

# Modern Slavery Act Statement 2024



## Purpose and scope of this statement

This statement is made pursuant to the section 54(1) of the UK's Modern Slavery Act 2015. It is made by and on behalf of the following LIPTON Teas and Infusions group entities: Lipton Teas and Infusions UK Limited (hereafter "LIPTON Teas and Infusions"). It outlines the steps taken by LIPTON Teas and Infusions during the previous financial year (FY24, ending 31 December 2024) to assess our susceptibility to modern slavery risks, review our due diligence and risk assessment practices, and continue to ensure that modern slavery and human trafficking is not taking place in any of our supply chains.

The term "modern slavery" is used in this statement to describe a broad range of situations. These include, but are not limited to, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting practices and child labour. It also includes the withholding or seizure of personal identification documentation. "Human trafficking" occurs when a person arranges or facilitates the travel of another person with a view to the other person being exploited.

#### Organisational structure

LIPTON Teas and Infusions is the world's largest tea business with a remarkable portfolio of over 30 world-class brands, including iconic names like Lipton, PG Tips, TAZO, Pukka and T2. Based in the Netherlands and operating in more than 100 countries, we pioneer innovative, premium, and sustainable teas and infusions to delight our consumers daily. Until December 2024, we owned tea estates in Kenya, Tanzania and Rwanda. We have nine production facilities across four continents. Globally, we employed around 4,000 people at the end of 2024. Our commitment is to drive the entire tea industry upwards and create value for all and the planet, from farmers to consumers, retailers, team members, partners, and shareholders. We take a long-term approach, investing in innovative and sustainable practices that deliver responsible growth, with a keen focus on meeting the needs of our customers and consumers, protecting the environment, and making a positive impact on people's lives.

LIPTON Teas and Infusions was formed following the purchase of the majority of Unilever's global tea division by CVC Capital Partners in July 2022. CVC is a leading private equity firm, with offices throughout Europe, the US and Asia.

We reached an agreement to transfer the ownership of our tea estates in Kenya, Rwanda, and Tanzania to Browns Investments in May 2024. The agreement was accompanied by a requirement that Browns Investments would ultimately abide by a rigorous set of quality, social, and environmental standards for all the tea they produce worldwide. Browns Investments has since become a major participant in our sustainable sourcing framework, which encourages tangible progress in all areas including tea quality, human rights, climate change mitigation, and nature protection.

# Supply chains

LIPTON Teas and Infusions operates in the tea and herbals industry. We source our raw ingredients from suppliers and farmers all over the world and we have a large and diverse supply chain operating across several industries, including agriculture and manufacturing. These industries are considered inherently high-risk from a human rights and modern slavery perspective. Modern slavery risks are further exacerbated by the highly seasonal nature of agricultural work and temporary labour, meaning there is a greater degree of risk of forced or child labour.



LIPTON Teas and Infusions has a Responsible Sourcing Policy ("**RSP**") and a Responsible Business Partner Policy ("**RBPP**"). These two policies embody our commitment to responsible, transparent and sustainable business. Lipton is committed to doing business with integrity, consistently demonstrating high global standards, embedding human rights and fighting corruption in all its forms. We expect our business partners to adhere to values and principles consistent with our own as set out in the RSP and RBPP.

#### Tea

Our tea is sourced from a large number of countries, including India, Kenya, Rwanda, Sri Lanka and Tanzania for the UK market. Our tea is bought through several channels including auction and long-term contracted suppliers.

#### Herbals

Our herbal tea partners are based in Germany, Turkey, the UK, and the USA. Suppliers in these countries will in turn source their ingredients from various countries, working with farmers or wild collectors to collect and process the herbs before they are delivered to our partners, blended, and shipped onwards to our factories.

#### Services

We source services from a wide range of countries, including but not limited to Australia, China, Czech Republic, France, Greece, Indonesia, Japan, Kenya, Peru, Qatar, Spain, Sweden, Turkey, the UK, and the USA, amongst others.

## Our policies

As an organisation operating in the food and agriculture production field, we have a responsibility to uphold the values and standards expected of us and we are committed to the highest standards of ethical and legal business conduct. Our policies demonstrate our ongoing commitment to tackling modern slavery and ensure coordinated action is taken throughout the entirety of our business operations.

## Code of Business Principles

Our Code applies to all of our employees and provides a comprehensive set of principles for how we put our values into practice across out entire business operations – from our supply chain, to cyber and information security.

