



## Modern Slavery Statement For Financial Year 2022/23

This statement is made pursuant to s.54 of the Modern Slavery Act 2015. It sets out the steps that Ecotone UK (formerly Wessanen UK) has taken, or will be taking, to reduce the risk of modern slavery or human trafficking within our business or supply chain.

The term modern slavery includes forced labour, child labour and human trafficking. Ecotone recognises that, in these three forms, modern slavery is a significant risk for businesses globally and we are committed to acting ethically and with integrity and transparency in all our business dealings in order to reduce this risk. We work with our suppliers to support and respect human rights and put effective systems and controls in place to safeguard against any form of modern slavery taking place within our business or our supply chains.

### Introduction

Ecotone published its last Modern Slavery statement in June 2022. We recognise that modern slavery is a criminal activity conducted for commercial purposes and that our response needs to evolve in line with what is a growing global risk. In 2022 we engaged our stakeholders, reviewed our ethical strategy and ways of working. We updated our Human Rights procedures and policies and focused on training the teams on the new ways of working. We also strengthened the Ecotone ethical function with additional resources. In 2022 Ecotone was recertified for Bcorp and has achieved a significantly higher score indicating an improvement in social and environmental practices of the company.

### Our Structure, Business and Supply Chains

At Ecotone, we create healthier, sustainable products, empowering people to make better choices both for themselves and for our planet. We are a B Corp® Certified business and very proud of our 6 pioneering brands in the UK and their positions within expanding market segments: Clipper, Kallo, Whole Earth, Mrs Crimble's, Abbott Kinney's and Alter Eco.

As well as championing healthy food, we care about the health of our employees and stakeholders, and the working and living conditions for farmers and producers. We want to protect our planet for current and future generations. We do this by producing the right food and by conducting our business in a sustainable way.

This approach guides how we develop, market and sell our brands and our distribution of Almond Breeze on behalf of Blue Diamond. Our products are made in our own factories or by third party suppliers based in Europe. Our main product sectors include hot drinks, cereal cakes, peanut butter, breakfast cereals, cooking ingredients, gluten free products, chocolate and dairy alternative drinks. Our products are sold in the UK and exported globally.

The Ecotone Group operates nine production facilities in five European countries producing mainly tea, dairy alternatives, breakfast cereals, sweet bars and biscuits, vegetarian spreads, coffee and cereal cakes.

The majority of our products are processed either in our own or in suppliers' production facilities in countries in Europe where our risk assessment indicates the combination of countries and industries represent a lower risk of forced and child labour. Our supply chains, however, are global and we source from more than 600 suppliers (raw materials, packaging, finished goods) in more than 50 countries across Europe, Asia, Africa and North and South America.



**Governance Structure and Human Rights Strategy including Modern Slavery:**

Ecotone’s Executive Board is based out of the office in Lyon. Our other offices are located in Amsterdam, the Netherlands, Camberley in the UK, Bremen in Germany, Badia Polesine and Viadana in Italy, Madrid in Spain and Bordeaux in France. Ecotone operate as a “family” of companies, with a joint strategy and set of key value, beliefs and shared objectives. The Executive Board comprises of the Ecotone’s Chief Executive and Chief Finance Officers as well as Group HR Manager, country General Managers and selected Functional Heads (Marketing and Operations) and together form the European Leadership Team (ELT). The ELT drives the agenda of the business, including our sustainability initiatives and meets monthly to discuss results and planning.

**9 PRODUCTION FACILITIES IN THE HEART OF EUROPE**

FACILITIES	KEY CATEGORIES	BRANDS
1 Beaminster	Teas	Clipper
2 Bordeaux	Hot drinks	Destination, Naturela, Alter Eco
3 Badia Polesine	Plant-based beverages	Isola Bio, Bonneterre, Bjorg
4 Viadana		
5 Seseña (Toledo)	Cereal, rice cakes	Ecocesta, El Granero
6 Paracuellos	Dietary supplements	
7 Drebber	Breakfast cereals, cereal bars	Allos, Bjorg, Zonnatura, Whole Earth
8 Freiburg	Savoury spreads	Tartex
9 Andiran	Meals and fruit specialities	Danival, Bjorg



Ecotone has made a commitment to Food For Biodiversity and to use all of our business, to protect and enhance biodiversity. It is obvious that we cannot achieve our ambition on biodiversity and have a positive impact on the world around us without engaging suppliers in this journey. Our commitment therefore includes building sustainable supply chains and makes a commitment to work with Fairtrade certified products. All of these activities in conjunction with the Ecotone responsible sourcing program include ethical initiatives, which cover modern slavery.

Ecotone employ about 1,600 people across Europe and we invest in their training and education to make them more engaged and knowledgeable about health and sustainable food. We see our staff as ambassadors to develop and champion our sustainability approach and organise regular community-related activities at all our sites to support this.

