

pladis (UK) Limited Modern Slavery Statement

2023 Financial Year





pladis (UK) Limited Modern Slavery Statement 2023

Statement Summary

This is our fifth Modern Slavery Statement. It has been prepared by pladis (UK) Limited in accordance with section 54 of the Modern Slavery Act 2015 in regard to our fiscal year from 1st January 2023 to 31st December 2023 (“FY23”). This statement covers all the companies UK activities and sets out the steps we take to prevent modern slavery occurring within our business or our supply chains.

Our purpose is to build a better working world, this includes a commitment to conduct our business ethically and to deliver responsible growth that is inclusive for all. In accordance with pladis global human rights policy, we will not tolerate any form of human rights abuse, including modern slavery or human trafficking, in any part of our business or within our supply chains.

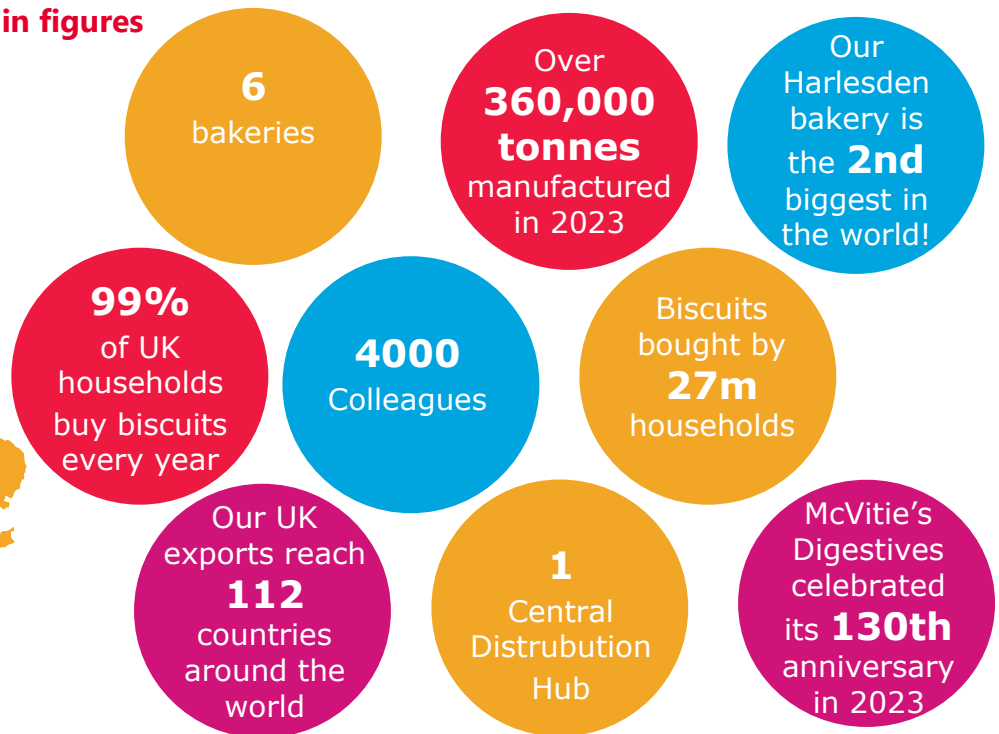
Contents summary

1. Business Organisation and Structure.....	3
1.2 pladis (UK) Limited in figures	3
2. Our Processes and Policies	3
2.1 Code of Conduct	3
2.2 Whistleblowing Policy	3
2.3 Human Rights Policy	4
2.4 Ethical Policy Statement	4
2.5 Supplier Ethical Data Exchange (SEDEX)	4
2.6 Audit Process of Subcontractors	5
3. Supply Chain Due Diligence & Transparency.....	5
4. Sustainability	6
4.1 Palm Oil.....	6
4.2 No Deforestation Policy.....	6
4.3 Cocoa	7
4.4 Other ingredients.....	7
5. Capacity Building through Colleague Ethical Training.....	7
6. Social Dialogue.....	7
7. Future Plans.....	8

1. Business Organisation and Structure

pladis was formed in 2016 and is the proud steward of more than 300 years of family baking and confectionery experience. As one of the world’s leading snacking companies, it is home to beloved brands including McVities, Ülker, Jacobs and Carr’s. pladis is also proud to distribute a range of GODIVA chocolates exclusively for consumer-packaged goods channels around the world. Within the pladis (UK) Limited business, there are over 4,000 colleagues across six bakeries and one distribution site.

