

MODERN SLAVERY STATEMENT 2022 - 23

INTRODUCTION

This statement sets out Yeo Valley Production Ltd's absolute commitment to minimising potential modern slavery or human trafficking risks in its business and supply chains, whilst ensuring that we meet the requirements of section 54 of the Modern Slavery Act 2015. This statement relates to our 2022-23 financial year, ending on 28th May 2023.

We produce one statement for Yeo Valley Production Ltd which covers the below subsidiaries. All Yeo Valley Production Ltd's subsidiaries will be referred to as Yeo Valley throughout this statement.

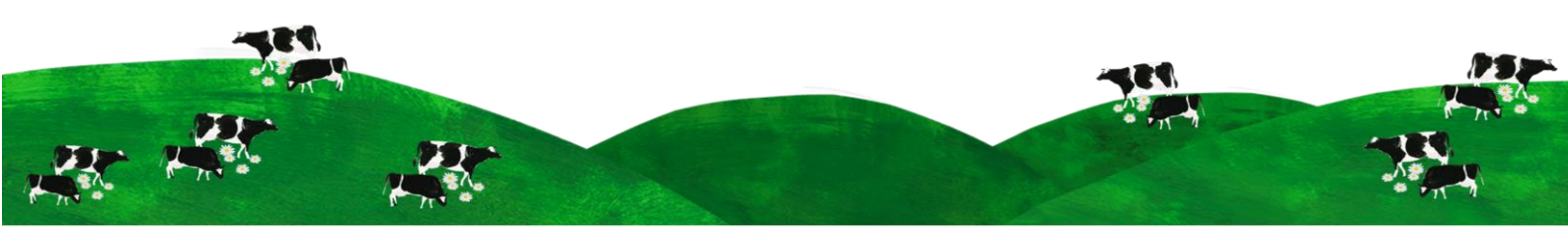
- Yeo Valley Farms (Production) Ltd
- Yeo Valley Fruit Ltd
- Yeo Valley Trustee Ltd.

This statement covers:

- Business and Supply Chain overview:
 - Our Impacts
 - Passionate People Priorities
 - Modern Slavery Roadmap
- Events and considerations within 2022/23
- Our Policies
- Due Diligence, Risk Management and KPI Monitoring:
 - Our Supply Chain
 - Our Sites
 - Our Recruitment
- Training

OUR BUSINESS AND SUPPLY CHAINS:

Yeo Valley is a leading food and farming business within the UK; producing yogurt, ice cream, sorbets, fruit conserves, desserts and soups. We manufacture over 600 different products, both for the largest organic dairy brand in the UK, Yeo Valley and multiple retailer and wholesale own label brands.



We operate out of 4 manufacturing sites, 2 office locations and 1 distribution centre based across the Southwest of England, employing over 1500 co-owners and have a group turnover of over £300 million. We work with over 2000 approved suppliers, including manufacturers, farmers, growers and service providers, primarily within the UK and Europe and further afield where appropriate. Our procurement, development and supplier technical teams are key stakeholders during the approval process to ensure the suppliers we work with and the products they supply meet our requirements.

As a food and farming business we are driven to show that there is an affordable and scalable way to produce natural healthy foods that sustain and value life whilst reversing climate change. This commitment has brought us to our purpose and vision of **Nurture and Nourish, People and Planet by Making Great Food the Right Way Forever.**

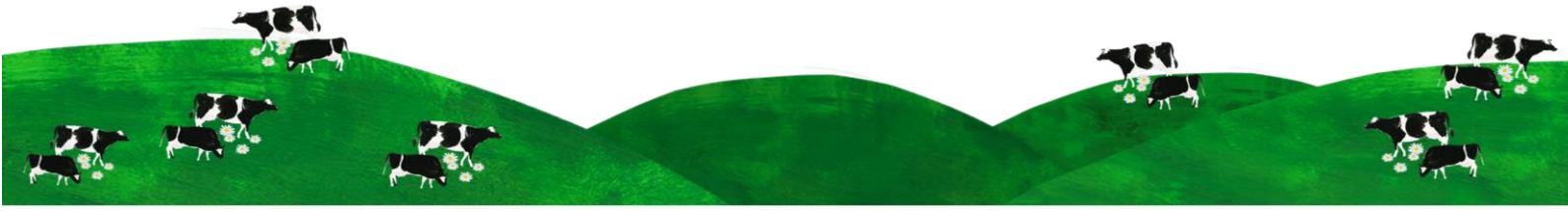
In support of our Purpose and Vision, we have identified various internal priorities and plans, as well as external impacts that we will focus on over the next five years to ensure we drive positive change. Three key workstreams to highlight are our Impacts, Passionate People Priorities and Modern Slavery Roadmap.