Regarding Human Rights there is a governance structure providing accountability and responsibility to the Ecotone Executive Board, Human Rights Steering Group and Taskforce.

**Policies and Contractual Controls**

Ecotone have a policy in place to manage the risks of forced and child labour in our own operations and supply chains. In line with the Ethical Trading Initiative’s Base Code, our Ecotone Supplier Code of Conduct states that suppliers must not use forced labour, involuntary prison labour or bonded labour and must not restrict workers’ ability to leave a facility. The code states that children younger than 15 must not be employed and that any child found to be in a situation of forced labour must be supported and rehabilitated.

Registered office: Kallo Foods Ltd, River View, 2 The Meadows Business Park, Station Approach, Blackwater, Camberley, Surrey, GU17 9AB.  
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Our Ecotone Human Rights Policy and Procedure was published in 2022 in line with international best practice. It outlines Ecotone's approach to ethical trade, including governance structure, human rights targets and also details Ecotone's Human Rights procedure. We continue to have internal business policies which support our goals on forced and child labour including: Ecotone Recruitment Policy, Whistleblowing Policy and Ecotone Company Code of Conduct.

#### Assessment of Modern Slavery Risk Within Our Supply Chain

Our detailed risk assessment of human rights in our supply chains including forced labour and child labour, was conducted in 2018 and has since been conducted again in 2022. The risk assessment was conducted using SEDEX pre-assessment tool as well as publicly available, reputable information about country and product risks of forced labour and child labour. The list was prioritised based on the key raw materials we buy. Our most significant risks of forced labour and child labour relate to the raw materials we source from our global supply chains. We acknowledge that these risks are likely to have increased since 2020 as a result of the impact of the COVID-19 pandemic on the vulnerability of workers, particularly migrant workers and on children who may have struggled to remain in education. The highest risks in our key and strategic raw materials we have assessed to be Tea, Coffee and Cocoa. These materials are all covered by Fairtrade certification and the main suppliers of these raw materials will be visited by Ecotone's Agri Chain team in 2023 with one area of focus being modern slavery and human rights.

In 2021-22, we completed 10 key and strategic raw material evaluations:

- 8 cocoa cooperatives
- 2 coffee cooperatives

All cooperatives visited were Fairtrade certified and Organic. The Latin-America cooperatives were considered as lower risk in terms of forced / child labour and they all use part of their Fairtrade premium to promote children education (scholarship fees, school construction / renovation, etc.). The African cooperatives were considered to be higher risk of forced and child labour and therefore will be our main focus in terms of modern slavery checks in 2023, via interviews and physical visits.

#### Due Diligence and Assessment of Suppliers and Supply Chain

To guarantee the quality, safety and compliance of our products, we have defined the minimum requirements applicable to any Ecotone supplier, in our Product Quality Booklet, which includes responsible sourcing. Our quality experts verify that the defined requirements are met. Ecotone maintains an approved supplier list and requires all its suppliers to sign up to, and comply with, our Supplier Code of Conduct, which includes a requirement to meet the ILO's Core Conventions including the Forced Labour convention. Our Code of Conduct forms part of our general purchase conditions and our manufacturing and supply agreements with all suppliers. They are required to confirm that they are working to reduce the risk of modern slavery and human trafficking in their businesses and supply chains and, where legally required to do so, to produce a Modern Slavery statement in line with the UK government's guidance.

Since 2021 we have had a requirement that all our direct suppliers are registered on Sedex (the Supplier Ethical Data Exchange) and have completed the Sedex Self-Assessment Questionnaire (which includes questions on forced labour and child labour). To date, we have gathered information, via SEDEX, from 89 of our finished goods suppliers about their supplying sites, representing more than 75% of our Purchase Turnover (PTO) for Finished goods suppliers and from 108 raw material suppliers, representing more than 53% of PTO of raw materials and packaging. 46% of our finished goods and raw material suppliers on SEDEX have had a third-party social audit.

#### Steps taken to manage modern slavery risks:

In 2022, we continued to work closely with Sedex and Fairtrade as key partners to support us to identify risks of forced labour and child labour in our supply chains, to engage our suppliers on modern slavery issues and to improve labour rights in our supply chains.

Ecotone continue to work with Fairtrade sources where possible, in particular for tea, coffee and cocoa. We work with the Fairtrade Foundation to support the evolution of their auditing protocols and transparency initiatives. We believe the process of engaging with Fairtrade, the empowerment and awareness-raising principles for workers and smallholders supports our goal of reducing the risk of



modern slavery and human trafficking in our supply chains.

