

## ORNUA CO-OPERATIVE LIMITED

### MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

#### FINANCIAL YEAR ENDED 26 DECEMBER 2020

#### 1. INTRODUCTION

- 1.1 This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the “Act”) and constitutes the Modern Slavery and Human Trafficking Statement of Ornua Co-operative Limited and its subsidiaries (“Ornua”) for the financial period ended 26 December 2020.
- 1.2 Modern slavery is a crime and a violation of fundamental human rights. It can take various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person’s liberty by another to exploit them for personal or commercial gain.
- 1.3 Ornua is opposed to slavery and human trafficking in any part of our activities or our supply chains. Ornua is therefore committed to ensuring that we have adequate policies and procedures in place to identify and prevent these practices and continually improving our practices to combat slavery and human trafficking.

#### 2. ORGANISATIONAL STRUCTURE

- 2.1 Ornua is an agri-food commercial co-operative which markets and sells dairy products on behalf of its members, Irish dairy processors and in turn Irish dairy farmer. Ornua is Ireland’s largest exporter of Irish dairy products. The Co-operative ethos is at the heart of how Ornua does business. As a co-operative, Ornua was founded on the premise of working together with member distributors and dairy farmers to create shared value for the Irish dairy industry.
- 2.2 Ornua’s core purpose is to bring quality Irish dairy products to markets around the world. Ornua’s expertise in building sustainable routes to market helps add value to Irish milk and secure strong returns for members and, in turn, Irish dairy farmers. We are headquartered in Dublin and export to over 110 countries with annualised sales of circa €2.5 billion. We also operate from 15 subsidiaries worldwide.
- 2.3 The business is structured on two core platforms:
  - (a) **Ornua Foods:** is the division that is responsible for the international marketing and sales of Ornua’s consumer products portfolio which includes the *KERRYGOLD*, *PILGRIMS CHOICE*, *DUBLINER*, *FORTO*, *GREEN FLAG* and *BEO* brands. Markets are served through wholly owned subsidiaries and in-market teams in, China, Germany, the Middle East, the UK, USA, and Africa.
  - (b) **Ornua Ingredients** is the division that is responsible for the procurement of Irish dairy products and for the sale of dairy ingredients to end users. Operating out of Ireland, the division exports dairy ingredients to over 110 countries and is supported by key subsidiaries in: Germany, Spain, Saudi Arabia, the UK, and the US.

#### 3. SUPPLY CHAIN

- 3.1 As primarily an exporter of Irish dairy products, most of our purchases are made in Ireland. However, we also purchase dairy products produced in other countries, primarily the UK and

the US. We source very little from countries where modern forms of slavery are believed to be a particular risk.

3.2 We do sell product to many countries worldwide. We seek always to work with highly reputable distributors, service providers and customers.

#### 4. ORNUA BUSINESS PARTNER CODE OF CONDUCT

4.2 Ornua has approved an Ornua Business Partner Code of Conduct (the ‘Code’), the Code is available on our website [www.ornua.com/purchasetermsandconditions](http://www.ornua.com/purchasetermsandconditions) and roll out is commencing in 2021. The aim is that eventually this Code is intended to apply to all Ornua’s direct and indirect suppliers of goods and/or services including, without limitation, suppliers of ingredients, packaging and other raw materials, manufacturers, processors, co-packers, re-packers, distributors, warehouses, hauliers, agents, brokers, and others working for or on our behalf worldwide in all categories, including their parent, subsidiary, and affiliate entities (herein referred to as “**Business Partners**”).

4.3 Our business philosophy, which is rooted in the co-operative ethos, requires that we aim to work only with Business Partners who can consistently meet with our standards and specifications and are committed to values of conduct that are compatible with our own.

4.4 The Code is deemed to be one of Ornua’s mandatory policies for Ornua’s suppliers and it is in the process of being rolled out. It is envisaged that the Code will be fully implemented in the coming years.

4.5 The Code is informed by the UN Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organisation (ILO) and the Sustainable Development Goals (SDGs), which are a global vision set out by the United Nations to end poverty, protect the planet, and ensure prosperity for all by 2030.

The Code sets out Ornua’s requirements and guidelines for the following;

- a) No Child Labour
- b) Voluntary Employment / No Forced Labour
- c) Abuse, Harassment and Disciplinary Action
- d) Fair and Equal Treatment / No Discrimination
- e) Compensation and Benefits
- f) Working Hours
- g) Freedom of Association
- h) Health and Safety
- i) Environment
- j) Ethical Business Practices

## **5. Distribution and Packing Contracts**

- 5.1 Ornua has started to introduce an anti-slavery and human trafficking clause in distribution and packaging contracts.

## **6. Due Diligence Processes for Slavery and Human Trafficking**

- 6.1 As part of Ornua's initiative to identify and mitigate risk a Modern Slavery section is included in Ornua Co-operative's self-assessment questionnaire that all manufacturing/packing companies providing products or services to Ornua Co-operative Limited are required to complete and return with supporting documentation.

## **7. OTHER ORNUA GROUP POLICIES RELEVANT TO SLAVERY AND HUMAN TRAFFICKING**

### **7.1 The Ornua Counter-Party Approval Process and Procedures**

We have increased the level of due diligence which we carry out prior to doing business with new third-party suppliers or customers, including a compliance check for all counterparties. We have put in place procedures for the approval of business counterparties, including the use of a compliance screening process that aims to ensure that our direct counterparties have a clean record and have not been convicted of any criminal activity, including modern slavery and human trafficking.

In addition, for all our UK entities, we are now conducting ongoing 24/7 compliance screening of all their counterparties. The ongoing compliance screening is to be rolled out group-wide over the next 2 years.

### **7.2 The Ornua Group Code of Business Conduct and Ethics**

The Ornua Group code on Business Conduct and Ethics sets out the Group's commitment to acting ethically and with integrity towards our employees and in all our business relations. The code applies to the Ornua Group and includes all subsidiaries, business units, functional operations, and all employees whether permanent or temporary, as well as contractor or agency staff.

### **7.3 Equal Opportunities Policy and a Dignity at Work policy**

Ornua also implements an Equal Opportunities Policy and a Dignity at Work Policy. These policies are evidence of Ornua's commitment to fair employment practices and equality of opportunity for all current and potential employees, by promoting a work environment free from discrimination, intimidation, or harassment.

### **7.4 Ornua Group Whistle Blower Policy**

Ornua has a Group Whistle Blower Policy which has an open-door policy that gives employees the freedom to approach any member of management with ethical questions or concerns without fear of retaliation thus to enable all individuals to voice concerns in a responsible and effective manner. In addition, Ornua uses a third party external global reporting service provider, which maintains employee anonymity, should the employee request it. We have a clear policy of non-retaliation against any person who raises such a concern, and we investigate all concerns raised.

**7.5 Ethical Trading Policy UK**

Ornua's UK subsidiaries have an Ethical Trading Policy for their employees which demonstrates their commitment to high ethical standards in the way that they conduct business and through adherence to ethical trading practices.

**8. COMMUNICATION**

8.1 Ornua ensures that all its policies are available online to employees.

8.2 We will publish this statement on our website and the website of our UK subsidiaries.

**9. FUTURE STEPS**

Ornua is committed to developing further measures to assist in managing any risks that are identified around modern slavery or human trafficking. Ornua believes that the adoption and roll out of the Ornua Business Partner Code of Conduct shows Ornua's continued commitment to ensuring that modern slavery does not exist in our supply chain.

**10. APPROVAL**

10.1 This statement was approved by the Board of Ornua Co-operative Limited on 12 May 2021.

Director:



Date: 12 May 2021.