OUR IMPACTS

To support our purpose and ensure we are continually striving to operate in the most responsible way, we have identified six external impacts that will drive our sustainable performance. These being:



We already have successful programmes of work in place to promote sustainable decision making. Further to this our new Purpose and Impact Measures have been embedded throughout the business into everyday processes and strategic aims, to ensure that, as a business, we are keeping true to our purpose and our people. In order to facilitate this, we have amended our businesses governance structure and operating model; an example of this being the creation of a new directorate role 'Chief Impact and Finance Officer' ensuring that our Impact and Financial targets are given equal parity to drive positive sustainability impact.



PASSIONATE PEOPLE

We understand that our people are key to the success of our business and as such, are proud to say that all employees are co-owners, since a proportion of the business was placed in trust on behalf of the employees of Yeo Valley in March 2020. This structural change is now underpinned by our co-ownership philosophy, shared with our co-owners during 2023, setting out what this means for us all at Yeo Valley:

- We all have an equal stake in our company.
- Everyone shares in the success we achieve.
- We support one another in connecting to our purpose and vision.
- We are transparent about our plans.
- We work together to make things better.
- We have structures and ways of working that support us in influencing the direction of our company.

Every site and our Central functions have Co-owner Forums, chaired by reps independent of site and functional leadership. In addition to this, we have been developing a business wide Co-owner council which will be in effect by the end of the calendar year. The council will have representation from each site, and will discuss organisation-wider matters and developments. This Council will be chaired by a non-executive independent of the organisation.

MODERN SLAVERY ROADMAP:

Over the past year, we have set up two workstreams across our sites and supply chain, focussed on identifying risk and driving improvements around the issue of Modern Slavery.

Our sites Modern Slavery Working Group:

This working group is led by our HR team, with key stakeholders including HR, L&D, Recruitment and Quality. The scope covers all people who work at a Yeo Valley site, including permanent co-owners, agency staff and contractors. Through analysis of internal and external data this group will be developing a robust risk-based approach to tackling Modern slavery risks. We will also be developing our external partnerships, to ensure we embed best practice within our existing policies and practices as well as identifying the training needed across our workforce to mitigate Modern Slavery risks.

Fairer Supply Chain Working Group:

This working group is led by our Procurement team, with key stakeholders including Indirect and Direct Procurement, Supplier Relationships and Quality. The scope covers all our direct suppliers and our strategic indirect suppliers.



This group is responsible for developing and implementing Yeo Valley's sustainable procurement strategy. They will be reviewing, developing and embedding the framework to support the identification of Modern Slavery risks; and working collaboratively with our suppliers to implement controls and improvement programmes. The strategy will incorporate a risk-based approach, utilising both external and internal data collected through ethical data platforms, knowledge sharing and supplier monitoring.