We also work with and are certified by the RSPO (Roundtable on Sustainable Palm Oil) to minimise the risks of forced labour and child labour in our palm oil supply chains. Since 2020, RSPO have strengthened the implementation of the standards' forced labour and child labour criteria by: developing a series of child rights guidance documents for different stakeholder groups in palm oil supply chains, developing gender guidance and strengthening the social criteria including in the RSPO auditing and certification systems.

#### Modern Slavery Training and Capacity Building

We have updated our policies and procedures in 2022 and will be conducting modern slavery training on our new ways of working to our senior managers and operational staff across Ecotones European operations during 2023.

We already have online modern slavery training, for all office-based and production staff, including a quiz to check comprehension, which has currently been completed by all staff in the UK that have a company email. As a sustainable, purpose-led company, this training was developed to ensure that all our employees are equipped with the knowledge to understand and spot the signs of modern slavery and are empowered to raise any modern slavery concerns they identify. The training has been communicated to production operatives through shift briefings and posters summarising the issues have been made available on noticeboards in our UK production site.

We also have an ethical trade induction pack which includes a Modern Slavery Section and is sent to all new joiners. Our main method of engaging new joiners to the business in modern slavery is our mandatory online training and quiz which are used as part of employee's onboarding program.

#### Grievances and remedial action

Within our own business, we have a whistleblowing policy for Ecotone employees to raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. Any information is treated confidentially and promptly investigated. We have not received any cases of forced labour or child labour raised through either the whistleblowing procedure or production site grievance mechanisms in 2022.

We recognise the importance of locally developed grievance procedures and procedures for remedying human rights issues which are raised by workers or external third parties about Ecotone's supply chains. Grievance procedures should follow the United Nations Guiding Principles "effectiveness criteria" for non-judicial grievance mechanisms.

Our updated Supplier Code of Conduct requires our suppliers to "Ensure robust grievance mechanisms are in place to allow stakeholders (including local communities) to raise concerns and provide feedback about adverse human rights impacts that direct or indirect activities may cause"

#### Assessment of effectiveness (Key Performance Indicators)

In 2022, we have measured the following progress in implementing our modern slavery plan:

- 100% of staff in leading positions and/ or engaged with suppliers trained to understand modern slavery and the steps they need to take when managing suppliers and visiting the supply chain to reduce the risk of forced labour and child labour.
- 75% of our PTO for finished goods suppliers and 53% of our PTO for raw material and packaging suppliers are on Sedex and provide information on forced labour and child labour via the Sedex Self-Assessment Questionnaire
- We have visibility of third-party social assessments for 46% of our suppliers on SEDEX, which cover forced and child labour. (note these percentages are below the previous year as more suppliers are now registered on SEDEX)
- We monitor the number of grievances raised by Ecotone staff or whistleblowers related to forced and or child labour which this year were zero.
- 2 suppliers whose ethical risk assessments via SEDEX have identified them as possible high risk suppliers, have been contacted to close the non compliances raised in a recent ethical audit, which were the reason for these highlighted possible risks.
- 4 suppliers have been identified as possible medium risk suppliers, specifically of forced labour and/ or child labour, according

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to SEDEX. Two of these suppliers have been audited and have outstanding non conformances which raised their risk level, they have been contacted to close these non conformances out. Two suppliers have been interviewed about their ethical practices and their answers were found to be satisfactory.

- 3 raw materials have been identified as possible high risk raw materials, using the SEDEX prescreen tool (Tea, Coffee and Cocoa). These raw materials are Fairtrade certified and these key suppliers will also be visited by Ecotone's Agri Chain team in 2023 looking at modern slavery.

In 2023, we will use the following indicators to measure our progress in implementing our modern slavery plan:

- % of staff in leading positions and/ or engaged with suppliers trained to understand modern slavery and the steps they need to take when managing suppliers and visiting the supply chain to reduce the risk of forced labour and child labour.
- Number of grievances raised by Ecotone staff or whistleblowers related to forced labour and child labour
- Percentage of staff across Ecotone who are trained on Human Rights issues including forced labour and child labour
- Percentage of suppliers providing information on forced labour and child labour via Sedex
- Percentage of prioritised suppliers whose ethical audits have identified issues linked to forced labour and/ or child labour via Sedex

#### Next steps

A number of our next steps for 2023 have been highlighted in the report above. These include:

- Ongoing monitoring of grievances and whistleblowers in our own business relating to forced and child labour
- Social assessments of key raw material suppliers to better understand our risks of labour exploitation, including forced and child labour.
- Ongoing monitoring of key supplier's management of forced and child labour issues via Sedex and ethical audits.
- Ongoing monitoring of key performance indicators to assess the effectiveness of our modern slavery approach.

This statement was approved by the Board of Ecotone UK in January 2023 and is signed by Emma Vass, UK Ecotone's Chief Executive Officer who is on the Board.

Emma Vass  
CEO Ecotone UK