

Modern Slavery Act 2015

Prinova Europe Limited

Slavery and human trafficking statement 2023-2024

This statement is published in September 2024 in accordance with our obligations under the UK Modern Slavery Act 2015. It sets out the actions taken by Prinova to address modern slavery and human trafficking risks across our business and value chain for financial year ending 31st March 2024.

Why do we need to talk about modern slavery?

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 28 million of people in forced labour around the world in 2021¹. In the UK only, official statistics show that there were 17,000 adults and children identified as potential victims of modern slavery in 2022², but many charities believe this number to be vastly underestimated.

Prinova is part of a global distribution and manufacturing industry. We recognise our responsibility to take a robust approach to slavery and human trafficking. Because modern slavery is often hidden, it is our duty to put mechanisms in place to identify risks within our supply chain and our operations, and to address those risks promptly and firmly.

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 support this commitment to a business free from slavery.

About Prinova

Prinova 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. The company, is a subsidiary of the Prinova Group, based in the USA. Prinova group belongs to the NAGASE Group since August 2019. You can learn more about us on our website at <https://www.prinovaglobal.com/eu/en/about>.

Prinova Europe Limited head office is based in London (UK), and we have a number of sales offices around the globe (Belgium, Spain, Italy, Germany, 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, Middle east, Mexico and certain regions of Africa.

Prinova Europe sources around 1,000 ingredients references from over 300 manufacturers worldwide. The vast majority of our manufacturers are located in China and India. However, we also source a number of products from within the UK/EU zone, South America, Southeast Asia, and the USA.

Prinova Europe relies on several 3rd party suppliers for processing, storing and transporting products in the respective regions in which we trade.








¹ Statistics provided via the ILO [website](#)

² Statistic provided via the Centre for Social Justice [website](#)

Our responsibilities

Our commitments

Our 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”. Our vision is shaped by seven core values:

-  **Customer focus** We are dedicated to achieving complete customer satisfaction. We invest in people, resources, and value-added capabilities to better serve the needs of our customers.
-  **Safe, positive, engaging work environment** We promote a respectful team environment that inspires us to be our best, and a workplace that is safe, positive, and engaging.
-  **Integrity** We do the right thing, because it is the right thing to do. Integrity applies everywhere around the world with our customers, suppliers, employees, and community.
-  **Accountability** We, and our customers, have the highest expectations regarding performance. Our commitment to producing the highest quality of work always includes maintaining our high ethical standards.
-  **Commitment to quality** We employ quality processes and systems to ensure we consistently deliver reliable products and services that meet or exceed customer expectations and food safety standards.
-  **Community and charitable involvement** Giving back to charitable organizations and being involved in the community is a part of who we are.
-  **Long-term relationships** We form partnerships with our customers, suppliers, and employees based on respect, teamwork, and shared purpose.

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 forced labour within Prinova’s activities. This is an integral part of our sustainability strategy. 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 several 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 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 Sustainability Policy reinforces the belief that we have both the power and the responsibility, as a Business, to protect the place we call home, and the people who live in it. We establish and drive a sustainability strategy covering multiple aspects of Environmental and Social Governance. In particular, our social focus is to protect human rights in our supply chain and our operations.
- Our Supplier Code of Conduct 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 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.

Our due diligence

Our sustainability executive team at group level, and our European senior leadership team, have overall responsibility to set our business strategy with regards to modern slavery risk management and initiatives in the business. They establish our policies and provides resources to execute our work in line with our commitments. They also have responsibility 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.

In practice we can divide our due diligence efforts with relation to modern slavery into two main areas:

1. Internal operations

Temporary labour - temporary labour and 3rd party labour providers is the higher risk areas for human right breaches in our internal operations. Our Prinova Solutions Europe manufacturing facility operates in a region (Kent, UK) where fresh produce industry is predominant. As a result, many temporary workers operate in farms and manufacturing businesses in the region. This is a sector highly vulnerable to human rights abuse and therefore tightly regulated in the UK. Labour providers must be licensed with the GLAA³, providing us with heightened guarantees of controls in place to prevent workers exploitation. Our HR team ensures that those licenses are in place and active. We also perform independent, ad-hoc controls throughout the year over the agencies we use. This includes controls of right to work documents of temporary workers in our care, contracts and payslip evidence in line with working hours we record.

