

# Modern Slavery and Human Trafficking Statement 2022

### Dated: 30 June 2022

This statement is made by Olam International UK Limited on behalf of itself and its wholly owned subsidiaries including Olam Europe Limited ("**Olam**", "**us**" or "**we**") pursuant to section 54(1) of the Modern Slavery Act 2015 (the "**Statement**").

Olam International UK Ltd, is part of the Olam group of companies (<u>www.olamgroup.com</u>) which is a leading food and agri-business supplying food, ingredients, feed and fibre to 20,900 customers worldwide. Our value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a sourcing network of an estimated five million farmers.

Doing business in an ethical, socially responsible and environmentally sustainable manner is embedded in every aspect of Olam's business. We are committed to providing a workplace where all employees are treated with dignity and fairness, and to respecting the rights of people and communities where we operate. We have zero tolerance for slavery, forced labour or human trafficking in our organisation and our supply chains.

As a leader in global food and agriculture, we are engaging with suppliers, customers, civil society, governments, and communities to eliminate and prevent abuses across our value chains, and in the markets, where we operate and have influence.

### Summary of steps taken since our 2021 statement:

### Identifying and reducing risks

- Development of dedicated <u>business sustainability strategies and goals</u>
- Publication of <u>Hazelnut Trail</u> goals and targets
- Publication of <u>FLA cocoa reports</u>

### Promoting human rights

We have trained over 290,000 people in our supply chain on human rights, including child rights, good labour practices, and gender equality. These are detailed in our 2021 <u>Annual Report.</u>

## **Respecting labour and human rights**

We are committed to protecting human rights, providing a safe and healthy work environment where all employees are treated with dignity and fairness, and to respecting the rights of people and communities where we operate. We have zero tolerance for illegal and unacceptable practices such as forced labour, child labour, gender-based violence, and human trafficking in our operations and our supply chains. We engage with suppliers, customers, civil society, governments, and communities to identify, eliminate and prevent abuses across our value chains, and in the markets where we operate and have influence.



Our <u>AtSource</u> sustainability insights platform offers the ability to track the environmental and social footprint from the farmer group to the factory gate. It includes social and environmental metrics aligned with the Global Reporting Initiative and the UN Sustainable Development Goals, including labour related metrics covering safe and decent work, as well as diversity and inclusion.

# Understanding human rights risks

We are aware of the risk of modern slavery given the global presence of our group companies worldwide and diverse and fragmented agricultural supply chains. We have robust human rights due diligence policies and processes in place, co-created with and implemented by our local subsidiaries on the ground, which include:

- Assessing risks in our own operations and our supply chain through consultations with key stakeholders and engagement with our suppliers
- Providing training to teams who are more likely to face potential modern slavery issues and raising awareness for all our employees
- Prioritising key risk areas so that steps can be taken to monitor those areas more closely and provide remediation if necessary

### Notable actions since previous statement:

In 2020, we undertook a global human rights risk assessment with Wageningen University & Research in 33 origins, looking in particular at the risk of child labour and forced labour.

This was complemented in 2021 with local with field assessments in high-risk areas. These include Côte d'Ivoire, Democratic Republic of Congo, Ghana, Nigeria, Turkey, Nicaragua and Brazil. This approach is enabling us to understand our hotspots and align with our objective to respect human rights and eliminate unacceptable labour practices in our operations.

## **Our Policies**

Our policies are informed by the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the Women's Empowerment Principles.

Under Olam Group, we have been a signatory to the UN Global Compact since 2016, noting Principle 4 "Businesses should uphold the elimination of all forms of forced and compulsory labour".

We commit to review and update our policies to reflect the changing landscape, with input from inhouse experts and external stakeholders.

Name of Policy	Date published/revised
Code of Conduct	March 2019
Fair Employment Policy	May 2022
Living Landscapes Policy	April 2018



Plantations, Concessions & Farms Code	July 2015
Supplier Code	April 2018
Supplier Principles (e.g., non- commodity procurement)	Approved March 2022
Sustainable Palm Oil Policy	January 2019
Grievance Procedures	July 2018
Whistleblowing policy	Updated April 2022

#### Notable actions since previous statement:

In 2021, 92% of the directly originated volumes in the priority supply chains were sourced through suppliers we engaged on the Olam Supplier Code. Priority products: cashew, cocoa, coffee, cotton, hazelnut, palm and rubber.

### **Remedy and reporting**

Our publicly available <u>Grievance Procedure</u> applies to our own operations and third-party suppliers to enable concerns about breaches of our policies to be raised confidentially. All grievances are logged and investigated with status updates, and actions, reported.

