas, electricity and diesel fuel and use water. We also rely on trucking and railroad operators to deliver ingredients to manufacturing locations and to deliver our finished products to our customers. Our logistics and transportation network is reliant on third-party service providers, with two main components: 1) third-party services managed by Post and 2) third-party services managed by suppliers or customers. We also utilize third-party relationships for co-manufacturing, contracted packaging suppliers, third-party warehouse and distribution operators and temporary labour.

4. POLICIES AND DUE DILIGENCE PROCESSES

We have policies and due diligence processes for preventing forced and child labour for our own organization and for our global supply chain.

For our own organization, prospective full-time and part-time employees are required to provide official identification documentation, such as a driver's license, as part of the on-boarding process. For contractors and temporary employees, picture identification with birthdate is required upon entering our facilities on the first day of temporary employment. Diligence is documented by each facility and is audited quarterly by our Human Resources compliance team.

For our global supply chain, the Post Supplier Code of Conduct, combined with Post's Global Code of Conduct and Human Rights Position, set out the expectations for doing business with us and our vision for conducting business ethically and responsibly, with respect for human dignity and in accordance with all applicable laws and regulations. All business partners we engage are expected to embrace our standards and expectations and cascade these requirements to their suppliers, including the following relevant requirements:

- Ensuring products present no threat to food safety.
- Maintaining a culture of ethics, integrity and compliance with all applicable laws, rules and regulations.
- Complying with wage and hour laws.
- Recognizing employees' right to freedom of association and collective bargaining.
- Upholding a zero-tolerance policy for unlawful labour practices, such as child labour, forced labour and human trafficking.
- Producing products safely and with respect for the environment.

Our supplier standards and expectations apply to all business partners, including suppliers, consultants, contractors and subcontractors. Employees of suppliers are encouraged to promptly report ethical concerns. We mandate compliance by issuing purchase orders requiring each supplier's acceptance of and adherence to Post's Supplier Code of Conduct, which can be found on Post's website at <https://www.postholdings.com/responsibility/supply-chain/>, and/or by obtaining confirmation from the supplier of the same.

To actively monitor our global suppliers for social, ethical and environmental risks, Post uses a four-step process, in addition to standard vendor onboarding and qualification processes. The use of analytical tools, direct engagement (e.g., surveys, audits and meetings) and third-party due diligence assessments allows our organization to actively evaluate the parts of our activities and supply chains that carry a potential risk of forced labour or child labour. The four-step process includes:

- 1) A third-party risk management platform screens vendors for adverse media, government watchlists, sanctions and politically exposed persons.
- 2) All vendors are evaluated using a multivariable risk model.
- 3) Vendors with elevated risk levels are reviewed by an internal team.
- 4) When necessary, vendors are directly engaged for further third-party due diligence, monitoring and risk mitigation.

For fiscal year 2023, Post monitored over 2,000 active, nonactive and potential third-party suppliers within its risk management platform.

5. FORCED LABOUR AND CHILD LABOUR RISKS

Based upon our evaluations to date and ongoing monitoring, we have concluded that the risks of forced labour and child labour in our supply chain are low and that the highest risk in our organization is identified as temporary agency employees and contractors who do not go through our employment verification process. To the best of our knowledge, the highest potential for risk exposure in our supply chain is the global sourcing of sweeteners, fruits and nuts. We have not identified any related incidents of forced or child labour in our organization or global supply chain within the most recent financial year. We also had no reports of suspected violations through our speak-up hotline, which is staffed by an independent third-

party provider and is available twenty-four hours a day, seven days a week in every country where we operate, or any other channel available to our employees and suppliers to report ethics and compliance violations. However, we acknowledge that our organization must remain vigilant of these risks and ensure our suppliers understand and do their part, so such incidents do not take place in our organization or in our global supply chain.

In fiscal year 2023, Post completed a data analytics initiative to map the end-to-end flow of purchased ingredients and materials into sold products and the connections between specific suppliers and customers. The scope of this initiative included all wholly-owned global subsidiaries and positions our organization to comply with evolving supply chain and traceability requirements and incorporate more effective predictive analytics on the potential implications of supply disruptions. Post is currently working to further leverage this traceability data to enhance supply chain monitoring and due diligence, including through current implementation of an enhanced Enterprise Resource Planning (ERP) solution, a Supplier Qualification and Assurance Initiative launched last year and through a formal process to evaluate leading supply chain management platforms.

6. REMEDIATION MEASURES

We have not identified any related incidents of forced or child labour in our organization or within our global supply chain in the most recent financial year and, therefore, it has not been necessary to implement remediation measures. We are, however, prepared to act appropriately should any incidents be identified, including suspending or discontinuing the sourcing of ingredients from relevant suppliers. We expressly reserve the right to impose a broad range of penalties on suppliers who fail to comply with local, state or federal laws, including without limitation, the laws pertaining to forced labour, child labour and human trafficking. These penalties include the right, in our sole discretion, to terminate entire business relationships. Similar penalties may be imposed for a supplier's failure to comply with its obligation to establish controls that prohibit discrimination, harassment and/or child labour. Our preferred approach is to work with and assist the existing vendor(s) to remediate any identified violations in their operations and/or supply chains, rather than simply moving our business to another supplier.

The specific remediation measures and process would be dependent upon the identified violation(s), ingredient, geography, business relationship, relevant supplier tiers and significance. In general, we would engage the relevant supplier(s) directly and rely upon credible third-party partners, as needed, to validate violations, engage appropriate parties, define appropriate remediation measures and meet any relevant reporting obligations. Based upon findings, a corrective action plan would be developed, implemented, tracked and adjusted as needed until the situation is resolved.

7. TRAINING

Employees are required to complete an annual Code of Conduct training. The Code of Conduct includes a section on upholding human rights, which messages (i) our commitment to never do business with any individual or company that participates in modern slavery or in any way exploits child, forced or compulsory labour and (ii) how to report suspicions of activity that may violate human rights. Employees are also required to complete an annual Respect for Each Other training and targeted training on matters such as antitrust, bribery and corruption is provided to employees at heightened risk exposure.

8. ASSESSING EFFECTIVENESS

Our diligence process is designed to prevent engagement of third parties with known or suspected human rights violations. The diligence process is intended to manage risk throughout the supply chain, including tier 2 suppliers. We have added additional diligence for third-party categories and geographies identified as higher risk for human rights violations and actively research best practices and leading insights for monitoring and mitigating risks. We will continue to monitor the need for further action to be taken and other key performance indicators to be implemented as we continue our risk assessment and due diligence activities.


9. APPROVAL AND 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.

Name: Diedre J. Gray

Title: Director

Date: May 28, 2024

Signature: 

I have the authority to bind PHI Canada Holding Corp.