EVENTS AND CONSIDERATIONS WITHIN 2022 – 23

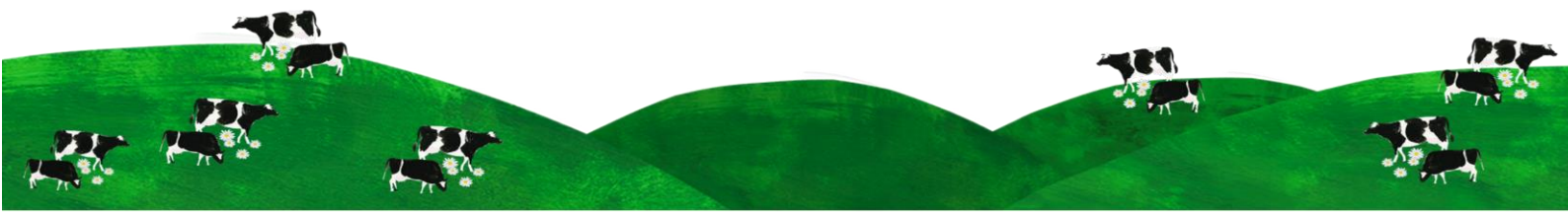
Over the past few years the world has experienced a number of unprecedented events: the continuing war in Ukraine, the coronavirus pandemic, and more recently; hyper-inflation and a cost of living crisis and an increase in severe climate change events.

Labour shortages have been seen across many industries throughout the UK since the coronavirus pandemic and have caused significant operational challenges. Throughout this period, we have continued to only work with approved agency providers to ensure that we have visibility of our chosen agency's recruitment practices, so we can be confident that the support given to applicants meets our requirements, as outlined within Our Recruitment section.

During the coronavirus pandemic, there was limited opportunity for in-person supplier visits, so the majority of supplier management and monitoring moved online. With travel restrictions now removed, our supplier monitoring practices, both from a technical and procurement perspective, now re-include in person visits, meetings and audits to Suppliers sites supporting in depth assessments of working practices and control measures. As part of our sustainable procurement strategy, we will also be supplementing our current requirement for all direct and key indirect suppliers to fully complete an ethical questionnaire via SEDEX with a bespoke supplier assessment health check programme. This programme will be trialled across our strategic direct material suppliers within the next year.

OUR POLICIES:

To support our Purpose and Vision of **'Nurture and Nourish, People and Planet by Making Great Food the Right Way Forever'**, we have a number of policies outlined below. We have a Responsible Trading Policy and a Supplier Code of Conduct, which cover our sites and our supply chains respectively, that recognise our commitment to the Ethical Trade Initiative (ETI) base code, worker's rights and compliance to the ILO conventions.



Our commitment to minimising modern slavery or human trafficking risks within all parts of our business and supply chain is reflected in our policies. In addition to our Responsible Trading Policy we have a number of relevant policies and procedures, including but not exhaustive: equal opportunities, co-owner handbook, whistleblowing, agency management, diversity, training and recruitment. These policies support our continual compliance not just from a legal standpoint but also to ensure our business requirements are met and our employees are engaged to support our ambition of becoming the employer of choice in the Southwest.

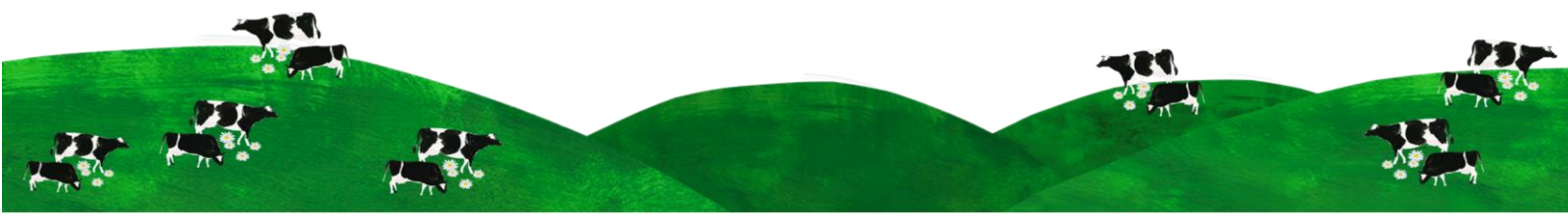
DUE DILIGENCE, RISK MANAGEMENT AND KPI MONITORING:

OUR SUPPLY CHAIN:

Our raw material suppliers are managed by our central procurement and technical teams. We ensure that we only source raw materials from suppliers that have been taken through a robust supplier approval process and who continue to be monitored at a frequency and depth based on risk. Our monitoring programme includes, but is not limited to: in-person and online audits, visits and regular meeting schedules; horizon scanning; external certification requirements; external knowledge partnerships and ethical data platforms.