1.2 pladis (UK) Limited in figures



2. Our Processes and Policies

We have several policies that help us manage our modern slavery risk. These enable us, and our suppliers, to be aware of our responsibilities when responding to issues or concerns and help us to have a joined-up approach in tackling the threat of modern slavery.

2.1 Code of Conduct

We operate according to the pladis Code of Conduct which captures the most important responsibilities expected of our colleagues as they go about their work. We expect our suppliers to adhere to the Code and we do not tolerate abuse of human rights in our operations throughout our business and particularly within our extensive supply chain.

2.2 Whistleblowing Policy



pladis (UK) Limited operates a whistleblowing policy which encourages colleagues (including agency workers and contractors) to report any circumstances of potentially unethical conduct within our organisation. In 2023, the whistleblowing policy continued to be communicated to all our manufacturing sites and distribution centre on two occasions during the year.

2.3 Human Rights Policy

In 2020, pladis adopted a global human rights policy applicable to our colleagues, suppliers, and subcontractors. This document sets out the fundamental principles and minimum standards, such as the requirement for humane and safe working conditions and non-discrimination and the prohibition of forced and child labour. We strive to provide a work environment that respects the human rights of all individuals in accordance with international standards, where colleagues can develop themselves, express their opinions freely and will not be exposed to discrimination of any kind.

pladis (UK) Limited Human Rights Policy is based on The Universal Declaration of Human Rights, The United Nations (UN) Global Compact, The UN Convention on the Rights of the Child, International Labour Organization (ILO) Conventions, OECD Guidelines for Multinational Corporations, UN Guiding Principles on Business and Human Rights and national laws.

2.4 Ethical Policy Statement

pladis (UK) Limited Ethical Policy Statement sets out the core principles that our own administration and manufacturing sites, suppliers and sub-contractors must follow to maintain exacting standards of integrity and professionalism in their working practices. This statement is based upon the Ethical Trading Initiative (ETI) Base Code which is founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice. This statement sets out the practices, that as a minimum we will adhere to:

1. Employment is freely chosen.
2. Freedom of association and the right to collective bargaining are respected.
3. Working conditions are safe and hygienic.
4. Child labour shall not be used.
5. Living wages are paid.
6. Working hours are not excessive.
7. No discrimination is practiced.
8. Regular employment is provided.
9. No harsh or inhumane treatment is allowed.
10. Safeguarding within the supply chain.

2.5 Supplier Ethical Data Exchange (SEDEX)

pladis (UK) Limited are members of the ethical due diligence platform, SEDEX, which is defined as the global Supplier Ethical Data Exchange. It is a non-profit organization that helps to maintain ethical information in a simple and effective manner. SMETA (SEDEX Members Ethical Trade Audit) 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. In 2023 all six bakeries and the central distribution received SMETA audits which confirmed our practices and procedures as well as our full transparency with our stakeholders. Additionally, pladis (UK) Limited has completed bi-annual submission of the SEDEX self-assessment questionnaires for all UK manufacturing, office, and distribution sites with the information therein made open to all SEDEX linked members. This drive for transparency within our supply chain is a key provision of the Modern Slavery Act and supports us in our continuing effort to prevent modern slavery ever occurring in our supply chain or organisation. In 2023, we have continued with the annual internal ethical audit process launched two years before which is based on the principles of the SMETA audit and ETI (Ethical Trading Initiative).

2.6 Audit Process of Subcontractors

We recognise the high-risk nature of temporary labour and usage of labour providers. To that end, we have developed and implemented a robust auditing process designed to dig deep into the practices of a labour providers business and its dealings, to see how closely they follow their own rules, as well as how far it complies with any external guidelines and nationally recognised standards regarding ethics. This annual process is completed across pladis (UK) Limited manufacturing and distribution sites on all temporary labour agencies as well as long term contractors such as external Hygiene and Security providers. All our labour providers/employment agents for UK manufacturing and distribution sites adhere and operate to all relevant UK Government legislation.

