



## Modern Slavery Act 2015 Statement

**This statement sets out the steps that Nutreco has taken to ensure that slavery and human trafficking is not taking place in any of our supply chains or part of our business.**

### GENERAL

Feeding the world's growing population in a sustainable way is at the core of Nutreco's mission. We believe that our products must be produced responsibly.

Our understanding of slavery and human trafficking is guided by the UN Universal Declaration of Human Rights and the conventions of the International Labour Organisation (ILO), particularly relating to forced or compulsory labour.

Nutreco is fully opposed to any abuses of a person's freedoms and rights in our direct operations and our indirect operations, including our supply chain. While we have full control over our own operations, the challenge for companies that operate in a global and complex supply chain, is to engage with suppliers to ensure they adhere to the same standards.

### SUPPLIER CODE OF CONDUCT

For that purpose we issued our [Supplier Code of Conduct in 2013](#). It enables us to engage with our suppliers on material sustainability issues relating to their operations, and to set minimum criteria that should be met. As a principle we only source from companies that comply with the rule of law.

Regarding human rights this means that:

- › suppliers shall not engage in child labour;
- › wages and working time shall, as a minimum, comply with all applicable laws and regulations, including minimum wage, overtime and maximum hours in the country concerned;
- › suppliers shall support equal opportunities and fight discrimination at the workplace;
- › suppliers shall not use prison, indentured, or bonded labour, or use corporal punishment or other forms of mental and physical coercion as a form of discipline; and
- › suppliers shall respect and support the free association of labour and employee rights to join a trade union where allowable by law.

Regarding labour practices, this means that:

- › suppliers shall provide safe and healthy working conditions for its employees;
- › suppliers shall have a *Health & Safety Policy* freely available to all employees to access at any time; and



- › suppliers shall demonstrate compliance with the policy and continuously strive to minimise accidents and risks.

In the area of working towards a credible and responsible supply chain, we press our suppliers to sign Nutreco's Supplier Code of Conduct. Today, 90% of Nutreco's direct procurement spend have signed their agreement to comply with our Supplier Code. Additionally, all new suppliers are required to sign-off their agreement to comply with our Code.

#### **RISK ANALYSIS AND SIGN OFF**

Nutreco has developed a risk management tool to ensure that high-risk suppliers with regard to sustainability are identified. Publicly available data, from sources such as the United Nations and the World Bank, were used to identify high-risk countries. At the same time, high-risk ingredients with regard to sustainability were identified.

Suppliers with a 'double red flag', meaning located in a high-risk country and supplying a high-risk ingredient, need to sign our Supplier Code of Conduct. As a result, 100% of all fishmeal and fish oil suppliers have signed-off agreement to comply with this policy Code.

Up till now this has resulted in 164 mandatory out of a required 166 mandatory sign-offs based on risk analysis. Six suppliers refused to sign the Code of whom two were mandatory suppliers. Of these refusals, four were delisted, and the remaining two suppliers were considered candidates for continued engagement to work towards meeting our requirements or establishing equivalency with their policies.

#### **COMPLIANCE AUDITS**

Once a supplier has signed, the next step is to validate their commitment. We have developed a monitoring programme to ensure continued compliance. This programme started in 2014 with the installation of a credible supplier sustainability audit platform that allows for active exchange between buyers and suppliers on continued improvement. We also completed an audit manual, which has been reviewed by an external organisation specialised in responsible sourcing.

In order to be able to conduct meaningful sustainability audits of our suppliers, we will need to further invest in capacity building for this specific type of audit, involving both local and global expertise.

A handwritten signature in black ink, appearing to read 'J. Villalón', is positioned above the printed name.

José R. Villalón  
Nutreco Sustainability Director

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