To monitor our suppliers ethical and environmental risks and practices, we continue to use the globally recognised platform Sedex as our ethical supplier data platform. This provides us with a greater level of visibility of our ingredient and packaging suppliers (from whom we purchase products directly) practices. We require all our direct ingredients and packaging suppliers to be Sedex members, link to Yeo Valley for visibility and have fully completed the Self-Assessment Questionnaire, reviewed annually. A number of our raw material suppliers also have completed SMETA audits.

In support of our Impact 'a Fairer Supply Chain', we have generated an internal metric to 'Improve the Ethics and Sustainability of our raw materials'. This metric provides visibility of all our raw materials ethical and environmental credentials and allows us to identify priority and high-risk categories and workstreams. The Fairer Supply Chain Working Group, mentioned above, is developing the framework that will enable the wider business to implement sustainable sourcing practices and workstreams within these identified priority areas. This working group is also focussing on forming key external partnerships to develop internal expertise and keep up to date with current and emerging issues; as well as continually reviewing external data platforms to ensure we are utilising the most comprehensive supply chain data available.



OUR SITES:

Our Passionate People priorities, focus on the meaningful influence of our co-owners and ensure that everyone feels that they belong and have a future at Yeo Valley. Each site has developed their own strategic plans which set out people focussed aims, embedding the Passionate People's intent across the business. As mentioned, site Co-owner forums meet on a monthly basis to discuss and action relevant topics and business led initiatives.

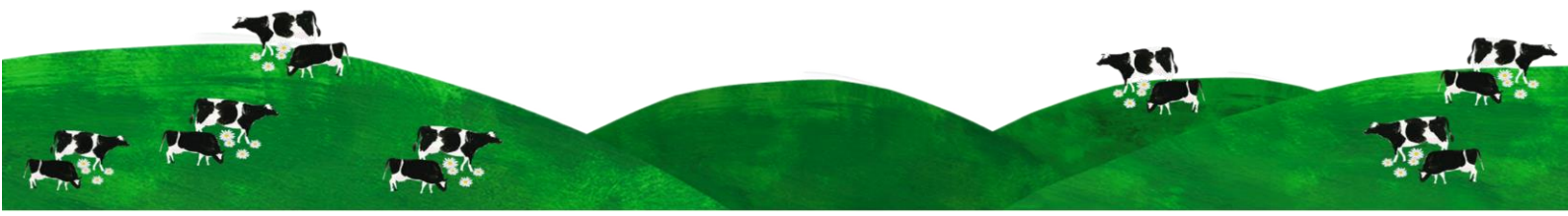
We have a number of processes, due diligence checks and channels of communication to monitor potential modern slavery indicators throughout the employee lifecycle, and give our co-owners the opportunity and space to feel heard.

- We run an annual confidential co-owner engagement survey called 'Yeo Voice' covering all areas of human rights, in 2022 we had a participation rate of 83% and our highest Sustainable Engagement Score yet, achieving 72%.
- All our manufacturing and distribution sites have a semi-announced SMETA audit every 2 years, and all sites complete the Sedex self-assessment questionnaire and reviewed on a 6-monthly basis.
- Audit Performance History: none of our SMETA audits have flagged any non-conformances or observations that raise concerns of Modern Slavery.
- Co-owner forums across all sites, including: manufacturing, distribution and head offices.
- We have a whistleblowing policy, posters are made available on all sites in appropriate areas and briefings are carried out to all co-owners on a 6-monthly basis.
- Our payment software completes due diligence checks to review if any co-owners share bank accounts, with any flags then reviewed internally.

The Sites Modern Slavery Working Group, as mentioned above, has been focussed on identifying external knowledge partnerships for developing an improved training roadmap and internal expertise. The risk-based approach will enable the working group to identify key areas of risk within the employee life cycle. Processes and monitoring systems will then be expanded in these areas where necessary as well as ensuring we have an improved remediation process in place.

