

Modern Slavery Act 2015

Prinova Europe Limited

Slavery and human trafficking statement 2022-2023

This statement is published in September 2023 in accordance with our obligations under the Modern Slavery Act 2015 and relates to actions and activities during the financial year 1 April 2022 to 31 March 2023.

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INTRODUCTION

Modern Slavery is a serious and often hidden crime in which people are exploited for criminal gain. Modern slavery takes various forms: slavery, servitude, forced and compulsory labour and human trafficking. The International Labour Organisation (ILO) reports an estimated 27.6 million of people in forced labour around the world in 2021 (17.3 million of which in the private sector), of which 12% are children.

Prinova is part of a global distribution industry, and we recognise our responsibility to take a robust approach to slavery and human trafficking. Prinova has a zero-tolerance approach to modern slavery. This position is firmly embedded in our Business Code of Conduct, procedures, and policies as outline here. This statement sets out our actions to understand potential modern slavery risks related to our business and to put in place steps to ensure that there is no slavery or human trafficking in our own business and our supply chains.

ABOUT PRINOVA

[Prinova Europe Limited](#) is one of the world's largest distributors of functional ingredients and a provider of integrated solutions such as nutrient premixes and particle management services. The products we supply are used for the food, feed, personal care, pharmaceuticals, health supplements and other related industries globally. This statement covers all our business activities: brokering, import, export, cross-trade, storage, blending, packing, processing, and distribution of ingredients to our customers.

This statement encompasses activities conducted by the following branches of our Prinova Europe business:

- Prinova Europe Limited
- Prinova Benelux & France N.V
- Prinova Spain S.L.U
- Prinova Gida Ve Kimya Ticaret Limited Sirketi (Turkey)
- Prinova Australia & New Zealand
- Prinova Germany GmbH
- Prinova Mexico S. de R.L. de C.V.
- Prinova Solutions Europe Limited
- Prinova Italy SRL

Our Head office is based in London (UK), and we have a number of sales offices around the globe (Belgium, Spain, Turkey, Mexico, Australia) as well as a manufacturing facility in Kent (UK). From those entities we trade globally: within the EU/UK, in the Southeast Pacific region, Turkey, Russia, Middle east, Mexico and North Africa.

The company, is a subsidiary of the Prinova Group, based in the USA. Prinova group belongs to the Nagase Group since August 2019.

The manufacturers for the ingredients we source and supply, are based across the globe. The majority of those are located in China and India. However, we also source a number of products from within the UK/EU zone, Southeast Asia, and the USA.

Prinova Europe relies on a number of 3rd party suppliers for processing, storing and transporting ingredients in the respective regions in which we trade.



OUR RESPONSIBILITIES

Our commitments

Prinova vision is to “make a bigger global impact by helping our customers grow their business, by improving consumers’ quality of life, and by advancing the highest principles of quality, safety and sustainability” and is guided by 7 core values:



Customer focus



Integrity



Accountability



Commitment to quality



Long-term relationships



Safe, positive, and engaging work environment



Charitable involvement

As such, we believe that as a business we are accountable to behave with the highest level of integrity when it comes to managing risks of modern slavery in our business and within our supply chain.

On an annual basis, the Senior Leadership Team (SLT) reviews the Modern slavery and human trafficking statement content and agrees a plan of action to ensure that a robust risk management process is in place to remove the risk of the prevalence of slavery within Prinova's activities. A number of departments participate in the support of all activities related to the agreed plan of action, both internally and with our suppliers.

Our policies

Prinova Europe has developed a number of policies and procedures to describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations

- Our Prinova Global Code of Business Conduct (POL-GLOBAL-001) sets forward the rules of conduct required of our people as representatives of the Company when dealing with other employees, governmental authorities, suppliers, consumers, competitive commercial bodies, and the community within which Prinova conducts its business. It defines the ethical principles the company will uphold about its own workers and workers in its supply chain. Prinova follows and complies with the requirements of the Ethical Trading Initiative Base Code with regards to human rights.
- Our Supplier Code of Conduct Policy (POL-GLOBAL-002) applies to all suppliers that provide goods and/or services to Prinova. Suppliers are responsible for compliance to this policy throughout their operations and their supply chain. The Supplier Code of Conduct outlines the requirement for them to comply with the requirements of the ETI base code, and outlines specific additional points about child labour, forced labour and human trafficking.
- Our Quality T&C for Prinova ingredients suppliers and manufacturers (SOP-GLOBAL-04) sets out Slavery and Labour standards to uphold by direct and indirect suppliers in our supply chain. These terms and conditions must be signed by every new supplier alongside our supplier code of conduct and acknowledged again every 3 years thereafter.
- Whistleblowing hotline - Prinova Europe encourages all its workers, customers, and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. This whistleblowing process is designed to make it easy for anyone to make disclosures related to unethical business practices. Employees who have concerns can complete our confidential disclosure form and are protected from any retaliation as per policies in place.

<https://secure.ethicspoint.com/domain/media/en/gui/82853/index.html>

Investigations & Due Diligence:

The following individuals and their reporting teams are responsible for the investigations and due diligence in relation to known or suspected instances of slavery and human trafficking within our business or supply chain:

- Senior Leadership Team (SLT) – Group Managing Director, Director of Operations, Director of Purchasing

To ensure that any known or suspected instances of slavery and human trafficking are dealt with quickly and effectively, that all relevant stakeholders are made aware of the matter in question and that corrective action plan executed

- Operations Management Team – Director of Operations, Head of Compliance, Quality & Regulatory Affairs Manager, Supply Chain Manager

To manage our supply chain mapping and risk assessment risks of modern slavery

To collaborate with any auditors on the ground to investigate areas of concerns for supplier rated as high risks to investigate actual practices.