3. Supply Chain Due Diligence & Transparency

Our procurement policy and supplier code of conduct, in conjunction our human rights policy, provide details about pladis (UK) Limited overall ethos, our aspirations for how our business operates and the expectations we have of our suppliers. It is integral to our business strategy and success that we have a positive impact when dealing with our suppliers, colleagues, and wider society wherever we do business. As such, the procurement policy describes the company's commitment to ensuring that all procurement activities are conducted in an honest, competitive, fair, and transparent manner, and that incumbent suppliers are appropriately managed on an ongoing basis.

pladis (UK) Limited maintains a preferred supplier list. We conduct due diligence on all suppliers before allowing them to become a preferred supplier. Our human rights policy and code of conduct forms part of our requirements with all suppliers and it is necessary to confirm that no part of their business operations contradicts this policy/code.

We recognise the importance of collaborating closely with our suppliers to ensure that they act responsibly. As part of doing business with pladis (UK) Limited, the following stakeholders are required to become members of SEDEX: raw material suppliers, packaging suppliers, key service providers (laundry, warehouses, hygiene contractors) and agents. Additionally, these stakeholders must complete the SEDEX self-assessment questionnaire as a minimum. During our quarterly Ethical Steering Committee meetings, pladis (UK) Limited uses the SEDEX risk assessment tool



(RADAR) to identify and review our top 10 highest risk suppliers and proactively collaborate with them to mitigate their risk. In 2023, we achieved our target to have a supply base that are all members of an ethical date platform such as SEDEX or Ecovadis. We completed a benchmarking/risk assessment to determine all acceptable ethical compliance platforms. The focus in 2024, will be the increase in % ethical audits (by risk) of our supply base.

4. Sustainability

It is well founded that sourcing sustainable ingredients is intrinsically linked to a supplier's ethical credentials, particularly for those ingredients associated with socioeconomic and environmental issues such as palm oil and cocoa. Utilising sustainable ingredients and ensuring the implementation of ethical practices within their supply chains ensures vulnerable farmers and communities are treated fairly with dignity and respect and that they receive fair prices for their valuable commodity. Sustainably sourced materials, therefore, generally deliver both environmental and ethical benefits. pladis (UK) Limited have a robust sustainability strategy in place with annual improvements planned, measured, and reported on key sustainable challenges.

4.1 Palm Oil

In 2023, we have continued with our responsible palm oil programme. pladis has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2008 and has been using 100% oil palm supporting the RSPO sustainability programme.

Since 2018, pladis has also been a member of the Earthworm Foundation and has been working with this not-for-profit organisation to implement transformation programmes in palm oil production. Through this partnership, pladis collected information from its global tier-1 palm oil suppliers and was able to trace, for palm oil products entering pladis (UK) Limited supply chain, 90.9% of its palm oil products (crude palm oil + kernels) back to mills. In pladis (UK) Limited palm oil supply chain, Earthworm has checked compliance with pladis NDPE and human rights policies. To do so, Earthworm has used intelligence from within their network in palm oil production and reviewed the available grievance systems. In 2023, Earthworm produced a palm oil progress report tailored to pladis palm oil supply chain, noting that our palm oil volumes have been investigated with satellite monitoring systems. This monitoring has confirmed ongoing progress towards achieving zero deforestation.

As well as having bulk palm oil usage at 97% segregated, additionally, in 2023 we reached out to suppliers of ingredients that contain minor amounts of palm oil to determine the sustainability of the palm contents. We collaborated closely with these suppliers to source segregated sustainable palm oil where possible.

4.2 No Deforestation Policy

pladis (UK) Limited continued to monitor supplier compliance to the no deforestation, peatland development and no exploitation (NDPE) policy which was launched in 2020. The policy is applicable to all pladis palm oil suppliers. To advance sustainable and deforestation-free palm oil, we have adopted a strategy which combines traceability, certification, satellite monitoring, supplier



evaluation and industry collaborations.

4.3 Cocoa

pladis (UK) Limited continues to forge links with cocoa sustainability certification bodies and have partnerships with The Rainforest Alliance and Fairtrade. We have several products that are manufactured in accordance with these standards. Farms, forest communities, and businesses that participate in these certification programs are audited against rigorous sustainability standards based on environmental, economic, and social well-being.