³ Gangmasters & Labour Abuse Authority

Auditing of our operations – Every 2 years our operations (both manufacturing and distribution) are audited by 3rd party body against the SMETA 4-pillar audit standard. This is the most widely used audit standard designed to help protect workers from unsafe conditions, overwork, discrimination, low pay, and forced labour. Through extensive workers interview and paperwork review, Prinova uses the SMETA audit to understand and make improvements to our staff working conditions.

2. **Supply chain controls** – Prinova is a supplier-buyer (AB) member of Sedex. As part of doing business with us, suppliers and manufacturers of ingredients must become members of Sedex, complete their SAQ and provide visibility over their operations. We use the Sedex platform to manage risk within our supply chain and identify potential non-conformances. This has been the primary focus of our modern slavery initiatives in 2023-2024, following on from previous year's efforts to drive supplier engagement and transparency.

Reporting and dealing with incidents

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 through a very clear speak up policy. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. To encourage reporting, Prinova also provides a confidential whistleblowing hotline⁴. 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. A very select group of appointed members of the executive team at group level have access to the whistleblower's report and will appoint an independent investigation team as appropriate to review matters brought to our attention via this process.

Where risks are identified in our supply chain through the Sedex platform (data analytics and RADAR tools), suppliers are required to be audited against the SMETA 4-pillar standard. For high-risk manufacturers due to the region of operation or activity sector, annual audits are required. Should non-conformances be identified, comprehensive corrective action plans are requested and monitored by our sustainability and quality teams.

⁴ Prinova whistleblowing hotline: <https://secure.ethicspoint.com/domain/media/en/gui/82853/index.html>

Our focus in 2023-2024 and what we plan to do next

Supplier engagement efforts

Increasing our suppliers and manufacturers' engagement in Sedex was a clear commitment and achievement in the previous reporting years (2021-2023). This engagement effort was renewed as a clear objective for 2023-2024.

We have continued to expand our systematic modern slavery risk assessment via the Sedex platform for all raw materials suppliers and manufacturers. In the reporting period, we saw our supplier participation to Sedex rise by 48%, reaching a total of 347 suppliers linked to Prinova in the platform. 60% of those suppliers were holding a SMETA audit on file by the end of the reporting period, reaching the target we had set ourselves.

However, we recognise the need to accelerate this engagement and better utilise the risk assessment tools and modules from the platform. As part of our 2024 strategic initiative on sustainability, we committed in May 2024 to drive a supplier engagement project with our purchasing team across the Prinova Group activity and draw from our suppliers long-standing relationship and our product managers' deep industry knowledge. These efforts will be supported using a dedicated Sedex Ethical Trade Coordinator (ETC) for the management of suppliers in the platform. The ETC data analysis expertise will allow us to prioritize suppliers' audits and controls based on the platform management scores results, inherent risk scores, forced labour risk indicators and audit non-conformances trackers we have setup. This will allow us to focus our resources on higher risk sourcing and continue to drive better control of our supply chain.

Awareness and training

Our HR team have now embedded Modern Slavery risk training as part of the induction process for all new employees. This is also built in our learning management system to be conducted every 2 years as a refresher training. We believe awareness within our business will drive not only the compliance of our operations but of our supply chain too. 100% of our Prinova Europe employees are covered by this training plan.

Every year, we also utilise the campaigns in place in the UK around Anti-Slavery Day (18th October 2023) to continue to raise awareness across our organisation. We share our Modern Slavery Act statement with all employees, as well as training videos⁵ and information sheets.

We have also continued to drive awareness of our Business Code of Conduct and Whistleblowing hotline with periodic emails communications, articles in our newsletter and multi-language posters throughout the business. These efforts will continue in 2024-2025 with the introduction of a dedicated communication committee for Prinova Group (Prinova Voice), who will incorporate all matters of our ESG strategy in our internal stakeholders communication strategy.

⁵ Videos provided by Stronger Together: "Taking Stock: Tackling Exploitation in UK Warehousing" (<https://www.youtube.com/watch?v=uiQ6l7CJo-c>) and "Two stories, one land" (<https://www.youtube.com/watch?v=GOYvkiiAkUA>)

Director approval

This statement was approved on date 30th September 2024 by the following company Directors:

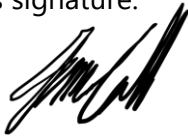
Barry Kelly – Group Commercial Director for Prinova Europe

Director's signature:



Thomas Gill - Vice President of Human Resources for Prinova

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Louise James, Director of Operations for Prinova Europe

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