Internally, we strongly encourage our employees to raise concerns to their respective manager, country leadership team, Human Resources or Legal, and we make it clear that they can always escalate concerns without fear of retaliation as detailed in our whistleblowing policy.

If it has been alleged that adverse impacts exist within our supply chain, we endeavour to remediate the impacts where we can and seek to cooperate with other stakeholders in the remediation process where we have no direct control.

We report on our activities and progress in our Annual Report and Global Reporting Initiative Report.

#### Notable actions since previous statement:

As part of a continual improvement process, during 2022, we have been reviewing the grievance reporting mechanisms to increase awareness of local channels and to improve follow up, monitoring, record keeping as well as provide stronger reassurance for users on anonymity. This will help individuals and communities raise concerns which can be addressed promptly and consistently, as well as allow for transparency.



## Commitment to responsible supply chains

Human rights issues are challenging to identify and complex to prevent and mitigate. We are committed to developing supply chains that respect people and human rights, where no children or adults are subject to illegal, forced, abusive or dangerous labour practices.

For our own workforce, we may hire through third party contractors, all of whom must adhere to Fair Employment Policy on Prohibition of Child Labor and Forced Labor.

With suppliers, we undertake multiple measures to reduce the risk of social and environmental issues including:

- Running extensive sustainability programs with smallholder farmers which includes promoting human rights. We do this by providing training, often in collaboration with partners on human, children, and gender rights as well as supporting farmers to earn more through better quality, yields and diversified income, and so be able to afford adult labour
- Rolling out our Supplier Code on a priority basis for high-risk products and regions to cover our entire direct supply chain, and an increasing number of indirect suppliers. This roll-out involves actively engaging suppliers on the topics covered in the Code (which includes principles on corporate governance and integrity; quality and safety; no exploitation/human rights; respecting the natural environment; and respecting local communities).
- Participating in sector initiatives such as Cocoa & Forests Initiative (CFI). Global Child Forum, ILO Child Labor Platform, as well as the Sustainable Spices Initiative Child Labor and the Living Income Working Group.

## Key product focus areas

### Сосоа

As part of our <u>Cocoa Compass</u> sustainability ambition, we have set goals to:

- eliminate child labour from our cocoa supply chain by 2030 and;
- make sure all children of cocoa farmers in our supply chain have access to education by 2030.

Our progress in recent years includes:

#### 100% direct traceability and child labour monitoring

In 2020, we achieved 100% traceability of our direct, global supply chain, which is cocoa procured directly from farmers, or from a farming co-operative, farmer group, community or growing area. This is a vital step forward on the road to eliminating child labour completely and putting children first in cocoa. And we rolled out child labour monitoring in collaboration with the Fair Labor Association (FLA) across all our managed sustainability programs, covering 183,000 cocoa households in nine countries. The data is helping us to identify children at risk and take effective action to remediate cases of child labour.

Action to tackle the root causes of child labour



We have been working for almost two decades with customers, partners, governments, farmer groups, and communities to deliver tailored programs that put children first and tackle the root causes of child labour. This includes building and equipping classrooms, establishing birth certificates for children so they can be admitted to school, setting up Village Savings and Loans Associations to help reduce poverty in cocoa communities, establishing child protection committees, and creating educational funds.

### Increasing impact via multi-stakeholder partnerships

Tackling child labour effectively calls for concerted effort across different stakeholder groups. When we know where best to focus resources and share the data we collect with customers, partners, governments and farming cooperatives, then we can co-create solutions that will deliver impact on the ground, together.

For example, our work alongside other members of the International Cocoa Initiative has seen child labour monitoring and remediation systems (CLMRS) covering 540,000 cocoa-growing households in Côte d'Ivoire and Ghana. This figure represents approximately 30% of the cocoa supply chain in those countries.

### Notable actions since previous report:

- Assessment and data collection for the second Cocoa Compass Impact report to be published in 2022
- Publication of FLA's report: <u>Progress in Addressing Child Labor in the Olam Cocoa Supply</u> <u>Chain in Côte d Ivoire</u>
- Publication of FLA's report: <u>Mapping Working Conditions and Child Labor Risks in Olam</u> <u>Cocoa Supply Chain in Cameroon</u>

### Coffee

In October 2020, we launched Coffee LENS (Livelihoods, Education and Nature at Scale) – our sustainability strategy for the future of coffee. With targets aligned with the UN Sustainable Development Goals, it sets out our roadmap to create living coffee landscapes, where farmers prosper in thriving communities so that we can keep delivering high quality, sustainable ingredients to our roasters and manufacturing customers.

