

## **Modern Slavery Statement 2023/2024**

### **Introduction**

Many challenges exist in the post-pandemic world which could negatively impact supply chains and human rights. At adm, we recognise that times of hardship often result in human rights violations. Therefore, we understand the importance of increased vigilance and more stringent supply chain management.

As in previous years, adm continues to make efforts to ensure that modern slavery, in all its forms, is not taking place within our business or wider value chain. adm is committed to act in accordance with the UN Guiding Principles on Business and Human Rights and continues to develop responsible sourcing practices to improve labour standards and human rights throughout our entire scope of operations. We operate a zero-tolerance policy in respect of all forms of modern slavery, forced/compulsory labour and human trafficking, whether in our own operations or in our supply chains. Striving to meet our objectives for the coming year, we are strongly committed to guarding against slavery and human trafficking in our global operations. Due to our continuous growth globally, we have again made further improvements to our practices to ensure that modern slavery risks are managed effectively.

This statement constitutes adm Group's statement on slavery and human trafficking for 2023/2024 and encompasses all adm entities.

### **Who we are**

Established in 1992, adm is one of the largest independent marketing services in the world with an interconnected company consisting of over 801 employees across 30 countries, allowing us to deliver local activation of global strategies for brands across the world. adm has its headquarters in London, United Kingdom and provides supply chain solutions to a broad spectrum of clients spanning across several diverse sectors, using product supply chains which are global and extensive. adm sources and distributes products in Europe, Latin America, North America, the Middle East,

and Asia through a large number of suppliers and strategic partners. Our mission is to create meaningful and sustainable brand

experiences, thereby protecting our planet and supporting human rights across the world.

## **Our Policies**

We are continuously developing our approach and Corporate Social Responsibility (CSR) strategy based on international frameworks and requirements, including the UN Global Compact's four pillars of: human rights, labour standards, environmental and anti-corruption principles, and with reference to the United Nations Guiding Principles on Business and Human Rights.

adm has implemented a number of policies such as an Anti-Bribery and Anti-Corruption Policy for all of our suppliers and global employees, and an Anti-Slavery and Human Trafficking Policy with the aim to ensure that modern slavery is not taking place anywhere in our business or global supply chains. The Anti-Bribery and Anti-Corruption Policy was reviewed and updated in May 2022. We strive to ensure these principles underpin everything that we do, from sourcing responsibly to making sure the rights of every worker affiliated with the adm Group are safeguarded and protected. adm has a range of HR policies which set out certain minimum standards regarding the human rights of its staff.

In 2021, our Employee Code of Conduct was updated to reflect our revised position on anti-slavery and human trafficking; setting out adm's zero-tolerance to all forms of modern slavery, forced/compulsory labour and human trafficking and providing workers and contractors guidance on these important issues. Our Supplier Code of Conduct, which amongst other areas, sets out our minimum standards in respect of the human rights of supplier staff, was also updated in 2022 to clearly reflect adm's position on these crucial matters and to provide guidance and expectations to our suppliers. These policies, coupled with our accession to the UN Guiding Principles, reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our business or supply chains.

2019 saw the introduction of adm's Whistleblowing Policy which includes an independent global ethics helpline available in multiple languages, Safecall, providing an option for anonymous reporting. The policy was reviewed and updated in May 2022 and is designed to encourage employees to report matters of concern either internally or to an independent body (at their option), without fear of reprisal. If reported internally, employees can speak to our dedicated Whistleblowing Officer. For any matters reported externally the helpline is provided worldwide (via international free phone numbers) using interpretation services for non-English speakers. If an employee would rather not talk to someone, they may contact the independent third party via a dedicated or generic e-mail option. Once a claim is submitted either internally, or via the Safecall service, adm will launch an investigation into the claim in line with adm's Whistleblowing Policy.

We continue to develop our portfolio of policies relating to the prevention of modern slavery, to ensure we are always conducting business in an ethical and transparent manner. A key initiative in 2019/2020 was the development of our new Anti-Slavery and Human Trafficking Policy. The Policy objective is to provide extra details and guidance for those working for adm, or on behalf of adm, and to reinforce our continued commitment to ensure modern slavery or any form of forced labour does not take place within our business or value chain. In 2020 adm also published its first Human Rights Policy, in line with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

These key initiatives demonstrate adm's ongoing efforts to adapt approaches and procedures to ensure modern slavery in all its forms is eradicated through encouraging active risk management by all staff and business partners.

### **Due Diligence & Supplier Adherence**

Recognising the human rights risks inherent in global sourcing and particularly given our expanding reach into certain high-risk territories, adm considers its highest risk of modern slavery and human trafficking to be in its product supply chains. adm employs a rigorous supplier selection process, with due diligence checks in the form of ethical/compliance audits (including factory audits), both

prior to a new supplier being on-boarded and then on a periodic basis. The audits are performed by independent and recognised third party auditors in most regions, but may be done by our qualified, in-house auditors in Asia comprised of 25 dedicated staff at the time of publication.

Standard practice is for audits to be conducted, every 6 months to 3 years according to supplier audit status and region, by our CSR auditors or qualified auditors from accredited third parties. The audits assess compliance with adherence to adm's Supplier Code of Conduct and our standards on Human & Labour Rights and Working Conditions. adm is a member of the Supplier Ethical Data Exchange (Sedex) and administers Sedex Members Ethical Trade Audits (specifically, the 4 Pillar SMETA audits).

The audits inform adm about the living conditions, wages, overtime hours and working conditions of supplier staff, and allows us to monitor and minimise the risks of human rights abuses in our supply chain.

If a supplier audit establishes that a supplier is not in compliance with adm's CSR requirements, adm will address such concerns directly with the supplier and in most cases work with the supplier to resolve the issues. In instances where there may be any critical findings, including, but not exclusively pertaining to significant CSR violations such as child labour, forced or slave labour, immediate disengagement with the supplier might take place. For any such case and in order to try and resolve the matter, appropriate steps will be initiated with the supplier before any further actions or disengagement takes place. adm adopts a stricter assessment approach to Human & Labour Rights and Working Conditions than the 4 Pillar SMETA audits requires, which reflects our zero-tolerance approach to all forms of modern slavery, forced/compulsory labour, and human trafficking.

In 2022, adm entered into an enterprise agreement with EcoVadis enabling us to assess a portion of our suppliers we identify as being a lower risk in our supply chain. This contract gives suppliers who cannot go through a physical audit an opportunity to be a part of our regional Approved Supplier Lists.

One of the cornerstones of adm's CSR objectives is encouraging our suppliers to join the CSR journey with us and support them in

improving their social and ethical CSR compliance over time. The most important attribute we look for in a new supplier is a positive attitude towards CSR, demonstrating they are truly willing to learn and improve. We will still work with a supplier whose initial CSR credentials may be poor, provided that they are willing to work with us to implement changes and commit to a mutually agreed corrective action plan.

Our inhouse expertise helps us guide suppliers to become more aware of social issues, leading to greater social compliance.

### **Measuring progress**

We use the following key performance indicators (KPIs) to measure ongoing progress on how effective we are in preventing slavery and human trafficking taking place in any part of our business or supply chains:

#### External

- Percentage of the total spend we manage that is placed with suppliers and sub-contractors vetted for ethical labour practices through regular audit compliance indicators.
- Number of reported audit non-Compliances in the last year, including number of Corrective Action Plans initiated and resolved.
- Worker wellbeing assessments conducted in high-risk regions aimed at identifying any worker concerns also relating to work practices.

#### Internal

- Percentage of employees informed of adm's Policies and Standard of Practice (Global Employee Handbook), i.e. on the issues of compliance, anti-corruption, health & safety, anti-discrimination, human and labour rights.
- Number of employees having completed our compulsory compliance training module on Modern Slavery.
- Recruitment practices including right to work due diligence.
- Number of reported Whistleblowing incidents related to any matter concerning modern slavery and forced labour.

Including both internal and external reporting through our Whistleblowing procedure.

## **Governance**

adm is committed to the highest standards of corporate governance and business ethics. We have created a robust governance structure to provide the necessary strategic oversight and operational implementation.

The adm Group board is responsible for ensuring adm meets its human rights responsibilities. Our human rights responsibilities are key elements of an annual corporate risk assessment process which is overseen by the Group General Counsel on behalf of the adm Group Board. The assessment is developed in conjunction with our regional operating boards and with the participation of senior leaders within the adm Group.

## **Training**

We believe information empowers which is why adm's online global compliance training programme includes a specific module on modern slavery. It is a mandatory requirement for all employees to complete the course on an annual basis to ensure there is a high level of understanding of the risks of modern slavery and human trafficking across the business. This course includes an assessment at the end of the module to ensure the content has been understood. adm monitors completion levels on an ongoing basis and issues periodic communications via various means to staff to ensure compliance levels are maintained.

## **Labour Standards**

All employment with adm is voluntary. We do not use child or forced labour in any of our operations or facilities. We do not tolerate any form of unacceptable treatment of workers, including but not limited to the exploitation of children, physical punishment or abuse, or involuntary servitude. We fully respect all applicable laws establishing a minimum age for employment, to support the effective abolition of child labour worldwide.

adm abides by all laws and regulations regarding pay practices and the classification of employment according to job level and status. We have procedures in place to ensure any new member of staff

fulfil criteria on the eligibility to work with all necessary due diligence measures in place.

We respect our employees' right to choose to join or not join a trade union, or to have recognised employee representation in accordance with local law.

