



MODERN SLAVERY STATEMENT – 2022

Introduction

This is the Modern Slavery Statement of Froneri Limited and its subsidiaries, Froneri International Limited and R&R Ice Cream UK Limited (together “**Froneri**”).

Froneri Limited is the ultimate UK parent of the Froneri group and Froneri International Limited is the parent of the operational group, providing central support and services to its operational companies worldwide. R&R Ice Cream UK Limited is Froneri’s main operating business in the UK.

Froneri is a global manufacturer of ice cream, frozen food and chilled dairy products and has its head office in the UK.

This Modern Slavery Statement details Froneri’s actions and activities during the financial year 1st January to 31st December 2022 to prevent modern slavery taking place in our business and supply chains.

Organisational Structure and Supply Chains

Froneri group operates 31 factories in 23 countries across the world, employing over 13,000 people with sites in Europe, Australia, New Zealand, the Middle East, Argentina, Brazil, the Philippines, South Africa, Puerto Rico and the United States. Froneri operates a decentralised model with international subsidiaries operating as standalone businesses and relying on Froneri International Limited for central business support and group policies. Froneri group operates in the UK through its operating business R&R Ice Cream UK Limited across 3 manufacturing sites.

The nature of the supply chain principally relates to the provision of food ingredients and packaging as well as the labour used in the manufacturing process.

As a food manufacturer we have suppliers located throughout the world. We are aware that, like other companies in the sector who draw on similar supplies, we are exposed to a level of modern slavery risk through our UK and global supply chains. We are therefore committed to the prevention of modern slavery and human trafficking both in our business and in our supply chains and have a zero-tolerance approach to modern slavery.

Froneri has a group Supplier Code which sets out Froneri’s expectations of suppliers in respect of modern slavery. All suppliers are required to communicate the content of the Supplier Code to any subcontractors and their employees. All Froneri suppliers of raw materials and packaging are required to complete a Supplier Questionnaire at point of onboarding which requires confirmation of compliance with minimum standards of environmental and social responsibility based on international standards and guidelines. By completing the Supplier Questionnaire suppliers agree to comply with the Froneri Supplier Code.



Froneri reserves the right to carry out audits of supplier's premises in order to verify compliance with the Supplier Code or with the minimum standards agreed to in the Supplier Questionnaire.

The Supplier Code requires all new and existing suppliers to join Supplier Ethical Data Exchange (SEDEX) (or equivalent platform preferred by the supplier) and complete a Self-Assessment Questionnaire (SAQ) on labour management, employment, health & safety and environment within their business. With the support from SEDEX and other platform providers used by our suppliers, we increase our visibility of our supply chain.

Policies in relation to modern slavery and human trafficking

Froneri manages modern slavery risks and has taken steps to prevent modern slavery occurring in our business and our supply chain with the following policies and practices:

- **Modern Slavery Policy:** In 2021 a Froneri Group Modern Slavery Policy and supporting documentation was implemented, prepared with the assistance of specialist external lawyers and approved by Froneri Group Board. This policy outlines our expectations in respect of modern slavery and strengthens our approach to due diligence and is reviewed annually and updated as required (last version effective from 28th November 2022).
- **Labour Practices:** we consistently adopt and implement labour practices that meet or exceed recognised international standards and, through promotion, monitoring, training and audit verification, seek to maintain these standards across the group.
- **Whistleblowing** and reporting hotline available to all Froneri colleagues worldwide, which is free, anonymous, and confidential to allow employees to raise matters of concern. The contact details are communicated to colleagues by each business (e.g. displayed on notice boards at all UK sites and embedded within the induction programmes). All new starters are encouraged to report any concerns including risks of slavery and human trafficking. Froneri's Integrity Call Group Policy was first implemented in 2019 and updated and relaunched in 2022 (last version effective from 28th November 2022), which explains the process for reporting concerns of misconduct or wrongdoing. The whistleblowing procedure is designed to make it easy for workers to make full disclosures without fear. The whistleblowing procedure allows for issues of concern to be escalated to country leadership or group level so that they can be dealt with properly.
- **Group Employee Code of Conduct** confirms that all employees worldwide understand what is required from them in terms of setting the standards on how we work together. It covers a range of issues relating to professional behaviour as an employee and how to conduct business ethically. The Code of Conduct is reviewed annually and updated as required (last version effective from 28th November 2022).
- Commitment to **responsible sourcing** by adopting the Ethical Trading Initiative base code of labour practices.
- **Staff engagement surveys** provide opportunities for employees to raise concerns on any matter including slavery or forced labour.
- **Annual Ethical Trading Audits** take place within our own UK factories, conducted by an independent third-party Bureau Veritas. The results are loaded to SEDEX and / or SMETA (an



alternative social audit platform) and are visible to all our customers. During 2022 ethical trading audits were completed at all of our 3 UK sites, 1 site in Brazil and 1 site in Germany.

Froneri's international subsidiaries apply group policies and procedures and supplement these with local controls based on local laws.

Due diligence and processes

Froneri undertakes risk based due diligence on new and existing suppliers in order to limit the risk of modern slavery risk in our supply chain and has in place systems to encourage the reporting of concerns by suppliers and the protection of whistle blowers.

Our Supplier Code includes a requirement to join online platform SEDEX (or another approved platform), to manage and improve working conditions in global supply chains.

We encourage suppliers to undertake their own ethical trading audits, and we conduct regular reviews of existing suppliers, including Self-Assessment Questionnaires (SAQ) and ethical trading audits.