In addition to goals and targets to support farmer livelihoods, increase opportunities for young adults, and reduce the carbon footprint of coffee, LENS has a specific goal to support education and help communities to thrive. This includes implementing education remediation plans in all high-risk coffee supply chains (areas with low school attendance as defined by UNESCO).

By carrying out field assessments in high-risk areas like Guatemala and Cote d'Ivoire where UNESCO primary school attendance rates are as low as 77%, we can identify hotspots and implement remediation plans to eliminate unacceptable labour practices. Alongside such measures to reduce risks to children, we are investing to improve access to education in rural communities and address knowledge and resource gaps to present coffee farming as a more attractive career choice to the next generation.

Taking the learnings from our cocoa supply chains, we have introduced a digital child labour monitoring and remediation system (CLMRS) in Guatemala. This tool is helping us to act quickly to



remediate circumstances when children are at risk and eliminate unacceptable labour practices in our operations.

### Hazelnuts

Since 2012, Olam has been taking actions to support farmers and seasonal workers, and to improve conditions in the hazelnut supply chain in Turkey. Partnering with government, industry, customers and NGOs we are helping improve workers' livelihoods and incomes, working conditions and eliminate unacceptable labour practices. We continue to work with the Fair Labor Association (FLA) on independent auditing of our hazelnut supply chain and additionally partnering with the FLA, local authorities, and NGOs to support initiatives that are helping to improve working practices and wages for workers. Specific activities include:

- Training farmers on the legal working age and conditions for workers. This training is coordinated by the FLA and also provided for the seasonal agricultural workers, so they understand what is set out in the labour contracts they sign.
- Training workers on issues such as gender equality, child labour and financial literacy.
- Introducing a digitized Child Labor Monitoring and Remediation System (CLMRS) for Olam social workers to more effectively track internal audits and follow-up on identified risks with remediation plans within seven days.

Establishing a summer school program in Turkey run in partnership with the International Labor Organisation (ILO), to help prevent instances of child labour during the hazelnut harvest. To date, we have set up 21 summer schools hosting 1,176 children, to provide safe spaces where children of workers have access to educational facilities including libraries, information technology classes, sports and playground facilities, as well as healthy daily meals.

### Notable actions since previous report:

In December 2021, the Turkish team launched their first publicly stated goals in their sustainability strategy Hazelnut Trail. More than 20,000 farmers are receiving sustainability support and the team is running 14 social and environmental projects with 11 partners. Hazelnut Trail includes 2030 targets for Safe & Decent Work:

- 100% child labour monitoring and remediation in managed programs
- Zero grievances logged by workers against farmers in managed programs
- Zero instances of non-compliance with the Supplier Code in audited programs

Published FLA report: Harvesting the Future – access to remedy

### **Other ingredients**

In collaboration with FBK (The Netherlands Enterprize Agency's Fund against Child Labor), Olam is leading a project with Save the Children and IDH The Sustainable Trade Initiative to identify and tackle the root causes of child labour in chilli and cumin supply chains. <u>With the initial assessment recently</u> completed, targeted interventions are now being designed.



Our <u>Cashew Trail</u> sustainability strategy launched in May 2021 has dedicated goals and targets to address the many challenges facing smallholder cashew communities, including upskilling farmers to increase quality and yields, financial inclusion, improved literacy for farmers, increasing access to education for children, promoting health & wellbeing and empowering women.

We source palm oil for our ingredients manufacturing. As part of our Sustainable Palm Oil Policy, we are working towards a traceable and transparent palm oil supply chain, which upholds responsible labour practices and respects the rights of communities. We prioritize the buying of certified palm oil according to market demand and work with our suppliers to improve labour practices in plantations and mills.

## **Our continuing commitment**

We are committed to playing our part to work with stakeholders from the public and private sectors to tackle discrimination, eliminate unsafe and illegal labour practices for children and adults, promote fairness and equality, and champion inclusion and diversity, while continuing to improve the livelihoods of farmers and communities.

To access previous versions of our Slavery and Human Trafficking Statement, please click here.

This Statement was approved by the Board of Olam International UK Limited on behalf of all of its wholly owned subsidiaries which includes Olam Europe Limited.

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Gerard Manley Chief Executive Officer, Cocoa & Chief Sustainability Officer, **ofi** (olam food ingredients) **Olam International UK Limited**