OUR RECRUITMENT:

We have a dedicated in-house recruitment team that manage both our internal recruitment across our sites and our external agency partners. We predominantly hire through our in-house recruitment and have rigorous controls throughout the on-boarding process to support and assess our future co-owners. A small proportion



of our workforce are sourced through the use of agency recruitment, and we make sure to monitor the agencies processes and due diligence to ensure they meet our own standards.

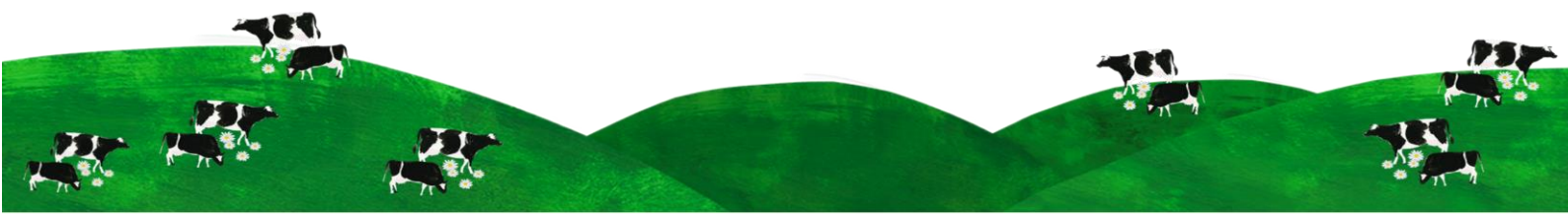
We are aware that there is a risk by using agency staff within our manufacturing sites and distribution centres, and this has been identified as a key area of focus within our Modern Slavery Working Group. This year we have been reviewing and improving the controls within our agency approval process and our next focus is to review the measures within our agency monitoring. In addition to this we mitigate this risk by using only specified, approved and reputable employment agencies to source labour, as well as auditing our chosen employment agencies. All labour agencies are registered members of the Gangmasters Licensing Authority and we ensure we hold proof of their certification.

- We have monthly meetings with our agency provider to discuss performance against agreed KPIs and any issues.
- We complete annual internal audits on the labour agencies that we work with, this includes staff interviews. No non-conformances were raised within this reporting period.
- The labour agencies are responsible for completing necessary right to work checks (if temporary), however secondary identification checks are completed by Yeo Valley prior to an individual commencing employment
- During the recruitment process, questions relating to Modern Slavery indicators are included and reviewed, both from an agency and a direct employment perspective.
- During agency supplier approval, a supplier's modern slavery due diligence and controls are a key focus and requirement.

TRAINING:

We have an inhouse Learning & Development team who are experts at delivering a wide range of topics to our co-owners, both online and at our L&D centre. It is imperative for Co-owners to understand their rights and how they can raise issues or concerns; and appropriate training is a key step to help achieve this.

Training was identified as a key area of focus within our Modern Slavery Working group. A business wide learning needs analysis has been completed, enabling an aligned learning & development priority roadmap to be developed, with the People team being identified as the initial priority group including HR, recruitment and learning & development functions. From here, further training will be rolled out and embedded in our learning & development curriculum. Specifically:



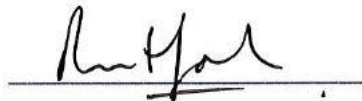
- All key stakeholders within the sites Modern Slavery working group have been appropriately trained with Stronger Together content, both standard and advanced.
- We plan to roll out updated Modern Slavery training to further Co-owners within the next six months, with the training adapted specific to the risk and job role. This training will then be refreshed at intervals based on risk.
- The above is in addition to Yeo Valley new starters completing a day's induction which covers Modern Slavery Awareness. This is discussion based, highlighting the key indicators to be aware of, location of the posters, confidential helpline and that the HR teams have all been trained appropriately.

Board Approval

This statement has been approved by the organisation's board of directors, who will review it and update it annually.

Directors Signature

Rob Sexton - Chief Executive Officer

A handwritten signature in black ink, appearing to read "Rob Sexton", written over a horizontal line.

Date: 05.10.2023