During 2022, we continued to review and collate SAQs from our suppliers, to provide us with assurance that our suppliers are operating in a way that meets our ethical standards.

In early 2022, the UK business launched a new Procurement Policy, which includes specific requirements for onboarding suppliers, undertaking supplier due diligence checks, and guidance for conducting enhanced due diligence for key suppliers. Froneri's other international subsidiaries are encouraged to regularly review their onboarding processes including assessing improvements to supplier due diligence checks.

Risk assessment and management

As part of our commitment to combatting modern slavery in the UK, we carry out third party ethical audits of both domestic and international suppliers via SEDEX (which the UK business use to provide a platform for UK suppliers to provide information about health and safety, working conditions, environment, and business ethics) or, alternatively, under a third party's own system. All audits conform with ETI requirements and are uploaded to the SEDEX platform. We regularly review audit information from the SEDEX platform and will continue to risk assess our suppliers via supplier audits in 2023 and via SEDEX engagement projects.

Each year, as part of our commitment to combatting modern slavery in the UK, the UK business run a Supplier Engagement Project conducted by SEDEX. This Supplier Engagement Project continued in 2022 with the aim to encourage and support suppliers to renew their SEDEX membership, to support the objective to have SAQs completed by at least 95% of suppliers and to support suppliers in linking to Froneri on the platform so that the supplier SAQ information is visible to Froneri. Our suppliers are allocated to agents within the SEDEX engagement team, depending on geographical location and language requirements.



Our technical and supply chain staff also visit key suppliers, to conduct an audit of their premises, and ensure they maintain and operate, as a minimum, to our standard requirements.

We employ purchasing procedures that select suppliers based on a number of factors, including the extent to which suppliers demonstrate that they operate in an ethical and socially responsible manner.

Measuring effectiveness

We regularly review our performance against the measures we have in place. In respect of our UK business this is managed via our annual third-party Ethical Trading Audits which identify any non-conformances and provide a corrective action plan to ensure we are maintaining the highest standard of ethical trading at all times. During 2022, Bureau Veritas performed ETI audits at our UK sites. Froneri's UK operating sites are also independently audited by our customers at a frequency determined by our customers and we maintain full data disclosure under the SEDEX system for all sites. Froneri's other international subsidiaries are encouraged to undertake their own ethical trading audits.

We monitor and categorise concerns reported to us (either via our whistleblowing line, or other channels) and continue to assess the need for further action to be taken and other key performance indicators to be implemented as we continue our risk assessment and due diligence activities.

Training on modern slavery and trafficking

We take our responsibility to be alert to the risks of modern slavery very seriously and actively raise awareness of the risks of modern slavery with all our colleagues.

Everyone in our business undergoes induction training. Included in this induction training is a section on Code of Conduct (and more specifically in the UK on modern slavery). It provides a clear message to work together to tackle hidden labour exploitation and how to report any concerns. It enables our employees to understand and spot the signs of modern slavery and human trafficking.

In 2021 Froneri established a group e-learning platform with training being rolled out to colleagues globally on various compliance topics. A focused modern slavery e-learning module was prepared with the assistance of external lawyers and was rolled out to our US colleagues in 2022. Separately an awareness video was recorded and provided to all colleagues outside of office-based roles worldwide. A Code of Conduct e-learning module, which included general awareness on modern slavery, was also repeated to all office-based colleagues in 2022 and an awareness video was recorded and provided to those colleagues outside of office-based roles.

The UK business also published guidance to employees in 2022 through its Stronger Together communication, which applies to all employees and for those working on our behalf (including contractors and agency workers). The guidance is communicated during induction training and displayed on noticeboards at each of our UK sites. The guidance provides a clear message to work together to tackle hidden labour exploitation and how to report any concerns. It enables our employees to understand and spot the signs of modern slavery and human trafficking.



It is a responsibility of all managers to ensure that Froneri policies are properly communicated, understood, and applied, and to undertake full investigations into suspected breaches of Froneri policies, rules, and guidelines.

Employees are encouraged to advise their managers as soon as possible where they either suspect or believe there has been a breach of Froneri's ethical standards.

Next Year

The plan for 2023 is to continue to develop our approach to combatting modern slavery and human trafficking and we will continue to assess and manage risks on an on-going basis.

In 2023, we will continue to enforce the Froneri Group Modern Slavery Policy, ensuring each Froneri operating subsidiary has a fully implemented local Modern Slavery Policy in line with group minimum standards and local laws. This will be continue to be monitored by Group Internal Audit, with Group Legal supporting the local teams where required.

Focussed modern slavery compliance training will be rolled out to all relevant staff (either via the global e-learning platform or other methods (e.g., face to face or video training)) in 2023.

Supplier audits, and audits of our own factories, will continue in 2023.

We will continue to review our existing supply chains and work to on-board remaining suppliers on to the SEDEX (or alternative approved) platform. In the UK business, the aim each year is to have 95% of suppliers on-boarded to SEDEX and to progress supplier SAQ's with a >95% questionnaire response rate which will continue in 2023. We will check supplier ethical, environmental, and social practices contained within each SAQ and from audit findings and risk assess based on the responses given. We aim to ensure that >50% of our suppliers have had an ethical trading audit.

In the UK business, we use employee engagement surveys to consult and collaborate with staff. It is anticipated that the results from such surveys will help our internal audit and HR teams to identify behaviours and practices that could lead to a failure of ethics, controls, or governance, before they occur.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31st December 2022.

This statement has been approved by the boards of directors of Froneri Limited, Froneri International Limited, and R&R Ice Cream UK Limited.

Ibrahim Najafi
Chief Executive Officer