

Modern Slavery Statement 2023

June 2023 | Version 1.0



Introduction

Upfield Foods UK Limited (“Upfield”) is part of the largest plant-based food company in the world and is a market leader in many territories. We recognise that we have a responsibility to respect Human Rights and, in that regard, to identify and prevent the risks of slavery and human trafficking. This is in line with our [Human Rights Policy](#), as well as Upfield’s core values of Performance, Passion, and Care in everything we do, and we encourage others to do the same. This is our fourth Modern Slavery Statement in line with section 54 of Part 6 of the Modern Slavery Act 2015 and other relevant international regulations, and it details the steps taken by Upfield to prevent slavery and human trafficking throughout our business operations and supply chains in respect of the financial year ending 31 December 2023.

About Upfield

We are the #1 producer of plant-based spreads globally and other plant-based consumer products, with iconic brands FLORA, RAMA, BECEL, VIOLIFE, BLUE BAND and COUNTRY CROCK. Superior taste and quality are the standards we have set for all our products since 1871. We have been the spread category’s authority, giving us unmatched experience, know-how and inspiration to support the “Future of Food”.

Upfield is a wholly owned subsidiary of Upfield Group B.V., headquartered in the Netherlands, and both are part of the “Upfield Group.” The Upfield Group manufactures and sells products worldwide and employs over 4,700 people. We work with suppliers worldwide from whom we source our ingredients, raw materials, and packaging materials.

We are committed to implementing good business practices, including respecting and promoting human rights and high ethical standards. To deliver this, several steps have been taken to identify, prevent and mitigate potential risks of slavery and human trafficking that might occur in our operations and supply chains.

This Statement sets out the actions that Upfield has taken this year to evaluate, understand and mitigate potential slavery and human trafficking risks relating to our business and our supply chains. It also highlights the measures currently in place and any enhancements required to address and eliminate the possibility of slavery and human trafficking occurring in our business and supply chains.

What have we done since our last report?

Since 2022, Upfield has implemented its “Human Rights Roadmap” developed by an expert Human Rights firm to ensure our approach complies with human rights laws and regulations.

In 2023, Upfield defined and enhanced its Human Rights Due Diligence process, as further detailed below. This process is based on a risk-based approach divided into five stages: **identification of risks, prioritisation of risks, mitigation measures, monitoring and evaluation, and communication**. The process involves our supply

chain, which varies from small to large multinational companies across six continents.

Identification of risks:

Following recognised standards, Upfield implemented a human rights risk assessment methodology to identify the actual and potential risks associated with our operation and supply chain. We evaluated:

- The scope of our operations and supply chain, identifying our stakeholders, and recognising which actions and decisions could directly or indirectly impact human rights.
- The risks identified as salient issues by relevant benchmarks in the packaged food sector.
- The social and environmental risks identified in our supply chain, including suppliers and business partners in the location where the company operates and where our high-risk commodities are purchased.
- The incidents, complaints, Speak Up cases and grievances the company has received related to human rights matters.

Based on this initial analysis, we identified the potential risks in our operations and supply chain. Considering that the potential risks were consulted and ratified by relevant stakeholders, we proceeded to review the [Human Rights Policy](#) accordingly to update our governance policies and processes to prevent the occurrence of any of the potential risks.

As a result of this identification of potential risks, Upfield defined “Zero Tolerance for all forms of forced labour and human trafficking” as one of the Human Rights Principles that must guide all Upfield employees and associates, business partners, suppliers, customers, and other relevant stakeholders in our supply chains.

Prioritisation of risks

Considering the potential risks identified, we defined specific criteria to classify them according to their likelihood of happening and their potential impact based on a rights-holder perspective, considering each risk’s scale, scope, and ability to remediate it. Thus, the risks with the highest impact and most likely to happen had a higher severity and were classified as ‘Salient Issues’.

