

Modern Slavery Act Transparency Statement

March 2019

Introduction

This statement is made pursuant to section 54 of Part 6 of the Modern Slavery Act 2015 and constitutes the Modern Slavery Act Transparency Statement for **Upfield Foods UK Limited (Upfield)** in respect of the financial year ending 31 December 2018.

As a member of the world's largest supplier of plant-based consumer products, Upfield takes its responsibility to respect human rights seriously. We do this not only because it is the right thing to do but because it also creates a more just and durable business for the long term. We are proud of our reputation and recognise that to protect this we must adhere to the highest possible standards in everything we do.

Upfield is a wholly owned subsidiary of Upfield Group BV., headquartered in the Netherlands. On 2 July 2018, Upfield purchased the global baking, cooking and spreads business of the Unilever Group from Unilever NV and Unilever PLC. The new Upfield group manufactures to over 95 countries and employs over 3,500 people worldwide. Our core brands include Flora, Flora ProActiv, Rama, Blue Band, Country Crock, Lätta, Becel and I Can't Believe It's Not Butter. Upfield is the No 1 producer of plant-based spreads globally. We work with suppliers all over the world from whom we source our ingredients and raw and packaging materials to manufacture and sell our products.

We are committed to a corporate social responsibility that fosters a culture with respect for dignity and human rights as well as for high ethical standards in the conduct of our business. We are resolved to prevent acts of modern slavery and human trafficking from occurring within our business and supply chains and impose these same standards on our suppliers.

In this, our first year of operation as an independent business, we are in the process of developing and implementing our compliance and supplier assurance processes. We are underpinning these with effective instruments and processes for risk identification and assessment, mandatory training and guidance for all employees, global incident reporting and various internal policies that will drive appropriate behaviours.

This Statement sets out the actions that Upfield has taken this year to evaluate and understand potential modern slavery risks relating to our business and our supply chains as well as measures which are currently in place and any enhancements required to mitigate the possibility of slavery and human trafficking occurring in our business and supply chains.

What have we done in 2018?

As a newly formed independent business, Upfield has been working hard to set up a broad range of business processes including legal and compliance functions. We are on a journey and recognise we have a long way to go but a plan to get there.

Internally we have processes and procedures in place to ensure we operate with integrity. When it comes to our suppliers, which vary from small to large multinational companies located across six continents, this requires significant effort to manage legal and operational compliance, health and sustainability, as well as ethical issues. Although ultimately it is each supplier's responsibility to respect human rights, Upfield seeks to play an active role in ensuring that such responsibility is acted upon in accordance with our standards.

To date, we have concentrated on spending time working on key internal policies to ensure business is conducted generally in an ethical and transparent ways. Our internal policies include:

1. **Code of Business Principles:** from the inception of Upfield in July 2018, we have maintained and communicated our Code of Business Principles to employees and suppliers alike. Combining a range of policies on the most significant business risk areas, our Code is at the heart of all we do and sets out our approach in relation to:
 - Respecting People;
 - Engaging Externally;
 - Countering Corruption; and
 - Safeguarding Information

All employees joining Upfield are asked to review and confirm compliance with our Code and a link is maintained in our standard contracts with new external third parties so they all know the standards with which we require they comply.

2. **Recruitment Policy:** Upfield operates a robust recruitment policy for its employees and other agency workers, including conducting eligibility to work in the UK checks for all employees and agency workers, to safeguard against human trafficking or individuals being forced to work against their will.
3. **Whistleblowing:** We have set up a whistleblowing helpline available to internal employees and external stakeholders giving them the opportunity to report any non-compliance incidents against our Code of Business Principles. Upfield aims to always support a culture where colleagues are treated fairly and with respect and have an outlet where business practices can be reported, without fear of reprisals. All reports made are investigated and addressed at a senior level.

What are we doing in 2019 and beyond?

Throughout 2019, Upfield have a range of activities planned to further demonstrate its commitment to reduce the risk of Modern Slavery.

1 **Commitment To Human Rights**

Upfield has an ongoing commitment to uphold Human Rights for our Associates and third parties we engage with. Our Human Rights commitment will be published in 2019 setting out Upfield's commitment in this area. Employees will receive training and it shall form the basis of how we engage but internally and externally.

2 **Suppliers**

As part of our efforts to monitor and reduce the risk of modern slavery and human trafficking within our supply chains, we have or will be adopting the following due diligence procedures. These are currently engaged when the supplier is onboarded, but the intention is that regular monitoring will be carried out through the supply lifecycle.

- A. **Supplier Code of Conduct:** We plan to publish an Upfield Supplier Code of Conduct in 2019. This will sit alongside the existing Code of Business Principles and it will deal specifically with

the requirements of the Modern Slavery Act 2015. It will contain the fundamental principles we expect from both direct and indirect suppliers to the Upfield Group and the minimum legal and ethical requirements they need to meet. These obligations will require our suppliers to prevent occurrences of modern slavery in their business and their supply chains. Compliance with this Supplier Code of Conduct will be mandatory for all of our suppliers and is a core requirement in our standard terms of business.

- B. **Upfield Third Party Due Diligence Policy:** Ahead of working with each new third-party supplier and other business partners, we are introducing a due diligence review and multi-level screening process. The screening process consists of the following key elements:
- Supplier self-evaluation questionnaire;
 - Professional review of 4000+ global databases via third party Exiger plus manual, in-depth research on specific risks identified and linked to a prospective business partner; and
 - Supplier audits and certification program.

The Due Diligence process is managed and monitored by operational risk owners in close cooperation with global, regional and local compliance officers.

3 **Training**

In order to ensure that all Upfield staff understand and are aware of the risks of modern slavery and human trafficking and can actively assist in its detection and prevention, a global programme of training is to be rolled out to representatives of Upfield's management teams, CSR teams, procurement teams and supply chain teams.

Upfield recognises the importance of maintaining constant vigilance to identify and address risks of slavery and human trafficking in its own business and that of its supply chains. In recognition of this, we remain committed to continue to uphold human rights and safety in our supply chains and will be reviewing the progress and effectiveness of our programmes in combatting slavery and human trafficking on an annual basis and shall report on our progress as we continue in our journey next year.

This Statement has been approved by Upfield's Executive Committee