To escalate concerns over slavery practices within supply chain to SLT.

To conduct an efficient and robust investigation and collate all relevant data in the event of known or suspected instances of slavery within our supply chain.

- Human Resources – Vice President of HR, European HR Manager

To ensure compliance with all policies in relation to employees' rights

To review any external advice as required to ensure any suspected instance of slavery or human trafficking is dealt with appropriately

To coordinate matters brought to our attention via our whistleblowing policy

To conduct an efficient and robust investigation and collate all relevant data in the event of known instances of slavery within our supply chain.

- Group Compliance committee

Establish group policies and strategy

To coordinate matters brought to attention via our whistleblowing policy

Provide regulatory guidance and support where required

OUR FOCUS IN 2022-2023

Update of our policies

During this reporting period of 2022-2023, Prinova updated and issued revised core policies in the area of Environmental and Social Governance, in line with our sustainability strategy and under the guidance of our compliance committee.

One noticeable upgrade was the creation of our Prinova Global Code of Business Conduct and of our Supplier Code of Conduct Policy. This allowed us to separate what was historically captured within one policy, improve content across all ESG matters and focus on the target audience for each. Each of those documents were critical in reaffirming our commitment to a slavery free business and supply chain.

Leveraging the use of Sedex

Increasing our suppliers and manufacturers' engagement in Sedex was a clear commitment and achievement in the previous reporting year (2021-2022). This engagement effort was renewed as a clear objective for 2022-2023 with several targets setup in our previous MSA statement:

- Increase supplier engagement in the platform to 90% for manufacturers
- Increase Self-Audit Questionnaire completion to full data (100% complete) & up to date (<12 months old) for at least 75% of suppliers
- Perform risk assessment in Q4 2022 and initiate SMETA 4-pillar audit plan for top tier risks in 2023
- Introduce quarterly KPI reporting on supplier's performance with regards to ESG practices including Sedex/ECOVADIS scoring

Whilst some of these targets could not be fully met, we have seen a significant improvement in our suppliers' efforts to engage with Sedex to allow us better transparency over the ESG practices, in particular around modern slavery risks:

- 78% of our manufacturers are linked to Prinova in Sedex or have provided other form of ethical audit reporting
 - 70% of those manufacturers have their SAQ up to date
 - 60% have completed at least 1 SMETA audit
- Manufacturers with pending non-conformances have been prioritised in term of pushing for resolution and CAP within the platform to reduce risk levels with good level of success.
- We have increased the number of indirect links between our suppliers and our customers via the platform, driving transparency efforts throughout our supply chain and leveraging risk assessment efforts conducted by our customers.
- KPI reporting on ESG metrics has been implemented and reported at board level.

Awareness and training

Driven by the official Anti-Slavery day of 18th October 2022, Prinova Europe organised a week of daily communications to drive awareness on modern slavery. Each day was accompanied by a

focused email to all employees, links to training and resources on this topic as well as rolling videos in our staff canteen to increase our staff knowledge on this topic.

Topics covered included:

- Day 1 – What is anti-slavery week? Sharing previous MSA statements and articles with employees.
- Day 2 – Sharing our updated Modern Slavery Act statement and providing definitions of the various types of modern slavery.
- Day 3 – Dispelling the myth that modern slavery is a thing of the past and outlining how it can hide in plain sight. Sharing some of the signs and what to do if they have concerns. All employees were encouraged to view Stronger Together awareness video on this topic - <https://www.youtube.com/watch?v=a0n2WFUKdaM>
- Day 4 – Focusing on supply chain transparency efforts to prevent forced labour and outlining some of Prinova's key initiatives on this topic
- Day 5 – Driving individual responsibility and awareness on this topic

A new initiative will be rolled out this October 2023 to continue our efforts to drive awareness within our business as to the risks of Modern Slavery, and the actions to take should incidents be reported.

In February 2023, we also rolled out a compulsory company-wide modern slavery risk training course supported by iHasco. The 30 min course was completed by all employees by end of March 2023. As per our previous statement commitment, this compulsory training now forms part of any new employee induction plan.

2023-2024 OBJECTIVES

- Continue to expand our systematic modern slavery risk assessment via Sedex platform for all raw materials suppliers and manufacturers:
 - Increase supplier engagement in the platform to 90% for manufacturers
 - Increase Self-Audit Questionnaire completion to full data (min 95% complete) & up to date (<12 months old) for 75% of suppliers
 - Drive quarterly risk assessments based on Sedex data and continue to drive manufacturers resolutions with dedicated focus on forced labour and child labour risk markers.
 - Increase SMETA-4 pillar audit completion for a minimum of 60% of our manufacturers
- Engage 3rd party warehousing partners in our Sedex approach through SAQ and SMETA audits.
- Increase frequency of ad-hoc controls of labour agencies used by our manufacturing facilities to quarterly reviews.
- Improve awareness on the whistleblowing hotline and policies in the company in line with group strategy.

DIRECTOR APPROVAL

This statement was approved on date 18th September 2023 by the following company Directors:

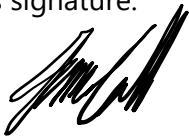
Nic Dam – Group Managing Director for Prinova

Director's signature:



Thomas Gill - Vice President of Human Resources for Prinova

Director's signature:



Louise James, Director of Operations for Prinova Europe

Director's signature:

