

## **Modern Slavery and Human Trafficking Policy Kendal Nutricare Ltd**

Transparency in Supply Chain Provisions of the Modern Slavery Act 2015 mandates businesses with an annual turnover exceeding £36 million to publish an annual statement. Kendal Nutricare complies with this legislation, affirming steps taken to eliminate slavery and human trafficking within our organization and its supply chains. Our statement is published and annually updated on our website: <https://www.kendalnutricare.com>.

### **Introduction**

This Policy sets out Kendal Nutricare's stance in complying with the Modern Slavery Act 2015. We are wholly committed to upholding ethical and integral business practices throughout our UK and international operations. With robust systems and controls, we strive to ensure the eradication of slavery within our supply chains.

Modern slavery is a heinous crime that includes various methods by which individuals can be exploited and compelled to work under deplorable conditions, often for minimal or no compensation. This can take the form of forced labour, forced marriage, or other coercive tactics. The victims are subjugated by means of force, threats, manipulation, abduction, deceit, and fraud.

It is estimated that there are around 40 million people worldwide who are subjected to some form of modern slavery. An upsurge in global migration has led to a higher vulnerability to human trafficking and exploitation. Regrettably, traces of modern slavery are found across all industrial sectors, from farming and fisheries to household labour.

No nation is immune from the clutches of modern slavery. Irrespective of a country's wealth, size, or population, there still exist exploitative gaps where the most susceptible individuals can fall prey. Despite the UK being seen as a low-risk country due to its relative abundance of resources and strong political resolve, 12,727 cases were reported to the National Referral Mechanism in 2021. The actual count of people subjected to modern slavery within the UK is likely higher.

Kendal Nutricare has established its reputation on treating its employees, suppliers, and clients with fairness and respect; this principle is one of our foundational values and is deeply ingrained in our operations. We are committed to maintaining our vigilance against the potential risks of modern slavery across our supply chain.

### **Policy Outline**

We critically assess risks across our supply chains and adapt our procedures to ensure that our contractors, consultants, suppliers, and downstream partners actively work towards abolishing modern slavery. We have identified the main areas of risk as:

- Workforce sourcing for delivering Manufacturing Services (both in the UK and Internationally)
- Construction contractors and sub-contractors
- Ingredient and packaging sourcing

We have developed our policies for effective due diligence and the assessment of modern slavery risks based on:

- The UN Universal Declaration of Human Rights
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- The Base Code of the Ethical Trading Initiative (ETI)

Despite having a largely UK-based supply chain, we also source some products globally. With global sourcing activities come an increased risk of modern slavery in our supply chain. To mitigate this risk, we embed the principles of the above documents and our own stance on ethical food production into our sourcing principles and supplier approval process.

### **Our Supply Chains**

Our procurement structure combines centralized and decentralized activities. The Global Head of Procurement centrally manages procurement strategy and high-risk opportunities, while operational and international colleagues handle the rest.

Contracts are in place for all materials. Before the contract process can be initiated for any Raw material supplier, they must complete an assessment process and gain approval from Quality. As part of this approval process a discussion is had concerning Modern Slavery and Human Trafficking.

### **Our Approach**

In our operations, both in the UK and internationally, we are committed to identifying and mitigating the risk of slavery in our supply chains. We maintain open communication with our suppliers, require third-party providers to comply with our Modern Slavery policy, and include Kendal Nutricare Modern Slavery clauses in all contracts.

In situations where our suppliers have a policy or statement available, we always ask to read this as part of our continuing review process. It is always beneficial to compare policies to entities in different regions or areas. They potentially could face issues which might not have presented in our region yet.

When supplier visits are performed, every opportunity is taken to speak to operators and employees to get a sense of the attitude and voice of the workforce. Procurement will also regularly converse with industry players. It is always good to get feedback from other involved parties who have similar connections to assess suppliers.

To mitigate risk within our supply chains, we have implemented and communicated the following systems and controls:

United Kingdom Operations will:

- Identify and assess potential risk areas in our UK supply chains by conducting an organisation wide spend and risk analysis
- Mitigate the risk of slavery in our supply chains by being open with suppliers on how we work together and ensure they are aware of the importance of it to Kendal Nutricare.

- Include Kendal Nutricare Modern Slavery clause in all Contracts

International Operations will:

- Share the Modern Slavery Policy with our partners and suppliers and request copy of theirs.
- Create guidance with our regional teams and partners on how to assess potential risks in our supply chains and contractors
- Include cross-checking mechanisms when Kendal Nutricare staff interact with suppliers.

### **Risk Management**

As Kendal Nutricare operates in the UK and internationally, we have identified that we do have a potential exposure to risk. However, our Modern Slavery Policy and policies around recruitment and procurement ensures that we have effective controls in place. Staff are encouraged to 'speak up' through our whistleblowing policy.

To manage this risk, we will work with suppliers and contractors to acknowledge our commitment to combat slavery by inserting relevant clauses into our contracts and agreements.

### **Training and Awareness Raising**

We organise annual workshops to raise awareness and understanding among our staff about the risks of modern slavery. These workshops enable our colleagues to understand the risks better and appreciate how we, as an organisation, work to manage and mitigate Modern Slavery.

### **How to Report Modern Slavery Concerns**

Colleagues who suspect incidents or signs of modern slavery in the UK should:

- In the first instance, all modern slavery crimes should be reported to the local police by dialling 999.
- If colleagues hold information that could lead to the identification, discovery and recovery of victims in the UK, they should contact the Modern Slavery Helpline 0800 0121 700.
- For more information, colleagues are advised to visit: [www.unseenuk.org](http://www.unseenuk.org)
- Alternatively, colleagues can make calls anonymously to Crimestoppers on 0800 555 111.

Colleagues who suspect incidents or signs of modern slavery internationally should:

- Contact Anti-Slavery International at: <https://www.antislavery.org/contact-us/> or other specialist anti-slavery organisations.
- Search online for the relevant helpline in their country. If colleagues are abroad and think a person may be being exploited or have been trafficked, they should contact the embassy or consulate in the first instance for support.

### **Monitoring, Review and Performance Information**

The monitoring and effectiveness of this policy will be managed by the Global Head of Procurement which includes:

- Recording and monitoring any incidents or reports made to us which conflict with our values.

- Treating all reports and incidents in line with our confidentiality policy.
- Reviewing and strengthening our centralised procurement processes and policy, taking into account a range of risks, including slavery and human trafficking.

We are committed to improving our practices to combat slavery and human trafficking. Our zero-tolerance approach is communicated to all suppliers, contractors, and business partners at the outset of our business relationship with them.

This Policy is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Kendal Nutricare Ltd's slavery and human trafficking statement for the current financial year.

Signed:

Ross McMahon  
Chief Executive Officer

A handwritten signature in black ink that reads "Ross McMahon".

26<sup>th</sup> May 2023

For and on behalf of Kendal Nutricare Ltd.