### **Diversity, Equity, and Inclusion**

Diversity is an important part of who we are. Our vision is to ensure that all of our people can reach their full potential without having any unfair barriers put in their way. Slavery disproportionately impacts those experiencing oppression based on their gender, race, class, religion, or other identities.

We respect the varied diversity characteristics (including race, disability, gender, LGBTQ+, neurodiversity, religion, belief and age and anything else that is important to people) of all of our team members and others in our networks.

As a business, we believe that our diverse mix of backgrounds, skills and experiences drives new ideas, products, and services and provides us with a sustained competitive advantage. At the time of publication, we have 801 employees across the globe who are spread over 30 countries and represent numerous, varied diversity characteristics.

We strive to foster an equitable and inclusive culture and are committed to evolving our range of benefits and employee engagement initiatives to support our people. Through our Supplier Code of Conduct we have our suppliers sign, and the ethical/compliance audits carried out on our suppliers, we seek to ensure our partners do not discriminate against anyone and ensure modern slavery is not taking place in their businesses. Furthermore, we are fully committed to the ethical management of our supply chain, driving for social and environmental excellence.

### **Our Effectiveness in Combatting Modern Slavery**

In March 2023, adm was rated in the top 1% of over 50,000 companies assessed for CSR by EcoVadis, the leading platform for environmental, social and ethical performance ratings for global supply chains. CSR analysts reviewed adm's global supply chain

and CSR practices across the following four pillars: Environment, Labour and Human Rights, Sustainable Procurement and Business Ethics. With an overall ranking in the top 1%, adm achieved a “Platinum” score for the third consecutive year.

adm continues collaboration and commitment to combat modern slavery through our membership of AIM-PROGRESS, a forum of leading Fast-Moving Consumer Goods (FMCG) manufacturers and common suppliers, focusing on capability building and practices to drive positive impacts on human rights. adm is currently an active member of its Living Wage, Grievance Mechanism and Responsible Recruitment working groups and was the first business within our sector to be chosen as a member. Specifically, AIM-PROGRESS supports the Consumer Goods Forum’s resolution on eradicating forced labour and its priority industry principles, which seek to counter problematic and common employment practices which can lead to cases of forced labour. Members assemble to enable and promote increasingly responsible sourcing practices and sustainable supply chains. Being a member of this forum allows adm to keep abreast of best industry practice in the management of modern slavery risks and to drive continuous improvement in our risk management practices. To reflect our commitments, our Senior Sustainability Manager in APAC, accepted a leading role in Co-Chairing the AIM-Progress Asia Pacific Hub in 2022.

One of our key commitments this year is to become a certified Living Wage employer ensuring that all members of our global workforce will earn a living wage by the end of 2023. Looking forward, adm will also work to communicate with and support our strategic suppliers in efforts to pay their workers a Living Wage. Adequate earnings support workers globally in avoiding situations pertaining to forced labour conditions and strengthens the global network in challenging restricting practices and the prevalence of modern-day slavery.

As we continue to scale and move into more high-risk territories, adm deploys rigorous employee onboarding processes which help us manage our own risks of modern slavery in the workforce. Some notable aspects of our processes are:



- We benchmark pay in each region to ensure all employees are paid fairly for their work and meet the regional Living Wage;
- A health and safety assessment is carried out in all working environments to ensure we are providing a safe working environment for all staff;
- We do not employ anyone under the statutory minimum age within each respective jurisdiction;
- Candidates either apply directly or through verified third party agencies to minimise our modern slavery risks;
- We have standards on working conditions that all employees are informed of. These include rest breaks and working hours, all of which are planned in accordance with local laws and regulations;
- Employees who are sent on secondment are sent to serviced apartments which have been checked by our Human Resources team for suitability;
- Employees are made aware of this statement and our internal and external policies regarding modern slavery and human trafficking.

In 2019, we improved our global induction program to ensure all countries are using the same criteria to onboard our employees. This provides consistency and assists us in ensuring we are using the right standards for everyone, everywhere that we have employees.

### **Looking forward**

adm is proud of the steps it continues to take in order to manage the risk of modern slavery across its business and in meeting its commitments over the years. We believe we have built a strong foundation to manage our risks of modern slavery in all its forms across our business and we continue to promote transparency, heightened due diligence practices and to resolve any possible breaches within our supply chain.

This statement has been approved by the board of directors of ADM (Group) Limited on 21 August 2023.

A handwritten signature in black ink, appearing to read 'Edward Colflesh', written in a cursive style.

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Edward Colflesh  
Group CEO

*This statement has been published in accordance with the Modern Slavery Act 2015. It sets out steps taken by ADM (Group) Limited and the other relevant group companies during year ending 31 December 2022 to prevent modern slavery and human trafficking in its business and supply chains. References to 'us', 'our', or 'we' are to ADM (Group) Limited and its subsidiaries.*