Additionally, Upfield established a process for our supply chain to identify and prioritise the salient issues derived from the geographical location of the commodities we purchase. The pre-screen tool from [Sedex Radar](#) allows Upfield to dive deep into the supply chain and analyse the socio-economic risks derived from the regions where commodities are purchased so that we can closely track the labour, health and safety, environmental and business ethics risks from each region as part of our human rights due diligence process.

For our operations, we defined Upfield’s Human Rights Salient Issues to be a) Health and Safety incidents or violations of relevant legal dispositions on the matter and b) discrimination and harassment practices among employees. For our high-risk commodities, the Human Rights Salient Issues are a) forced labour practices focused on the palm oil supply chain; and b) lack of fair labour conditions for workers in the value chain.

Mitigation measures

The mitigation measures defined by Upfield include creating or modifying governance

frameworks to establish clear accountability and responsibility for human rights, as well as concrete actions, programmes and strategies to tackle the causes of the risks and improve their existing controls. For instance, Upfield's [Human Rights Policy](#) is reinforced in the other governance policies, such as the [Code of Conduct](#), [Business Partner Code of Conduct](#), [Diversity, Equality and Inclusion Policy](#), [Responsible Sourcing Policy](#), and the commodity-specific responsible sourcing policies we have issued.

Upfield has defined actions to cease and prevent the occurrence of human rights salient issues:

1. Upfield's standard contractual terms and conditions include suppliers' obligation to agree with our Policies and Guidelines, which are included in the [Supplier Centre](#).
2. Additionally, as part of the onboarding process, all suppliers must acknowledge the content of the Human Rights Policy, Responsible Sourcing Policy, and the Modern Slavery Statement before the contract is executed.
3. All suppliers in scope must have a Sedex Self-Assessment Questionnaire to verify their human rights due diligence and identify potential human rights and environmental risks. Our target is for 100% of suppliers in scope¹ to complete the Sedex Self-Assessment Questionnaire by 2025. If Upfield identifies a supplier as high-risk², based on the SAQ, we will request a SMETA (Sedex Members Ethical Trade Audit), which is the most widely used format for social audits in the world, enabling businesses to assess their sites and suppliers to understand working conditions in their supply chain, to ensure that the supplier addresses human rights findings adequately.
4. For high-risk commodities³, we oversee that our suppliers do not incur any violation of human rights through the certifications we require from them. For example, we require the Roundtable Sustainability Palm Oil Certification (RSPO) for palm oil suppliers. This certification evaluates that suppliers respect, assess, address, and remediate, if relevant, environmental and human rights standards within their workforce and supply chain, including workers' labour rights, freedom of association and collective bargaining, forced labour, child labour, all forms of harassment and non-discrimination.
5. Upfield also actively participates in multi-stakeholder initiatives to improve human rights due diligence standards within the fast-moving consumer goods (**FMCG**) industry. We are part of the Human Rights Coalition and the Palm Oil Working Group of the Consumer Goods Forum. Our participation is focused on contributing to joint work with other companies to unify human rights standards in the industry, identify similar challenges we face, and propose joint action to tackle systematic issues.
6. Furthermore, Upfield has strategic relationships with non-governmental organisations (NGOs) and other entities, such as Earthworm Foundation, to support our human rights and environmental due diligence process in matters that could be relevant to our operations and supply chain, including the

¹ The category "suppliers in scope" refers to the *direct suppliers*, which provide goods or ingredients to Upfield that are then directly incorporated into the final product being manufactured by Upfield, and to the *targeted indirect suppliers*, which provide services and equipment with an annual spending \geq 100k EUR.

² The category "High-risk suppliers" refers to suppliers with an overall risk score higher than 6.0 on the [Sedex Self-Questionnaire Assessment](#).

³ Palm Oil, Soybean Oil, Paper & Pulp, Coconut Oil suppliers.

prevention of forced labour and human trafficking.

