



Commonwealth Modern Slavery Act 2018 Statement in respect of Hartree Partners (Australia) Pty Ltd

This is the first modern slavery statement made by Hartree Partners (Australia) Pty Ltd (“**HPAU**”) and it relates to the fiscal year ending 31 December 2023. It sets out the steps that HPAU has taken to manage the risks of modern slavery occurring in its business and supply chains. It further sets out the additional steps that it intends to take over the coming year. HPAU is committed to acting with integrity when conducting its business and to improving its practices to prevent slavery and human trafficking.

Organisation's structure

HPAU is a proprietary limited company incorporated in Australia (ACN 650910080) and is part of a global energy and commodities trading business. At December 31, 2023, HPAU, an employing entity, had seven employees based in Brisbane and Melbourne, Australia. HPAU does not have any subsidiaries. Its immediate parent undertaking is Hartree Partners (UK) Limited, a UK private company which holds one hundred per cent of its share capital. Its ultimate parent undertaking is Hartree Partners, LP (“**Hartree**”), a limited partnership duly formed in the State of Delaware, United States of America and it is a part of the Hartree group of companies (excluding the Sprague group of companies, the “**Group**”). At fiscal year-end 2023, the Group had approximately 960 employees worldwide and operated primarily through 17 offices with locations in the US, Europe, Asia, South America, South Africa and the Middle East.

Business

HPAU is engaged in proprietary trading in agricultural products, currently limited to wheat. It primarily buys wheat from growers and then sells it to counterparties who typically take the product to Asia and/or the Middle East. During the 2023 fiscal year, HPAU was active in the purchase and sale of wheat in southern and eastern Australia.

Supply chains

During the 2023 fiscal year, HPAU purchased wheat which was sourced entirely from within Australia.

Wheat is primarily purchased directly from growers in southern and eastern Australia. The purchase of wheat is undertaken through contracts for spot purchases. HPAU uses contractors to provide freight/ transport/ logistics services in connection with the purchase and sale of wheat.

Risks of Modern Slavery in Operations and Supply Chains

HPAU, as a trader of wheat, will not cause modern slavery practices as it is not involved in the growing, harvesting or production of the material and has no operations that may directly result in modern slavery practices. In light of the Group’s employment processes, coupled with the location and nature of the roles themselves, we believe that there is a low risk that employees of HPAU may be the subject of modern slavery practices.

However, HPAU, as purchasers of wheat that is grown on farms, acknowledges that there are risks that their supply chains may indirectly contribute to modern slavery practices for example through their supply



contracts. In addition, there is a risk of HPAU being linked to modern slavery practices through its business relationships.

For the most part, the farming of wheat is not an industry that would be viewed as a higher risk sector for modern slavery risk. In addition, as the wheat purchased in 2023 was sourced from within Australia, a very low-risk jurisdiction with a strong government response to modern slavery according to the Global Slavery Index 2023, HPAU believes that there is a low risk of modern slavery occurring in its supply chain.

Our policies on slavery and human trafficking

The Group is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or in any part of its business. The agricultural trading business in Australia is a new business to the Group - which itself continues to review its practices as it builds out its corporate compliance programme.

During 2023, Hartree implemented a global telephone and web reporting mechanism available to both employees of all Group entities and third parties to facilitate the reporting of modern slavery issues. Also in 2023, the Group adopted the Hartree Supplier Code of Conduct ("**Supplier Code of Conduct**") which will be utilised to develop and strengthen relationships with suppliers who are committed to, and act in accordance with, the principles set out in the code. The Group maintains a policy on Modern Slavery and Human Trafficking as well as an employee Code of Conduct that reinforces its commitment to respecting human rights and reducing the risk of modern slavery in all of its business practices.

During 2024, the Group will consider the implementation of a supplier due diligence questionnaire to accompany the Supplier Code of Conduct. The Group has a strong commitment to acting ethically and with integrity in all its commercial relationships. Given this commitment, as the Group continues to expand its business and footprint, it will work towards implementing and enforcing effective systems and controls that ensure slavery and human trafficking is not taking place anywhere in its supply chains.

Due diligence processes for slavery and human trafficking

At the Group level, due diligence is conducted on HPAU trading counterparties prior to entering into any business relationship. Depending on the risk profile of the counterparty, a varying level of due diligence will be conducted. The risk profile will be determined by a number of factors, including the type of counterparty, nature of its business, the type of relationship HPAU is entering into and the jurisdiction within which it operates.

These know your counterparty ("**KYC**") checks also comprise screening for: (i) risks such as trade sanctions, anti-money laundering, bribery and other regulatory infringements and (ii) adverse media reports. This dual screening process is undertaken at initial onboarding of the counterparty and on an ongoing basis with any issues of concern being escalated to the Compliance function. Hartree will continue to refine these processes and look at incorporating human rights and modern slavery into the risk assessment of our trading counterparties in a more systematised way.



Training

HPAU seeks to raise internal awareness and to increase its capabilities around the identification and management of potential child labour risks. Training needs are based on an assessment of the modern slavery risks they encounter in performing their role.

Our effectiveness in combating slavery and human trafficking

As the Group builds out its corporate compliance programme, it will put in place a set of key performance indicators (“KPIs”) that will give it insight not only into the performance of the wider organisation but also the effectiveness of HPAU’s compliance with the Commonwealth Modern Slavery Act 2018. Although it has yet to undertake this work, it is anticipated that some of the KPIs would include statistics relating to modern slavery and human rights training and other ethical training in addition to the selection of potential suppliers, which Hartree believes to be higher risk from a slavery and human rights perspective.

Next steps


The Group anticipates taking the following steps to further combat slavery and human trafficking which will impact HPAU:

- Continue to build out the Group’s compliance programme;
- Initiate a more detailed risk mapping exercise of any risks that HPAU has in the slavery and human trafficking area in any of its supply chains;
- Continue to work with various Hartree teams to develop data that allows us to better assess the risk of modern slavery in its supply chains;
- Integrate the Supplier Code of Conduct into the onboarding process;
- Consider the implementation of a supplier due diligence questionnaire to be completed during the onboarding process; and
- Embed into the KYC processes the additional risks inherent in the human rights area.

Consultation with Subsidiaries

As HPAU has no subsidiaries it was unnecessary to undertake any such consultation.

This statement was approved by the board of HPAU on 1 July 2024

DocuSigned by:

5AB30EF6A9214E6...

Ahmed Safwat Al-Awa

Director

For and on behalf of **Hartree Partners (Australia) Pty Ltd**

Date: 1 July 2024