4.4 Other ingredients

pladis introduced our Back to Farm programme in 2013, this has strengthened year on year and in 2023 allowed us to source 41% of the wheat we use across the UK from dedicated UK farmers. This reduces emissions and, along with the premium we pay, helps to fund valuable biodiversity initiatives. In 2022 pladis (UK) Limited partnered with the Roundtable of Responsible Soy (RTRS) and now purchase credits to cover our annual usage of soy. These credits go towards supporting production of soy that adheres to the stringent production requirements of the RTRS. Soy, as a commodity material, has a significant environmental impact – deforestation, threatened biodiversity, displacement of small farmers and Indigenous people are all resultant of its harvesting.

5. Capacity Building through Colleague Ethical Training

We recognise that our modern slavery strategy can only be effective if we educate our staff and communicate effectively on its importance. In 2023, we realigned the importance of our three key training courses – Code of Conduct, Human Rights and Modern Slavery and set about increasing their % completion across the business. Moving forward, we will be looking to make sure that completion of these training course is mandated for all with a regular frequency.

We also monitor and categorise all concerns reported to us (either via our whistleblowing service or any other channel). We have not received any whistleblowing cases reporting Modern Slavery in the last year.

6. Social Dialogue

In 2023, we continued to work closely with our trade union partners by providing updates on progress being made during our quarterly consultation and communication forums. pladis (UK) Limited continue to be a chartered member of Minority Supplier Development UK (MSDUK). MSDUK brings together innovative and high growth ethnic minority owned businesses with global corporations committed towards creating an inclusive and diverse supply chain. Additionally, we have supported, engaged, and attended several Stronger Together events. Stronger Together is an impact driven, not for profit organisation that provides businesses with practical training, resources, business services and collaborative programmes to create a world where all workers are recruited responsibly and have fair work free from exploitation. We also continued to work with SEDEX, Rainforest Alliance, Fairtrade, Carbon Trust, and other organisation in our efforts toward continual improvement.

7. Future Plans

In the next fiscal year ("FY24") we are committed to making further business improvements. We will be collaborating closely with our various external partners, referenced in this document, and our suppliers to continually improve our processes and controls, with progress monitored through our ethical steering committee risk and governance framework. Actions include:

- ❖ Partner with the Association of Labour Providers (ALP) to ensure responsible recruitment so that labour provision in our business is recognised as a model of sustainable and ethical good practice.
- ❖ Embed the Modern Slavery Assessment Tool (MSAT) work stream; making sure high-risk suppliers are obligated to complete a submission and that the response and associated improvement actions are addressed.
- ❖ 52% of our suppliers have been independently audited against ethical criteria. In 2024, we plan to work with the remaining 48%. This will be based on the rolling top 10 defined on risk determined through the RADAR criteria.
- ❖ Continue to collaborate with The Earthworm Foundation and conduct 2023 year-end traceability exercise across total palm oil supply chain. Increase traceability % from 2022 levels for traceability-to-mill/traceability-to-plantation.
- ❖ In 2024 we plan to increase % completion of our three key training courses – Code of Conduct, Human Rights and Modern Slavery to 95%. Moving forward, we will be looking to make sure that completion of these training course is mandated for all with a regular frequency which will lead to a future 100% completion rate.
- ❖ Update the no deforestation, peatland development and no exploitation (NDPE) policy to include other at-risk commodities, specifically cocoa and soy.
- ❖ Complete project to transition remaining SKU's utilising palm oil to a segregated source. This would culminate with a 100% segregated palm oil usage for UK made products.
- ❖ Creation and monthly distribution of an ethical compliance dashboard to be communicated to the wider, senior UK business leaders to highlight performance good or bad and garner support on our journey of continual improvement.
- ❖ Continue our commitment to building an inclusive, diverse, and equitable culture, which respects local differences and backgrounds and where people can be themselves. Deliver on our pledge to continue to support the various internal working groups, initiatives, and schemes to promote inclusivity, diversity, and equity.

The Board of pladis (UK) Limited has reviewed and approved this statement and it has been signed on their behalf.



David Murray
Managing Director, pladis (UK) Limited