Monitoring & evaluation

We actively monitor our human rights approach to keep it to the highest standards and to verify the effectiveness of the preventive and mitigation measures defined as part of our human rights' due diligence process. Concretely, Upfield has established the following monitoring mechanisms:

Control monitoring: Upfield has established surveys to maintain transparent communication relationship with employees. Additionally, Upfield has developed internal audits that include Environmental, Social and Governance (“**ESG**”) standards within the evaluation. Moreover, we conduct third-party independent audits, including SMETA in our factories, to verify compliance with legal and ethical standards in our own operations.

In 2023, we continued our ongoing auditing process, with four manufacturing sites out of our total of 9 completing a SMETA. The other five sites that have not been audited in the past three years will complete a SMETA in early 2024. However, all our manufacturing sites have completed a SMETA since Upfield was established in 2018, excluding our new manufacturing site in Colombia, which entered our portfolio in late 2022, but which is completing a SMETA in 2024.

For our supply chain, Upfield has defined the “Supplier Due Diligence Onboarding System”, the Sedex Self-Assessment Questionnaire, the Sedex SMETA and the high-risk suppliers' certifications as the tools it implements to verify suppliers' ethical performance.

Incident monitoring: Upfield has implemented a robust grievance system to monitor issues internally and externally. For Upfield's internal and external stakeholders, the Speak Up channel allows us to monitor any abnormal circumstance related to human rights issues, including forced labour and human trafficking.

Upfield aims to always support a culture where people are treated fairly and with respect and have an outlet where business practices can be reported without fear of reprisal. All reports made are investigated and addressed within the Compliance Committee. The Compliance Committee comprises the Chief Financial Officer, the General Counsel, the Chief People and Organisation Officer and the Head of Internal Audit. The Chief Compliance Officer chairs the Committee.

Furthermore, the [Business Partner Code of Conduct](#) defines suppliers' obligation to establish grievance mechanisms, which aligns with Upfield's Code standards. Finally, to the necessary extent, Upfield will monitor and analyse the legal claims received against the company to identify any potential breach of human rights legal standards that they might reflect.

Communication

We are committed to communicating transparently with all our stakeholders. For that purpose, Upfield has established a range of communication channels to provide all relevant information regarding our human rights approach efforts, strategies, and activities to all the stakeholders who could, directly or indirectly, be affected by our

operations and supply chain, including our actions to identify and prevent forced labour and human trafficking.

Following our periodical human rights risk assessment, we have defined specific channels to communicate our human rights approach, including impacts and priorities. Externally, the [ESG Centre](#) contains public documents related to Upfield's overall ESG performance (including human rights matters), such as the ESG Annual Summary, the ESG Addendum, the ESG Policies and the Grievance Tracker. Internally, we have also defined the Viva Engage ESG Activation Station and Cultivate our eLearning platform as some of the channels we use to publish human rights-related material, including information on our Zero Tolerance to Forced Labour and Human Trafficking.

Additionally, a Human Rights module was included in our Code of Conduct e-learning. We aim to ensure that all Upfield employees understand and are aware of the risks of slavery and human trafficking and can actively assist in its detection and prevention.

We also provide specific and specialised training by roll, depending on each employee's responsibilities and risks. For instance, we have developed role training for employees who must know about human rights matters to maintain our Roundtable Sustainable on Palm Oil Certification (RSPO).

2024 and Beyond

Upfield recognises the importance of maintaining constant vigilance to identify and address risks of slavery and human trafficking in its own business and its supply chains. Recognising this, we remain committed to upholding human rights and safety in our operations and supply chains. We will be reviewing the progress and effectiveness of our programmes in combatting slavery and human trafficking annually and shall report on our progress as we continue in our journey. We will maintain our commitment and duty to respect human rights and prevent slavery and human trafficking throughout 2024 and beyond. For that purpose, in 2024, Upfield will continue focusing on implementing this roadmap.

The implementation of this roadmap will cover a range of actions focused on documenting and enhancing the process that Upfield has established for identifying and mitigating human rights risks, including the prevention of slavery and human trafficking.

Approval

This Statement has been approved by Upfield's Compliance Committee and by Upfield Foods UK Limited Board. April 2024.