Our Code sets out a baseline of compliance with local laws and regulations of the countries we work in and prohibits the use of forced, compulsory, trafficked and child labour. The Code respects the dignity of individuals and the right of employees to freedom of association and collective bargaining and in line with International Labour Organisation Standards, ensures that all employees have obtained employment with ekaterra without the payment of recruitment fees.

It further outlines the responsibilities of employees who engage with third parties, ensuring that standards set out in our RSP and the RBPP are adhered to by third party suppliers.

#### Responsible Sourcing Policy

Our Responsible Sourcing Policy sets out the requirements that all suppliers need to meet to be able to do business with LIPTON Teas and Infusions. Our RSP contains 12 principles that are relevant to how we conduct business and how we expect our suppliers to conduct



business for us. The principles cover areas such as worker terms and conditions being fair, workers being free to unionise and bargain collectively, workers being of appropriate ages and all work being conducted on the basis of agreed, documented terms, amongst others.

#### Other

In addition to the above policies, we use the ethics reporting platform Convercent to provide a confidential reporting mechanism for both our employees and employees of our suppliers. We also abide by a policy of non-retaliation against anyone who raises a complaint.

#### Due diligence, risk assessment and management

## Due diligence

We have long-term relationships with most of our suppliers, which helps us more effectively monitor and ensure compliance with international human rights standards. Any organisation looking to work with us has to go through our LIPTON Teas and Infusions supplier qualification system. The requirements of this include our RSP, which itself ensures we deliver on our business objectives while driving a positive impact throughout the world of tea by creating value for millions of people in our supply chain and reducing the environmental impact.

We also operate our own supplier risk-based qualification process. This informs the actions we take in different supplier contexts:

Supplier type All suppliers	Actions we take Screening for adverse media, politically exposed persons, and presence on sanctions lists
Delivers agricultural ingredients, and operating in countries considered high risk	Independent, third-party responsible sourcing on-site audit
Delivers goods (packing materials, non- agricultural ingredients, finished products) considered high risk, operating in countries considered high risk	Supplier must have an Agriculture Code or equivalent certification (e.g., from Rainforest Alliance or Fairtrade International) Independent, third-party responsible sourcing on-site audit
	For paper and board, supplier must also have an Agriculture Code or equivalent certification (e.g., from FSC or PEFC)

Suppliers that deliver ingredients to us need to have an Agricultural Code or a certificate that is equivalent, (e.g., Rainforest Alliance Certification, Fairtrade Certification). Suppliers are also screened against sanctions lists, adverse media and PEP (political exposed persons).

All suppliers need to sign that they have read and understood our RSP and will adhere to the same.

# Risk assessment and management

We have committed to sourcing our products sustainably. We currently rely on certifications such as the Rainforest Alliance to set the minimum standards. In 2024, 97.3% of our tea



was Rainforest Alliance certified globally and 100% of our tea sourced for the UK. Elsewhere, under our Pukka brand, we deal with suppliers carrying organic, Fair for Life and Fair Wild certifications.

Additionally, we maintain a country-by-country legal analysis of all countries in which we source our tea. This is managed by our Procurement team, who have assigned risk levels to each country across a range of categories, such as levels of sanitation, quality of housing, safety for women, minimum wage levels, and so on.

We have not identified any instances of forced labour or child labour in our operations or supply chain and therefore have not needed to take any remediation measures in the Reporting Period. Given that no remediation actions have needed to be taken, there is no anticipated loss of income to the most vulnerable families.

# Key performance indicators

To measure the effectiveness of our efforts, we track a set of key performance indicators (KPIs). Detailed data and progress against these KPIs are reported in our 2024 Sustainability Report, available on our website.

#### **Training**

Training on LIPTON Teas and Infusions' Code of business principles ("Our **Code**") is mandatory for all employees. The Code, among other policies, addresses respect, dignity and fair treatment of all employees. Under the Code, forced labor and child labor are prohibited. In 2024, more than 9,500 employees joined training sessions on human rights including forced labor and child labor conducted on a regular basis.

#### **Declaration:**

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and has been approved by the Board of Directors of Lipton Teas and Infusions UK Limited, on 30th June 2025 and is signed below by a director. It will be reviewed and updated on an annual basis as necessary.

Digitally signed by Jonny Briscoe (01 July 2025 12:22:56 UTC +1)

Tonny Briscoe

Jonny Briscoe Director